

United Lincolnshire
HOSPITALS



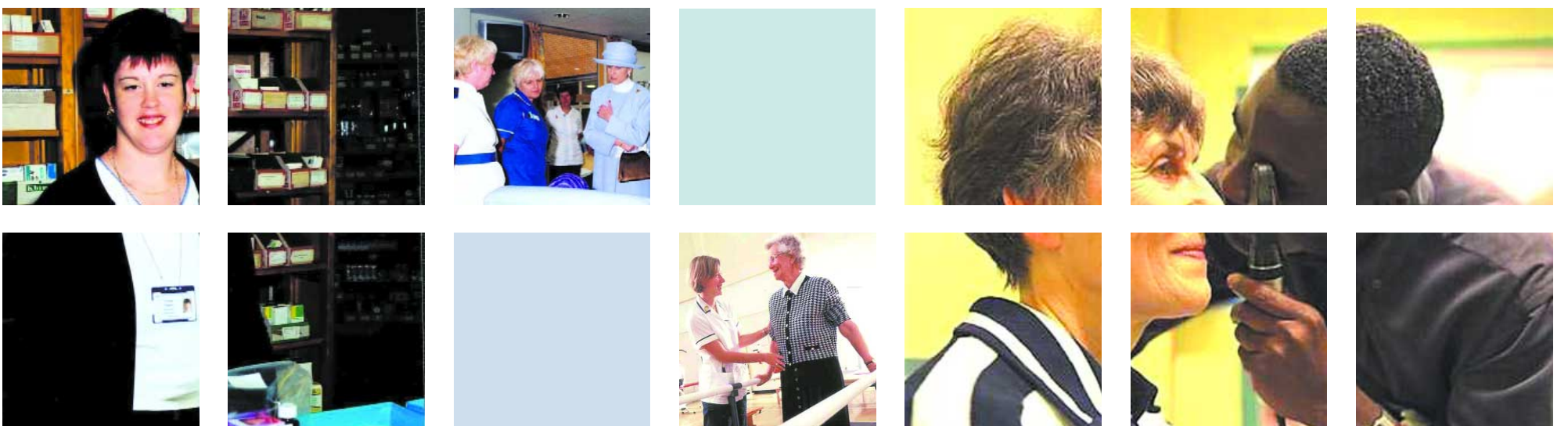
NHS Trust

A YEAR IN FOCUS



2001/2002

ANNUAL REPORT AND
SUMMARY ACCOUNTS



Chairman and chief executive's overview

It is a great pleasure to introduce the Trust's Annual Report for 2001/02. Whilst this year has been one of relative consolidation in the evolution of United Lincolnshire Hospitals NHS Trust, the rest of the Lincolnshire Health Community has changed almost beyond recognition. Lincolnshire Health Authority has been disbanded, the Healthcare Trusts have merged and the Primary Care Trusts have become established and now have taken over the commissioning role from the former Lincolnshire Health



Signature
Removed

David Loasby
Chief Executive

Authority. All this has and will continue to have a significant impact on us but we welcome the opportunity to work more closely with all our partners.

Inevitably, the first two years following the merger were marked by considerable upheaval and the new trust as had to grapple with difficult issues, including meeting challenging waiting times and financial targets. These issues have had an effect on staff throughout the whole Trust. However, two years on from the Trust merger, it is encouraging to see that clear benefits have been realised. Specific examples include:-

- £2.5M in extra capital under the 'Action On' headings in orthopaedics, ear nose & throat (ENT) surgery and dermatology
- Restarting the breast screening service in South Lincolnshire with support from staff at Lincoln. Without this support, this would not have been possible
- Agreement to develop an in-county cardiac catheterisation laboratory to avoid unnecessary travel for patients. None of the predecessor Trusts would have had sufficient patient volumes on their own to justify such a development
- Agreement to develop an in-county neurology service with the appointment of a consultant neurologist based at Lincoln. As a consequence of this a neurology clinic will be provided at Grantham for the first time and waiting times will reduce

- £1M savings on management costs reinvested on patient care
- Due to greater purchasing power, we managed to replace four general x-ray rooms for the estimated cost of replacing three
- We developed an exciting research & development partnership with the University of Lincoln which will have a very positive effect on recruitment and retention of staff and enhance the quality of patient care.

It would be wrong to assume that the benefits have been easily or painlessly achieved. For many staff the merger has meant changing the way they work, establishing cross-county networks and working with new colleagues. It has been a challenging time with some difficult decisions. However our vision has always been to ensure that all our patients wherever they live, should have equity of access to the highest quality services. In order to achieve that we may have to change the way we do things.

