Brighton and Sussex University Hospitals NHS Trust

ANNUAL REPORT 2008-2009

In partnership with brighton and sussex medical school

Contents

Glynn Jones

Statement from Chair

2008/09 was my last full year as Chair of BSUH and the highlight for me was signing off the Outline Business Case for our 3Ts Programme to redevelop the Royal Sussex County Hospital and strengthen our role as the regional centre for teaching, trauma and tertiary care. Although I will no longer be Chair of the Trust on the day they start demolishing the Barry and Jubilee Buildings, I took great pleasure in finishing my time as Chair of the hospital with moving those plans a significant step closer to becoming a reality.

Statement from Chief Executive

The changes we have made and agreements we have reached this year are positioning BSUH alongside our peer teaching hospitals; building services for the next generation that are as good as the best in the land; and serving populations both locally and across the south east of England.

I get a huge amount of pleasure from the many conversations I have with our patients and staff. In 2008/09 we made explicit our commitment to kindness and compassion because to assume this goes without saying is not good enough, and we know from patient feedback and complaints that we get it right most of the time but not every time. By prioritising kind and compassionate care, at least as much as we do quality and efficiency, it is understood by everyone how important this is and how much it matters. When I talk to patients and their families, or when they write to me, they often mention the skill and expertise involved in their treatment, but they *always* talk about the presence or absence of kindness and compassion shown by the staff involved in their care.

Duncan Selbie

About us

BSUH is the regional teaching hospital working across two sites: The Royal Sussex County Hospital in Brighton and The Princess Royal Hospital in Haywards Heath. The two sites include the Hurstwood Park Regional Centre for Neurosciences, the Royal Alexandra Children's Hospital and the Sussex Eye Hospital.

Both hospitals provide many of the same acute services for their local populations. In addition, the Princess Royal carries out all elective work for patients from both Brighton and Hove City and Mid Sussex, whilst the Royal Sussex County Hospital is the emergency hospital for the same population. BSUH also provides specialist services including neurosciences, paediatrics, cardiac, cancer, renal and HIV for patients from across Sussex and the south east of England.

We want to be known for the quality and safety of our clinical services *and* for treating our patients, their families and each other with kindness and compassion. We will have succeeded if our patients feel we have done the best we can and our staff feel their contribution is recognised and valued.

Princess Royal Hospital in Haywards Heath

As the regional teaching hospital we work with our partner medical school and Brighton and Sussex Universities to undertake leading edge research and the education and training of the health professionals of the future.

> "We want to be known for being tough on performance and decent with people"

Royal Sussex County Hospital site in Brighton

THE WAY WE BEHAVE MATTERS

Our rules

- To lead, not blame
- To work together, not undermine each other
- To solve, not excuse

People will trust us because

- We speak well of each other
- We consistently spend our time on what we say we care about
- We behave well, especially when things go wrong
- We keep our promises, small or large

> "When things go wrong, poor organisations first fix the blame. We fix the problem"

The Trust Board 2008/09

The Board is responsible for the overall performance and direction of the Trust. It includes the Chair and Non-Executive Directors, the Chief Executive and full-time Corporate and Clinical Directors.

Chair	Glynn Jones
Non Executive Directors	Lynette Gwyn-Jones Michael Pitts Jon Cohen Julie Nerney
Chief Executive	Duncan Selbie
Medical Director	Mr Matthew Fletcher
Chief Nurse	Alison Robertson
Director of Finance	Colin Gentile
Operational Director of Finance	Chris Adcock (from May 2008)
Chief Operating Officer	Michael Wilson
Director of Facilities & Estates	Ian Tait
Director of Human Resources	Ali Mohammed (to December 2008)
Director of Strategy	Amanda Philpott (to July 2008)
Clinical Director Finance	Mr Phil Thomas
Divisional Clinical Director (Specialised Services)	Dr Des Holden
Divisional Clinical Director (Elective Care)	Dr Jo Andrews
Divisional Clinical Director (Emergency Care)	Dr John Hartley
Company Secretary	Alex Sienkiewicz

Highlights of the last 12 months

April 2008

For the first time in six years we began the new financial year with balanced books.

Our Patient Safety Team and the clinical team on Howard 1 Oncology Ward at the Royal Sussex County Hospital were winning finalists in the 2008 Regional Best of Health Awards.

May 2008

We reported 0 cases of MRSA.

In the Healthcare Commission's annual survey of patients staying overnight in hospital we were rated in the top 20% for overall rating of care received.

June 2008

On the first Monday in June 448 people visited A&E, one of the highest figures we have ever had, and no-one breached the 4-hour standard.

We announced our plans to strengthen the maternity services at the Princess Royal Hospital including investment in midwives and creating a single obstetric consultant rota operating across the Princess Royal and Royal Sussex County Hospitals.

July 2008

The Brighton and Sussex Medical School held its first graduation ceremony.

The Board of the Strategic Health Authority approved our Strategic Outline Case for the redevelopment of BSUH as the regional centre for teaching, trauma and tertiary care.

August 2008

BSUH was approved as the National Bowel Cancer Screening Centre for Sussex.

The newly expanded and refurbished Trevor Mann Special Care Baby Unit opened at the Royal Sussex County Hospital.

September 2008

A £6.5m investment to create a High Dependency Unit and improve and expand our Medical Assessment and Day Surgery Units on Level 5 at the County Hospital was approved.

In the National Student Survey our Medical School was rated as joint best in England by graduating students.

October 2008

The quality of our services were rated "excellent" in the Healthcare Commission's 2007/08 annual health check, a two-step improvement from the previous "fair" rating.

Royal Alexandra Children's Hospital won 2008's Prime Minister's Better Public Building Award.

November 2008

Our breast care services moved to a new purpose-built building in Brighton. Fitted with the latest digital mammography equipment, the Park Centre is the first centre in the UK to offer this level of technology together with all outpatient services under one roof.

Our new public-facing website at www.bsuh.nhs.uk went live.

December 2008

We launched our programme to screen all elective patients for MRSA.

For the first time and earlier than nationally required, we treated 90% of admitted patients and 95% of non-admitted patients within a maximum of 18 weeks of being referred to the hospital.

January 2009

From January to December 2008 we achieved a 45% reduction in the number of MRSA cases in our hospitals.

February 2009

We selected our preferred design for the redevelopment of the Royal Sussex County Hospital.

We won a national award as the most improved hospital in the South East Coast region for infection prevention and control.

March 2009

We heard that we passed the Healthcare Commission's statutory Hygiene Code inspection with flying colours, placing us in the 'best performing' category and the top 20% of hospitals in England.

A thousand staff and their guests attended the BSUH biennial Hospital Ball to mark the end of an exciting and important year.

We ended the financial year with a £9.8m surplus, and we paid off £20m of our £29m historic debt.

I am very proud to be part of this hospital where striving for excellence is the essence of patient care. This is very energising and gives the feeling of wanting to do even better every day

Gladys Mundowa
GUM/HIV NURSE

Our priorities for 2009/10

Eighteen months ago we set out six priorities. It is not accidental that these relate to the national standards against which we are externally judged.

In 2009/10 these remain unchanged but our focus is moving on from delivering these national standards to sustaining them whilst improving the safety and quality of everything we do.

And our hospitals are going to be led, in every sense, by our doctors and nurses. That means being in charge of today, including how patients move through our hospitals and the experience they have when in our care. It means being in charge of our future, what this looks like and how we get there. And it also means that our doctors and nurses are in charge of the money, reinforcing our commitment to improving patient care by laying down the strongest foundations to support these improvements for decades to come.

As the regional teaching hospital, BSUH has the brightest of futures and is set to thrive over the next 20 years, delivering the very best local services, complex tertiary care and cutting-edge research, training, teaching and innovation. Set out in this summary of our 2009/10 Business Plan are our objectives – our 'to do' list – for the year ahead.

Our Management Board 2009/10

DUNCAN SELBIE
Chief Executive

MR PHIL THOMAS
Clinical Chief of Finance

DR JO ANDREWS
Chief of Clinical Operations

PROFESSOR AIDAN HALLIGAN
Chief of Safety

ALISON ROBERTSON
Chief Nurse

PROFESSOR KEVIN DAVIES
Chief of Medicine

DR LAWRENCE GOLDBERG
Chief of Specialised Services

MR JAN NAWROCKI
Director of Medical Education

MR PETER LARSEN-DISNEY
Chief of Women & Children

DR DES HOLDEN
Medical Director

DR PETER DEVLIN
Primary Care Advisor

MICHAEL WILSON
Deputy Chief Executive

ALEX SIENKIEWICZ
Company Secretary

RACHEL CLINTON
Communications Director

CHRIS ADCOCK
Chief Financial Officer

DUANE PASSMAN
Director 3Ts, Estates & Facilities

STEPHEN MORRIS
Director of Development

MR JONATHAN HYDE
Chief of Surgery

MR IAIN MCFADYEN Chief of Trauma from November 2009

Underneath each of these priorities we have assigned our objectives — our 'to do' list for the year ahead. The full list can be found in Our Priorities for 2009/10 (www.bsuh.nhs.uk). Our six priorities are set out below along with a selection of these objectives.

BEST AND SAFEST CARE

- We will maintain our position amongst the best (top 10%) of hospitals in England for survival based on Hospital Standardised Mortality Rates (HMSR).

- We will collect, analyse and act on feedback from patients across our services and deliver demonstrable improvements.

- We will improve end of life care by ensuring that we deliver coordinated and responsive care, utilising the Liverpool Care Pathway for the dying where possible.

REDUCING INFECTIONS

- We will have no more than 36 MRSA cases acquired in our hospitals.

- We will have no more than 163 C. difficile cases acquired in our hospitals.

A&E

- We will continue to deliver all existing and new national standards including the 4-hour A&E standard.

- We will improve the flow of patients through our hospitals by reviewing capacity and demand and improving the way we admit and discharge all our patients.

- We will complete the redevelopment of Level 5 at the Royal Sussex County Hospital to modernise and expand the Acute Medical Unit, open a High Dependency Unit and improve the Day Surgery Unit.

BUILDING FOR THE FUTURE

- Through our partner Medical School and the Universities of Brighton and Sussex, we will widen the scope of our research activity and our involvement in taking forward the NHS Innovations Strategy.

