

# **Annual Report and Accounts 2006/2007**

**“Presented to Parliament pursuant to  
Schedule 1 of the Health and Social  
Care (Community Health and  
Standards) Act 2003, Schedule 1,  
paragraph 25 (4)”**

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## Chairman's Statement

I am delighted to share with you the 2006/07 Annual Report and Accounts for Bradford Teaching Hospitals NHS Foundation Trust.

In the last year the foundation trust has made excellent progress towards improving the quality of our services. Financially, the foundation trust is reporting a £0.7m surplus this year – an incredible turnaround in our financial performance, which is testament to the hard work of our staff.

We have also performed well against our national targets. During the year we have significantly reduced waiting times for diagnostic tests. None of our patients wait longer than 11 weeks for an outpatient appointment, with patients waiting no longer than 20 weeks for inpatient treatment. Over 98 per cent of our patients are seen and treated in Accident & Emergency within four hours.

We are also working towards achieving our targets for reducing MRSA bloodstream infections and standards of cleanliness and hygiene are being rigorously enforced. During the year we have employed more experts who know how to tackle infections that occur in hospitals. However, MRSA and other infections are present in every day life, both in the community and within the hospital environment. That is why we are working with GPs, nursing homes and people in the community to reduce the risks to people who come into our hospitals.

As well as this we have installed several major new Information Technology (IT) systems. These will allow us to manage the data and records of our patients in a more efficient way. These are the latest systems and ensure that sensitive information is made available to only those who need to know. We have installed a state-of-the-art system for newborn babies, which is a first step towards a paperless maternity record.

We have also seen the exciting launch of the major Born in Bradford study in November 2006 and began recruiting mums-to-be to the project in March 2007. This project is the largest ever study of how people's health changes over time from birth through to adulthood. The families who take part will provide invaluable information for future generations worldwide.

During the year, we have continued our close links with the community we serve. We have formed a close relationship with the newly formed Bradford and Airedale Teaching Primary Care Trust and continue to work closely with local NHS Trusts, along with independent sector providers.

As part of engaging with our local community, we have worked to increase our foundation membership numbers. Our Board of Governors has led on implementing a new membership development strategy, which has so far led to us doubling our membership within the last financial year. We now have over 9,600 members who have recently elected a new set of governors, who took up post in April 2007.

Our Board of Governors has also been active on other issues throughout the year. In October 2006 our constitution was revised following a formal review by the governors and directors of the foundation trust and after approval by Monitor, the Independent Regulator of NHS Foundation Trusts.

The Board of Governors have also been consulted on our ambitious multi-million pound capital programme, which is set to develop and improve the facilities at our hospitals.

Whilst we have made great strides in recent years we recognise that there are challenges ahead and a great deal of work to be done if we are to become the hospitals of first choice for patients.

A handwritten signature in black ink that reads "David Richardson". The signature is written in a cursive style with a large, looping initial 'D'.

**David Richardson**  
**Chairman**

## Chief Executive's Statement

I am pleased to echo the words of the chairman and welcome you to this annual report and accounts.

On behalf of the Board of Directors and as the accounting officer for the foundation trust, I am delighted that we have had such a successful year. In October 2006, we were rated in the top 12 per cent of all hospitals in England by the Healthcare Commission. This recognised the strong financial position we now have and recognises the quality of the services we provide. In early Spring Dr Foster, an independent assessor of hospitals published a report stating that Bradford Teaching Hospitals NHS Foundation Trust was the third safest hospital in the country, rating us as the safest in the north of England. We have also been awarded a grant to improve safety even further for our patients and the wider NHS. This grant is part of charity, the Health Foundation's Safer Patients Initiative.

During the year, we have made a significant investment in our hospitals. We have spent over £13m on improving our buildings and equipment. As part of this, we have renovated some of the older buildings at Bradford Royal Infirmary, which will be used as a new research centre to ensure that Bradford is at the cutting edge of providing health services. We now have the facilities to become a major research centre in the North of England to complement the internationally renowned researchers already working in Bradford.

We have also started a massive investment programme updating the wards and corridors of the hospitals. Visitors to the hospital may have seen the improvements we have been making to the lifts and stairs and the corridors leading from the main entrance at Bradford Royal Infirmary.

We have made significant investments in medical equipment during the year. As part of this we have invested over £1m in new equipment for less invasive surgery and investigations. We are recognised as one of the leading hospitals in using less invasive techniques so that patients recover much more quickly and have fewer side effects from what used to be major surgery.

I can also report, again on behalf of the Board of Directors, that we have taken all the necessary steps to make ourselves aware of any relevant audit information and to make the auditors aware of any such information. I can report that, as far as we are aware, there is no relevant audit information to make you aware of.

During the year, we have delivered the final stage of our financial recovery plan, which will see us ending the financial year with a £0.7m surplus, which will be reinvested in services and the development of our hospitals.

We are working in partnership with Airedale NHS Trust and will make patient care even safer in our hospitals. We are one of only 20 trusts across the UK to be part of this scheme, which is run by the Health Foundation. This means that patients being treated in Bradford have fewer complications and recover more quickly after treatment and means we are recognised as being one of the safest hospitals in the country.

During the year, the Board of Directors and I have regularly visited the wards and departments across the hospitals to hear the stories from the teams who provide

care to our patients. I have also carried out shifts in our wards and departments as a healthcare assistant, as well as working in non-clinical areas, such as working as a porter.

The Board of Directors and I would like to thank all staff for their hard work and dedication throughout the year. Because of their hard work, the foundation trust has been able to offer the highest standards of patient care as well as delivering key achievements to make the foundation trust one of the safest hospitals in the country, with some of the lowest waiting times.

I am confident that the foundation trust can be even more successful over the coming year.

A handwritten signature in black ink, appearing to read 'M. B. Scott'.

**Miles Scott**  
**Chief Executive**

## Background Information

Bradford Teaching Hospitals NHS Foundation Trust became a foundation trust on April 1 2004.

Foundation trusts were created under the Health and Social Care (Community Health and Standards) Act 2003 and are regulated by Monitor, the Independent Regulator of NHS Foundation Trusts. Therefore, we are not performance managed by our local Strategic Health Authority (SHA).

We provide services for the population of the metropolitan district of Bradford and beyond. We run two hospitals – Bradford Royal Infirmary and St Luke’s Hospital – and employ over 5,000 staff. We serve a population of around 500,000.

The foundation trust’s external auditors are the Audit Commission, who were appointed in December 2004. The appointment is in accordance with the Audit Code for NHS Foundation Trusts published by Monitor. The fee for the year’s work (including VAT) is as follows:

	<b>2006/2007</b>
	<b>£</b>
Audit Code Work	69,913
Additional Work	2,455
Total	73,368

The additional work relates to the provision of a Management Letter at the conclusion of the audit summarising all aspects of the work done and the key findings.

During the past year, we have seen significant developments in the fields of research and development.

The foundation trust has been awarded £165,000 over two years to take part in a patient safety research programme. The award was given by the Safer Patients Initiative, run by the Health Foundation. This grant is designed to help make the foundation trust a centre of excellence for patient safety.

The foundation trust will house the new Bradford Institute for Health Research, which will be located at Temple Bank House at Bradford Royal Infirmary. Researchers across Bradford and Leeds can be part of the Institute.

During the year, we have also seen the launch of our major birth cohort study Born in Bradford. Ten thousand babies born at Bradford Royal Infirmary over the next three years will be followed, into adulthood, as we try to understand why Bradford has such high rates of illness and disease. In March 2007, we began recruiting babies to the project.

As a foundation trust, we do not discriminate against people on the grounds of religion, gender, race, disability, or marital status. Our equality and diversity policy sets out the ways in which we give full and fair consideration to all applicants that apply for jobs at the foundation trust, along with staff, patients and visitors.

During the year, the foundation trust developed a Disability Equality Scheme to improve services and employment opportunities for disabled people. This ensures that the foundation trust is keeping abreast of new legislation, which came into place in December 2006 with the Disability Discrimination Act.

We consulted with patients on the drafting of this scheme, placing it on our website and made copies available to collect from our main receptions.

During the year, we have made sure that our staff are communicated to effectively over matters that concern them as employees. Staff have access to information through our staff magazine, through monthly core briefings, which are cascaded throughout the organisation within 48 hours after the Board of Directors meeting, through globally sent emails and individual directorate briefings. Individual directorates also have their own newsletters.

We have continued to use these methods of communication to make our staff aware of the financial and economic factors affecting the performance of the foundation trust.

We make every effort to make sure that our staff are engaged and involved in the day-to-day decision making at the foundation trust. We have a staff involvement policy, which sets out how we do this.

This annual report and accounts will be available on our website at [www.bradfordhospitals.nhs.uk](http://www.bradfordhospitals.nhs.uk)

If you need a copy in a different format, such as large print, Braille or in another language then please contact Lorraine Cameron, acting director of equality and diversity on 01274 382428 or email [lorraine.cameron@bradfordhospitals.co.uk](mailto:lorraine.cameron@bradfordhospitals.co.uk)

## **Operating and Financial Review**

### **Introduction**

Bradford Teaching Hospitals NHS Foundation Trust became a foundation trust on April 1 2004.

We have several different ways of assessing whether we have met our objectives. Every month the Board of Directors receives a report about our finances and performance progress.

The foundation trust started 2006/07 with a number of significant financial risks, which have been managed effectively through the delivery of the financial position highlighted above.

We have a corporate risk register that sets out potential risks to us meeting our targets and objectives. Our governance committee regularly reviews this register.

The foundation trust works to be environmentally friendly where possible. We have worked with the Carbon Trust, to improve energy efficiency and have placed posters around our hospitals to inform people about saving energy.

The foundation trust has close links with the community it serves. Over the past year, the foundation trust has sought to work with a number of outside agencies during our membership recruitment campaign.

This has included working with Bradford Metropolitan District Council (BMDC) through the Neighbourhood Forums, by delivering presentations on encouraging membership recruitment and further encouraging members of the public to stand for election to the Board of Governors.

Over 120,000 leaflets were widely distributed across the whole of the BMDC district to a whole range of organisations including local business, faith organisations, rotary clubs, libraries, GP surgeries and health centres.

The Voluntary Services Forum continues to work closely with external groups such as Bradford University where it promotes volunteering, Bradford Vision, Millennium Volunteers, Volunteering Bradford, Bradford Volunteers Strategic Partnership, which is a networking group that involves leaders of regional voluntary groups including social services, the police, Marie Curie, Bradford University and others.

### **Caring for Patients**

During the year, we have used our status as a foundation trust to develop our services and continue to improve patient care.

The foundation trust continues to make sure that patients are treated in good time. You can expect to be treated in A&E within four hours, if you are referred by your GP with suspected cancer you will be seen within two weeks and will start treatment within a month of being diagnosed. If you are referred by your GP for an outpatient appointment you will no longer than 13 weeks and no longer than 26 weeks after your outpatient appointment for inpatient treatment.

The foundation trust has fully met the set of core standards that healthcare organisations are expected to meet as part of the Standards for Better Health assessment, run by the Healthcare Commission.

These standards are across seven areas covering safety, clinical and cost effectiveness, governance, patient focus, accessible and responsive care, care environment and amenities and public health.

In addition, key standards have been delivered around reducing the number of emergency bed days used, access to Genitourinary Medicine (GUM) services within 48 hours and ethnicity coding.

We have improved the efficiency of our services in the last year:

- More patients have been seen faster by reducing the number of patients who do not attend for their appointment. This has benefited over 3,000 patients.
- We have effectively used our operating theatres in the last year, with 90 per cent of the total available theatre sessions used for patients benefit
- Fewer patients have had their operations cancelled

The foundation trust is working towards ensuring no patient waits longer than 18 weeks from the date of referral by their GP to receiving treatment, such as an operation or being given drugs to manage their condition. In line with all hospitals in England we will achieve this by December 2008.

We also continue to work towards meeting the targets to reduce the number of cases of MRSA bloodstream infections. The foundation trust has informed Monitor, the Independent Regulator of NHS Foundation Trusts that we still have challenges to meet and work to do in terms of this target.

We are working with the Department of Health's intensive support team and are implementing a robust action plan to reduce the number of patients who develop the infection. We have also recently been awarded a grant of £300,000 by the Department of Health, which will go towards modernising waste disposal and buying new equipment to combat infections.

The infection control team has been strengthened with the appointment of two new infection control nurses. The addition of the two infection control nurses will enable increased concentrated work to take place on the wards and departments, working with ward staff to assist in the prevention and control of infection.

A targeted approach has been implemented in high risk areas. An enhanced MRSA screening programme has been developed. An audit system is in place to monitor compliance with infection control measures. All wards and departments have alcohol hand gel bottles by each bedside and all staff members have individual hand gel bottles.

Root Cause Analysis (RCA) on every MRSA bacteraemia (bloodstream) case is carried out. They are completed by the directorates, wards and clinical teams that were involved in the care of the patient. The RCA is completed within seven days of the notification of the bacteraemia infection and feedback on learning points is distributed to the ward and directorate responsible for the care of that patient but additionally to all directorates and the Board of Directors.

The foundation trust is working in partnership with the Bradford and Airedale Teaching Primary Care Trust, evaluating the pre and post 48-hour MRSA cases and working to tackle clostridium difficile internally and externally in the community.

The foundation trust also works closely with other NHS trusts to combat infections and share best practice.

## **Choose and Book**

During the year, the foundation trust has utilised the Choose and Book system across all of its front-line specialties as part of the national Choose and Book programme.

This means that at the point of referral by their GP, patients are now being offered the choice of four to five providers of hospital care. The patient is able to arrange an appointment for a first outpatient consultation which is convenient to them, at the provider of their choice.

To support this, a regularly updated directory of services has been published to provide detailed information on the services for which bookings can be made.

The foundation trust shall continue to work collaboratively with the local PCTs around the full implementation of Choose and Book in 2007/08 in order to achieve the monthly trajectory targets set out in the planning and priorities framework.

It is also planned to move all front-line specialties to the Direct Booking System (DBS) from the current Indirect Booking System (IBS) throughout the course of the year.

## **Patient Information**

We continue to work towards improving the information we give to patients. During the year, the foundation trust has reviewed its Communicating with Patients policy, specifically in relation to using plain English with no use of jargon and using simple language to describe clinical procedures and medical conditions.

In urology we have developed a video to use in outpatients, which patients can watch. This explains the different procedures, operations and possible outcomes, together with any risks

Urology services introduced a buddy system whereby a patient who has already undergone major surgery is paired up with a patient awaiting surgery, to offer support and information.

We have also updated our video on cataract surgery. Patients can watch this in outpatients and then ask further questions and discuss concerns when they see the surgeon.

We have reviewed the booklet that we send to all patients who are coming into our hospitals. We explain details in the simplest language. We are in the process of reviewing all patient information across our services.

## **Complaints**

The foundation trust offers a wide range of services to an even wider range of people. However diligent and skilful our staff are, there will inevitably be circumstances where service users' expectations have not been met and they will need to voice their feelings.

All complaints received by the foundation trust are dealt with through the Foundation Trust Complaint Policy, in line with the Complaints Regulation 2004.

During the year, the foundation trust had over a million patient contacts, with 186 formal complaints received.

The foundation trust acknowledged 100 per cent of its complaints within two working days. Complaints were resolved in 91 per cent of cases, within 20 days.

The foundation trust remains one of the top performing trusts within Yorkshire and Humberside.

Five complaints are being reviewed by the Healthcare Commission and none have been forwarded to the Ombudsman.

Significant work has been ongoing by the complaints team, working alongside the directorates, to maintain and continue to stretch the performance target achieved this year. Complaint information is fed back to the directorates on a weekly, monthly, quarterly and yearly basis, which in turn is cascaded to the wards and departments to help facilitate action learning. Annually it is reported to the Board of Directors.

The quarterly Complaints Steering Group monitors compliance with the Complaints Policy and develops areas of good practice to assist in action and reflective learning from the complaints to reduce reoccurrence. Patient Satisfaction Surveys were introduced in 2005 and the results of these surveys will be evaluated at the quarterly Complaints Steering Group meetings.