Many improvements to patient services and facilities took place during the year. These included:-

- The opening of the £10M radiotherapy & oncology building at Lincoln which serves the whole county and beyond
- A new £400,000 x-ray machine at Louth
- Replacement CT scanners at Pilgrim and Lincoln
- Improvements and extension to the intensive care and high

dependency unit at Pilgrim

- New staff residential accommodation and education facilities at Grantham
- A new coronary care unit at Lincoln
- Development of new dermatology clinics at Lincoln, Pilgrim and Grantham
- A refurbished clinic for sexual health at Grantham
- Continued refurbishment of wards at Pilgrim as the façade scheme progresses.

Quality of clinical care is crucially important and when independently assessed by the Clinical Negligence Scheme for Trusts (CNST), we were delighted to achieve a level 2 performance against the CNST standards which places us in the top 13% of Trusts nationally.

Waiting times continued to reduce and the Trust bettered all its key waiting list and waiting time targets at the end of the year. This was a huge achievement and a major benefit for patients.

On behalf of the whole Board, we should like to take this opportunity to express our sincere thanks to all our staff. Their efforts, commitment and dedication made these achievements possible. They continue to work under enormous pressure to give the best service they can to our patients. This service is highly regarded by patients and this is clearly demonstrated in the excellent results achieved in the national patient satisfaction survey. We



Signature
Removed

Jenny Green OBE
Chairman

should also like to pay tribute to the unstinting efforts of our volunteers and other supporters who continue to make a very valuable contribution to our services to patients.

As we look towards 2002/03, the Trust continues a major programme of change, development and modernisation of its services which we are undertaking in partnership with other local health organisations, social services, local authorities and local people. Our aim is to continue to provide the best possible care to the people of Lincolnshire.

Facts and figures

The Trust provides hospital care on 9 sites:
County Hospital – Louth
Grantham & District Hospital
Johnson Hospital – Spalding
Welland Hospital – Spalding
Lincoln County Hospital
Pilgrim Hospital – Boston
John Coupland Hospital – Gainsborough
St. George's Hospital – Lincoln
Skegness & District Hospital

Last year the Trust treated 17,103 elective inpatients, 40,666 day case patients, 77,494 emergency inpatients and 119,699 new outpatients attendances and 329,515 follow up attendances. The total income for the Trust was £219.1m

Dermatology set for redevelopment



The Trust secured national funding to redevelop dermatology facilities across the Trust. The facility at Lincoln opened in early 2002 and those at Grantham and Boston were completed in the summer of 2002.

Trust objectives 2001/2002

• Develop the Trust's clinical strategy

Work is well underway with the development of the clinical strategy and proposals will be presented to the Boards of the health organisations within Lincolnshire in March 2003.

• Achieve national targets to reduce the length of time that patients wait

The Trust met or bettered all its targets for waiting times. This included the national guarantee of maximum waits of 18 months for inpatient and day case patients. The target for a maximum wait of 15 months was met from 31 January 2002. With the exception of orthopaedics, the Trust had no patients waiting more than 12 months for inpatient or day case treatment by 31 March 2002. Overall the Trust consistently saw 97 – 100% of patients urgently referred for suspected cancers within 2 weeks.

• Manage winter pressures when emergency admissions rise

The pressures on the Trust were considerable throughout the year. The management of capacity was considered regularly by a health community group, which has led to a countywide plan. The group has

looked at improving the flow of patients admitted as emergencies and a review of systems and working practices to support emergency admissions was done.

• Meet Financial targets

The trust met all its statutory financial targets.

• Ensure the principles for clinical governance are achieved within each clinical directorate and develop a unified plan for clinical governance

Clinical governance arrangements are in place across the Trust. The clinical audit department has been reinforced and rolling programmes of cross-Trust and cross-specialty audits have been organised. An adverse incident reporting system has been introduced with data provided to all Divisions and Directorates for further analysis and action. In April 2002 the Trust achieved Level 2 standard when assessed independently by the Clinical Negligence Scheme for Trusts.

• Agree the human resources strategy for the Trust and achieve accreditation as part of the Improving Working Lives initiative

The human resources strategy has now been produced and

discussions are taking place to form an action plan. Interim accreditation against the Improving Working Lives (IWL) standards has been achieved with final accreditation being sought by April 2003.

• Continue to implement the Government's NHS Plan and to modernise services

A baseline assessment of the Trust's current compliance with the NHS Plan targets and a detailed action plan of the main risk areas was completed. The targets in the NHS Plan have been included in the Trust's service planning process. The Trust has been successful in a number of modernisation initiatives including obtaining £3.5 million under the 'Action On' Orthopaedics, 'Action On' ENT, 'Action On' Dermatology and 'Action On' Cataracts initiatives. A partial booking system is being introduced for patients so that they may arrange mutually convenient clinic appointments.