- We will complete and submit the Outline Business Case (OBC) for our 3T Programme to develop BSUH as the regional centre for teaching, trauma and tertiary care. Following approval of the OBC we will develop a detailed and robust Full Business Case (FBC) with the proper engagement and involvement of staff, patients and relevant external stakeholders.

- We will ensure we have an effective Estates Strategy which includes plans for energy use, food, waste and recycling that are in line with the NHS sustainable development strategy.

18 WEEKS

- We will continue to deliver the national standard for treating patients within 18 weeks of referral.

- We will review and revise booking services to ensure high quality, standardised booking arrangements for all our patients and an improved standard of communication with GPs and patients.

FINANCIAL SUSTAINABILITY

- We will pay off the remaining £10 million historic debt by March 2010.

- We will continue to develop our financial performance, governance, reporting and systems in line with that required for a high performing Foundation Trust.

- We will continue to make the best and most cost effective use of our facilities, equipment and buildings and prioritise improvements to the existing assets by making best use of our operational capital resources. We will continue to develop our Information Technology infrastructure to support clinical activities.

Operating Review

In the Healthcare Commission's 2007/08 annual health check of the NHS across England the quality of our services was rated **"excellent"**.

The health check assesses how we are doing against national targets and standards, and whether we are getting the basics of healthcare right by looking at 42 core standards. To have jumped two ratings from "fair" in 2006/07 is a very significant achievement. We have been rigorously focussing on the safety and quality of everything we do, and on improving the overall experience of our patients.

Infection prevention and control

The prevention and control of infection is our highest priority. Keeping our numbers of MRSA and C. difficile cases down is vital to the quality of care that our patients receive and public confidence in us.

- Our target for April 2008 to March 2009 was no more than 43 cases of MRSA. We had 36 cases. Compared with the previous year this was 30 fewer cases, a reduction of 45%.

- Our target for April 2008 to March 2009 was no more than 488 cases of C. difficile. We had 320 cases, a reduction of 41% compared to the previous year.

Alongside these reductions the Healthcare Commission carried out a two-day unannounced inspection in January 2009 to assess our compliance with the statutory Hygiene Code. Four areas of the Code were under scrutiny during the inspection, rating the hospitals' infection control management systems, overall cleanliness, the provision of isolation facilities to prevent or minimise the spread of infection and on the prescription of antimicrobials. Our hospitals were found to be fully compliant and we passed in the 'best performing' category in all four areas.

We were also awarded £150,000 to spend on an infection prevention and control innovation of our choice, as the most improved hospital in the South East Coast region.

To prevent and control infection we have an ongoing programme of action designed to reach every area of our hospitals and give confidence to our patients and their families of the priority this is being given.

This includes:

- Prompt isolation and appropriate management of patients in our dedicated ward for the exclusive care of patients with C. difficile.

- The Trust-wide use of our Antibiotic Policy to minimise the over use of certain antibiotics.

- The screening of all our elective patients for MRSA colonization.

- Newly redesigned dedicated sections on our staff intranet and public-facing website, and the introduction of a weekly Infection Control Info-Mail, to keep staff, patients and the public informed about everything we are doing to prevent and control infection in our hospitals.

“The highlight for me is seeing patients leave with a smile on their face because they are pleased with their treatment and the cleanliness of the hospital”

Madeline Hammersley
RECEPTIONIST

The A&E 4-hour standard

Hospitals are required to admit or discharge at least 98% of A&E patients within four hours.

For 2008/09 we achieved the 4-hour standard for 99.6% of our patients and for the whole year we were the best performing major Accident & Emergency department in England.

18 Weeks

By December 2008, all eligible patients, no matter where they are in the country or what illness or condition they have, should wait no longer than 18 weeks between being referred to the hospital and having their first treatment. This is commonly referred to as the 18 week referral to treatment (RTT) standard and the national requirement was to the deliver this for 90% of admitted patients and 95% of non-admitted patients.

BSUH delivered the 18 week RTT standard earlier than nationally required thanks to the tireless work of many staff across our hospitals. In December we launched an 18 week staff recognition scheme to recognise the contribution of individuals and teams, and to thank them for their efforts.

Being seen, diagnosed and treated quickly is better for patients. It minimises their stress and anxiety and makes it more likely their outcome will be good and that they will make a faster recovery.

To deliver the 18 week RTT standard we have redesigned whole processes including how patients' appointments are booked, and different stages of their assessment and diagnosis right up to their first treatment.

Cancer

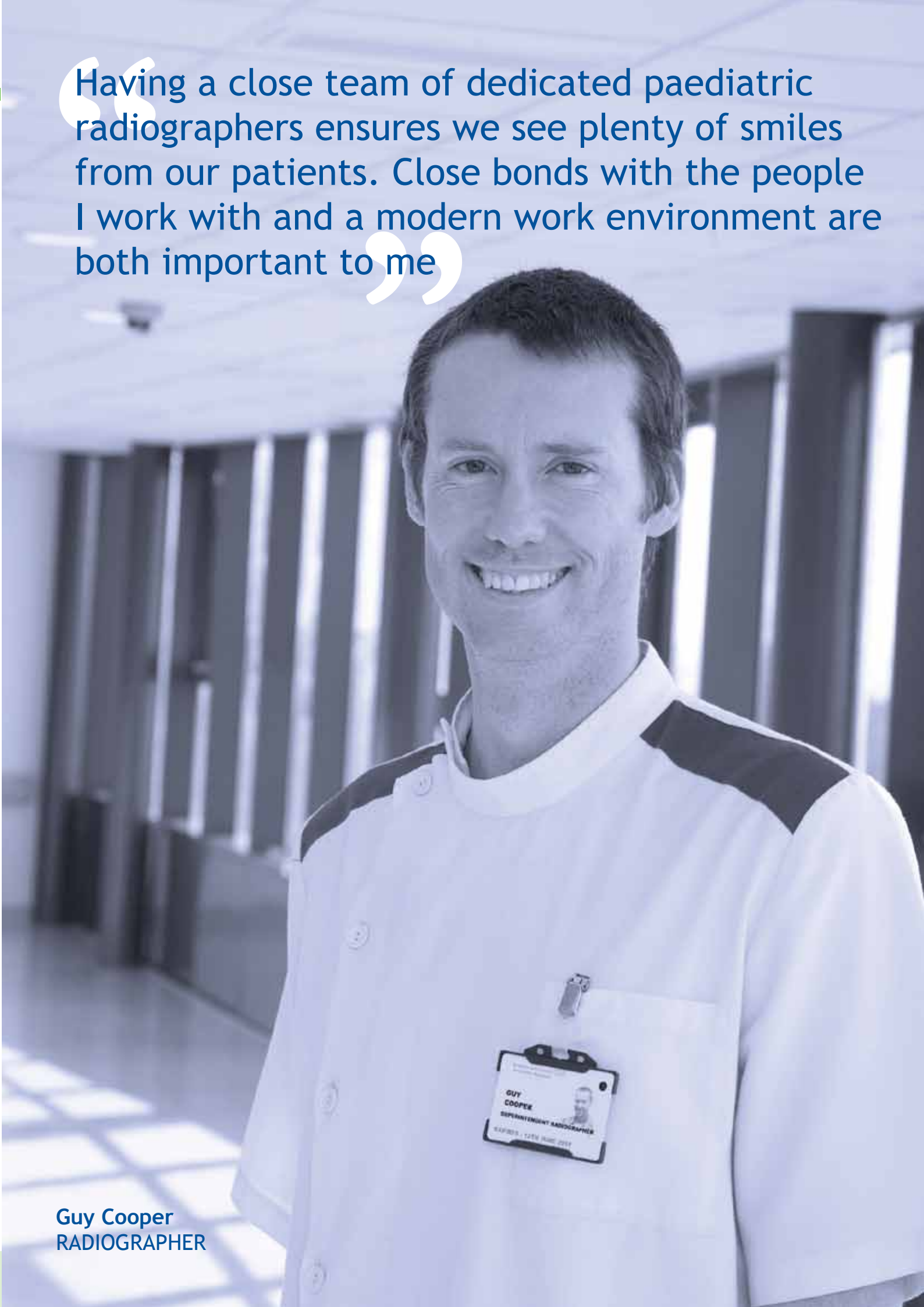
We met all the existing waiting times standards for cancer in 2008/09 including the two-week wait from GP referral to first treatment; a maximum wait of 31 days from diagnosis to treatment and a maximum wait of 62 days from urgent GP referral to first treatment.

The achievement of these has brought benefits to thousands of patients.

A decade ago, only two thirds of patients referred urgently by their family doctor were seen within 2 weeks, and waits of several months between referral and treatment were not uncommon. Now, nearly all patients referred urgently with a suspicion of cancer are seen within two weeks, and then treated within 62 days.

We are now improving on this to bring these benefits to even more patients and have been going further on cancer waits by expanding:

- The two week wait standard, so that it benefits any patient referred with breast symptoms, who will be seen within two weeks, whether cancer is suspected or not.
- The 31 day standard, so that it covers subsequent treatments for all cancer patients, including those diagnosed with a recurrence (to be implemented from the end of 2008 for surgery and chemotherapy, and from the end of 2010 for radiotherapy and other treatments).
- The 62 day standard, so that it includes patients referred from NHS cancer screening programmes (breast, cervical and bowel), or whose consultant considers cancer a possible diagnosis.



“Having a close team of dedicated paediatric radiographers ensures we see plenty of smiles from our patients. Close bonds with the people I work with and a modern work environment are both important to me”

Guy Cooper
RADIOGRAPHER

“I work with a fantastic team who provide a first-class service to patients with heart conditions”

Claire Cox
SISTER

We are committed to creating an environment where people want to work, where careers are interesting and developed, and staff are encouraged to reach their full potential.

Brighton and Sussex University Hospitals employs 6000 people, including:

- Nursing & Midwifery 2687
- Medical staff 779
- Scientific, therapeutic and technical 583
- Healthcare Scientists 385
- Administrative, clerical & Estates 1290
- Other support staff 276

Supporting our people

In October we launched a new initiative to promote the health and wellbeing of staff. We are looking at better health promotion, more responsive psychological support and better ways of helping staff who have been unwell to return to work and stay well once they are back.