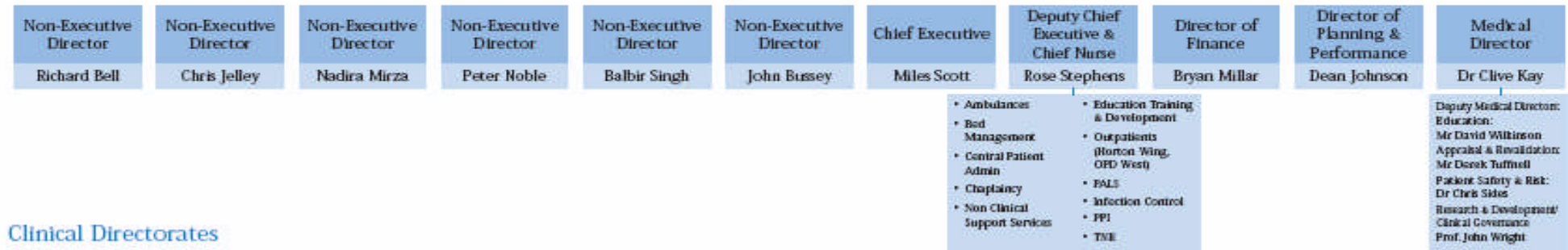
## **Developing Our Services**

During the year, the foundation trust has continued to develop the services it provides, in order to make sure that patients receive the best care possible.

# Clinical Directorate Structure

(May 2007)

## Board of Directors



## Clinical Directorates

Anaesthesia	Pathology	Imaging	Acute Medicine	Speciality Medicine & Chronic Diseases	Acute Surgery	Orthopaedics	Head & Neck	Cancer Services	Women's & Children	Pharmacy	Therapy Services
Clinical Director <i>Dr Paul Gramp</i> Deputy Clinical Director <i>Dr M Fairbairns</i> Clinical Lead for Operating Theatres <i>Dr Ray Smith</i> Acting General Manager <i>Liz Clodwell</i> Acting Patient Services Manager <i>Jayne Cunningham</i>	Clinical Director <i>Dr Lakar Panopis</i> Deputy Clinical Director <i>Dr D Gouldsbrough</i> General Manager <i>Donna McPherson</i>	Clinical Director <i>Dr Lee-Anne Elliot</i> Deputy Clinical Director <i>Dr Jonathan Barber</i> General Manager <i>Deanna Bonstedt</i>	Clinical Director <i>Dr Alex Brown</i> Deputy Clinical Director <i>Dr Sullivan Moraes</i> General Manager <i>Philip Turner</i> Patient Service Manager <i>Melanie Derrick</i>	Clinical Director <i>Dr R Jeffrey</i> Deputy Clinical Director <i>Dr Mark Busby</i> General Manager <i>Chris Duxkin</i> Patient Service Manager <i>Bill Campbell / Corinne Jeffrey</i>	Clinical Director <i>Mr Jon Astorley</i> Deputy Clinical Director (Digestive Diseases Centre) <i>Dr C Bucklett</i> Deputy Clinical Director (Breast Services) <i>Mr W Cass</i> General Manager <i>Penny Sibon</i> Patient Service Manager <i>Brownlee Gossely / Ann Bramble</i>	Clinical Director <i>Mr Steve Bollen</i> Deputy Clinical Director <i>Mr A Watson</i> General Manager <i>Beverley Routh</i> Patient Service Manager <i>Gill Zimason</i>	Clinical Director <i>Mr Steve Worrall</i> Deputy Clinical Director <i>Mr D Strachan</i> General Manager <i>Alan Cradford</i> Patient Service Manager <i>Carol Jevons / Debbie Rowe</i>	Clinical Director <i>Dr Chris Bradley</i> Deputy Clinical Director <i>Dr I Newton</i> General Manager <i>Adina Neary</i> Patient Service Manager <i>Gill Hollingsworth</i>	Clinical Director <i>Mr Derek Tuffnell</i> Deputy Clinical Director <i>Dr C Day</i> General Manager <i>Janette Reynolds</i> Patient Service Manager <i>Julie Walker / Julie Smith</i>	Director <i>Ian Hammond</i>	Director <i>Val Steele</i>
<ul style="list-style-type: none"> <li>• Anaesthetic Department</li> <li>• Critical Care</li> <li>• CSSD/TSSU</li> <li>• Operating Theatres</li> <li>• Pain Management</li> <li>• Pre-Assessment</li> </ul>	<ul style="list-style-type: none"> <li>• Biochemistry</li> <li>• Haematology</li> <li>• Histopathology</li> <li>• Microbiology</li> </ul>	<ul style="list-style-type: none"> <li>• Radiology Department</li> <li>• Catheterisation Lab</li> <li>• Medical Physics</li> <li>• Radiation Protection</li> </ul>	<ul style="list-style-type: none"> <li>• Accident &amp; Emergency</li> <li>• Referring Emergency Care Network</li> <li>• Medical Assessment Unit</li> <li>• Acute Medicine</li> <li>• Elderly Assessment Unit</li> <li>• Elderly Medicine</li> <li>• The York Suite</li> <li>• Respiratory Medicine</li> <li>• TB Service</li> </ul>	<ul style="list-style-type: none"> <li>• Cardiology</li> <li>• Cardio-Respiratory</li> <li>• Dermatology</li> <li>• Diabetes &amp; Endocrinology</li> <li>• GUM &amp; Sexual Health</li> <li>• Infectious Diseases</li> <li>• Neurology</li> <li>• Neurophysiology</li> <li>• Renal Medicine</li> <li>• Rheumatology</li> <li>• Stroke</li> </ul>	<ul style="list-style-type: none"> <li>• Breast Services</li> <li>• Digestive Diseases Centre</li> <li>• Gastroenterology</li> <li>• General Surgery</li> <li>• Oncology</li> <li>• Vascular Surgery</li> </ul>	<ul style="list-style-type: none"> <li>• Orthopaedics</li> <li>• Trauma</li> <li>• Fracture Clinic</li> <li>• Outpatients &amp; Administration</li> </ul>	<ul style="list-style-type: none"> <li>• ENT</li> <li>• Audiology</li> <li>• OMFS</li> <li>• Orthodontics</li> <li>• Community Dentistry</li> <li>• Clinical Prosthetics</li> <li>• Ophthalmology</li> <li>• Optometry</li> <li>• Orthoptics</li> <li>• Plastic Surgery</li> <li>• Patient Admin (Ophth &amp; ENT)</li> <li>• SLH Lead Manager</li> </ul>	<ul style="list-style-type: none"> <li>• Oncology</li> <li>• Clinical Haematology</li> <li>• Palliative Care</li> <li>• Centre Management</li> <li>• Unit Management</li> </ul>	<ul style="list-style-type: none"> <li>• Maternity Unit</li> <li>• Community Midwifery</li> <li>• Patient Admin</li> <li>• Gynaecology</li> <li>• Neonatology</li> <li>• Paediatric Medicine</li> <li>• Paediatric Surgery</li> <li>• Child Development Centre</li> <li>• Community Paediatrics</li> </ul>	<ul style="list-style-type: none"> <li>• Pharmacy Department</li> <li>• Medicines Management</li> </ul>	<ul style="list-style-type: none"> <li>• Community Therapy</li> <li>• Dietetics</li> <li>• Discharge Liaison</li> <li>• Occupational Therapy</li> <li>• Physiotherapy</li> <li>• Psychology</li> <li>• Staff Counseling Service</li> <li>• Staff Gym</li> <li>• Wheelchair Services</li> </ul>

M&D Ref: 05122900A - 31/05/07

## **Changes to Clinical Directorate**

During the year, a new medical director has been appointed. Dr Clive Kay took over from Dr Duncan Newton in November 2006. As a result further changes were made.

Dr LeeAnne Elliot is now clinical director for imaging, with Dr Jonathon Barber deputy clinical director.

There were also changes in the structure of the medical directorate, with four deputy medical directors, responsible for specific areas, appointed. Mr David Wilkinson looks at education, Mr Derek Tuffnell looks at appraisal and revalidation, Dr Chris Sides looks at patient safety and risk and Professor John Wright looks at research and development and clinical governance.

Professor John Wright has also left his role of clinical director of speciality medicine and chronic diseases, to become director of the Bradford Institute for Health Research. Mr Robin Jeffrey is now clinical director for speciality medicine and chronic diseases, with Dr Mark Busby as deputy clinical director.

In acute surgery, Dr C Beckett is now deputy clinical director for the digestive diseases centre and Mr W Case is now deputy clinical director for breast services.

In anaesthesia, Cindy Hockley, general manager for anaesthesia retired in 2007. Liz Gledhill, patient services manager, took over as acting general manager, with Jayne Cunningham acting patient services manager.

## **Acute Medicine**

Patients with less serious injuries are being seen more quickly thanks to a new minor injuries pilot service being run by emergency nurse practitioners in Accident & Emergency.

Around two thousand patients have been seen by the emergency nurse practitioners since the pilot began. By emergency nurse practitioners treating minor injuries such as sprains, patients can often be seen more quickly, whilst still receiving excellent quality care.

The foundation trust is also working with Bradford and Airedale Teaching Primary Care Trust help prevent falls in older people. We have worked to establish a community-wide prevention of falls service. Falls are one of the biggest causes of deaths and injury in the over-65s and people who have fallen often report a loss of independence. By working to prevent falls we can reduce the risks for older patients.

Patients over 65-years-old, who have fallen and attend A&E, are identified and information is sent to primary care teams so they can do a falls risk assessment on these patients to prevent them falling in the future.

All elderly care inpatients admitted following a slip or a fall have a falls assessment, there are slipper exchanges on wards to replace unsafe footwear, patients vision is reviewed and patients at risk of falling are closely monitored during their stay in hospital.

## **Anaesthesia**

In October 2006, the foundation trust commenced a new service to assess patients before operations, at St Luke's Hospital. This has cut down on the time patients need to spend being assessed on the day of their surgery.

A patient satisfaction survey, for the pre-operative assessment clinics, has been undertaken, 98 per cent of the patients who responded thought that the service was good and gave positive feedback.

The foundation trust works to ensure that patients experiencing pain are well managed. The pain management team is nationally recognised for its work in Dorsal Column (placing electrodes in the spinal cord) and Sacral Nerve Stimulation (which can help with incontinence). Patients are referred to us from across the country.

The pain management team provide a service to palliative care patients and work in partnership with Marie Curie team providing help and clinical support.

The nurse-led TENS (a pain relief machine, which uses electrical stimulation of certain nerves to lessen pain) service began in October 2001 and has developed over the years and now the pain management and other health professionals refer in to the service seeing around 450 new patients per year.

## **Acute Surgery**

A new breast care unit, for patients affected by breast cancer, was opened at Bradford Royal Infirmary, in October 2006. This unit is homely, contains a kitchen and living room area and has a prosthetics and aromatherapy service. It is an excellent environment for patients and is proving to be extremely valuable.

The unit was opened with support from Bosom Friends, with chairperson, Renee Hoyle officially opening it in January 2007.

The unit held an open day in January 2007, advertised in the local media, which was very well attended by old and new patients and old members of staff. Everyone gave extremely positive comments about the unit. Patients and relatives have been positive about their experience of the surroundings and care within the unit.

One patient said: "The unit is fantastic. It's not like being in hospital at all."

Another added: "I couldn't imagine a better place for care and comfort. It has made it easier to bear."

The foundation trust has continued to assess patients in the acute surgical assessment unit, which was opened in April 2004. The unit has reduced the length of stay for emergency patients, which means that patients can go home earlier.

The unit was created in partnership with the Primary Care Trusts across Bradford and is a consultant-led service. It assesses acute surgical patients and develops treatment plans and is supported by radiology so diagnostic tests happen quickly. The unit is extremely successful and is set to become even better for patients after refurbishment work finishes.

## **Cancer Services**

All of our patients who are urgently referred by their GP, with suspected cancer are seen within 14 days, with most patients seen within nine days. All of our cancer patients started their first treatment within 31 days of agreeing their treatment with their doctor.

Around 97 per cent of cancer patients who were urgently referred by their GP on suspicion of cancer started their first treatment within 62 days of their original referral.

For most types of suspected cancer, the majority of patients can now go 'straight to test' at their first hospital visit. For example, a patient might have an endoscopy (a tube that can be inserted into the body, which can look at organs) or a scan instead of being seen at an outpatient appointment.

Referring patients 'straight to test' means that patients are diagnosed and can be treated much faster. Clinicians assess each urgent suspected cancer referral and decide which test the patient is suitable to have.

Patients referred on suspicion of cancer are telephoned by the booking office to be offered a convenient choice of appointment date. All cancer patients are assigned a key worker, someone who they can contact if they need further information about any aspect of their care.

## **Head and Neck**

The head and neck cancer service includes Ear Nose and Throat (ENT), plastic surgery, maxillo-facial and oral surgery clinicians working together in order to treat patients diagnosed with head and neck cancers.

The foundation trust is working to become a designated head and neck cancer centre, which will involve working with Calderdale and Huddersfield NHS Foundation Trust and their patients will be treated here.

Becoming a cancer site would mean that all cancer sufferers are treated consistently by a dedicated team who specialise in head and neck cancer.

Our cochlear implant service continues to lead the way and provides cochlear implants to the whole of Yorkshire and beyond. Cochlear implants are electronic devices, which are implanted in the ear and can help deaf patients to hear. Around 400 implants have been fitted so far. Over the past year 52 implants have been fitted to patients, including adults and children, which have made an enormous difference to their quality of lives.

One patient's family, said: "Our happiest moment came when my husband came home from the hospital and my daughter sat on his knee and told him what she had done that day. She beamed from ear to ear when he was able to respond."

## **Imaging**

The imaging service provides scans, x-rays and other diagnostic tests and engineering services.

During the year, the foundation trust began the installation of a Picture Archiving and Communications System (PACS).

PACS is a computer system that captures, stores, distributes and displays digital images – such as x-rays, CT scans, MRI scans and ultrasound scans. All wards, theatres and clinics will have monitors where they can view images.

The new technology is similar to the way many of us have digital cameras and put photos on computers – rather than having them developed from films. PACS will mean that clinical staff can access scans and x-rays at the same time as each other and from computer screens around the foundation trust.

PACS will mean that films won't be lost, that images will be available instantly and if we need outside expert opinion we can get it much faster by easily transferring images.

The new system should also mean that patients have shorter waits for their results and there will be no delays due to misplaced film. It may mean that patients can start treatment sooner. Patients will no longer have to carry their x-ray packets around departments.

This year saw the opening of the new imaging C–arm suite X-ray system with state-of-the-art dynamic flat plate detector at Bradford Royal Infirmary. The equipment is housed within a completely refurbished purpose-built suite within the main radiology department. The suite also includes a 'clean (scrub) room' and a separate 'dirty utility' room adjacent to it.

Although capable of performing all types of vascular, interventional and general X-ray diagnostic work, the room will primarily be used for Gastrointestinal Interventional (GI) radiological procedures, including stenting of the GI tract, percutaneous biliary intervention and radiologically inserted gastrostomy (insertion of a feeding tube into the stomach under radiological guidance). The suite will also be used for endoscopic ultrasound for which Bradford Royal Infirmary is now a tertiary referral centre. It will also serve as a back up room for the main vascular interventional room.

This new equipment will result in more rapid access to treatment for patients - both inpatients and outpatients. This new facility will also provide much needed support for the newly formed Western West Yorkshire Upper Gastrointestinal and Urological Cancer Centre in Bradford.

## **Orthopaedics and Trauma**

Our orthopaedics and trauma department have reduced the length of stay for their patients. Most patients stay in hospital between six and seven days for the majority of hip and knee replacements. The national average length of stay is for 7.8 days.

The foundation trust admits joint patients on the day of surgery rather than the day before and also educates patients at sessions held at the pre-assessment clinic, which patients attend before surgery. This means that patients can spend less time in hospital.

The foundation trust is also reducing the length of stay for joint patients, by nurses going to patients' homes to take blood before surgery. This means that patients don't

have to be admitted the night before surgery and can undergo tests conveniently in the comfort of their own home.

## **Pathology**

The pathology department (which covers medical tests such as blood tests, research and the mortuary) has set up a home delivery service for patients who need a blood clotting drug called Factor IIX.

Factor IIX is a clotting factor for patients with a bleeding disorder and the home delivery service was introduced in 2006 for adults and children. The patients are prescribed regular amounts and previously they had to come to the hospital to collect the products. The products are now delivered at home. This saves patients making regular journeys, is much more convenient for the patient and costs them less. Everything that is needed is delivered and a specialist nurse has regular contact with them.