• Ensure capital schemes proceed on time and budget

The Boston façade scheme ran ahead of schedule. The transfer of the radiotherapy/oncology department at St George's to Lincoln County Hospital took place in September and the

third linear accelerator was purchased and delivered.

Confirmation was received that funding had been earmarked for the high dependency unit Business Case at Lincoln County Hospital. The catheter laboratory Business Case was also submitted and approval was received to proceed. Outstanding issues about the South Holland Business Case were resolved and the case was resubmitted.

• Manage the information management and technology programme as part of the strategy to deliver an electronic patient record (EPR) by 2005

The project board and project team have been established with clinical representation. The Outline Business Case process has begun. The Trust has established local and national links to gain maximum benefits for the project.

• Manage the effective implementation of the new organisational arrangements for clinical services

All clinical directors, 7 out of 8 directorate general managers and most lead clinicians were appointed by April 2001. The restructuring was complete and all other clinical posts were filled by September 2001 including the appointment of modern matrons.

Royal opening for new radiotherapy department

Years of planning and building work were rewarded on 10th October when the new £10 million Lincolnshire Department of Clinical Oncology at Lincoln County Hospital was officially opened by HRH Princess Alexandra.

Welcomed by Chairman Jenny Green, Her Royal Highness spent an hour touring the unit before unveiling a commemorative plaque in the County Restaurant.

Clinical Director, Dr Liz Murray and Senior Nurse Penny Edwards introduced patients and staff in the chemotherapy area and on Wragby Ward to Her Royal Highness. Radiotherapy Manager Jacqui Smith showed the Princess the new oncology CT scanner. Staff of the unit who met the Princess included Porter David Moon, Housekeeper Diane



Graham, Nursing Assistant Betty Shaw and Anna Fletcher, Secretarial Assistant.

The new unit treated its first patients in October 2001 and provides a county-wide radiotherapy and oncology service.

The two-storey building has 32 inpatient beds along with outpatient

facilities, radiotherapy and a 20 station chemotherapy treatment area. In the new unit is some of the most up to date equipment that is available for the treatment of cancer, including a special oncology CT scanner that is only the second of its type installed in the world and the first in Europe. This scanner enables a three-dimensional image to be created that helps define the tumour site and computer simulates the patient's treatment prior to actual delivery.

Earlier in the year £750,000 was obtained from the Government's New Opportunities Fund for an extra linear accelerator, which is used in the radiotherapy treatment of cancer patients. This was installed in the summer of 2002 and brings the total number of machines in the new unit to 3.

Improving working lives

The Trust achieved interim accreditation against the Improving Working Lives standards when making its pledge to achieve the standards. Final accreditation is being sought in 2003.

These standards look at how well the Trust acts as an employer through initiatives such as flexible and family friendly working practices and supporting staff to achieve a reasonable work to life balance.

Throughout this report we give practical examples how our commitment to the Improving Working Lives initiative is being carried out in practice.

Improving Working Lives

Porter Kim Fletcher-Smith is the proud mum of a two year old baby. For the past year and a half she has been working day shifts only in her job as a porter at Pilgrim Hospital. Kim explained that things are working out all right with the new arrangements. "Without this arrangement I would have struggled a lot to carry on doing the job and would have probably had to pack it up" she said.

Cancer services

The Trust set up a Cancer Patients and User Forum which, amongst others, is looking at patient held records including patient diaries.

The Trust continued its consistently good record of seeing patients within two weeks of urgent referral for suspected cancer. Overall the Trust consistently sees 96 - 100% of urgent cancer referrals within two weeks.

Improving Working Lives

With 2 children aged 7 and 3, an annualised hours term time contract is ideal for Staff Nurse Sara Moore who works on Ward 7a at Pilgrim Hospital. Sara, who has had the contract for about a year, only works during school terms but gets the same salary every month.

She said "Without this contract it would have made it very awkward and probably not financially viable to work".



Smiling David is unsung hero

it's just incredible."

Former patient Christine Carrot nominated Mr Freeman after he brightened up two of her visits to hospital. She said David had the gift of putting patients at their ease.

"Whenever I saw him on the ward he always seemed to be concerned with making sure all the patients were happy," she said "He kept me light-hearted and that made all the difference because I felt it really helped me to get well."

David qualified as a nurse in 1988 and has worked on Shuttleworth Ward for the past two and a half years. Ward Sister Stacey Burnett said: "He is a lovely man and is always cheerful."

David was presented with a plaque, a crystal trophy and a cheque for £1,000 for the Hospital Trust. Matron for General Surgery, Julie Seddon, added that David would decide how the money was to be spent.

Staff Nurse David Freeman was almost struck speechless recently when he was named as Lincolnshire Echo NHS Unsung Hero of the Year.