The cornerstone of this new approach is a policy to give staff priority access to the NHS services they need. We are also developing a full time, in-house psychological support service for all staff. Registered Psychotherapist Donna Butler, who has been providing support to staff in the A&E Department at the County Hospital for the past eight years, is leading this. The aim of the new service is to provide support to staff from across our hospitals, either in response to a trauma or around more general work-related stress.

Volunteers

Our volunteers provide help and support to staff, patients and visitors in every area of our hospitals. In 2008/09 we had an average of 523 volunteers helping each week and we have benefited from around 1,550 hours volunteered on a regular weekly basis.

It is not possible to have a 'one size fits all' approach when it comes to volunteering because of the diverse skills and experience that our volunteers have to offer and the many different roles for volunteers across our hospitals. In addition to the 251 departments that volunteers already help in, this year we recruited 16 volunteers to work with the Liverpool Care Pathway Team. These volunteers offer confidential and compassionate comfort and support to terminally ill patients in whatever form is needed but more often than not this simply involves holding the patient's hand and talking to them. This new initiative is proving to be truly valuable for patients, their family and friends.

National NHS Staff Survey

The 2008 NHS Staff Survey was completed by 500 randomly selected staff and the results were published in March 2009. Themes included having sufficient resources to deliver; errors, near misses and incidents; occupational health and safety; and equality and diversity. Our two best performing categories were 83% of those surveyed agreeing they have an interesting job and 91% agreeing their role makes a difference to patients. We also did well on the percentage of staff receiving equality and diversity and job relevant training. In 2009/10 we are focusing on improving areas where we scored 'worse than average' including work pressure, staff's experience of harassment from patients and/or relatives and the quality of appraisals.

Promoting Equality

- **BME Network**

In February we launched our 'Commitment to Change' Programme for Race Equality. 'Commitment to Change' is a positive, solution-led approach to promoting race equality in our hospitals and it incorporates some ambitious measures including the creation of an independent Race Equality Commission to review and offer advice on our management of race related issues and the publishing of quarterly progress reports on race equality matters.

- **LGBT Staff Forum**

We continue to participate in Stonewall's Workplace Equality Index and are proud to be Stonewall Equality Champions. Our ranking of 101 makes us the highest placed acute Trust in England. Through the LGBT Staff Forum, BSUH sponsored an LGBT Community Charity event "The Golden Handbags" in March 2009. This was in aid of the permanent AIDS memorial which has been commissioned for Brighton and Hove City.

- **Disability Advisory Group**

In January 2009 we were awarded the "Two Ticks" symbol by Jobcentre Plus, this symbol identifies organisations that are committed to employing people with disabilities. In December 2008 the organisation started working with Sign Translate, a web based system which will allow us to communicate better with deaf patients by providing an online signed response to standard questions.

We strive to keep patients and the public informed and involved.

Patient Advice and Liaison Service (PALS) and Complaints

For patients or visitors who need support, advice or information or want to discuss raising a concern or complaint, our PALS Team is often the first point of contact. PALS has three full-time members of staff who cover all our hospitals and services. They received more than 3000 contacts during 2008/09, some of which were resolved in five minutes, some took several weeks, and the majority were somewhere between the two.

We are committed to providing the best and safest care for all our patients and complaints are invaluable feedback to identify areas that require improvement. We have processes in place to ensure that patients understand how to make a formal complaint; that these complaints are dealt with in a professional, timely and efficient way; and that the lessons learnt from complaints are properly disseminated and implemented. These are in line with the Principles for Remedy published by the Parliamentary and Health Service Ombudsman in October 2007: getting it right; being customer focussed; being open and accountable; acting fairly and proportionately; putting things right; seeking continuous improvement.

During 2008/09 the Complaints Department received a total of 1,405 types of feedback from patients, their relatives or carers. Of these, 1,028 (73%) were formal complaints.

Real-time patient feedback

Working with NHS Brighton and Hove, our patient experience team are surveying patients about their experience of our hospitals, whilst they are still a patient in the hospital. Trained volunteers are interviewing patients and recording their answers using electronic handheld devices. Using wireless technology these answers are downloaded and then fed back within five days. The project was introduced in the elderly care and orthopaedic wards at the County Hospital, and the Medical Assessment Unit at the beginning of 2009 and the surveys are now carried out monthly across our hospitals. The information we get from these interviews is real and current and through it we are developing a clear understanding of the experience of our patients which helps us make improvements in areas which matter to them.

Website communication

During 2008/09 there has been an average of 18,650 visits per month to the Trust's website. To put this number into context, 16,000 patients come through A&E a month. The volume of visits to our website therefore make it one of the primary ways that the public form their opinion of us, aside from actually coming into hospital.

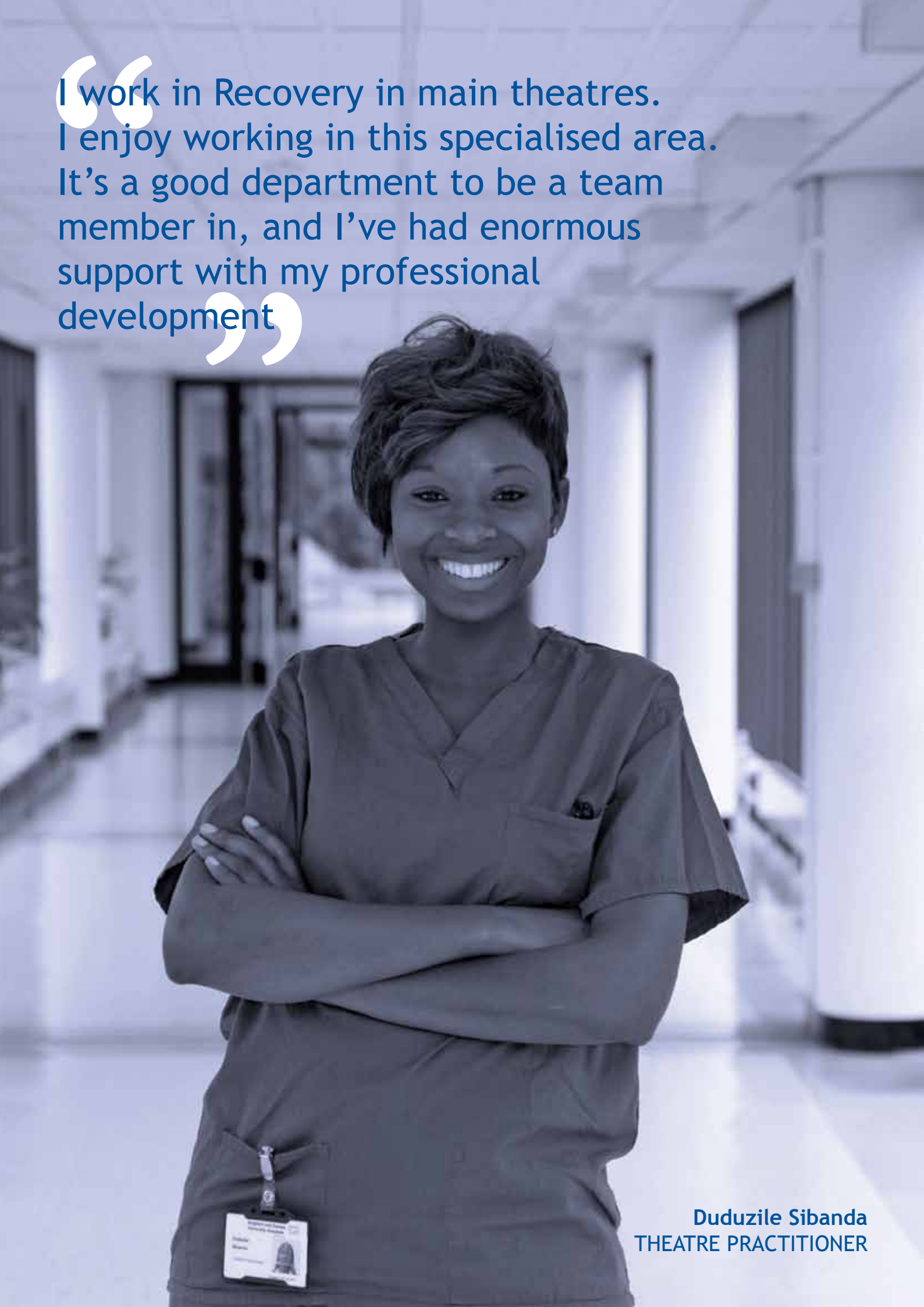
Number of visits to BSUH's website at www.bsuh.nhs.uk (figures are rounded to the nearest 1000):

Measure	April 2008	March 2009
Number of visits	16,000	25,000
Number of unique visitors	12,000	19,000
Number of page views	71,000	104,000

The website was refreshed in November 2008 to make it easier for users to navigate their way around and find the information they need about our hospitals and services.

Changes include:

- A comprehensive new section for infection control, which includes weekly updated figures on MRSA and C. difficile
- A higher profile for the section on individual clinical departments
- Quick links on the homepage to information about each hospital for patients and visitors
- More areas on the homepage to highlight important news
- A streamlined Patients and Visitors section
- A top-level section for Research


“I work in Recovery in main theatres. I enjoy working in this specialised area. It’s a good department to be a team member in, and I’ve had enormous support with my professional development”
Duduzile Sibanda
THEATRE PRACTITIONER

“By putting in and giving it’s amazing how much you receive. Volunteering makes me feel useful and I’ve met and worked with some lovely people. Meeting others from different backgrounds who are facing all sorts of problems makes you look at things and see another side of life – it’s a great leveller. It’s good to have something to look forward to and to commit to.”

Dorothy Whitaker
VOLUNTEER

OUR PARTNERSHIPS

BSUH is one teaching hospital on two sites providing specialist services for the region and local acute services for the people of Brighton and Hove City and Mid Sussex. We work closely with our local Primary Care Trusts, neighbouring hospitals and South East Coast Ambulance Service to provide co-ordinated treatment and care for patients across the region. As a teaching hospital we work in with our partner medical school and the Universities of Brighton and Sussex to train the doctors, nurses and health professionals of the future.

Brighton and Sussex Medical School (BSMS)

BSMS opened in 2003 and in six years has built an outstanding reputation to become the most over-subscribed Medical School in England. In July 2008 it held its first graduation of 94 newly qualified doctors, a landmark moment for them and for BSUH.