Over the last year, the foundation trust has concentrated on implementing all aspects of the new Blood Safety Legislation. This has included extensive training for all staff groups who handle blood. The foundation trust has also purchased some new equipment, which allows blood to be tracked from request through to administration, therefore increasing patient safety.

## **Pharmacy**

Pharmacy deals with dispensing medicines and drugs across the foundation trust and deals with providing information about medicines amongst other things. Pharmacy has introduced homecare arrangements for HIV patients, which means that these patients have more convenient access to the drugs they need.

It helps patients if they have problems accessing the HIV clinic at Bradford Royal Infirmary and also helps protect their confidentiality if they do not want others to know about their condition.

During the year, the foundation trust has appointed a lead pharmacist for antibiotic therapy. The lead pharmacist helps make sure that antibiotics are not given for longer than needed and that antibiotics given by an IV drip are given for shorter periods. This helps to reduce the risk of bacterial resistance to antibiotics and helps improve patient safety.

During the year, pharmacy has worked to make sure that the foundation trust gets a fair deal when it buys drugs and medicines for its patients. Over the year, managing medicines has saved the foundation trust £0.4m.

These savings were primarily delivered by negotiating better prices with pharmaceutical manufacturers and were a combination of national, regional and local contracts.

## **Speciality Medicine**

The stroke and acute neurology units were merged together in 2006/07 and are now moving to direct admission for acute strokes. This means that stroke patients have immediate access to specialist care. A recent national audit of stroke services, by the

national sentinel stroke audit, showed that our stroke services was in the top 20 per cent of trusts across the country, with some of the best recovery rates in England and a lower mortality rate than average.

The foundation trust scored particularly well on early brain scanning, early aspirin treatment, prompt physiotherapy assessments, rehabilitation and carrying out home visits.

It has been proved that early access to stroke units and specialist care mean that patients have much better recovery outcomes. They recover faster, go home earlier and regain more independence.

The foundation trust has also worked to further improve its renal (kidneys) service.

The foundation trust has increased the number of dialysis machines, at St Luke's Hospital, to 36 in order to make sure that we can continue to offer the best possible care for patients with kidney failure. During the year, the foundation trust has also established a dialysis facility at Bradford Royal Infirmary, which allows inpatients at the hospital to have their dialysis there rather than at St Luke's Hospital.

The foundation trust has also developed an outreach service for haemodialysis (which is when blood is 'cleaned' by a dialysis machine, which acts like an artificial kidney). This has been achieved by creating space on ward 26 at Bradford Royal Infirmary, so chronic renal failure patients having surgery, can have their dialysis at Bradford Royal Infirmary. This reduces the need to transfer patients to St Luke's Hospital.

During the year, the foundation trust has appointed two new consultants to further improve its services. A third rheumatologist has been appointed to enable us to work more collaboratively with Airedale NHS Trust. Two of the foundation trust's consultants now assist with outpatients clinics at Airedale General Hospital. This has helped to improve access to patients from the Airedale area. Consultants from both trusts now work together on treating patients with more complex conditions. These patients are now admitted to the foundation trust.

A new Genitourinary Medicine (GUM) consultant has also been appointed to help further improve access within 48 hours for patient requiring the service.

## **Therapy Services**

Therapy services covers physiotherapy, occupational therapy, community therapy, dietetics, staff gym, wheelchair services, staff counselling, discharges and psychology.

Over the past year, the 'Better Breathing for Better Living' programme was launched for people with the lung condition, Chronic Obstructive Pulmonary Disease (COPD).

Working with primary care, the special exercise and education programmes help patients to self-manage their symptoms, which can include breathlessness, wheezing, anxiety and loss of physical function.

Patients are often restricted in their activities of daily living and can become isolated. The new programmes promote carefully planned activities that can dramatically improve quality of life.

Three different programmes run weekly across Bradford. Patients attend twice a week for eight weeks, doing tailored exercise and receive education and advice from a range of health professionals.

Evaluation of the programmes has shown significant benefits to patients both physically and emotionally as well as improved quality of life.

In February 2007, a new staff fitness centre was opened. The centre, opened by several of the Bradford Bulls rugby team, has state-of-the-art cardiovascular fitness equipment, as well as areas for weights and aerobic classes.

The foundation trust has invested in the fitness centre as part of its commitment to positively influencing the health and wellbeing of its workforce.

Staff are encouraged to take part in exercise to help manage their weight, reduce stress, lower blood pressure and enhance mental performance.

### **Women's and Children's Services**

The maternity unit was awarded Clinical Negligence Scheme for Trusts (CNST) level III during the year. The CNST review looked at quality and patient safety. This means that the unit is one of the safest in the country for mums-to-be to give birth. We are one of only 20 trusts in the country with this award and the only one in Yorkshire.

The maternity unit has set up robust and safe systems of care, implemented policies and guidelines to make sure we are working towards the very highest standards of quality and safety. Education and training of staff is essential in delivering a seamless service.

We support an open culture where lessons are learned and shared in order to change practice.

Users of our service are included in forums and focus groups. Their input is invaluable to improve the patient journey.

We aim to continue to promote evidence-based practice, monitor sound systems of internal control and minimise risk to those who use our service in order to maintain our level III status.

Geraldine Dyas, risk manager midwife, said: "We are very pleased to have achieved such a good result and it's because of our high standards of risk management.

"We have worked very hard at putting guidelines and policies in place to make sure that we work to the very highest standards of quality and safety. We support an open culture where lessons are learned and changes in practice implemented.

"We also include users of our services on forums and focus groups and have robust systems in place to underpin clinical work. All this helps to improve patient care."

In children's services, the foundation trust has begun work to improve the disabled facilities on two of its children's wards.

Work has now begun on the bathrooms on ward 16, then ward 17, to provide a bath, tracked hoist and change platform in the bathroom. This will allow children with disabilities to go into the bathroom dressed and carry out bathing in a dignified way, which offers them privacy.

Parents of disabled children helped to design the bathrooms and will be invited to visit once the work has been completed.

## **Buildings and Equipment**

We are working towards improving our older buildings at Bradford Royal Infirmary and will be refurbishing wards and patient areas in order to do this.

During the year, we secured funding to build a brand new lecture theatre – a state-of-art building with an auditorium for 200 people. It will be a real boost to the foundation trust's teaching work and a lift for the city of Bradford.

We have spent £4m on new equipment. We have bought new dialysis machines, new endoscopy equipment and new monitors for the maternity unit, new radiology equipment for less invasive procedures such as day cases, new operating theatre tables and lasers for performing delicate eye operations and many ultrasound machines for departments across the hospitals.

## **Relationships with Others**

In 2005, the foundation trust was approached to provide our consultants, surgeons and anaesthetists for day case operations at the Independent Sector Treatment Centre (ISTC) at Eccleshill. Following this successful partnership, we were asked to extend this to our radiology services. Our consultant radiologist and radiographers have added to the team that provides x-rays, MRIs and CT scans at Independent Sector Treatment Centre (ISTC), Eccleshill.

The partnership with Airedale NHS Trust has further developed over the last year. Collaboration between consultants at both trusts has improved the quality of services, particularly in cancer services. The more complex patients are treated in Bradford where we have the right facilities, equipment and expertise. In rheumatology, dermatology and neurology, the services are being developed across both trusts by making joint appointments and consultants working at both sites.

The partnership with Airedale NHS Trust has been extended to improving patient safety. We are jointly participating as a pair, as part of the Safer Patients Initiative. Patients across Bradford and Airedale will benefit from safer care from this programme of work.

Our role as a provider of specialist services has developed in the last year. Working with Calderdale and Huddersfield NHS Foundation Trust, complex urology cases are now located in Bradford. The foundation trust continues to provide the plastic surgery services in the West of West Yorkshire, particularly for women who require breast reconstruction following breast cancer.

We also send specialist gynaecology, bone cancer and radiotherapy to Leeds Teaching Hospitals NHS Trust. We diagnose patients and then refer them to Leeds Teaching Hospitals NHS Trust. Some of the consultants provide diagnosis and aftercare in Bradford.

We have become the regional centre for Yorkshire in children's metabolic conditions, a service that used to be provided in Leeds by a consultant from Manchester – we now have our own consultant, who links with other specialists in the field.

The foundation trust regularly communicates with local Primary Care Trusts, GPs and other NHS Trusts. We have set up a quarterly newsletter, which goes to GPs who refer to our services. We also send copies of our internal staff newsletter to communications staff at Bradford and Airedale Teaching PCT. All of our newsletters are available to view on our website [www.bradfordhospitals.nhs.uk](http://www.bradfordhospitals.nhs.uk)

The Overview and Scrutiny Committee has been involved in the development of services for children by helping us develop services for those children who suddenly become ill and need the skills of our highly trained paediatricians, paediatric nurses and therapists. They have also helped us check how well we are doing through ensuring we are meeting all of the Standards for Better Health. These are a set of minimum standards for all NHS services developed by the Healthcare Commission.

## **Research and Development**

We continue to build upon our research and development activities. The foundation trust has been successful in its bid to host the Yorkshire Stroke Research Network. This network will coordinate new research into treatments for patients who have had a stroke.

We have also been awarded a £1.6m grant, from the National Institute for Health Research (NIHR) for a stroke research programme, one of only a small number of trusts to win such funding.

The foundation trust has been awarded £165,000 over two years to take part in a patient safety research programme. The award was given by the Safer Patients Initiative, which is run by the Health Foundation. The foundation trust is working to improve our already excellent mortality rates and this grant is designed to help make the foundation trust a centre of excellence for patient safety.

The foundation trust will house the new Bradford Institute for Health Research, which will be located at Temple Bank House at Bradford Royal Infirmary.

Any NHS researcher who contributes to our annual research programme can become a member of the institute. Academic staff from Bradford and Airedale Primary Care Trust and the Universities of Leeds and Bradford, who are based at the foundation trust or working on projects with the institute, will also be eligible to join.

We are also underway with our major research project, Born in Bradford, which will follow ten thousand babies at Bradford Royal Infirmary, over the next three years. The study will look at diet, lifestyle, genes and other factors to discover why there is such a high rate of illness and disease in the city of Bradford.

Professor John Wright was appointed in January 2007 as the Honorary Sub Dean (Research) for the University of Leeds and director of health research in Bradford. This important new role will support the development of research across the University of Leeds and the NHS in Bradford. It will provide an important focus for supporting both full-time academics and clinical researchers based in Bradford and lead work within the foundation trust to boost research activity and funding.

## **Teaching Status**

The foundation trust achieved teaching hospital status in 2003. Since then we have continued to build on this status with the increase in size of our medical schools.

Student numbers are up from 300 to over 1000 a year. We have 11 new clinical academics, a teaching faculty of 150 consultants and a range of other disciplines and departments engaged to support teaching.

A brand new lecture theatre was approved during the year, with building work beginning in summer 2007.

Finally the medical education service has developed, with new roles established to supervise foundation trainees and proper recognition of college tutor roles.

## **Our Finances**

The foundation trust has finished the year with a modest financial surplus of £0.7m which will be reinvested in services and the development of our hospitals.

The surplus of £0.7m when compared to the plan of £0.5m represents a favourable variance of £0.2m. It also represents an improvement of £3.6m on the previous year's deficit of £2.9m.

The significant efforts applied over the previous two years have continued to be invested in controlling and reducing costs throughout the organisation during the year. To this end the foundation trust can successfully report that in achieving this position it has also achieved its Performance Improvement Programme (PIP) target of £6.1m on a recurrent basis going into 2007/08.

The foundation trust has continued to maintain a strong cash position throughout the year and ended the year with a higher cash balance than previously planned.

Monitor assesses the financial risk of foundation trusts using a rating whereby one is significant financial risk and five is no financial risk. The foundation trust finished the financial year with a rating of four, which is better than the planned rating of three.

The trend of improvement recognised over the previous two years creates a strong foundation for the forthcoming year.

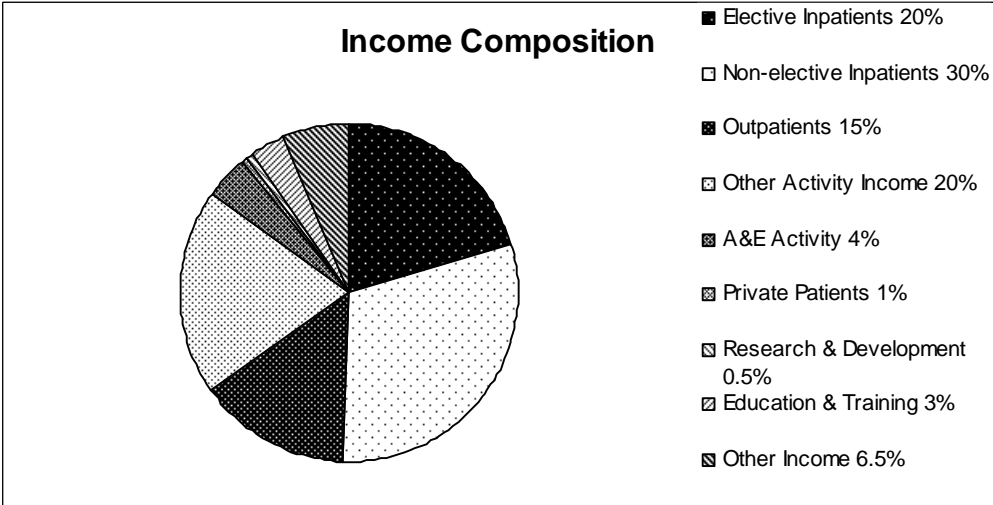
## **Income**

The total income reported for the 2006/07 financial year was £238.0m, which is split as follows:

Income from Activities:     £211.6m

Other Operating Income: £26.4m

The composition of the income is summarised in the table below:



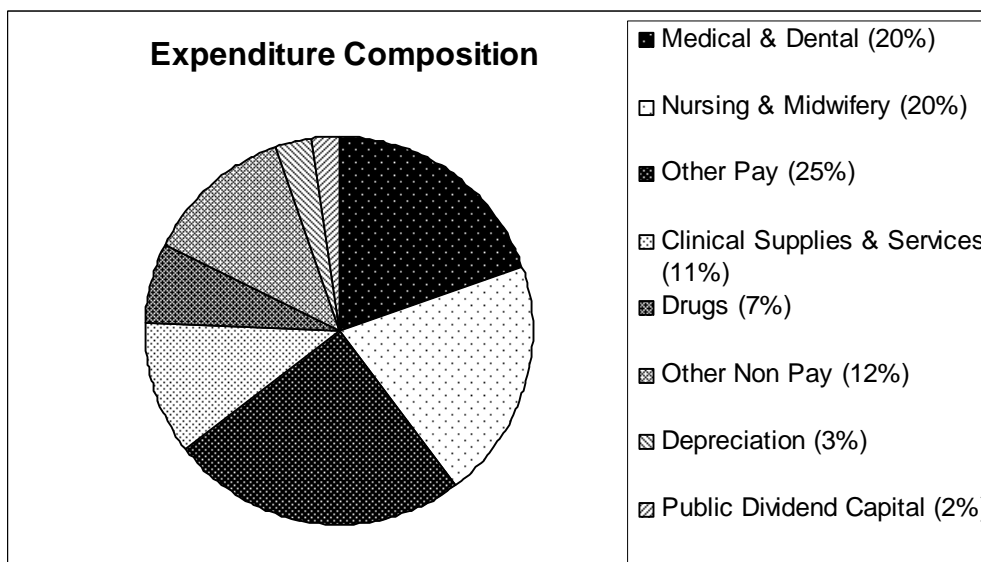
The majority of the income from activities is the foundation trust’s commissioning income from Primary Care Trusts (PCTs). Other income covers the majority of the non-patient related income and includes catering income, accommodation income and car park income.

The planned level of income for the year was £230.1m with the actual income of £238.0m, which represents an over recovery of £7.9m. The majority of this over recovery relates to income from activities, with the main items being:

- Out-patient work: £2.7m
- Other activity income (including renal, direct access and high cost items): £3.0m
- Other income: £1.0m

**Expenditure**

The composition of the total expenditure of £238.3m, which includes public dividend capital, is summarised in the chart below:



The annual plan for the year ending March 31 2007 reported a planned expenditure figure of £230.1m. The final outturn of £238.3m represents an over spend on expenditure of £8.2m. The main factors contributing to the over spend were associated with the delivery of the work generating the income overtrade and other non-recurrent items.

The planned income from interest receivable was £0.5m. The final outturn was £1.1m, generating a favourable variance of £0.6m.