Historically our F1 junior doctors have come from Medical Schools all over the country. In 2008, for the first time, many of the junior doctors who begun their clinical careers at BSUH had done their learning here too. This is the moment we moved from our infancy into the next stage of our development as a teaching hospital. There are also immediate benefits for our clinical teams and patients because the junior doctors who graduated from BSMS are already familiar with our hospitals.

The £4 million Clinical Investigation and Research Unit (CIRU) at the Royal Sussex County Hospital opened two years ago and is a focal point for research in Sussex. The Unit is jointly funded by BSMS, BSUH and the Department of Health, and has the dual objectives of advancing the frontiers of clinical science and translating new developments into patient healthcare. It offers specialised equipment, clinical and laboratory space for investigations and patient-centred research. The Unit also runs research training for academics on good clinical practice in research and offers help in preparing grant applications. This year the CIRU has been running over 40 projects including evaluating new medicines in oncology, rheumatology, infection, chronic kidney disease, MS, Alzheimer’s, asthma and allergy.

Queen Victoria Hospital (QVH)

We have a formal agreement with QVH in East Grinstead. QVH provides specialist services for burns, reconstructive and maxillofacial surgery. As the major trauma centre for the region we will need to provide these services for our patients. Rather than competing with a world-class service that is on our doorstep we have formed a clinical and academic partnership with QVH and agreed to work together to provide the best care for patients.

South Downs Health NHS Trust

Every year over 330 local people survive a neurological injury such as a stroke or head injury of such severity that they require a period of hospital care. Access to high quality rehabilitation is immensely important to these patients and can make a marked difference to both the speed of their recovery and the long term impact the stroke or injury may have on their lives. In January 2009, the Sussex Rehabilitation Centre for patients who have had a stroke or brain injury

transferred from Southlands Hospital in Shoreham to a new 42-bedded unit on Newtimber and Lindfield Wards at the Princess Royal Hospital. The service, which is run in partnership with South Downs Health, provides specialist inpatient neurological rehabilitation with full medical and nursing support which means patients from Mid Sussex are now receiving specialist rehabilitation in their local acute hospital.

Our fundraisers

BSUH has a number of fundraising charities and groups that work tirelessly to raise money to help us enhance our services, improve our buildings and facilities and make coming into hospital a more comfortable and less anxious experience. These include four very active groups of Hospital Friends:

The League of Friends of Princess Royal Hospital started life in 1949 as the Comforts Fund Committee of Cuckfield Hospital. Over the past 60 years, many volunteers have given their time and energy to raise funds and work with the staff of the local NHS to distribute funds for the benefit of the patients and staff. During the last 18 years that the Princess Royal Hospital has been in existence the league has raised over £2 million to support the work of the hospital.
In 2008/09 the League of Friends of Princess Royal Hospital donated £124,000.

The Hurstwood Park League of Friends was originally formed in November 1971 as a charitable trust to aid patients who were in need of assistance and to support the charitable work of Hurstwood Park Neurological Centre. Today, it is solely concerned with raising funds for, and highlighting the good work of Hurstwood Park Neurological Centre. In the last 12 years, the League has raised nearly £2 million towards the purchase of equipment used in theatres, on the wards and also to improve facilities for patients.
In 2008/09 the Hurstwood Park League of Friends donated £53,000.

The Friends of Brighton & Hove Hospitals are a long established charity working to raise funds for hospitals and community healthcare services in Brighton, Hove and Newhaven. In the last five years, the Friends have donated over £750,000 to provide additional, new and innovative equipment and services for patients in Brighton and Hove City.
In 2008/09 the Friends of Brighton and Hove Hospitals donated £53,000.

The Bexhill League of Friends **donated £69,000 to our hospitals in 2008/09.**

Rockinghorse is a charity that makes life better for children in hospital. It works to raise funds to make all children's health facilities in Sussex childfriendly environments. They provide games, toys and televisions for children's wards; entertainers on the wards; funds to redecorate wards to make them more welcoming and homely and medical equipment that makes surgery less invasive, quicker or less painful.

In 2008/09 Rockinghorse donated around £74,000 to the Royal Alexandra Children's Hospital for projects including a groundbreaking research project looking at the underlying causes of childhood asthma, allergy and eczema; the redevelopment of the Trevor Mann Special Care Baby Unit; a 20 foot Christmas tree, a party attended by Santa; and a pantomime by Krazy Kat Theatre Company for children who were spending Christmas in hospital and over £1000 of toys.

Sussex Cancer Fund has been giving invaluable assistance to the Sussex Cancer Centre at the Royal Sussex County Hospital since 1981. This is in the form of additional equipment and building improvements for the treatment and comfort of cancer patients attending the centre. The Fund works hand in hand with BSUH to create new and improved facilities to help us maintain the best possible cancer care for the people of Sussex. Over the years it has raised over £1 million to improve facilities and make our centre more attractive, comfortable and effective.
In 2008/09 the Sussex Cancer fund donated £124,000.

As well as these there are many other smaller groups that support specific departments and services, and countless individuals who raise money for our hospitals. We are extremely grateful for all their efforts which enable us to make improvements above and beyond those we would otherwise be able to afford.

“Two years ago I had an idea to implement a management qualification programme. My highlight of this year has been seeing our first group of candidates graduate”

Richard French
HEAD OF LEARNING AND DEVELOPMENT

OUR BUILDINGS AND FACILITIES

We are constantly working, with the resources we have available, to improve services for patients and the buildings and facilities we provide them in.

Building for the future

Our 3Ts programme is about building for our future — and not just a plan for the next five or ten years — but a vision for our clinical services, buildings and infrastructure for the next 30 to 40 years. The Outline Business Case was submitted to the Strategic Health Authority in July 2009. The programme will make BSUH the regional centre for teaching, trauma and tertiary care. We plan to:

- Accommodate all our specialist services alongside facilities and equipment for treating the most critically ill and injured patients and to be the level one trauma centre for the south east of England.
- Move our medical and cancer inpatient wards from accommodation that is nearly 200 years old into modern, purpose-built facilities.
- Improve the hospital infrastructure so that our efforts to prevent infection and provide safe and dignified care are no longer hindered by sub-standard buildings.
- Build a hospital that is welcoming, comfortable and easy to navigate your way around and so improve the experience of every patient and visitor who comes through our doors.

Building better buildings and facilities

In 2008/09 we invested £25.8m in improving the buildings and facilities at our hospitals. This included:

- Buying £7.6m replacement and new medical equipment
- Investing £2.2m in our information, management and technology infrastructure
- Spending £5.6m on estates infrastructure
- Investing £4.2m in a new Breast Care Centre
- Spending £2.4m modernising facilities on Level 5 at the Royal Sussex County Hospital

Level 5 redevelopment

Work started in January 2009 to transform the dark and cramped conditions in the Royal Sussex County Hospital's Level 5 area. Patients and staff will benefit from natural light, an expanded Acute Medical Unit (AMU) and a new High-Dependency Unit (HDU) near A&E.

The first phase of the Level 5 changes was completed in March 2009, when our Fracture Clinic was relocated to a new building to the west of the Barry Building. As the Fracture Clinic deals with a lot of outpatient work, its relocation allows Level 5 to be reorganised as an area solely for patients in need of acute and emergency care.

The newly-modernised and expanded AMU will be established in the area freed up by the Fracture Clinic move, creating a 36-bed unit situated next to A&E. It will include side rooms, proper bathroom facilities and, most importantly, it will have natural daylight.

A much-needed HDU will then be established in the area that currently houses the Acute Medical Unit.

Further reorganisation will result in changes to the Day Surgery Unit to allow for more admission, theatre and recovery space for patients.

Park Centre for Breast Services

Our breast care services moved from the Royal Sussex County Hospital to a new purpose-built building in Brighton in November 2008. Fitted with the latest digital mammography equipment, the Park Centre is the first centre in the UK to offer this level of technology together with all outpatient services under one roof.

The use of digital imaging technology at the centre will increase the efficiency of breast screening services. Staff at the centre are now able to send digital scans electronically to consultants at the Princess Royal Hospital, where breast surgery services continue to be based.

Award-winning Children's Hospital

The Royal Alexandra Children's Hospital won the Prime Minister's Better Public Building Award in October 2008.

QUALITY, SAFETY AND CLINICAL GOVERNANCE

Quality and safety are at the heart of everything we do. We have defined what this looks like through a set of clear priorities and goals and we are committed to making it easy for everyone to see and understand the information which will enable them to judge how we are doing for themselves.

Productive Ward

The 'Productive Ward' is a national programme.
It focuses on practical improvements to the ward environment and how the ward works. The changes being made are often brilliant in their simplicity yet their impact is huge, improving the efficiency, safety and atmosphere of the ward, the morale of staff and the experience of patients.

The Productive Ward programme consists of eleven modules on activities including ward handover, mealtimes and drug rounds. By making these more efficient and productive, nursing time is released to spend with patients. Wards taking part have reported as much as a 45% increase in time spent directly with patients.

In April 2008 the Level 8 Tower urology/vascular ward at the County Hospital was selected as our first Productive Ward. Since then the programme has rolled out to wards across our hospitals.

After Action Review

In conjunction with University College London Hospital NHS Foundation Trust, we developed and introduced a new one-day training course in the use of After Action Review (AAR).

An AAR is an 'in the moment' discussion of an event, issue, or activity. If those involved in a situation can take a few minutes to review and discuss it as close to the event as possible, everything is fresher, the learning is more relevant and it is easier to agree actions and change behaviours. AAR can be used in clinical and non-clinical areas. In three months over 130 staff were trained in the use of AAR.

Major Incident Plan Compliance

I certify that Brighton and Sussex University Hospitals has major incident plans in place which are fully compliant with the Department of Health's 'Handling of Major Incidents' operational doctrine and accompanying NHS guidance on major incident preparedness and planning. Brighton and Sussex University Hospitals regularly reviews and makes improvements to its Major Incident Plan and has a programme for regularly testing this plan, the results of which are reported at Board level.

Duncan Selbie
Chief Executive

OUR FINANCIAL PERFORMANCE

In the last two years we have made significant improvements in our financial performance.

In 2008/09 BSUH achieved an in-year financial surplus of £9.9 million. We also paid back £19.4 million of our £29 million historic debt.

A number of factors contributed to this significant improvement in our performance including better financial management internally and resolving some long standing issues on income with our local Primary Care Trusts.

In the Healthcare Commission's annual health check for 2007/08 we moved our finance rating from "weak" to "fair". This was the highest assessment possible for a Trust with a deficit the previous year.

Our aim is to further improve this to an assessment of "good" for the 2008/09 health check.

Our financial priorities for 2009/10 are to generate a further £5.88 million surplus and to clear the remainder of our historic debt so we enter 2010/11 debt free.

“I get great pleasure from my job, especially when we receive lost property and are able to trace the owners or their relatives – everything from a favourite dressing gown to treasured possessions like watches and false teeth!”

Paula Wickenden
CHIEF CASHIER

Financial Review

THE REPORT OF THE FINANCE DIRECTOR

The Trust generated a surplus of £9.9m during 2008/9, £4m ahead of plan. This performance is the result of the strong financial controls within the Trust allied to the delivery of efficiencies. We have also worked closely with our coordinating commissioner NHS Brighton and Hove to agree an income settlement and risk share which in effect capped the Trust's efficiency requirement to £18m savings in 2008/9, thus facilitating the Trust's financial performance in 2008/9.

As a result of incurring deficits for each of the four years up to and including the 2006/7 financial year, the Trust entered 2008/9 with a cumulative debt of £29m on which we have been required to pay interest rates between 4% to 5.4% during the year. However due to the in-year financial performance in 2008/9, and supported by the SHA, the Trust negotiated an accelerated loan repayment schedule with the Department of Health and repaid £19.4m of the £29m debt in March 2009. This compares favourably to the original five year repayment plan of repaying £5.8m per year. By reducing the debt quicker we will have less interest to pay in future years.

The improved financial results should be seen alongside the sustained strong performance against national A and E and 18 weeks referral to treatment targets. The Trust also met national and local infection control targets during 2008/9. All of this is very creditable in the context that the Trust faced a significant increase in demand for treatment and care during the financial year. I believe the Trust's staff deserve an accolade for such a great all round performance.

The Trust has made great strides in developing its Service Line Reporting (SLR) which allows us to understand the costs and the income associated with each speciality. This will support a greater understanding of how we spend money within the Trust. I believe by using SLR in 2009/10 we can obtain better value for money and re-invest more resources internally to provide even better patient care. A robust and established use of SLR will support the Foundation Trust application.

Through NHS Brighton and Hove we continue to work with the Sussex PCTs to develop our Medium Term Financial Plan. This joins together our financial plans with the Commissioners, linking our service plans with the PCT commissioning plans. Joint planning is necessarily a dynamic process as it requires adaptation to reflect changes in PCT plans, changes in funding allocations and prices, increases or decreases in demand for services and service changes through PCT demand management and PCT commissioned developments. This planning underpinned the approval of the 3Ts Strategic Outline Case by the SHA in July 2008. The joint financial planning will continue to support the application for Outline Business Case approval which will be submitted to the SHA in July 2009/10.

Brighton and Sussex University Hospitals NHS Trust acts as a Trustee for charitable funds of £5.4m. Income from donations legacies and grants totalled £1.4m. Expenditure of £1.8m was incurred mainly on clinical research, patient and staff welfare and amenities. The Trust is extremely grateful for the generous financial support to charitable funds that have enabled us to provide valuable extra facilities.

Despite the improved financial performance in 2008/9 the Trust continues to face challenges into the future. We will need to continue to deliver efficiencies and financial surpluses. This is crucial to ensure we repay the remaining debt and have resources in the future to invest in the 3Ts and other improvement programmes.

Colin Gentile
Director of Finance
11 June 2009

STATEMENT OF CHIEF EXECUTIVE'S RESPONSIBILITIES AS ACCOUNTABLE OFFICER OF THE TRUST

The Secretary of State has directed that the Chief Executive should be the Accountable Officer to the Trust. The relevant responsibilities of Accountable Officers are set out in the Accountable Officers Memorandum issued by the Department of Health. These include ensuring that:

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

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

Duncan Selbie
Chief Executive
11 June 2009

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

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

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

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

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

By order of the Board
Duncan Selbie, Chief Executive
Colin Gentile, Director of Finance, 11 June 2009

INDEPENDENT AUDITOR'S STATEMENT
To the Directors of the Board of Brighton & Sussex University Hospitals NHS Trust

I have examined the summary financial statement as set out of pages 26 to 33.

This report is made solely to the Board of Directors of Brighton and Sussex University Hospitals NHS Trust in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 36 of the Statement of Responsibilities of Auditors and of Audited Bodies prepared by the Audit Commission.

Respective responsibilities of directors and auditor

The Directors are responsible for preparing the Annual Report.

My responsibility is to report to you my opinion on the consistency of the summary financial statement within the Annual Report with the statutory financial statements.

I also read the other information contained in the Annual Report and consider the implications for my report if I become aware of any misstatements or material inconsistencies with the summary financial statement.

Basis of opinion

I conducted my work in accordance with Bulletin 2008/3 'The auditors' statement on the summary financial statement in the United Kingdom' issued by the Auditing Practices Board. My report on the statutory financial statements describes the basis of our audit opinion on those financial statements.

Opinion

In my opinion the summary financial statement is consistent with the statutory financial statements of the Trust for the year ended 31 March 2009. I have not considered the effects of any events between the date on which I signed my report on the statutory financial statements, 12 June 2009, and the date of this statement.

Darren Wells
Officer of the Audit Commission
11 September 2009

Summary Financial Statements

Income and expenditure account for the year ended 31 March 2009

	2008/09 £000	2007/08 £000
Income from activities	353,596	311,868
Other operating income	44,851	40,826
Operating expenses	(380,597)	(347,479)
OPERATING SURPLUS	17,850	5,215
Profit on disposal of fixed assets	1,707	2,969
SURPLUS BEFORE INTEREST	19,557	8,184
Interest receivable	959	1,214
Interest payable	(1,401)	(1,555)
Other finance costs - unwinding of discount	(248)	(163)
SURPLUS FOR THE FINANCIAL YEAR	18,867	7,680
Public Dividend Capital dividends payable	(8,942)	(7,574)
RETAINED SURPLUS FOR THE YEAR	9,925	106

All income and expenditure is derived from continuing operations.

Statement of Total Recognised Gains and Losses The total recognised gains and losses (net increase in equity) for 2008/09 is £10m. This arose from an unrealised surplus of fixed asset revaluations of £10m less fixed asset impairment losses of £21m, a surplus for the year of £19m and an increase in the donated asset and government grant reserve of £1m.

Balance sheet as at 31 March 2009

	2008/09	2007/08
FIXED ASSETS		
Intangible assets	69	91
Tangible assets	264,080	269,075
	264,149	269,166
CURRENT ASSETS		
Stocks and work in progress	6,297	6,527
Debtors	25,781	27,227
Cash at bank and in hand	4,049	11,170
	36,127	44,924
CREDITORS: Amounts falling due within one year	(46,259)	(44,766)
NET CURRENT ASSETS	(10,132)	158
TOTAL ASSETS LESS CURRENT LIABILITIES	254,017	269,324
CREDITORS: Amounts falling due after more than one year	(7,460)	(23,738)
PROVISIONS FOR LIABILITIES AND CHARGES	(4,265)	(4,323)
TOTAL ASSETS EMPLOYED	242,292	241,263
FINANCED BY:		
TAXPAYERS' EQUITY		
Public dividend capital	184,032	182,532
Revaluation reserve	55,930	69,845
Donated asset reserve	8,980	8,700
Income and expenditure reserve	(6,650)	(19,814)
TOTAL TAXPAYERS' EQUITY	242,292	241,263

Cash flow statement for the year ended 31 March 2009

	2008/09 £000	2007/08 £000
OPERATING ACTIVITIES		
Net cash inflow from operating activities	39,896	16,678
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE:		
Interest received	959	1,214
Interest paid	(1,440)	(1,553)
Interest element of finance leases	(1)	(2)
Net cash (outflow) from returns on investments and servicing of finance	(482)	(341)
CAPITAL EXPENDITURE		
(Payments) to acquire tangible fixed assets	(27,185)	(18,300)
Receipts from sale of tangible fixed assets	6,391	23,138
Net cash (outflow)/inflow from capital expenditure	(20,794)	4,838
DIVIDENDS PAID	(8,942)	(7,574)
Net cash inflow before financing	9,678	13,601
FINANCING		
Public Dividend capital received	1,500	0
Public dividend capital repaid (not previously accrued)	0	(2,444)
Loans received from DH	0	4,888
Loans repaid to DH	19,374	(4,888)
Other capital receipts	1,429	(655)
Capital element of finance lease rental payments	(354)	(69)
Net cash (outflow) from financing	(16,799)	(3,168)
(Decrease)/Increase in cash	(7,121)	10,433

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

1. For the year ended 31 March 2009 there were no material changes in the Trust's accounting policies. The accounting policies are those issued by the Department of Health which follow UK generally accepted accounting policies for companies to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

2. The Trust should achieve a financial return of 3.5% on net assets. This is done by ensuring our prices include overheads, one of which is capital charges.

3. West Sussex PCT, Brighton and Hove City PCT, East Sussex Downs and Weald PCT and Surrey PCT are the largest purchasers of our services.

4. The amount spent on staff involved in management and administration includes the cost of managing clinical services and services such as finance and personnel.

5. Staff costs are our biggest and most important area of spend. Doctors, nurses and paramedical staff account for over 75% of our staff costs.

6. Fixed Assets represent the value of the land, buildings and equipment used by the Trust.

7. The donated asset reserve represents the value of assets purchased from charitable donations.

8. Past and present employees are covered by the provisions of the NHS Pensions Scheme. The Scheme is an unfunded, defined benefits scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore the Scheme is accounted for as a defined contribution scheme and the cost of the Scheme is equal to the contributions payable to the Scheme for the accounting period. The latest assessment of the liabilities of the scheme is contained in the Scheme Actuary report, which forms part of the NHS Pension Scheme (England and Wales) Resource Account, published annually. These accounts can be viewed on the Business Service Authority – Pensions Division website at www.nhspa.gov.uk. Copies can also be obtained from the Stationery Office.