### **Performance Improvement Programme (PIP)**

The foundation trust planned to deliver a surplus of £0.5m in 2006/07. In delivering this surplus, it identified a PIP target of £6.1m. A number of schemes were implemented which:

- Built on the initiatives identified the previous year
- Included new initiatives identified during the year
- Included a 0.75 per cent cost improvement target levied across the directorates.

The foundation trust has over-achieved on its planned surplus delivering an actual surplus of £0.7m and in doing so has delivered the PIP in full recurrently going forward into 2007/08. The financial environment continues to be challenging and places a requirement on the foundation trust to identify further PIP savings for the forthcoming year. This target will once again be delivered through a number of centrally driven and directorate specific cash releasing initiatives.

### **Financial Risk Ratings**

The foundation trust submitted its Annual Plan to Monitor, the Independent Regulator for NHS Foundation Trusts in May 2006, which included an assessment of the forecasted risk rating the foundation trust would achieve in year. The risk rating developed by Monitor, is based on a number of financial metrics, which produces an overall risk rating of between one and five (with five representing the most financially secure organisations).

The foundation trust ended the previous financial year (2005/06) with a rating of three compared to a plan of two. This enabled the foundation trust to move from monthly to quarterly monitoring. There has been further improvement during 2006/07 whereby the foundation trust has reported an actual rating of four compared to a plan of three.

The table above demonstrates that throughout the year the foundation trust reported an improved financial risk rating to that planned:

Quarter	Rating Achieved
April 06 to June 06	4
July 06 to September 06	4
October 06 to December 06	4
January 07 to March 07	4

Monitor, the Independent Regulator for NHS Foundation Trusts, will introduce an updated financial risk rating regime from April 1 2007. Under the revised regime the foundation trust would have achieved a rating of three in 2006/07.

**The Key Financial Risks**

The foundation trust started 2006/07 with a number of significant financial risks, which have been managed effectively through the delivery of the financial position highlighted above.

The foundation trust faces a number of risks in 2007/08 which include:

- Delivery of the Performance Improvement Programme
- Appeal costs of Agenda for Change
- Inflationary cost pressures exceeding current assumptions
- Maintaining expenditure within budgets allocated
- Delivering contracted levels of work, agreed waiting times and waiting list profiles
- Income risks associated with contractual changes and proposed changes to referral patterns
- Maintaining financial performance to achieve a rating of three or above
- Resourcing a capital programme in both capital and revenue terms whilst maintaining a risk rating of three or above
- The introduction of a new Patient Administration System (PAS) and ensuring the data input and extraction processes facilitate the foundation trusts charging mechanisms

In addition to maintaining the strong financial management arrangements in place the main contingencies identified, to mitigate against the above risks should they materialise are to:

- Identify further savings schemes to add to the PIP
- Slip developments further to match the savings achieved
- Increase the percentage cost improvement programme across all directorates
- Identify non-recurrent measures that will release savings in year
- Maintaining strong and robust working relationships with the Primary Care Trusts

- Generate additional income and contribution
- Regular dialogue with directorates to ensure processes maintained to charging mechanisms where contractual changes have been introduced

### **Details of Activities Designed to Improve Value for Money**

The foundation trust is continually striving to improve the value for money of the services it provides. Since 2004/05 the foundation trust has recognised a trend of continuous improvement in its reported financial position. In conjunction with this, over the same period the foundation trust has invested significantly in qualitative and other service developments with 2006/07 no exception.

The endeavours undertaken to recover the financial position over recent years have provided a strong baseline from which the foundation trust can move forward. The delivery of a surplus in 2006/07 with further increased surpluses planned for future years provides an excellent opportunity to invest in existing and new services. Planned developments to the hospital site designed to improve both the quality of the infrastructure and enhance service provision will greatly support the achievement of value for money. This will be recognised through reduced overheads and improvements to the efficiency and effectiveness of service provision.

The drive in 2006/07 has been one of continuous improvement whilst maintaining both cost and inflationary pressures within the funding available. The focus for the forthcoming year, as in previous years, will be to continually improve but will be further extended to understand the relative standing of services in relation to the income it receives through tariff. The introduction of service line reporting provides the opportunity to examine in detail those services that both do and do not appear to provide value for money.

The foundation trust has introduced a number of initiatives that fall both within and outside the Performance Improvement Programme with a view to improving both value for money and the efficiency and effectiveness of its operations. Examples include:

- The participation in two national benchmarking pilots in relation to orthopaedics and obstetrics to understand in more detail the efficiency and effectiveness of these services.
- The implementation of a peri-operative review with a view to maximising the efficiency and effectiveness of its operating facilities and inter-related services.
- The continuous challenge to reduce lengths of stay, through internal review, benchmarking information and building on best practice to ensure bed usage is optimised.
- The review of factors and blockages that can result in delayed discharges from hospital

### **Cash and Balance Sheet Position**

The foundation trust has significantly improved its cash position during the year by working with customers to improve debt collection and contract management. This improved cash position has again resulted in an improvement in interest earned – in 2006/07 it was £1.1m and in 2005/06 it was £0.7m.

The statutory accounts also show a significant increase in creditors. This most significant factor is that a large proportion of the capital programme was delivered at the end of the financial year and had therefore not been settled by the year end.

Also included in the closing balance sheet are provisions of nearly £4.0m, slightly higher than last year. Of this £2,3m relates to legal claims handled by the NHS Pensions Agency and NHS Litigation Authority which will not be fully settled for up to 30 years.

The foundation trust has not used its loan facility in this financial year and does not anticipate doing so over the forthcoming year.

**Prudential Borrowing**

The foundation trust had a maximum long-term borrowing of £32.2m (in 2005/06 it was £19.5m). The foundation trust did not enter into any long term borrowing arrangements during the year or in the previous year

The foundation trust has £16.5m (in 2005/06 it was £16.5m) of approved working capital facility. The foundation trust did not draw on this facility during 2006/07 or in the previous year.

**Private Patient Cap**

The foundation trust is required to remain within its Private Patient cap of 1.09 per cent. The table below shows that the foundation trust was compliant for 2006/07 and 2005/06.

	<b>2006/2007</b>	<b>2005/2006</b>
	<b>£ 000s</b>	<b>£ 000s</b>
Private patient income	1,779	1,887
Total patient related income	213,427	195,943
Proportion as a percentage	<u>0.83%</u>	<u>0.96%</u>

**Public Sector Payment Policy Performance**

The Better Payment Practice Code requires organisations to aim to pay all valid undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later. As an NHS foundation trust, the foundation trust is not bound by this code, but seeks to abide by it as it represents best practice.

The performance in 2006/07 continues to show a slight improvement previous year's performance and the foundation trust is working to improve this further.

	<b>2006/2007</b>	
	<b>Number</b>	<b>£000</b>
Total Non-NHS trade invoices paid in the year	47,862	58,648
Total Non NHS trade invoices paid within target	38,756	49,711
Percentage of Non-NHS trade invoices paid within target	81%	85%
	<b>2005/2006</b>	
	<b>Number</b>	<b>£000</b>
Total Non-NHS trade invoices paid in the year	45,066	48,409
Total Non NHS trade invoices paid within target	36,148	40,686
Percentage of Non-NHS trade invoices paid within target	80%	84%

## **Investments**

The foundation trust does not have any investments in subsidiaries or joint ventures. However, where the foundation trust had short-term cash surpluses to invest, it placed them with selected banks to maximise the interest received, in line with the approved policy.

## **Statement on 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.

## Summary Financial Statements

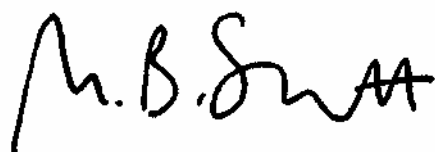
### Income and Expenditure for the year ended March 31 2007

	<b>2006/07</b>	<b>2005/06</b>
	<b>£ 000s</b>	<b>£ 000s</b>
<b>Income</b>	237,977	220,233
<b>Operating expenses</b>	<u>(233,170)</u>	<u>(217,825)</u>
<b>OPERATING SURPLUS</b>	<b>4,807</b>	<b>2,408</b>
Profit / (loss) on disposal of fixed assets	<u>7</u>	<u>(39)</u>
<b>SURPLUS BEFORE INTEREST</b>	<b>4,814</b>	<b>2,369</b>
Interest receivable	1,074	650
Interest payable	0	(5)
Other finance costs - unwinding of discount	(40)	(25)
Other finance costs - change in discount rate on provisions	<u>0</u>	<u>(110)</u>
<b>SURPLUS FOR THE FINANCIAL YEAR</b>	<b>5,848</b>	<b>2,879</b>
Public dividend capital dividends payable	<u>(5,167)</u>	<u>(5,771)</u>
<b>RETAINED SURPLUS/(DEFICIT) FOR THE YEAR</b>	<b><u>681</u></b>	<b><u>(2,892)</u></b>

All income and expenses shown relate to continuing operations.

## Balance Sheet

	31 March 2006/07 £ 000s	31 March 2005/06 £ 000s
<b>FIXED ASSETS</b>		
Intangible assets	0	0
Tangible assets	159,091	158,285
<b>CURRENT ASSETS</b>		
Stocks and work in progress	4,009	3,883
Debtors	9,001	7,303
Investments	0	0
Cash at bank and in hand	21,637	16,433
	<b>34,647</b>	<b>27,619</b>
<b>CREDITORS:</b> Amounts falling due within one year	(33,198)	(25,553)
<b>NET CURRENT ASSET/(LIABILITIES)</b>	<b>1,449</b>	<b>2,066</b>
<b>DEBTORS:</b> Amounts falling due after more than one year	<b>1,938</b>	<b>1,286</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>162,478</b>	<b>161,637</b>
<b>CREDITORS:</b> Amounts falling due after more than one year	(1,914)	(2,182)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	(3,965)	(3,577)
<b>TOTAL ASSETS EMPLOYED</b>	<b>156,599</b>	<b>155,878</b>
<b>FINANCED BY:</b>		
Public dividend capital	110,937	106,523
Revaluation reserve	67,233	72,665
Income and expenditure reserve	(22,517)	(24,441)
Donated Asset reserve	946	1,131
<b>TOTAL FUNDS</b>	<b>156,599</b>	<b>155,878</b>



Miles Scott

Chief Executive

June 7 2007

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED  
March 31 2007**

	<b>2006/07</b> <b>£ 000s</b>	<b>2005/06</b> <b>£ 000s</b>
Surplus for the financial year before dividend payments	5,848	2,879
Fixed Asset Impairment	0	0
Unrealised surplus/(deficit) on fixed asset revaluations/ indexation	(4,189)	245
Receipt of donated assets	69	328
Reductions in the donated asset reserve due to depreciation	(254)	(298)
Additions/(reductions) in 'other reserves'	<u>0</u>	<u>0</u>
<b>Total gains and losses relating to the financial year</b>	<b>1,474</b>	<b>3,154</b>
Prior year adjustment	<u>0</u>	<u>587</u>
<b>Total gains and losses recognised since last annual report</b>	<b><u>1,474</u></b>	<b><u>3,741</u></b>

**CASH FLOW STATEMENT FOR THE YEAR ENDED  
March 31 2007**

	<b>2006/07</b>	<b>2005/06</b>
	<b>£ 000s</b>	<b>£ 000s</b>
<b>OPERATING ACTIVITIES</b>		
<b>Net cash inflow/(outflow) from operating activities</b>	<b>13,478</b>	15,971
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE:</b>		
Interest received	1,074	651
Interest paid	0	(5)
Interest element of finance leases	0	0
	<hr/>	<hr/>
<b>Net cash inflow/(outflow) from returns on investments and servicing of finance</b>	<b>1,074</b>	646
<b>Taxation paid/received</b>	<b>0</b>	0
<b>CAPITAL EXPENDITURE</b>		
Payments to acquire tangible fixed assets	(9,454)	(2,887)
Receipts from sale of tangible fixed assets	859	1
Payments to acquire intangible fixed assets	0	0
Receipts from sale of intangible fixed assets	0	0
	<hr/>	<hr/>
<b>Net cash inflow/(outflow) from capital expenditure</b>	<b>(8,595)</b>	(2,886)
<b>DIVIDENDS PAID</b>	<b>(5,167)</b>	(5,771)
	<hr/>	<hr/>
<b>Net cash inflow/(outflow) before management of liquid resources and financing</b>	<b>790</b>	7,960
<b>MANAGEMENT OF LIQUID RESOURCES</b>		
Movement in short-term deposits	0	0
	<hr/>	<hr/>
<b>Net cash inflow/(outflow) before financing</b>	<b>790</b>	7,960
<b>FINANCING</b>		
Public Dividend Capital received	4,414	0
	<hr/>	<hr/>
<b>Net cash inflow/(outflow) from financing</b>	<b>4,414</b>	0
	<hr/>	<hr/>
<b>Increase/(decrease) in cash</b>	<b>5,204</b>	7,960
	<hr/> <hr/>	<hr/> <hr/>

**Charitable Funds**

**Application of Charitable Funds**

The foundation trust’s charitable funds are operated for the benefit of the staff and patients in accordance with the objects of the charity.

**Significant Donations During the Year**

During the year, the foundation trust received a large number of very generous donations from many parts of the community. In particular, the foundation trustees would like to thank the Friends of BRI and Friends of St Luke’s for very significant donations from various fund raising events. Amongst very generous amounts received within income were a legacy from Mr Pemberton (£18,504) and a donation from the TV show Soapstar Superstar was given on behalf of Lee Otway (£20,849).

**Key Benefits Accruing from the Charitable Funds during 2006/07**

During the year, the charitable funds have purchased a large number of items of equipment for the wards and departments within the foundation trust. Of these the most significant purchases were medical equipment including items for cardiology and the neonatal unit.

**Capital Programme**

Capital investment totalling £13.1m was made during the year. The main elements of the capital programme were as follows:

<b>Scheme</b>	<b>£million</b>
Estates Schemes Including development of Temple Bank House, purchase of Temple Bank School and range of smaller schemes	6.2
Medical Equipment	4.5
Information Technology	2.4
<b>Total</b>	<b>13.1</b>

**During 2006/07, the following investments were achieved:**

**a) Schemes Commenced or Committed from Earlier Years:**

The foundation trust had already committed to the following projects from the previous financial year:

- **Temple Bank House - Medical School Expansion** - Refurbishment of Temple Bank House to create research and office facility.
- **CT Scanner Replacement** – Replacement of single slice machine at St Luke’s Hospital.

- **Estates Slippage** – To cover completion of upgrade and expansion of security system, upgrade of electrical infrastructure and installation of uninterruptible power supplies.
- **Decontamination** - Purchase of additional Instrumentation and the creation of a receipt and distribution facility.
- **Renal Blue Room** - Increased capacity by installation of 8 further dialysis stations.

**b) Investments which resulted in Revenue Savings:**

A large part of the foundation trust's capital strategy has focussed on reducing revenue through reconfiguration of our accommodation. The following areas of accommodation were vacated to support the strategy to rationalise St Luke's Hospital, which will reduce revenue overheads and facilitate part sale of St Luke's Hospital site in 2007/08:

- **Relocation of Antenatal Clinic** – Facility relocated from St Luke's Hospital to Bradford Royal Infirmary
- **Gynaecology to BRI** - Gynaecology clinics relocated to Bradford Royal Infirmary
- **Medical School – M Block** – Temporarily moved to C3 pending permanent relocation to Bradford Royal Infirmary as part of the proposed Medical School development
- **Services Reconfiguration** - Engineering services reconfiguration, including VIE unit, to facilitate disposal of part of the old site at St Luke's Hospital.

**c) Maintenance of Buildings and Infrastructure:**

A register of Estates Assets requiring upgrade or replacement was collated and prioritised based on:

- Risk associated with continual use of asset
- Implication on service delivery/loss of income
- Reliability.

All the following items were classified as high risk and have been addressed through the 2006/07 capital programme:

- Installation of uninterruptible power supplies
- Maternity plant replacement
- Structural works to kitchen floor
- Security system review
- CHP control system renewal

**d) Medical Equipment Replacement:**

A register of medical equipment requiring replacement was collated. The key factors considered in prioritising capital spend on medical equipment were:

- Consideration of the risks associated with the deployment of the current device
- Clinical governance and relevant standards

- Implications for clinical activity, income and targets
- Technical support and reliability.

#### e) **Development of Information Technology**

A programme to support technological advances within the foundation trust was developed and investment included:

- **National Care Records**  
Technical infrastructure to support the implementation of the replacement Patient Administration System
- **Desktop Computing**  
Replacement programme for the PC and printing infrastructure based on a four year life cycle
- **Library Management/Casenote Tracking System**  
Upgrades resulting from the implementation of the new Care Records systems
- **Management Information System**  
To replace the current system with a modern flexible reporting system feeding from the Connecting for Health administration and clinical systems
- **Systems Integration Engine**  
Required to share common information between Care Records systems and legacy departmental systems
- **Pharmacy Information System**  
Implementation of the replacement pharmacy information system began in 2005/06 and will complete in 2006/07
- **Radiology Information System**  
Implementation is in progress. Also provides environment for PACS
- **PACS**  
To introduce a Picture Archiving and Communications System into the foundation trust providing digital imaging for diagnostic purposes and replacing X-ray film. PACS is a Connecting for Health initiative and is subject to a bid for a significant capital contribution from the Department of Health
- **Maternity Information System**  
New system to be implemented in 2006/07 and also providing information for the Born in Bradford initiative
- **Telephone Switch**  
Replacement programme for switch emergency back-up systems
- **Network Upgrade**  
Estimated costs associated with additional networking requirements
- **Human Resources System**  
Estimated costs associated with the provision of Electronic Staff Records
- **Medical Equipment Management System**  
A replacement system to provide improved and reliable management records for the medical devices used by the foundation trust

#### f) **Statutory Compliance**

The following items were included in the capital programme to ensure compliance with statutory and legislative requirements:

- Pharmacy flammable store

- Pathology blood safety legislation
- Asbestos management
- Fire precautions
- Disability Discrimination Act
- Replacement boilerhouse plant

#### **g) Improvement of Patient and Staff Facilities**

The foundation trust has commenced a programme of improvement works on the corridor facilities at Bradford Royal Infirmary through implementation of a phased upgrade of the public access and circulation areas.

#### **h) Implementation of the Corporate Strategy**

In addition to improving services, the corporate strategy focuses on the need to provide modern facilities for training our workforce commensurate with our teaching hospital status, as well as modernising our existing estate over a number of years and providing new facilities as services develop.

Initially the focus has been on improving the teaching facilities which will allow time to develop more detailed plans for services for the future:

- **Development of Academic Facilities** - Development of new lecture theatre to provide conference and teaching facilities, which will be located to the side of Field House. Work began during 2006/07 with further work scheduled to be carried out to provide a clinical skills laboratory and conference facility.
- **Infrastructure Replacement** – Work commenced on improving resilience of the electrical supply at Bradford Royal Infirmary, which is required to support ongoing site development.

#### **i) Other/Additional Commitments**

The following additional commitments were also completed as part of the 2006/07 capital programme:

- **Radiopharmacy Refurbishment**
- **Land Swap** – Land swap between the foundation trust and the Local Authority. The foundation trust Bishops Garden Car Park adjacent to St Luke's Hospital transferred to Local Authority ownership. Temple Bank, site of the former blind school, adjacent to the Bradford Royal Infirmary transferred to the foundation trust's ownership to support future development options.

It should be noted that for capital programme purposes the net difference between the value of the two areas of land has been shown. The annual accounts however reflect the separate transactions, namely the purchase of Temple Bank at £1.15m plus VAT and the sale of Bishops Gardens at £0.85m plus VAT.

- **Ward nine** – Upgrade of nightingale ward at Bradford Royal Infirmary
- **Ward 12** – Refurbishment of nightingale ward at Bradford Royal Infirmary
- **Ward 25** – Development of ward for breast care services

- **Digestive Diseases Centre (DDC)** – Ward upgrade and provision of new equipment to provide DDC services
- **Lithotripsy** – Improvements to Lithotripsy facility on Ward 14
- **Orthopaedic Pre-Assessment** – Minor improvements to area next to clinical facilities

### **Board of Governors**

The Board of Governors holds a number of statutory duties, one of which is to be consulted on the future plans of the organisation. They appoint and remove the chairman and non executive directors, they set the terms, conditions and remuneration of non-executive directors and they receive the annual report, the annual accounts and the auditors report on the accounts. They appoint and remove the external auditors.

The Board of Governors meet every other month. The work programme of the Board of Governors has resulted in the establishment of a number of governor working groups. These working groups include the appointment of non-executive directors and the chairman, remuneration of the chairman and non-executive directors, appointment of auditors, review of the constitution, Healthcare Commission declaration, charitable funds and investment committee and the NHS Foundation Trust Network, national forum.

Governor working groups have also looked at membership development and communications, where they worked towards increasing membership and have worked to improve communications with members.

The governors oversaw the Annual General Meeting (AGM) in 2006 – with 120 people present at the AGM. The governor working group on this developed this event.

An open event (the first of its kind at the foundation trust), with over 600 members of the public attending and over 40 departments actively contributing, followed the AGM.

Governor working groups also worked on 3G: From the Cradle to the Grave (schools membership development project), the Voluntary Services Forum and developing the foundation trust's website.

The Board of Governors has built on the work that began last year in regards to the formal consultation of the constitution.

The new constitution was approved by Monitor, the Independent Regulator of NHS Foundation Trusts and was implemented from October 1 2006. This saw a reduction on the Board of Governors from 33 to 21. This also accommodated the changes in the restructuring of four local Primary Care Trusts (PCTs) to create a single PCT, called Bradford and Airedale Teaching Primary Care Trust.

Rhys North, director of finance, at Bradford and Airedale Teaching Primary Care trust is an acting partner governor.

Bradford Teaching Hospitals NHS Foundation Trust was created on April 1 2004. At this time the Board of Governors were elected to serve a three year period of office.

Throughout the past year there have been no by-elections to the Board. During January 2007, elections were formally called.

The make up of the Board of Governors is set out below:

From 1 April 2006 – 30 September 2006 ie prior to implementation of the new constitution

Constituency	Elected Governors
<b>Public</b> Keighley	Vacancy Amjad Ali Zaman Shamim Akhtar
Bradford North	Shamsul Khan vacancy David Walker
ShIPLEY	Peter Sale Matthew Palmer Astrid Hansen
Bradford South	Mohammed Razaq Baig Maureen Sharpe Levi Hall
Bradford West	vacancy vacancy Nora Whitham (Vice – Chair)
<b>Patients</b> Out of Bradford	John Speight Mary Nelson
<b>Staff</b> Medical/Dental	Ian Beck
Nurses/Midwives	Vacancy Sheila Nolan
Allied Health Professionals / Scientists	Deidre Naylor
All Other Staff	John Sidebottom
<b>Partner Governors</b>	
The University of Leeds	Professor Chris Twelves
The University of Bradford	Professor Grace Alderson
North Bradford Primary Care Trust	John Waterhouse
Workforce Development Corporation	Vacancy
Bradford Metropolitan District Council	Kath Tunstall
Bradford Metropolitan District Council	Councillor Dorothy Clamp
Patient Forum	Mrs Jenny Scott
Bradford City Primary Care Trust	Robert Toole
Airedale Primary Care Trust	Dr Maggie Helliwell
Bradford District Care Trust	June Goodson-Moore
Bradford South AND West Primary Care Trust	Mrs Phil Corrigan

From October 1 2006 – March 31 2007

<b>Constituency</b>		<b>Elected Governors</b>	
<b>Public</b>			
Keighley		Vacancy	
Bradford North		Vacancy	
ShIPLEY		Vacancy	
Bradford South		David Walker	
Bradford West		Peter Sale	
		Astrid Hansen	
		Maureen Sharpe	
		Levi Hall	
		vacancy	
		Nora Whitham (Vice–Chair)	
<b>Patients</b>			
Out of Bradford		John Speight	
		Mary Nelson	
		Ian Beck	
<b>Staff</b>			
Medical / Dental			
Nurses/Midwives		Sheila Nolan	
Allied Health Professionals / Scientists		Deidre Naylor	
All Other Staff		John Sidebottom	
		<b>Partner Governors</b>	
The University of Leeds		Professor Chris Twelves	
The University of Bradford		Professor Grace Alderson	
Bradford Metropolitan District Council		Cllr Matthew Palmer	
Patient Forum		Mrs Jenny Scott	
Bradford & Airedale PCT		Acting Mrs Phil Corrigan	
From April 1 2007 – following the elections to the Board of Governors			
<b>Constituency</b>		<b>Elected Governors</b>	
<b>Public</b>			
Keighley		Ronald Beale	
Bradford North		Vacancy	
ShIPLEY		John Waterhouse	
Bradford South		Mary Brewer	
Bradford West		Norman Roper	
		Astrid Hanson	
		Maureen Sharpe (Sept 2005 – three years)	
		Sylvia Reilly	
		Nora Whitham	
		Rafit Ali	
<b>Patients</b>			
Out of Bradford		John Speight	
		Michael Young	
<b>Staff</b>			
Medical/Dental		Dr Mark Steward	
Nurses/Midwives		Janet Collett	
Allied Health Professionals / Scientists		Alison Haigh	
All Other Staff		John Sidebottom	
		<b>Partner Governors</b>	
University of Leeds		Professor John Young	
University of Bradford		Professor Grace Alderson	

### Attendance of Governors at Meetings

	May 3 06	July 12 06	Sept 13 06 AGM	Nov 8 06	Jan 24 07	March 21 07	Total attendances out of maximum of 6
Grace Alderson	√	√	x	√	√	√	5
Mohammed Razaq Baig	x	x					2
Ian Beck	√	√	x	√	√	x	4
Dorothy Clamp	√	√	x				2
Phil Corrigan	x	√	x	√			2
Anna Frazer	x	x					0
June Goodson-Moore	√	x	x				1
Lee Hall	√	√	√	√	√	√	6
Astrid Hansen	√	√	√	√	√	√	6
Maggie Helliwell	√	√	x				2
Shamsul Khan	√	√					2
Deirdre Naylor	√	x	√	√	√	√	5
Mary Nelson	√	x	x	√	√	x	3
Sheila Nolan	√	√	√	x	x	√	4
Rhys North					√	x	1
Matt Palmer	√	√	√	√	x	√	5
Ghulam Rabani	x	x					0
Peter Sale	√	√	√	√	√	√	6
Jenny Scott	√	√	√	√	√	√	6
Maureen Sharpe	x	√	√	√	√	Y	5
John Sidebottom	√	√	√	√	√	√	6
John Speight	√	√	√	√	√	√	6
Kath Tunstall	√	√	x				2
Robert Toole	x	x	x				0
Chris Twelves	√	√	x	x	√	x	3
David Walker	√	√	√	√	√	x	5
John Waterhouse	√	√	x				2
Nora Whitham	√	√	√	√	√	√	6

Shamim Akhtar	x	x					0
		denotes period when not a governor – eg post October 1 2006					

### Board of Directors

The Board of Directors is responsible for the day-to-day management of the foundation trust and the operational delivery of its services, targets and performance.

The Board of Directors meets monthly. After each Board meeting a training and development session takes place.

This training programme has ranged from an equality and diversity agenda where the Board visit key groups in the community. These visits have included meetings with Asian Trade Link Ltd and Action for Black Community Development (ABCD).

Within this programme, key speakers from the local business community have been used to develop greater understanding of local issues and Board management of large multi-national commercial companies – for example guest speakers have included the chief executive of a large national building society whose head office is based in the city.

Four times a year the Board of Directors holds time-out meetings, which operate on a workshop style model. The way these meetings are held varies, with the executive team, chairman and non-executive directors meeting separately and then coming together to discuss a range of issues.

A new clinical management structure was implemented on April 1 2006. This created 12 clinical directorates, each with a clinical director, deputy clinical director and one of the general managers.

Following each Board meeting, there is a lunchtime operational visit to a directorate. The clinical director and general manager are invited to give a short presentation to the Board followed by a visit to the clinical areas.

Key management structures that feed into and out of the Board of Directors are the executive directors group and clinical management group, both of which meet monthly. Any new business case, which presents a variance to the Annual Plan approved by the Board of Directors will be reviewed and approved by the clinical management group before they are presented to the Board of Directors.

### Working Together

The Board of Directors has formally consulted with the Board of Governors throughout the year to support the delivery their statutory duties.

Consulting with the governors about the corporate strategy, which sets out the vision of the foundation trust for the next five years, began in July 2006.

The director of planning and performance has presented regular updates throughout the year to the Board of Governors to seek their views, in order to feed into the development of the annual plan.

Following the publication of the Code of Governance from Monitor, the Independent Regulator of NHS Foundation Trusts, Nadira Mirza was appointed as the senior non-executive director. The Board of Governors are fully aware of this new role and know how to contact the senior independent director. The senior independent director sought the views of the Board of Governors when overseeing the chairman's appraisal.

In a joint initiative, the Board of Directors and Board of Governors came together for a joint workshop, to take part in a governance self-assessment initiative sponsored by Yorkshire Forward, the regional development agency. This was externally organised and resulted in an action plan that will complement the implementation of Monitor's Code of Governance, issued in the autumn of 2006.

### **Appointments of the Board of Directors**

<b>Name and title</b>	<b>Commenced in post/terms of office</b>
David Richardson, Chairman	July 1 2005 to June 30 2008
Miles Scott, Chief Executive	Permanent post from August 30 2005
Rose Stephens, Deputy Chief Executive/ Chief Nurse	Permanent post – on going
Bryan Millar, Director of Finance	Permanent post from October 10 2005
Dean Johnson, Director of Planning and Performance	Permanent post from November 21 2005
Dr Duncan Newton, former medical director	Ended October 31 2006
Dr Clive Kay, Medical Director	Commenced from November 1 2006
Nadira Mirza, Deputy Chair and Senior Independent Director	December 1 1998 to November 30 2009 (was re-appointed by the Board of Governors during the year)
Richard Bell, non-executive director and Chair of Audit Committee	June 1 2005 to May 31 2008
Chris Jelley, non-executive director	June 1 2005 to May 31 2008
Peter Noble, non-executive director	July 21 2004 to July 30 2007
Balbir Singh, non-executive director	December 1 2000 to November 30 2007
John Bussey, non-executive director	May 1 2006 to April 30 2009

### **About our Directors**

#### **David Richardson, Chairman**

David Richardson was appointed as chairman to Bradford Teaching Hospitals NHS Foundation Trust In July 2005. David is currently the director of his own company called DGR (UK) Ltd. He is the chairman of Bradford and Airedale Care Partnerships Ltd-LIFT Co, chief executive of Bradford Breakthrough Ltd, which is the senior business leaders' forum for the district.

These posts have been held since the chairman was appointed at the foundation trust. The work undertaken in these posts does not interfere with the chairman's commitments at the foundation trust and their overlap with health partners and all the major businesses and city institutions strengthens effectiveness in the role as chairman.

During the year, the chairman gave up his post as non-executive director of Bradford Community Housing Trust (BCHT).

### **Miles Scott, Chief Executive**

Miles Scott has been chief executive of Bradford Teaching Hospitals NHS Foundation Trust since August 2005. Before coming to Bradford, Miles was chief executive of Harrogate and District NHS Foundation Trust for four years. During his time in Harrogate the foundation trust went to the top of the performance league tables, delivered the NHS Plan access standards two years ahead of target and developed a wide range of clinical services for local people.

Miles joined the NHS as a national management trainee in 1988. He has undertaken a range of management roles in acute, community and mental health services. Miles is a member of the National Institute for Clinical Excellence (NICE) Technology Appraisals committee, chairs the Foundation Trust Network Board and the NHS Confederation National Council and is active in management development, notably as a mentor to successive national management trainees.

### **Rose Stephens, Deputy Chief Executive/Chief Nurse**

Following a successful nursing career in both Bradford and Leeds, Rose was appointed as chief nurse to the Bradford Trust in 1993, in addition to being director of nursing for one of the three front-line operational groups in Bradford hospitals.

Since that time Rose has held a series of senior management appointments at the foundation trust. Rose is currently deputy chief executive and chief nurse at the foundation trust.

Rose currently has the professional line-management of the 12 general managers, who work with the clinical directors to deliver all the clinical services across the foundation trust and is responsible for the leadership of nursing and midwifery.

### **Bryan Millar, Director of Finance**

Bryan has worked in the NHS for over 30 years in a variety of financial roles within Yorkshire and the north east of England.

After occupying a number of posts at District and Regional Health Authorities, Bryan joined Northgate and Prudhoe NHS Trust becoming their director of finance and performance management in 1993.