9. The Trust's External Auditors are the Audit Commission. The District Auditor is Darren Wells. In 2008/09 the cost of audit work performed by the Audit Commission was £264,000. No non-audit services were provided to the Trust.

10. The Trust has one umbrella charitable fund, Brighton and Sussex University Hospitals NHS Trust Charitable Funds (number 1050864), registered with the Charity Commission to receive gifts and legacies etc. from grateful patients and relatives. These donations are used to fund patient and staff welfare and amenities, research and hospital equipment.

11. The NHS is adopting international financial reporting standards (IFRS) from 1 April 2009. The Trust has been working towards this implementation and is fully prepared to report in accordance with IFRS.

The financial statements are a summary of the full accounts and statements of the Trust. A full set of these and the hospital's charity activity can be obtained from the Company Secretary, The Royal Sussex County Hospital, Eastern Road, Brighton BN2 5BE. Telephone 01273 664905.

Income From Activities

	2008/09 £000	2007/08 £000
Strategic Health Authorities	1,406	340
NHS Trusts	3,921	4,647
Primary Care Trusts	313,248	273,775
Foundation Trusts	1,684	120
Local Authorities	206	259
Department of Health	25,144	25,127
Non NHS:		
- Private patients	5,796	5,405
- Overseas patients (non-reciprocal)	169	442
- Injury cost recovery*	874	713
- Other	1,211	1,040
	353,659	311,868

* Injury cost recovery is subject to a provision for doubtful debts of 7.8% to reflect expected rates of collection

Other Operating Income

	2008/09 £000	2007/08 £000
Patient transport services	0	1
Education, training and research	36,589	33,750
Charitable and other contributions to expenditure	0	64
Transfers from donated asset reserve	1,239	1,044
Income Generation	4,004	4,190
Other income	2,956	1,777
	44,788	40,826

Expenditure

	2008/09 £000	2007/08 £000
Services from other NHS Trusts	**2,978**	2,916
Services from PCTs	**1,532**	2,686
Services from other NHS bodies	**1,509**	297
Services from Foundation Trusts	**1,149**	29
Purchase of healthcare from non NHS bodies	**1,601**	2,871
Directors' costs	**1,328**	1,468
Staff costs	**226,675**	204,141
Supplies and services - clinical	**69,189**	63,105
Supplies and services - general	**14,853**	13,543
Consultancy services	**509**	1,498
Establishment	**5,473**	5,698
Transport	**4,272**	3,726
Premises	**22,417**	18,252
Impairment of debtors	**549**	587
Depreciation	**14,534**	12,624
Amortisation	**22**	22
Tangible fixed asset impairments and reversals	**1,161**	2,277
Audit fees	**264**	235
Other auditor's remuneration	**183**	182
Clinical negligence	**5,138**	4,092
Redundancy costs	**35**	970
Education and training	**4,541**	1,554
Other	**685**	4,706
	380,597	347,479

Capital Assets

Expenditure on capital was £26m. The main projects undertaken during the year were the reconfiguration of wards in the main building at the Royal Sussex County Hospital, the expansion of the neonatal unit and the replacement Trust wide of patient monitoring equipment. Major expenditure was also incurred on equipment for the new breast care centre which opened in November 2008.

There are two Private Finance initiative schemes. The first scheme relates to staff accommodation built by the London & Quadrant Housing Trust, a registered social landlord with expertise in the staff accommodation field. In 2008/09 the net charge to operating expenses for this scheme was £77,000.

The second scheme was entered into in June 2004 for the build of a new children's hospital. In 2008/09 the net charge to the operating expenses was £4,549,000.

The net book value of assets held by the Trust was as follows:

	£000
Purchased at 01 April 2008	260,466
Donated at 01 April 2008	8,700
Total at 01 April 2008	269,166
Purchased at 31 March 2009	255,169
Donated at 31 March 2009	8,980
Total at 31 March 2009	264,149

The decrease in asset value of £5m comprises £26m capital expenditure, indexation and revaluation of £10m less asset sales of £4m, depreciation and impairments of £37m.

Management costs

	2008/09 £000	2007/08 £000
Management costs	**15,244**	11,694
Income	**398,447**	352,694

REMUNERATION REPORT 2008/09

The Remuneration Committee is a Committee of the Trust Board and comprises the Chair of the Trust, three Non-Executive Directors, the Chief Executive and Operational Director of Human Resources. The Committee is chaired by the Chair of the Trust. The Company Secretary attends meetings in an advisory capacity. No member is involved in any decision as to their own remuneration.

The Committee is responsible for making recommendations to the Trust Board on:

- the appropriate remuneration and terms of service for the Chief Executive, Executive Directors and other Directors and senior managers to ensure they are fairly rewarded for their individual contribution to the organisation, having proper regard to the organisation's circumstances and overall performance, including on:
- any cost of living increases for the Chief Executive, Executive Directors, and other designated Directors and senior managers taking into account the provisions of any national agreements for such staff where appropriate; and
- appropriate contractual arrangements for the Chief Executive, Executive Directors and other designated Directors and senior managers including the proper calculation and scrutiny of termination payments taking account of value-for-money and relevant national guidance.

The remuneration of Directors is that of a base salary only without further enhancements. The annual pay award for such staff is at a rate generally commensurate with, and no greater than, that agreed nationally for other groups of staff within the NHS and salary levels are independently reviewed and bench marked against comparable NHS organisations. Basic salary and pay awards are based upon satisfactory performance being achieved, assessed against annual objectives.

The remuneration of the current Chief Executive, who is on secondment to the Trust from the Department of Health, is dealt with under Senior Civil Service pay arrangements, with involvement from the Trust Chair as appropriate.

The Chief Executive agrees and reviews the objectives of the Executive Directors. Directors are required as part of their contracts of employment to abide by the core standards of conduct contained in the "Code of Conduct for NHS Managers" published by the Department of Health in October 2002.

The appointment of Executive Directors is to permanent positions with relevant notice periods. Continuation of appointment is subject to satisfactory performance.

Better Payment Practice Code - measure of compliance

	2008/09	
	Number	£000
Total Non-NHS trade invoices paid in the year	124,827	177,317
Total Non NHS trade invoices paid within target	106,213	133,467
Percentage of Non-NHS trade invoices paid within target	85%	75%
Total NHS trade invoices paid in the year	2,546	29,123
Total NHS trade invoices paid within target	1,823	22,408
Percentage of NHS trade invoices paid within target	72%	77%

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

Sickness Absence

The Trust average sickness rate is 4.4% which compares favourably with other public sector organisations.

During 09/10 the Trust will be developing and implementing a new strategy for the health and well-being of staff focusing on health promotion, managing mental health, and supporting staff with ill-health problems.

Salary And Allowances

		2008/09			2007/08			
Name & Title		Salary (bands of £5000)	Other Renumeration (bands of £5000)	Benefits in kind	Salary (bands of £5000)	Other Renumeration (bands of £5000)	Benefits in kind	Notice Period
		£000	£000		£000	£000		
NON-EXECUTIVE								
Dr Glynn Jones	Chair	20-25			20-25			
Lynette Gwyn-Jones **	Non-Executive	5-10			5-10			
Professor Jon Cohen**	Non-Executive	5-10			5-10			
Michael Pitts **	Non-Executive	5-10			5-10			
Julie Nerney **	Non-Executive	5-10			5-10			
EXECUTIVE								
Duncan Selbie	Chief Executive	205-210			150-155			
Colin Gentile	Director of Finance	120-125			50-55			6mths
Alison Robertson*	Director of Nursing	110-115			105-110			6mths
Matthew Fletcher*	Medical Director	30-35	175-180		30-35	155-160		6mths
Amanda Philpott	Director of Planning & Performance (to 31/8/08)	50-55			95-100			6mths
NON-VOTING								
Michael Wilson	Chief Operating Officer	125-130			85-90			6mths
Ali Mohammed	Director of Human Resources (to 31/12/08)	80-85			65-70			6mths
Ian Tait	Director of Facilities & Estates	90-95			65-70			6mths
Mr Phil Thomas	Clinical Director Financial Recovery	25-30	115-120		20-25	110-115		6mths
Mr Jonathon Andrews	Divisional Clinical Director (Elective Services)	25-30	115-120		10-15	60-65		6mths
Mr Des Holden	Divisional Clinical Director (Specialist Services)	25-30	105-110		20-25	105-110		6mths
Dr John Hartley	Divisional Clinical Director (Emergency Services)	25-30	175-180		20-25	175-180		6mths
Mr Chris Adcock	Operations Director of Finance (from 01/05/08)	80-85						6mths

* Co-Head of Professional Practice **Audit Committee member

Pension benefits

Name and title	Real increase in pension at age 60 (bands of £2500) £000	Real increase in pension lump sum at age 60 (bands of £2500) £000	Total accrued pension at age 60 at 31 March 2009 (bands of £2500) £000
Duncan Selbie	67.5-70	0	80-85
Colin Gentile	2.5-5	7.5-10	40-45
Chris Adcock	0-2.5	5-7.5	10-15
Alison Robertson	5-7.5	20-22.5	40-45
Matthew Fletcher	2.5-5	12.5-15	80-85
Des Holden	0-2.5	2.5-5	30-35
Amanda Philpott	0-2.5	0-2.5	20-25
Phil Thomas	0-2.5	2.5-5	40-45
John Hartley	0-2.5	5-7.5	75-80
Ali Mohammed	2.5-5	7.5-10	25-30
Ian Tait	0-2.5	2.5-5	0-5
Michael Wilson	7.5-10	22.5-25	45-50
Jonathan Andrews	2.5-5	12.5-15	25-30

Name and title	Lump sum at age 60 related to accrued pension at 31 March 2009 (bands of £5000) £000	Cash Equivalent Transfer Value at 31 March 2009 £000	Cash Equivalent Transfer Value at 31 March 2008 £000	Real Increase in Cash Equivalent Transfer Value £000	Employers Contribution to Stakeholder Pension To the nearest £100
Duncan Selbie	0	1,111	170	435	
Colin Gentile	120-125	760	543	142	
Chris Adcock	40-45	169	112	35	
Alison Robertson	120-125	640	410	154	
Matthew Fletcher	245-250	0	0	0	
Des Holden	100-105	564	423	91	
Amanda Philpott	65-70	311	245	18	
Phil Thomas	125-130	826	606	143	
John Hartley	230-235	0	0	0	
Ali Mohammed	75-80	415	276	70	
Ian Tait	10-15	108	57	35	
Michael Wilson	135-140	801	510	195	
Jonathan Andrews	75-80	350	224	84	

Related Party Transactions

Brighton and Sussex University Hospitals NHS Trust is a body corporate established by order of the Secretary of State for Health.