He became finance director at Bradford Community Health NHS Trust in 1999 before moving to Bradford South and West PCT where he was finance director and deputy chief executive. Bryan joined the foundation trust as director of finance in October 2005. He is a fellow of the Association of Chartered Certified Accountants.

### **Dr Dean Johnson, Director of Planning and Performance**

Dean spent six years at Loughborough University studying mathematics to degree and PhD level. Following university, Dean started working for the NHS in 1992, on the management training scheme.

After seven years working at Queens Medical Centre in operational and corporate roles, he moved to Nottingham Health Authority to be responsible for the commissioning of elective services. Following three years at the Health Authority, Dean moved to Broxtowe and Hucknall PCT as director of planning and performance.

Following this and in the year preceding working at the foundation trust, Dean worked for the Department of Health in both Leeds and London, looking at urgent care in a primary care setting.

Dean's current responsibilities are for planning services, the performance management of the organisation, planning capital investment, information services and marketing

### **Dr Duncan Newton, Medical Director (from April 2004 to October 31 2006)**

Duncan has worked for the foundation trust as a consultant physician in general and thoracic medicine, since 1980. Before this he was a senior medical registrar at Leeds General Infirmary and St James's University Hospital, after working at the National Heart Hospital and Hammersmith Hospital in London.

Duncan has written papers on tuberculosis, which has been presented at the British, European and American Thoracic Societies. Studies in association with the University of Bradford have also been presented.

Duncan has now taken up the post of associate medical director for infection control at the foundation trust.

### **Dr Clive Kay, Medical Director (from November 1 2006)**

Dr Kay took over the role as medical director in November 2006 and has worked as a consultant radiologist at the foundation trust since 1998.

Before working in Bradford, Dr Kay spent three years at the Medical University of South Carolina as chief of radiological services at the Digestive Disease Centre.

Dr Kay is the lead clinician for the West Yorkshire Upper GI Cancer Centre and is the chairman of the West Yorkshire Diagnostic Imaging Forum. He is also the chair elect of the British Society of Gastrointestinal and Abdominal Radiologists and the chairman of the Royal College of Radiologists Scientific Programme Committee.

### **Nadira Mirza, Non-Executive Director**

Nadira is deputy dean, senior lecturer and head of academic programmes in the School of Lifelong Education and Development at the University of Bradford.

She has been a youth and community worker and officer and has been instrumental in establishing work which engages women in the higher education and voluntary sector in Bradford. Nadira sits on a number of local, regional and national committees charged with raising educational aspiration and attainment.

She is on the advisory board of the Management for Development Foundation in the Netherlands. As deputy chairperson of the foundation trust she leads a number of committees. Nadira is also a governor of Bradford Grammar School, a commissioner for the Bradford District Infant Mortality Commission and chair of a committee of the Born in Bradford project.

### **Richard Bell, Non-Executive Director**

Richard is a chartered accountant with over 30 years post qualification experience. Currently, he is part-time financial director to a biotech company and part-time director of a software company, as well as running his own consulting business, which has in the past provided finance director services to a number of clients including the University of Liverpool, a utilities repair business and other manufacturing and service companies.

Before that he ran a Ford motor group with a turnover of £130m for two years and prior to that worked for Barr and Wallace Arnold Trust plc for 12 years, where he was group finance director for five years and company secretary for nine.

### **Chris Jelley, Non-Executive Director**

After reading politics, philosophy and economics at Balliol College, Oxford, Chris Jelley taught economics at the City of London School for Boys for four years. He then joined BBC's educational television department, producing economics and management programmes, the BBC's first numeracy campaign and a series of programmes analysing the NHS in 1986.

At Yorkshire Television, he was chairman of the ITV schools TV committee and chairman of the European Broadcasting Union's Education Expert Group. In 1998 he was one of the team appointed by the Department for Education and Skills to set up the University for Industry, known as learndirect, and commissioned many of their IT courses. He has also been a consultant to the NHS University. He is currently chairman of the governors of Moorfield School, Ilkley and chairman of the trustees of the Open College of the Arts.

### **Peter Noble, Non-Executive Director**

Peter qualified as a radiographer before moving into NHS general management posts in Leeds, Liverpool and London. Prior to joining Leeds Medical School in 1999, he was executive director for Whipps Cross Hospital in North East London. He supported the successful Leeds-Bradford bid for medical student expansion, has led international consultancies on health reform and is actively involved with the Council for Academic Health Centres in North America.

His current role is director for health development at the University of Leeds, with responsibilities for the strategic and operational management for the Faculty of Medicine and Health.

### **Balbir Singh, Non-Executive Director**

After completing his Bachelor of Arts (BA) and later his Postgraduate Certificate in Teaching from Punjab University, India, Balbir arrived in England in early 1964. After a short spell working in a textile mill and as a bus driver, he joined the Post Office in 1971 and when in 1981 the business split into two parts, he decided to move to British Telecom.

Because of some major organisational changes that took place in 1994, he decided to take early retirement. He was appointed a justice of the peace in 1988 and has diligently served the Bradford Bench. At present he is a member of Lord Chancellors Advisory committee of Keighley.

### **John Bussey, Non-Executive Director**

After ten years in shipping and forwarding, John Bussey spent two years in corporate finance before jointly founding the Driver Hire Group of which he is now non-executive chairman. From 1985 when Driver Hire was founded it has grown from two offices to a nationwide company with more than 120 offices and a turnover of over £70m in 2004 when the business was invested in by private equity investors.

John is a member of the Institute of Logistics, the Institute of Management, holder of the Certified Diploma in Accounting and Finance from the Association of Certified Accountants and a Fellow of the Institute of Directors. He is also a chartered director and an interviewer for the Chartered Director Programme on behalf of the Institute of Directors. For ten years John was also a board member of the British Franchise Association has been an advisor to the Princes Trust and is a retired justice of the peace.

## ATTENDANCE AT BOARD OF DIRECTORS MEETINGS 2006/2007

BOARD MEMBERS	26.4.06	31.5.06	28.6.06	26.7.06	30.8.06	27.9.06	25.10.06	29.11.06	20.12.06	31.1.07	28.2.07	28.3.07	TOTAL
DAVID RICHARDSON	√	√	√	√	√	√	√	√	√	√	√	√	12
MILES SCOTT	√	√	√	√	√	√	√	√	√	√	X	√	11
ROSE STEPHENS	√	√	√	X	√	X	√	√	√	√	√	√	10
DEAN JOHNSON	√	√	√	√	√	√	√	√	√	√	√	√	12
BRYAN MILLAR	√	X	√	√	√	√	X	√	√	√	√	√	10
DUNCAN NEWTON /CLIVE KAY	√	√	X	√	√	√	√	√	√	√	X	√	10
JO BRAY	√	√	√	√	√	X	√	√	√	√	√	√	11
NADIRA MIRZA	X	X	√	√	X	√	X	√	X	√	√	X	6
RICHARD BELL	√	√	√	√	√	√	X	√	√	√	√	√	11
CHRIS JELLEY	√	√	X	√	√	√	√	√	√	√	√	√	11
PETER NOBLE	√	√	√	√	√	√	√	√	√	√	√	√	12
BALBIR SINGH	X	√	√	√	√	√	√	√	√	X	√	√	10
JOHN BUSSEY	N/A	X	√	√	√	√	√	√	√	√	√	√	10

√ = Attended  
X = Apologies sent

### Governance Committee

Date of meeting	26 April 06	25 October 06
David Richardson (Chairman)	√	√
Miles Scott	X	√
Rose Stephens	√	√
Bryan Millar	√	X
Dean Johnson	X	√
Duncan Newton	√	√
Bob Dugdale	√	N/A
Jo Bray	N/A	√
John Wright	X	X
Nadira Mirza	X	X
Richard Bell	√	X

### Remuneration Committee

	28 June 06	26 July 06	28 February 07
David Richardson	√	√	√

(Chairman)			
Miles Scott in attendance	√	√	x
Barry Mortimer in attendance	√	√	√
Jo Bray in attendance	N/A	N/A	√
Nadira Mirza	√	√	√
Richard Bell	√	√	√
Chris Jelley	x	√	√
Peter Noble	√	√	x
Balbir Singh	√	x	√
John Bussey	√	√	√

### Audit Committee

	25 April 06	14 June 06	27 Sept 06	10 Nov 06	27 Feb 07
Richard Bell	√	√	√	√	√
Peter Noble	√	√	√	√	√
Balbir Singh	x	√	x	x	x

### Evaluating our Performance

The chairman and the non-executive directors set objectives for the executive directors to deliver on targets as defined by our corporate objectives,

Appraisal of the non-executive directors was reported to the Board of Governors at the November 2006 meeting of the Board of Governors.

External appraisal regarding the overall delivery and performance of the foundation trust is set by the ratings issued by Monitor – financial, governance and mandatory services.

The foundation trust achieved a better risk rating for financial performance by Monitor as the foundation trust achieved a rating of four against a predicted three, with five being the best rating available. For governance, the foundation trust was rated amber throughout the year. We were rated as green for mandatory services (these are a range of services we have to provide as set out in the terms of our licence from Monitor, the Independent Regulator of NHS Foundation Trusts). This means that we are performing well.

The healthcare regulator for England, the Healthcare Commission, rated the foundation trust as good for the use of our resources and good for the quality of our services.

### Register of Interests

The head of corporate affairs maintains a register of interests for both the Board of Directors and Board of Governors. This is available to the public and requests should be directed to the Head of Corporate Affairs, Trust HQ, Bradford Royal Infirmary, Bradford, BD9 6RJ.

## **Audit Committee**

The Audit Committee is comprised of the following non-executive directors:

Richard Bell (chair)  
Peter Noble  
Balbir Singh

Chris Jelley was appointed as a fourth member of the committee on March 28 2007

During the year, the committee approved the audit plans for both the internal and external auditors. Representatives from both auditors have attended each meeting and presented details of the work carried out and their main findings. The committee have also had an informal meeting with each of the auditors without any foundation trust executives present.

The committee has reviewed a number of key documents and the processes supporting them including the Standards for Better Health declaration, head of internal audit opinion and the foundation trust's Annual Accounts and the report produced by the external auditor on these accounts.

Appointment of the external auditors is a statutory duty of the Board of Governors. The Board of Governors commenced this process in July 2006 and appointed the Audit Appointment Working Group to facilitate this process working closely with the Audit Committee. Membership of the group comprised of three governors, the Audit Committee (three non-executive directors), the director of finance and were supported by the secretary to the Audit Committee. The full Board of Governors appointed the external auditor at the public meeting in March 2006, by appointing PricewaterhouseCoopers as the new external auditors for Bradford Teaching Hospitals NHS Foundation Trust.

## **Search Committee**

The appointment of non-executive directors is defined in the foundation trust's constitution, which states that *'The search committee will be expected to make a recommendation to the Board of Governors'*. The Constitution goes on to state that *'a non-executive director may stand for reappointment and the search committee may recommend them'*.

The new Code of Governance issued by Monitor, the Independent Regulator of NHS Foundation Trusts in September 2006, also states that *'the governors are responsible at a general meeting for the appointment and re-appointment of the chair and non-executive directors'*.

The search committee has met twice since the last Board of Governors meeting in July. The committee considered a number of options for the recruitment and appointment of a non-executive director. However, a number of factors were considered to be important:

- Continuity and stability to the Board of Directors was important, in light of the number of changes over the last 18 months

- Focused recruitment to maintain a Board which is representative of the community it serves
- Reviewing the positive feedback of the appraisal of Mrs Nadira Miza's performance from the chairman and her wish to serve another three year period and her intention to re-apply to the advertised position
- The cost of advertising and the use of recruitment consultants to target the profile of the recruitment to the criteria and the expense associated costs

The foundation trust's search committee was formed after the chairman informed the Board of Governors in July 2006 about the terms of office for Nadira Mirza, senior independent director, which expired at the end of November 2006.

The chairman then requested volunteers from the Board of Governors to form a search committee to undertake the appointment of a non-executive director of the Board of Directors.

The following group of governors volunteered to be members of this group:

John Sidebottom, staff governor, John Speight, patient governor, Lee Hall, public governor, Jenny Scott, partner governor from the patient forum and Phil Corrigan, partner governor from the PCT.

In attendance at these meetings were Miles Scott, chief executive and Jo Bray, head of corporate affairs. The group meet twice to consider the appointment of non-executive director.

Their recommendation was reported to the Board of Governors at their meeting in November 2006, at which Nadia Mirza was reappointed for a further three-year term of office.

Following the approval of the recommendation from the governor working group to the full Board of Governors in November 2006, it was agreed that the remuneration of non-executive directors would be reviewed in November 2009.

## Membership

### Constituencies

Public, patient and staff membership constituencies' make up the membership of the foundation trust.

### Public Membership Constituency

To be eligible for public membership you need to be over 16-years-old and a resident within the Bradford Metropolitan District Council (BMDC) boundary.

The public membership constituency is split into five sub-constituencies, which are Keighley, Shipley, Bradford North, Bradford South and Bradford West. This is divided into the same areas as used by BMDC. The electoral ward a person lives in determines within which membership sub-constituency they are registered. Public members are automatically registered in one of the sub-constituencies, determined by their home postcode.

Membership Sub-Constituency	Wards
Keighley	Craven, Ilkley, Keighley Central, Keighley East, Keighley West, Worth Valley, Addingham, Silsden, Steeton with Eastburn, Haworth, Cross Roads, Stanbury and Oxenhope
Shipley	Baildon, Bingley, Bingley Rural, Shipley, Wharfedale, Windhill and Wrose
Bradford North	Bolton and Undercliffe, Bowling and Barkerend, Bradford Moor, Eccleshill, Idle and Thackley
Bradford South	Great Horton, Queensbury, Royds, Tong, Wibsey and Wyke
Bradford West	City, Clayton and Fairweather, Heaton, Little Horton, Manningham, Thornton and Toller

### Patient Membership Constituency

To be eligible for patient membership you need to be over 16-years-old, have received treatment at our hospitals and live outside the BMDC boundary or, where appropriate, are the carers of such a patient and act on their behalf.

### Staff Membership Constituency

To be eligible for staff membership a person needs to be an employee of the foundation trust who holds a permanent contract of employment or, who has worked for the foundation trust for at least 12 months. Contract staff or staff holding honorary contracts and have worked at the foundation trust for at least 12 months, are also eligible for membership.

The staff membership constituency is split into four sub-constituencies, which are allied health professionals and scientists, nursing and midwifery, medical and dental and all other staff groups.

## Number of Members

During 2006/07 membership of the foundation trust has increased by a total of 5,418 new members to a total of 9,639. Public membership has increased from 1,176 to 4,425, patient membership from 257 to 454 and staff membership from 2,248 to 4,760.

## Members

Public Membership Profile	FT members	Total BMDC 16 plus population	Total BMDC population	Membership as % of BMDC 16 plus population
Keighley	286	70,895	90,174	0.6%
Shipley	766	71,428	88,916	1%
Bradford North	885	69,042	92,976	1.3%
Bradford South	837	71,606	93,213	1.2%
Bradford West	1,651	68,911	102,386	2%
<b>Total Public</b>	<b>4,425</b>	<b>351,882</b>	<b>467,665</b>	<b>1.2%</b>

**Total Patient Members** **454**

Staff Membership Profile	FT members	Total eligible Staff population	Membership as % of eligible population
Allied Health Professionals and Scientists	700	764	92%
Nursing and Midwifery	1,636	1,670	98%
Medical and Dental	368	405	91%
All Other Staff Groups	2,056	2153	95%
<b>Total Staff</b>	<b>4,760</b>	<b>4,992</b>	<b>95%</b>

Staff members employed after April 2004 are automatically opted into membership of the foundation trust. Employees who are ineligible for staff membership, due to the nature of their contracts are offered either public or patient membership of the foundation trust as long as they meet the qualifying criteria for those membership constituencies. Staff members who leave employment at the foundation trust are offered public membership if they live within the BMDC area.

## Membership Recruitment Activity

The target set within the foundation trust's annual corporate objectives for 2006/07 was to achieve a membership total of 8,000 by the end of March 2007 – nearly double the membership we had at the start of 2006.

While this target was set for the end of March 2007, the foundation trust decided that new members needed to register by the end of January 2007. This was to ensure maximum participation within the election process, an increased pool of nominees for election to the Board of Governors and increased prospects of returning a full Board of Governors following the elections to be held in March 2007.

The governor working group for membership development and communication has led a proactive membership recruitment drive throughout the autumn through to Christmas 2006.

Key features of this activity were:

- Over 120,000 leaflets widely distributed across the whole of the BMDC area to a whole range of organisations including local business, faith organisations, libraries, GP surgeries and health centres.
- Governor and membership display stands placed in key strategic locations including health centres, GP Surgeries, local city centre markets and internal outpatient departments.
- Leaflets were distributed to every inpatient via patient food trays
- The senior management team for the neighbourhood forums provided support in promoting membership at the local council organised neighbourhood forum meetings.
- Governors have delivered presentations to community-based organisations including neighbourhood forums, rotary clubs and seroptomists meetings
- Press releases were sent out regularly in support of the campaign to all three local print newspapers
- Interviews with our chief executive, chairman and governors have been broadcast on local radio
- 70,000 patients were directly mailed to invite them to register as either patient or public members
- 2,450 of our employees employed before April 2004 who were not entitled to automatic membership have been invited to become members via a direct mail out

The foundation trust and our governors are pleased that we have managed to exceed the targets set within our corporate objectives. However, the response to our direct mailing to patients elicited a two per cent response rate which was lower than expected.

The staff direct mailing has proved a success with take up of membership by 2,375 of our staff, with only 109 staff not wishing to become members.

## **A Summary of the Membership Strategy**

The strategy, which was previously in place from April 2004 until March 2007 has recently been reviewed and updated in line with the membership target set within the foundation trust's corporate strategy (2006 to 2010) of 30,000 members by 2010.

The Board of Governors approved this membership strategy at their meeting in March 2007. The revised membership development strategy covers the period April 2007 to March 2010.

## **Membership Activity 2006/07**

This year has also seen a number of key developments with regard to membership engagement, development and communications.

## **Open Event and Annual General Meeting**

In September 2006, we delivered our first open event called Partners in Health, combined with our Annual General Meeting (AGM). Partners in Health attracted up to 600 people and featured exhibitors from 36 internal departments, including voluntary and charitable internal organisations, and ten exhibitors from external organisations. Members of the public and staff attended the event as well as visitors from other organisations.

The AGM itself attracted approximately 120 people. We offered tours to a number of clinical areas (imaging, acute surgery, orthopaedics and medical physics) and delivered presentations on the foundation trust's new corporate strategy. Feedback was extremely positive from both staff and from our members and visitors.

## **3G: From the Cradle to the Grave (Schools Membership Development Project)**

This year the focus has been on developing a programme of involvement that covers three key areas: careers, volunteering and health priorities amongst the young.

Governors have been developing a schedule of involvement for schools aimed at encouraging membership from amongst our youngest target age group.

Following consultation with the foundation trust's education and training department and with careers advisors working district wide, we put together an outline programme aimed at careers advisors, careers teachers and healthcare leads within schools to bring them up to speed on the diversity of careers opportunities, which exist within the NHS and the associated entry requirements.

It was also agreed to schedule a series of sessions to be delivered directly to students covering career opportunities, volunteering opportunities and the various schemes available for students to access from our education and training department.

Following on from the success of the 'High School Health Fayre' held in March 2006, the foundation trust will again host a health fayre that would support the health and

social care curriculum, promote volunteering opportunities and focus on careers and training options for young people.

## **Membership Communications**

This year, there have been major changes in the way we communicate with our membership.

We have launched our regular quarterly communication with our membership. This consists of two update letters alternating with two membership magazines per year, sent out in winter, spring, summer and autumn. These communications are exclusive to our members and they update them on new developments at the foundation trust, information on membership activities, useful patient information, spotlights on services, reports from the governors and useful contact information.

All new members now receive a welcome letter, which includes information requesting preferred methods of communication. This means that the foundation trust is collating a database for members to receive electronic communication and share mailings with members of the same household, to make sure that we communicate with our members in the most cost effective way possible.

The membership welcome letter also includes a membership identify card containing useful contact details for the foundation trust, including the Patient Advice and Liaison Service (PALS), complaints, membership contact information and details for the foundation trust website.

## **Membership Interests and Patient and Public Involvement**

Members are asked within the welcome mailing if they would be willing to support the foundation trust by giving their feedback to many of our Patient and Public Involvement (PPI) projects. Members have provided a range of areas they are interested in contributing to and have stated their preferred options (for example would they be willing to fill in a questionnaire, talk to a member of staff on the phone, read information and comment, attend a meeting or a focus group etc).

To date, 15 per cent of our members have returned their membership interest forms and expressed their interest in getting involved with PPI activities.

Most have said that they are more than happy to receive information to look at and read, while others are happy to be involved in a variety of other ways from talking to someone over the phone, attending meetings or sharing their experiences.

## The ten most popular member interest areas:

Interests	How many highlighted this
Care of the elderly	38%
Cleanliness/Hospital food/Catering	33%
Infection control	31%
Patient information	27%
Cancer	24%
Men's Health	23%
Accident & Emergency	22%
Cardiology	21%
Pain management	21%
Children's Services	20%

## How our members would be happy to help through Patient and Public Involvement (PPI):

Happy to receive information by post/email (to read)	76%
Happy to talk to someone over the phone	35%
Happy to discuss experiences	25%
Happy to attend meetings	13%

We have advised members that they will be selected randomly to become involved in a whole range of different activities and that not everyone will instantly hear from us but regular reports will be made to our members through the membership quarterly communications, on activities that take place and the feedback we receive from members on specific areas.

This information is being shared among departments within the foundation trust to encourage membership involvement within PPI activities.

### How Members can get in Touch

If members have specific issues they wish to raise, they can contact individual governors, the chairman, or the Board of Governors as a whole by phoning a dedicated helpline telephone number or by sending an email to a dedicated email address or in writing c/o the foundation trust membership office.

Members can meet with governors and raise questions and issues in person at the Members Meet Governors sessions, a new initiative, with sessions set to be held every six to eight weeks. More information about this will be available on our website [www.bradfordhospitals.nhs.uk](http://www.bradfordhospitals.nhs.uk)

Board of Governors papers and agendas are published on the website two weeks before the meetings take place, which means that members can raise questions regarding the business of the Board of Governors by contacting the chairman in advance of meetings.

Members are advised of these processes through the membership welcome pack, the quarterly membership communications updates and on the foundation trust's website.

## **Public Interest Disclosures**

### **Workforce**

During the year, we have made sure that our staff are communicated to effectively over matters that concern them as employees. Staff have access to information through our staff magazine, through monthly core briefings after the Board of Directors meeting, through globally sent emails and individual directorate briefings.

We have continued to use these methods of communication to make our staff aware of the financial and economic factors affecting the performance of the foundation trust.

We make every effort to make sure that our staff are engaged and involved in the day-to-day decision-making at the foundation trust. We have a staff involvement policy, which sets out how we do this.

### **Starters and leavers for Annual Report April 1 2006 to March 31 2007**

#### **Consultant new starters**

Dr Simon Frazer – paediatrics (interest in medical education), Mr Richard Linforth – general surgeon (interest in breast), Dr Suresh Vijayaragavan – metabolic paediatrician, Dr Paul Sainsbury – cardiologist, Mr Muhammed Khan – ENT surgeon (interest in cochlear implants), Dr Patrick Waugh – histopathologist  
Dr Julian Ostrowski – histopathologist, Dr Gail Lumsden – consultant in Accident & Emergency, Dr Louise Hattingh – radiologist (interest in paediatrics), Dr Katrina Sokoll – rheumatologist, Dr Sophia Brady – consultant in Genito-Urinary Medicine  
Dr Elizabeth Loney – radiologist (interest in head and neck), Mr James Anthony McCaul – oral and maxillofacial Surgeon, Dr Radhika Gosakan – consultant obstetrician and gynaecologist, Dr Stuart Maguire – consultant geriatrician (interest in stroke medicine), Dr Andrew Quinn – anaesthetist, Dr Nisha Sharma – consultant radiologist, Dr Robbie Gill – anaesthetist, Dr Sarah Holmes – consultant in palliative medicine, Dr Andy Conn - consultant in medical oncology, Dr Peter James consultant radiologist (breast screening).

#### **Band eight and above new starters**

Mr J P Bussey – non-executive director, Doranne Beresford – general manager radiology, Jo Bray – head of corporate affairs, Claire Bayliss – patient service manager hospital services, Ben Garside – senior manager anaesthesia, Stephen Lock – senior manager stroke, Amani Burfitt – deputy head of information services

The foundation trust would like to thank the following staff for their dedicated service throughout their period of employment;

## **Consultants**

Dr Belinda Batten – palliative care, Dr Lynne Russon – palliative care, Professor David Sharpe – plastic surgeon, Mr Patrick McCann – consultant oral and maxillofacial surgeon, Dr Grahame Smith – geriatrics, Dr Thekkedath Gopichandran – radiology, Dr David Haigh – paediatrician

## **Leavers**

John Evans, Heather Martin, Oksana Wolstenholme, Pat Drake, Peter Knappett, Miles Timperley, Alan Douglas Hirst, Bob Dugdale, Dr Michael Bosomworth, Sue Thomis, Graham Hart, Peter Broughton, Jonathan Carpenter, Catherine Jones, Mark Morrison and Cindy Hockley.

## **Equality and Diversity**

The foundation trust is committed to promoting equality and diversity for all patients, visitors and staff. We are currently assessing all our policies, practices and procedures for the impact they have on equality and diversity.

The results of these impact assessments will be regularly published on the foundation trust's website on [www.bradfordhospitals.nhs.uk](http://www.bradfordhospitals.nhs.uk).

By June 1 each year, we also publish data on our website about our workforce by ethnicity, gender and disability (where possible) in the following areas:

- grievances
- disciplinary action
- performance appraisal
- training
- dismissals

## **Occupational Health**

The foundation trust's occupational health department continued to develop its nurse-led services, with input from occupational health physicians, in support of the foundation trust's workforce.

The service continues to be developed. This year some services and activities include:

- A series of sessions on attendance management for non-clinical support services managers to raise awareness of the key issues. This has resulted in a better standard of referral to occupational health from the managers who attended. The pilot on short-term sickness absence continues with staff referred after two episodes of sickness. This has helped to reduce sickness and absence rates in non-clinical support services.
- Health surveillance has commenced for estates staff with audiometry and hand-arm vibration assessments were carried out this year. Estates staff attended sessions on the contamination injury policy, carried out by occupational health.

- Annual health surveillance for night workers has been performed. Occupational health link nurses have visited some of their areas and this has resulted in improved compliance with the completion of the contamination injury form.
- The occupational health user group is made of managers and members of the occupational health team. This has resulted in some useful feedback and information being exchanged.
- The foundation trust has developed an attendance management policy, which was approved by the Board of Directors in March 2007 and the occupational health service will play a key role when this is implemented
- Several policies are currently being reviewed and updated. These are: blood-borne viruses, contamination injury, staff immunisation and display screen equipment

### **Countering Fraud and Corruption**

The foundation trust complies with the secretary of state's directions on Counter Fraud Measures that were issued in 2004.

The foundation trust's updated Fraud and Corruption Policy was approved by the Board of Directors in June 2006 and was publicised in or board briefing to staff, Core Brief. The foundation trust has a section on counter fraud on the intranet

Foundation trust staff have been communicated to about tackling fraud in the NHS and who to contact if they suspect fraud has been committed in an article within our staff magazine which supported the internal publicity to promote counter fraud week. Display stands were present on both sites in the restaurant areas to promote awareness to staff.

### **Public and Patient Involvement (PPI)**

The foundation trust continues to involve our patients and the public we serve into the work we do. This helps us provide patients, carers and visitors with improved information, holds us accountable to the district we serve and helps us to provide the best possible services for patients.

The deputy chief executive/chief nurse and chief executive meet on a monthly basis with the chairman of the Patient and Public Involvement (PPI) forum to discuss any issues raised by the forum and opportunities for engagement.

The PPI steering group chaired by the deputy chief executive/chief nurse meets quarterly. This group sets the strategic agenda for PPI developments across the organisation. The PPI implementation group, which meets bi-monthly, is key to the implementation of the PPI strategy and the operational management that is required.

Every operational group within the foundation trust has produced an action plan for their individual structures and systems. PPI is incorporated into all job descriptions; appraisals and personal development plans.

We have worked to involve patients throughout the year.

Throughout the year, we have carried out surveys, patient interviews and patient focus groups through the Patient Advice and Liaison Service (PALS).

The equality and diversity department held two meetings with disabled people about its draft disability equality scheme, along with meeting members to consult on the scheme.

Bosom Friends Cancer Support Group has been actively involved in the planning and move of the breast care unit.

Every month we send out patient satisfaction surveys from our catering department and our estates department regularly holds meetings about car parking. In acute surgery, four members of the public are active members of the patient communication sub-group.

The foundation trust has also involved patients in giving advice to others about their condition.

During the year, respiratory medicine have set up a patients as teachers programme, for respiratory patients, urology runs a buddy system where patients can talk to other patients who have undergone the same surgical procedures, before and after their operations and two patients who have Multiple Sclerosis (MS) have established their own support group for Asian people who have MS called MS Dreams.

Patients as teacher's programmes are also running across cardiology, paediatrics, oncology and haemodialysis.

An insulin pump information day was also held, which gave those who are considering starting to use a pump the chance to meet other patients.

## **Volunteering**

The foundation trust's active volunteering community continues to grow significantly. There are a number of groups (volunteer-led and other charitable organisations) operating from within the foundation trust. Through membership of the Volunteer Forum Group, these groups have grown and developed into a mutually supportive network that raises and promotes the good work of our volunteers.

Voluntary services continue to manage the relationship between the foundation trust and a number of these voluntary organisations and they provide a wide variety of support services. As a result, volunteers have been able to assist foundation trust staff to develop and enhance health care delivery, providing an improved standard of patient care and services.

The ten most active groups have a combined total membership community of 942 people and they provide an invaluable support to the foundation trust, the staff and patients through a variety of services and activities. As of March 31 2007, the number of active volunteers that are registered with the foundation trust stands at 392. This demonstrates an increase of 21.25 per cent over the last twelve months, against the Government target of five per cent. On average, each volunteer donates four hours per week of their time, collectively giving a staggering 75,264 hours during 2006/07.

There are five distinct voluntary organisations, most with charitable status, that are registered with the foundation trust and are directly managed through the voluntary services department:

- The Friends of Bradford Royal Infirmary
- The Friends of St Luke's Hospital
- Radio Royal
- St Luke's Sound
- Bradford Heart Support Group
- Stroke Group (relatively new and developing group, but does not have charitable status).

A number of other voluntary groups are registered with the voluntary services department and maintain strong links with them. These groups fall within the management of those who specialise in that particular field:

- The Chaplaincy Group
- Born In Bradford Project
- Cancer Information Centre Volunteers

A number of other voluntary and charitable organisations continue to have strong links with the foundation trust and liaise closely with the voluntary services department. Whilst most groups have their own distinct identity and purpose, all groups share the same aim to assist and improve the experiences of patients who receive healthcare within the foundation trust.

Volunteer groups at the foundation trust came together in June 2005 to form the Volunteers Forum, the first of its kind in the country.

Membership includes three liaison governors who sit on the Board of Governors.

Each group is dedicated to providing a service that enhances patient care through practical help, fundraising or both.

Volunteers help guide patients and visitors around our hospitals, provide support, visit patients, help feed vulnerable patients, work in the tea bars, work on hospital radio, work as children's play assistants or older people's activity assistants and raise money for the foundation trust amongst other things.

Over the years, volunteer groups have raised hundreds of thousands of pounds, which have all gone into improving the experience of patients. During 2006, they raised £882,000 in total for a range of different things directly related to patient support and care.

## Remuneration report

Membership of the Remuneration Committee, which exists to oversee the arrangements for how much staff are paid, is made up of:

- David Richardson - chairman (chair)
- Nadira Mirza - non-executive director
- Richard Bell - non-executive director
- Chris Jelley - non-executive director
- Peter Noble - non-executive director
- Balbir Singh - non-executive director
- John Bussey - non-executive director

Executive director's salaries' were originally based on Hay Job Evaluation Methodology. The benefits package was developed separately but withdrawn by the remuneration committee in exchange for automatic annual linkage to the Agenda for Change cost of living pay awards with effect from April 1 2006.

Executive directors also have access to a bonus scheme of up to ten per cent of their base salary subject to remuneration committee approval each year.