Any material transactions undertaken with Brighton and Sussex University Hospitals NHS Trust by organisations in which Brighton and Sussex University Hospitals NHS Trust Board members have registered interests, are as follows:

	Payments to Related Party £	Receipts from Related Party	Amounts owed to Related Party £	Amounts Due from Related party
Glynn Jones • Vice Chair of Brighton Festival and Dome Ltd • Chair of West Pier Trust • Director of Sussex Beacon • Member of Council of the University of Sussex • Member of Council of the NHS Confederation • Director of Brighton & Hove Philharmonic Orchestra	3,500,159	74,700 364,398	201,633	2,664 71,433
Duncan Selbie • Member of Council of Kings College, London • The Department of Health	1,660	6,653	150	6,088
Michael Pitts • Honorary Treasurer of Sightsavers International • Director of Brighton Dome and Festival Ltd				
Amanda Philpott • Company Secretary of Cormack Consulting Limited				
Lynette Gwyn-Jones • Director of Prestonville Associates				
Julie Nerney • Director Julie Nerney Limited • Non-Executive Director, Springboard • Vice-Chair Institute of Directors Sussex Branch	52			
Matthew Fletcher • Trustee of the Kidney and Urological Research and Education Fund • Chairman of the Sussex Branch of the Urostomy Association				

Statement of Internal Control

1. Scope of responsibility

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

I work in partnership with colleagues at the South East Coast Strategic Health Authority and the Primary Care Trusts that commission services from the Trust to maximise the health gain to the local population with regular reviews of performance being undertaken.

2. The purpose of the system of internal control

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

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

The system of internal control has been in place in Brighton and Sussex University Hospitals NHS Trust for the year ended 31 March 2009 and up to the date of approval of the annual report and accounts.

3. Capacity to handle risk

As Chief Executive, I am accountable for the overall risk management activity within the Trust. In discharging these responsibilities I am assisted by the following Executive Directors:

- the Medical Director and the Chief Nurse, who have joint responsibility for managing the strategic development and implementation of clinical risk management and clinical governance, for reporting this to the board and for the assessment and reporting of clinical risk. The Chief Nurse has also been delegated responsibility for managing the strategic development and implementation of organisational risk management and the assurance processes, in conjunction with the Director of Finance; and
- the Director of Finance, who has delegated responsibility for the Trust's Information Governance arrangements.

As part of ensuring the successful implementation and maintenance of the risk management strategy, staff and Board members are trained or equipped to manage risk in a way appropriate to their authority and duties.

The Trust's training policies are designed to ensure relevant training is delivered to all staff and Board members, including training on risk management and all relevant statutory and mandatory requirements. Important aspects of this strategy are:

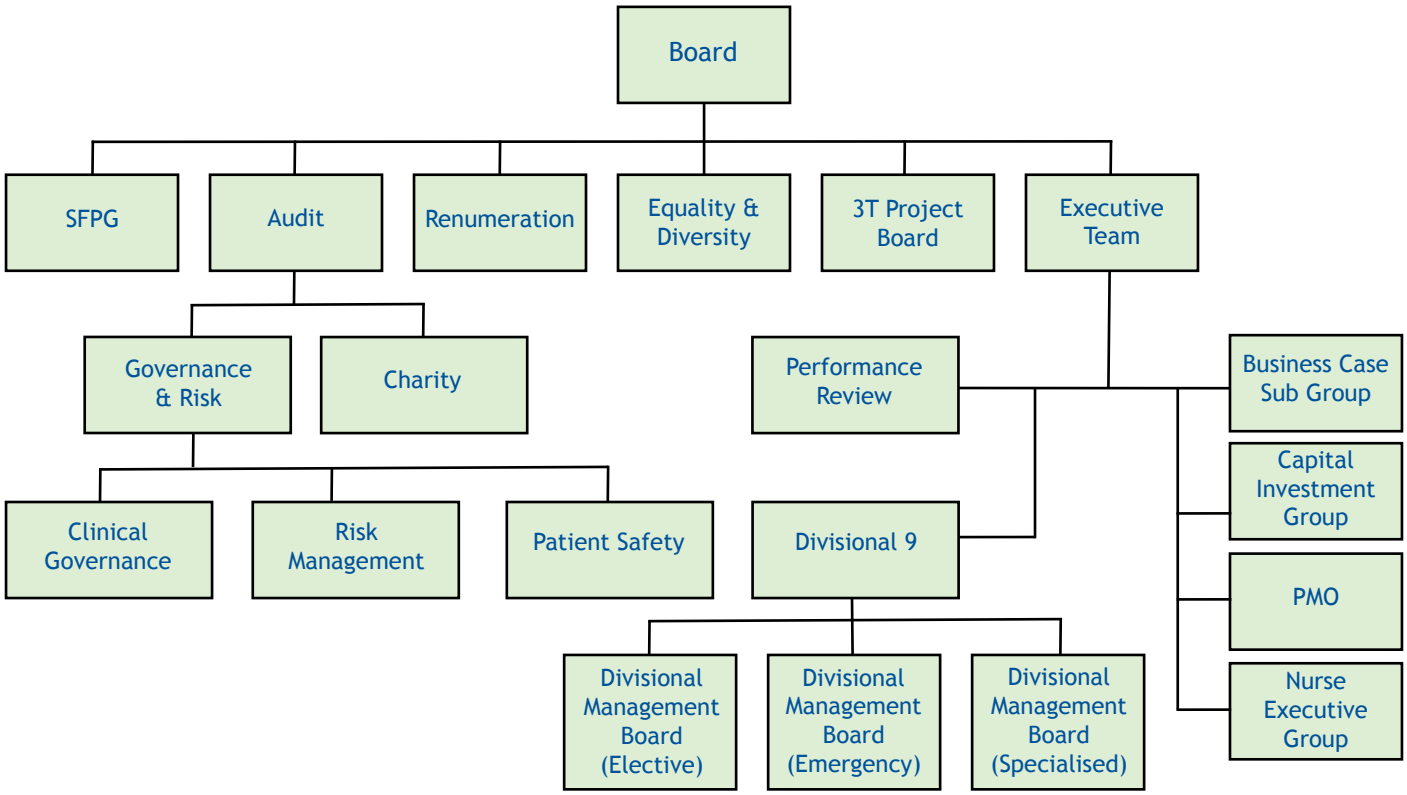
- the Trust's induction programme, which includes modules on risk management, complaints, incident reporting and security training; and
- ensuring the effectiveness of training. The Trust evaluates all its statutory and mandatory courses to ensure they meet clear measurable objectives.

During the year, Board members have attended seminars on the Trust's Assurance Framework, risk management and patient safety.

The Trust's management and committee structure is designed to ensure appropriate oversight and scrutiny and to ensure lessons are learnt and good practice is followed. For example, Serious Clinical Incidents are reviewed by the Patient Safety Committee and the implementation of risk mitigation plans is monitored by the Risk Management Committee, which maintains and reviews the risk register on a regular basis. Both of these Committees report to the Trust's Governance and Risk Committee.

The Trust's Executive Team, which meets weekly, oversees the delivery of the Trust's key objectives, including delivery of national targets and standards. Three Clinical Divisions manage the day to day business of the Trust. These cover Elective, Emergency and Specialised Services. Each Division has its own Clinical Director and Management Board and has clear delegated responsibilities for key objectives and risk management. The Trust's high level corporate governance structure that was in place in 2008/09 is set out below:

High-level Board and Committee Structure 2008/09



4. The risk and control framework

(i) Risk Management Strategy

The Trust's risk management strategy outlines the responsibility of all levels of staff throughout the organisation, together with the respective responsibilities of management and Trust Committees in developing and reviewing action plans. The key elements of the strategy are:

- Policy Objectives
- Accountability and Reporting Structures
- Risk Management Process
- Risk Management Training and Support
- Key Indicators
- Monitoring, Review and Auditing

The Trust uses a systematic approach to quantifying risk through measuring the consequences and likelihood. Across the organisation, risk is assessed in terms of consequences and likelihood (i.e. risk = consequences x likelihood). This system allows construction of a risk matrix

showing priorities for action at all levels of management within the Trust, and facilitates appropriate reporting to the Trust Board.

(ii) Assurance Framework

The Trust has continued to review and maintain its Assurance Framework which links corporate objectives to key strategic risks. The framework, which is formally reviewed by the Board on a bi-annual basis, consists of a management lead, review date, Trust objective, risks linked to the objective and the likelihood of achieving these objectives.

It also summarises the treatments, controls and internal/external assurances of top risks, highlighting any gaps. Indicators for effectiveness are included within the document to assist the review process. Work has been ongoing through the year to further develop the Assurance Framework to ensure it continues to be a fully embedded and effective tool that enables the Board to manage and monitor its principle risks. Each Clinical Directorate has developed its own framework.

The Trust Board receives risk reports and attends seminars on at least an annual basis, which include:

- an assessment of the Trust's compliance on significant Risk Management issues. eg Complaints, Healthcare Standards, Assurance Framework, Trust Risk Register, Security issues, fire precautions and patient safety;
- assurance that all significant risks have appropriate action plans; and
- a review of the Risk Management Strategy and policies relating to significant risk issues.

Papers on clinical risk have been presented to the Board on a monthly basis.

(iii) Embedding Risk Management

Risk management is embedded across the organisation through local and Divisional Clinical Governance meetings. Divisions feed information to the Patient Safety, Risk Management and Clinical Governance Committees, which in turn report to the Governance and Risk Committee.

All major projects, including capital expenditure and significant organisational change initiatives, have a business case prepared and are considered at an appropriate level. In addition, a rigorous business case process is in place for all proposed expenditure above and beyond that already set out in Corporate Directorates and Clinical Division budgets as part of ensuring that the Trust's cost base did not grow except in cases where clear financial or service-related benefits could be shown.