Executive directors are performance assessed by the chief executive, based on the achievement of personal objectives each year. Executive directors performance is linked to the payment of bonuses as described above, together with incremental progression through the pay bands. This is the remuneration committee's decision.

All executive directors' contracts are open ended, subject to six months notice, with termination payments in accordance with foundation trust policy.

Service contracts are in place for the following members of staff:

Miles Scott - chief executive

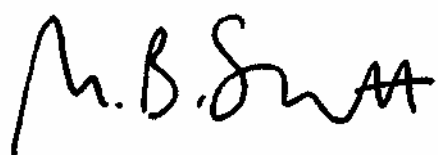
Rose Stephens - deputy chief executive/chief nurse

Bryan Millar - director of finance

Dean Johnson - director of planning and performance

Dr Clive Kay - medical director

Early termination of contracts, is dealt with in accordance with the foundation trust's policy, in keeping with NHS policy on pension schemes and redundancy



Miles Scott  
Chief Executive

June 7 2007

## Remuneration of Board of Directors

### Salary and pension entitlements of senior managers

Name and title	Salary (Bands of £5,000) £ 000s	Other remuneration (Bands of £5,000) £ 000s
<b>2006/2007</b>		
David Richardson (Chairman)	35 - 40	0
Miles Scott (Chief Executive) *	155 - 160	0
Bryan Millar (Director of Finance) *	125 - 130	0
Dr Clive Kay (Medical Director since 1st November 2006) *	20 - 25	70 - 75
Dr Duncan Newton (Medical Director until 31st October 2006)	0	50 - 55
Dr Dean Johnson (Director of Planning & Performance) *	115 - 120	0
Rose Stephens (Deputy Chief Executive/ Chief Nurse) *	135 - 140	0
Nadira Mirza (Non Executive Director and Senior Non Executive Director)	10 - 15	0
Peter Noble (Non Executive Director)	10 - 15	0
Balbir Singh (Non Executive Director)	10 - 15	0
John Bussey (Non Executive Director)	5 - 10	0
Chris Jelley (Non Executive Director)	10 - 15	0
Richard Bell (Non Executive Director)	10 - 15	0

There were no amounts paid to any of the senior managers in respect of golden hellos, compensation for loss of office or benefits in kind.

Note: For those directors marked \*, the salary figure includes a bonus payment of 7.5 per cent of basic salary. Payment of this bonus is based on the Remuneration Committee's assessment of performance against specific objectives.

Note: It is the view of the Board that the authority and responsibility for controlling major activities is retained by the Board and is not exercised below this level.

### Salary and pension entitlements of senior managers

Name and Title	Total accrued pension at age 60 at March 31 2007	Value of automatic lump sums at March 31 2007	Real increase in pension during the year	Real increase in automatic lump sum during the year	CETV at March 31 2007	CETV at March 31 2006	Real increase in CETV during the year
	(Bands of £2,500)	(Bands of £2,500)	(Bands of £2,500)	(Bands of £2,500)	(Bands of £1,000)	(Bands of £1,000)	(Bands of £1,000)
	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s
<b>2005/2006</b>							
Miles Scott	30.0 - 32.5	95.0 - 97.5	2.5 - 5.0	12.5 - 15.0	374 - 375	303 - 304	44 - 45
Bryan Millar	40.0 - 42.5	125.0 - 127.5	2.5 - 5.0	7.5 - 10.0	615 - 616	551 - 552	35 - 36
Dr Duncan Newton	Note (1)	Note (1)	Note (1)	Note (1)	Note (1)	Note (1)	Note (1)
Dr Clive Kay	42.5 - 45.0	132.5 - 135.0	0 - 2.5	2.5 - 5.0	563 - 564	499 - 500	14 - 15
Dr Dean Johnson	17.5 - 20.0	55.0 - 57.5	2.5 - 5.0	12.5 - 15.0	204 - 205	149 - 150	36 - 37
Rose Stephens	55.0 - 57.5	167.5 - 170.0	(5) - (7.5)	(20.0) - (22.5)	987 - 988	1,068 - 1,069	(74) - (75)

As non-executive members do not receive pensionable remuneration, there are no entries in respect of pensions for non-executive members.

Note: (1) The NHS Pensions Agency are not able to provide these figures.

## **Statement of the chief executive's responsibilities as the accounting officer of Bradford Teaching Hospitals NHS foundation Trust**

The Health and Social Care (Community Health Standards) Act 2003 states that the chief executive is the accounting officer of Bradford Teaching Hospitals NHS Foundation Trust. As accounting officer I hold the responsibilities for the propriety and regularity of public finances for which I am answerable, and for the keeping of proper accounts which are in keeping with the requirements set out in the accounting officers' Memorandum issued by Monitor, the Independent Regulator of NHS Foundation Trusts.

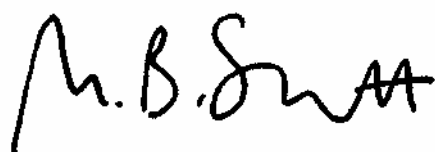
Under the 2003 Act, Monitor has directed Bradford Teaching Hospitals NHS foundation trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Bradford Teaching Hospitals NHS Foundation Trust and of its income and expenditure, total recognised losses and cash flows for the financial year.

In preparing the accounts Bradford Teaching Hospitals NHS Foundation Trust has complied with the requirements of the NHS foundation trust Financial Reporting Manual and in particular to:

- Observing the Accounts Direction issued by Monitor, including the relevant accounting and disclosure requirements, and has applied suitable accounting policies on a consistent basis;
- Made judgements and estimates on a reasonable basis
- Has stated whether applicable accounting standards as set out in the NHS foundation trust Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements and
- Has prepared the financial statements on a going concern basis

As accounting officer I am responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Bradford Teaching Hospitals NHS foundation trust and ensure that the accounts comply with the requirements outlined in the above mentioned Act. I am also responsible for safeguarding the assets of the NHS foundation trust and hence for taking responsible 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.



## **Statement on Internal Control**

### **Scope of responsibility**

As accounting officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS foundation trusts 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 NHS 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 ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Bradford Teaching 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 Bradford Teaching Hospitals NHS Foundation Trust for the year ended March 31 2007 and up to the date of approval of the annual report and accounts.

### **Capacity to handle risk**

As the chief executive of a large acute teaching hospitals foundation trust, I recognise that committed leadership in the area of risk management is essential to maintaining the sound system of internal control, required to manage the risks associated with the corporate objectives, compliance with our terms of authorisation as an NHS foundation trust and the assessment from the Healthcare Commission.

To this end I also recognise that diligence and objectivity are personal attributes required to ensure that appropriate structures are in place to gain assurance about the management of risk, from both internal and external sources.

In order to demonstrate this commitment, the medical director and head of corporate affairs are personally accountable to me for the maintenance and development of the governance framework for the organisation. The medical director is responsible for clinical risk and the head of corporate affairs is responsible for corporate governance.

The governance committee of the Board of Directors, chaired by David Richardson, foundation trust chairman, is charged with coordinating, monitoring and overseeing risk management of both clinical and non clinical governance agendas. I am a member of this committee, together with executive directors and representative non-executive directors. The governance committee of the Board of Directors complements the audit committee of the Board of Directors.

In addition to this I recognise that effective training is essential in the management of risk and this is demonstrable at all levels within the organisation.

At an operational level, the foundation trust has in place well developed programmes of generic and specific risk management training. These programmes, including those at induction, are aimed at minimising common risks at ward and development level.

The Clinical Negligence Scheme for Trusts (CNST), administered by the NHS Litigation Authority, and offers trusts a discount on its contributions by achieving defined risk management standards.

During this financial year, the organisation has attained CNST level III for maternity services, which is a high recognition for the safety and risk management of these services. Much work has taken place throughout the latter part of the financial year in preparation for the application for CNST level III in general services, with the assessment taking place in the autumn of 2007.

At the clinical directorate level, designated risk coordinators have been trained and assessed by the National Examination Board in Occupational Safety and Health (NEBOSH) to coordinate devolved risk management arrangements. Local policies are in place at this level, as are directorate risk registers. Specialist advisors are available to provide input to these arrangements and generic advice and support is provided by the risk management team.

At the senior management level the system of control for business, financial and service delivery risk use encompassed within the Operational Management Framework, as described in the risk management strategy.

The use of the risk assessment tool and the processes of control and assurance attendant to risk minimisation has been shared and disseminated at senior management level through regular risk management meetings. It is working practice that all Board of Directors papers and reports include a summary of risk assessment.

Learning from good practice and from untoward incidents, is seen as a primary mechanism for continuously improving risk management systems. In the foundation trust these lessons are derived from external guidance, from site visits and from incidents reported through the hospital's risk incident reporting system. All Serious Untoward Incidents (SUIs) are reported formally to the Board of Directors.

### **The risk and control framework**

The foundation trust's risk management strategy is founded on a holistic approach to risk management that embraces business, financial, service delivery, clinical and non-clinical risks. The latest revision of the strategy describes how the risk management reporting lines have been rationalised in 2006/07 in a considered move towards an integrated governance framework. The Assurance Framework updated the Board of Directors on the progress implemented by the risk management strategy and was approved by the Board of Directors at their meeting at the end of March.

The strategy clearly defines how the broad spectrum of risks managed by the foundation trust is identified, assessed, managed and controlled. Business, financial and services delivery risks are derived from organisational objectives through the business planning process of the foundation trust. Clinical and non-clinical risks are identified through well-defined processes of assessment and reporting.

Evaluation of all these risks, independent of source, is performed using a risk assessment tool that may be applied in a structured and uniform way. Residual organisational risk is ranked and prioritised on the foundation trust's risk register.

The strategy describes how risk management is embedded in the organisation using three interacting and complementary management systems intrinsic to operational practice.

These are:

- the corporate plan
- the governance framework
- the strategic management framework

Internal assurances, as to the effectiveness of this system of internal control, are provided under the auspices of one of these systems.

The corporate objectives incorporate the primary system of risk minimisation. These control mechanisms are initiated by the setting of personal objectives at senior management level that are derived from the principle organisational objectives defined by the corporate objectives and the Annual Plan submission to Monitor, the Independent Regulator of NHS Foundation Trusts.

The performance management, progress monitoring and control processes embedded in this structure ensure that the corrective actions required to deliver objectives are consistently applied. Within the same framework, the consequences of partial or non-achievement of objectives are regularly monitored and assessed. In this way, the risks associated with the business, financial and service objectives are actively minimised.

The role of the governance framework in respect of the management of risk is twofold:

- to oversee and monitor the process of internal control in the foundation trust to assure itself, from both internal and external sources, that the risks run by the organisation are properly identified and appropriately managed
- to identify, evaluate and prioritise clinical and non-clinical risks and gain assurance that these are appropriately controlled and treated within the corporate risk management framework

The inter-relationship of these systems is described in the risk management strategy.

The assurances the Board of Directors and I require to endorse and approve the statement of internal control are derived from internal and external sources of evidence. The governance framework has a key role in monitoring, evaluating, reporting and collating this evidence. This evidence is to a great extent derived from the schedule of reports and reviews that are generated by:

- the operational management and governance systems
- internal audit
- external audit and external reviews

These reviews and reports have taken the form of:

- monthly reports to the Board of Directors, for on-going monitoring
- annual, or more frequent, internal reports to the Board of Directors, and other key meetings, required by guidance or statute resulting from monitoring processes within the operational management frameworks
- external reports from inspecting bodies
- specific reports on particular focussed key risk issues

These reports and reviews are generally associated with action plans whose achievement priority is reflected in the risk register and in organisational and personal objectives.

Key internal assurances can be derived from the following reviews by the Board of Directors:

- self assessment against the requirements of Monitor's Compliance Framework
- self assessment against the requirements of the Standards for Better Health
- routine monitoring returns to Monitor
- performance management monitoring
- financial monitoring
- claims and complaints
- clinical governance
- clinical and non-clinical risk management, including health and safety
- human resources and service equity
- estates infrastructure

These areas have been covered in statutory, mandatory or advisory reports to the Board of Directors or to the governance committee during the last 12 to 15 months, or incrementally on a month-by-month basis.

The responsibility for reporting is a personal requirement of the senior managers with delegated responsibility in these areas. The report highlights the current status of compliance and residual risk in respect of relevant statute, guidance, targets or good practice in the areas covered, and act as primary internal assurances to the Board of Directors. They also highlight areas where corrective action must be undertaken. In addition, the groups within the governance framework and Board sub committees have specific delegated responsibilities in monitoring the effectiveness of risk minimisation in the foundation trust to support the Board of Directors in endorsing the statement of internal control.

Overlaid on this framework, are a series of external reports that reinforce the assurance required by the Board of Directors in endorsing the Statement of Internal Control. In particular, the foundation trust has achieved compliance with CNST level III for maternity services and level II for general services.

In 2006/07 the foundation trust pro-actively involved the public stakeholders in the management of risks that impacted on them by jointly reviewing the compliance assessment for the Standards for Better Health with the Board of Governors, patient forum, and members of the Overview and Scrutiny Committee of Bradford and Metropolitan District Council. In addition, specific high profile risk issues, such as the

management and control of MRSA were discussed and reviewed with the same groups.

The foundation trust is 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 are in accordance with the Scheme rules, and that the members pension scheme records are accurately updated in accordance with the time scales detailed in the Regulations. This is confirmed by personnel services and Aire Valley Payroll.

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

The foundation Trust identified a PIP target which was delivered this in full during the financial year. In addition to this we over achieved the predicted surplus. This year we have built upon the rationalisation of St Luke's hospital site by completing the first phase of the withdrawal from a designated area known locally as area A. The Board of Directors receive monthly within the finance report an update on the progress of the PIP. This process is supported by the Internal and External Audit arrangements and the reporting regime to Monitor, relating to the use of resources by the organisation.

### **Review of effectiveness**

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 NHS foundation trust who have responsibility for the development and maintenance of the internal control framework, and 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 (and risk committee, if appropriate) and a plan to address weaknesses and ensure continuous improvement of the system is in place.

My review is also informed by the following reports:

- report on the attainment of CNST level III for maternity services in January 2007
- self assessment against compliance with the Standards for Better Health
- Self assessment against Monitors Compliance Framework
- The assurance framework review
- External and internal audits reports and risk management arrangements
- Internal audit reports on corporate governance
- Report on annual clinical governance reviews
- Regular structured reports on finance and performance management
- Patient and staff satisfaction surveys
- Governance self-assessment by both Board of Directors and Board of Governors

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 of Directors

- The audit committee
- The governance committee
- The clinical governance committee

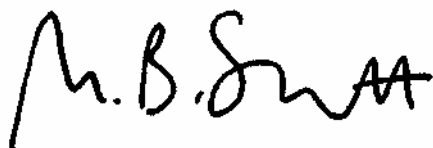
The process of internal control has been maintained and reviewed within the following framework, particularly in respect of:

The Board of Directors receives monthly performance and financial management reports as the primary mechanism for assessing compliance with national and local targets, and the identification of existing and potential risks. Along side this the Board of Directors receives a quarterly report on the delivery of the corporate objectives. The Board of Directors also receives and endorses key internal and external reports that specifically demonstrate the adequacy of the internal control function in designated risk areas, alongside generic reviews of the assurance framework.

The Board of Directors approved a revision to the Standing Orders, Standing Financial Instructions and Scheme of Delegation at the March 2007 meeting. Within these documents the terms of reference for the sub committees of the Board of Directors were also reviewed.

- The audit committee examines and monitors the financial reporting and controls, ensures compliance with relevant regulatory legal and conduct requirements, adherence to both internal and external policies and guidance.
- The governance committee monitors the corporate governance of the foundation trust and its supporting risk management framework that monitors the performance of the internal control functions and reviews the assurance framework
- The executive directors and senior managers, who have delegated responsibility for the achievement of organisational objectives and risk minimisation, and for the management of risks generated within the clinical and non-clinical areas
- Internal audit, who undertake a series of audits based on a risk based audit plan that incorporates agreed elements of the assurance framework
- Other explicit reviews/assurance mechanisms, such as reports from CNST and Risk Pooling Scheme for Trust (RPST) reports etc

The foundation trust and its officers are alert to their responsibilities and accountabilities in respect of internal control, and has in place organisational arrangements to identify and manage risk. The foundation trust has not identified any significant internal control issues.



Miles Scott  
Chief Executive

June 7 2007