All business cases include a risk assessment against the organisation's objectives and key performance indicators for the project.

Progress and compliance with the risk management strategy and standards for better health is monitored by the relevant Committee and through the monthly executive-led performance review process. The following key performance indicators are used:

- effectiveness, feedback information and attendance at training sessions;
- external reviews by the NHS Litigation Authority (NHSLA) Risk Pooling Scheme for Trust Reports (RPST), the Healthcare Commission and other external accreditation bodies eg Royal Colleges etc;
- incident / accident reports (eg the serious clinical incident report) and demonstration that quality improvements have been identified and actioned;
- all distributed safety alerts are responded to within set timescales;
- feedback from Patient Safety and Risk Management committees; and
- external statutory agency reports eg Environmental Health Office, Fire, Health and Safety Executive, etc.

The Trust's achieved Level 2 accreditation in the NHSLA's risk management standards for acute trusts in the 2007/08 financial year and has since been working to ensure that it is in a position to achieve Level 3 accreditation in the 2009/10 financial year. The Trust has also achieved Level 2 accreditation for maternity services.

The Trust's internal auditors have provided significant assurance on the Trust's risk management processes.

(iv) Information Governance

As part of the Trust's internal audit programme for 2008/09, South Coast Audit undertook a review of shared data security across the local health economy. As a result of the review, the Trust will be carrying out a review of its systems of internal control over sharing personal information on an annual basis, the results of which will be incorporated in future annual reports.

There were no reported Serious Untoward Incidents involving data in the 2008/09 financial year that require disclosure.

(v) Involving Public Stakeholders

The Trust provides information and assurance to the public on the Trust's performance against

its principle risks and objectives in a number of different ways, including:

- open Board meetings, the papers for which are published in advance on the Trust's website;
- the Trust's performance against nationally set standards is made available to the general public via links on the Trust's website and is summarised in the Board performance dashboard, which is made publicly available on the Trust's website
- the Trust's annual declaration to the Healthcare Commission on its compliance with national healthcare standards is published on the Trust's website;
- reports to the Department of Health (DH) on incidents and accidents including all aspects of risk;
- statutory estate returns to DH (Estate Return Information Certificate) on backlog maintenance, health, safety and fire;
- external stakeholders being able to attend open meetings of the Board and meetings of the Health and Safety Committee;
- quarterly stakeholder briefings to inform and receive feedback on key topics such as services for older people, finance and discharge planning;
- stakeholder engagement events as part of the development of the Trust's 3T programme;
- the Trust's patient experience panel that ensures that care and services are improved based on patient experience;
- regular briefings to local Health Overview Scrutiny Committees; and
- establishing effective working relationships with the newly created Local Involvement Networks (LINKs)

Non-Executive members of the Trust's Board exercise an independent review of internal control through the Audit Committee, which is supported by the Governance and Risk Committee, which in turn oversees the Risk Management, Patient Safety and Clinical Governance Committees.

(vi) Compliance with NHS Pension Scheme Regulations

As an employer with staff entitled to membership of the NHS Pension scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments in to the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

(vi) Compliance with equality, diversity and human rights legislation

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

In response to concerns raised by the Trust's Black and Minority Ethnic Network, the Trust has established a 'Commitment to Change' programme for race equality in order to develop a positive, solution-led approach to promoting race equality. Commitment to Change incorporates ambitious measures, including the establishment of an independent Race Equality Commission to review and offer advice on our management of race-related issues and the publication of a quarterly progress report on race equality matters. This will demonstrate at all levels across our hospitals that we are committed to doing better at delivering on both our legal and moral obligations to our BME staff and patients.

The Trust also has active Disability and LGBT groups.

5. Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed in a number of ways. The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of the internal audit work. Trust managers within the organisation who have responsibility for the development and maintenance of the systems of internal control provide me with assurance. The Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principle objectives have been reviewed. My review is also informed by presentations made to the Trust Board by external audit in respect of the annual audit letter and other relevant 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 Trust's Board, Executive Team, Audit Committee and Governance and Risk Committee.

These groups each receive

regular reports and updated action plans to manage or monitor progress on major risks, as defined in their respective terms of reference. A plan to address weaknesses and ensure continuous improvement of the system is in place.

A number of external agencies and other assessors measure and report on the Trust's performance against statutory requirements or best practice. These groups examine many potentially high risk areas. The results of their work are considered and acted on where necessary by the relevant Executive Director. All significant external scrutiny reports are also reported to the appropriate Committee for monitoring. A central register of all such reviews is maintained and overseen by the Governance and Risk Committee. In 2008/09, the following external agencies and inspectorates have undertaken reviews of activity at the Trust:

- Healthcare Commission (unannounced inspection on the Trust's compliance with the Hygiene Code)
- Health and Safety Executive
- National EQA scheme for Gynaecological Cytopathology
- National Radiotherapy Advisory Group
- Audit Commission (PbR data assurance)

In addition, the Trust has at its own instigation invited several external bodies to review the services it provides as part of ensuring that the Trust achieves its ambition of top quartile performance. Reviews in the 2008/09 have included a review by Professor Keith Willett of the Trust's Trauma and Orthopaedics service and an external review of neuropathology.

The Clinical Governance, Patient Safety and Risk Management Committees provide regular reports to the Trust Board through the Governance and Risk Committee on the significant risk issues such as significant incidents, lessons to be learnt, best practice, improvements in standards and risk priorities.

As part of ensuring a high-level of preparedness for its planned application for NHS Foundation Trust status in the 2010/11 financial year, the Trust commissioned an independent review of its high-level corporate governance arrangements in the summer of 2008. Whitehead Mann's report was considered by the Board at its Away Day in November 2008. The recommendations of the report, including on the skills gaps identified on the Board, are now being implemented. A streamlined Board and Committee structure will be established early in the 2009/10 financial year in accordance with best practice governance requirements. This will be supported by the outcome of a review commissioned by the Chief of Safety into assurance and reporting arrangements with respect to quality and safety.

As part of the annual internal audit plan, periodic audits are carried out to provide assurances that suitably robust and embedded risk management systems are in place. As part of his opinion, the Head of Internal Audit provided significant assurance on the internal controls reviewed during the year.

6. Significant Internal Control Issues

Performance against the Healthcare Commission core standards has been reviewed by relevant Committees in the Trust, the Healthcare Standards Steering Group and, most recently, by the Trust Board. Action plans are monitored at the relevant Committees. The Board discussed the assessment and assurance processes for each of the core standards at Board seminars in March and April 2009.

The Board agreed on compliance with all core standards at a meeting on 28 April 2009. The Trust's internal auditors have provided significant assurance on the process by which the Trust declared its compliance against core standards. They have also reviewed the evidence submitted for a number of the core standards and have given significant assurance and agreed with the Trusts compliance status.

The Trust achieved a £9.9mn surplus in 2008/09. This significant achievement was made possible by contributions from all Clinical and Corporate Directorates and increased partnership working with key stakeholders in the local health economy. This has enabled the Trust to repay more than it had planned of the working capital loan from the Department of Health and to be in a position to be in recurrent financial surplus by the end of the 2009/10 financial year.

Duncan Selbie
Chief Executive
11 June 2009

Glossary of terms

Access Targets
Government requirements set to improve waiting times for patients needing secondary healthcare eg maximum waiting time from GP referral to initial hospital appointment/first stage of treatment.

Capital
In the NHS, the term capital refers to estate costs and equipment purchases of £5000 or more. All capital expenditure is shown in the Balance Sheets as a fixed asset, and then depreciated over the life of the asset with depreciations shown as a charge to the Income and Expenditure Account.

Charitable Funds
Money donated by patients, relatives, fundraisers and other charities for specific purposes.

Capital Resource Limit (CRL)
Annual budget for capital investments for the year authorised by the Department of Health.

External Financing Limit (EFL)
Cash budget set by the Department of Health primarily to fund capital investments. This is calculated taking account of the CRL and depreciation costs incurred but may also include cash borrowings and repayment of borrowings.

Foundation Trust (FT)
NHS Trust approved by Monitor to be able to have additional freedom to act, particularly in relation to expanding or contracting certain services, and taking out loans to finance capital developments.

NHS Trusts
NHS organisations responsible for delivering healthcare commissioned and paid for by PCTs. Most Trusts provide either acute hospital care, or mental health services.

Payment by Results (PbR)
Principle funding mechanism to reimburse NHS Trusts for treating patients, based on national tariffs. Contracts between Trust and PCTs are set on activity only, using national prices.

Public Dividend Capital (PDC)
The total of Government monies used to establish the organisation, as adjusted subsequently through EFLs to fund capital purchases and temporary cash loan needs.

Primary Care Trusts (PCTs)
The NHS organisations responsible for identifying healthcare needs of their geographic populations and commissioning (buying) in-patient, out-patient, day surgery, specialist care from the NHS Trust and private healthcare providers, as well as providing primary care through GP surgeries.

Primary Healthcare
Health services to patients provided at the patient's first point of contact with the NHS – the General Practitioner (GP).

Revenue for NHS Trust
This is the routine income received and expenditure incurred relating to the provisions of services.

Secondary Healthcare
Health services to patients which are not available from a GP surgery.

Specialty
A specific category of healthcare usually provided from hospitals, eg dermatology, orthopaedics, paediatrics etc. All hospital consultants are identifiable by their clinical specialty.

Strategic Health Authority (SHA)
NHS organisation responsible for developing plans to improve the health of the local population, supporting the development of quality NHS services provided by PCTs and NHS and Foundation Trusts, and monitoring the healthcare and financial performance of those organisations.

Waiting Lists
Patients waiting for secondary healthcare.

Waiting List Management
The delicate balance exercised by NHS Trusts in prioritising patients in need of urgent healthcare, achieving Government access targets, and working within the healthcare activity numbers paid for by the PCTs.

Looking ahead...

The case for investment in the redevelopment of the Royal Sussex County Hospital as the tertiary and major trauma centre for the south east of England has been accepted. We have selected the above design as our preferred option and we submitted the Outline Business Case to the Strategic Health Authority in July 2009.

Addresses & contact numbers

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- **THE SUSSEX EYE HOSPITAL** Eastern Road, Brighton, East Sussex BN2 5BF Tel: (01273 606126)

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