In a well kept secret David was surprised at the start of his shift on Shuttleworth Ward at Lincoln County Hospital by the Editor of the Lincs Echo, Mike Sassi who told him he had been chosen from the dozens of entries that had been received throughout the year.

"I am absolutely speechless - that was a bit of a shock," he gasped. I was nominated last summer and it was sometimes in the back of my mind, wondering what happened in the contest, but I never dreamed I would win! This is a total surprise and

... In brief ...

New service model for John Coupland Hospital in Gainsborough

The Trust has been an active partner with West Lincolnshire PCT in agreeing the new service model for Gainsborough. The aim is to develop a community facility for the community in and around Gainsborough. This includes innovative schemes such as a GP specialist and nurse led ward for inpatients, day case surgery done by primary care clinicians and an immediate care centre linked to the minor injuries services and GP out of hours service.

Staff involvement

Each month the divisional directors start the Team Brief process following the Board meeting so that staff are informed of important developments.

The Executive Directors meet Staff Side Representatives four times each year to discuss important issues about the Trust's activities.

At a departmental level there are many examples where small groups of staff and managers work together to redesign a service or make changes to improve the quality of care. Some of those are given elsewhere in this report.

Clinical strategy

The Trust started work in 2001/02 on the development of its long term plan for acute services in Lincolnshire. Working in partnership with Primary Care Trusts (who commission our services) and other NHS Trusts in Lincolnshire it set up 28 groups of doctors, nurses and other clinical staff to advise us on the development of their specialty in the future.

The groups have analysed the factors that influence how acute care in the 21st century can be delivered. This includes the use of new technology, national guidance and changes in legislation such as the European Working Time Directive. The main driver continues to be clinical safety.

The work continues in 2002/03 and the final strategy will be produced in the spring of 2003.

Coronary heart disease

Patients suffering from heart problems will benefit from the opening of a new coronary care unit at Lincoln. The new 6 bed unit is equipped with state of the art monitoring equipment and will treat patients of all ages who are suffering from chest pains and heart problems.

Rapid Access Chest Pain Clinics are now firmly established in Boston, Grantham, Lincoln and Louth. In addition the Trust is meeting the national targets for giving clot-busting drugs to patients who have had heart attacks within 30 minutes of their arrival in hospital.

The Trust is also working with Lincolnshire Ambulance and Health Transport Service on an innovative pilot project in Skegness which was submitted for a top national award this year. Ambulance staff at Skegness are being trained in the interpretation of ECGs (electrocardiographs which show the electrical activity of the heart) transmitting the results directly from ambulances to hospital by telemetry and, in the future, administering clot busting drugs to patients. Dr Cyril Nyman is leading the training. He said "It is important that the thrombolytics are administered as soon as possible after a diagnosis of a heart attack has been made. In rural areas such as Lincolnshire to get paramedics to administer these agents at the point of patient pick-up rather than patients having to be transported to a hospital first, gives patients the best chance of improved survival".

Our staff

Admin & Clerical		Ancillary		Maintenance Staff		Professional & Technical		Medical & Dental	
WTE	HEADS	WTE	HEADS	WTE	HEADS	WTE	HEADS	WTE	HEADS
802.61	1050	680.68	1025	94.95	96	251.09	287	548.86	603
Qualified Nursing & Midwifery		Unqual Nursing & Midwifery		Professions Allied to Medicine (PAM)		Scientific & Professional		Senior Managers	
WTE	HEADS	WTE	HEADS	WTE	HEADS	WTE	HEADS	WTE	HEADS
1758.01	2145	778.28	978	325.3	365	49.78	66	163.52	166



Over 605 more cataract operations performed

More than 2500 cataract patients were treated in 2001/02 compared to 1551 in the previous year. The number of patients having operations as a day case has also improved from 40% in April 2001 to 80% in March 2002. Work is now underway on capital schemes to improve facilities at both Lincoln and Boston.

Improving Working Lives

Pilgrim Hospital Pharmacy Technician Tracey Green has been working part-time since she returned from her maternity leave in April this year. She works from 9.00 am to 3.00 pm each day to fit in with her family commitments. She plans to continue working part time as long as she needs to. She said that if she had not been able to work these hours "It probably would have meant that I would have looked for a more suitable job elsewhere – maybe outside the health service".

Nurse retires after 50 years in the NHS



Jean Oakes never meant to record 50 years in the nursing profession but she did just that in April at Grantham Hospital. The miner's daughter from Blidworth decided she wanted to be a nurse following a tonsils operation when she was 14.

At 17 she started her training in the orthopaedic ward of Harlow Wood, Mansfield. She completed her training at Leicester Royal Infirmary. Jean became outpatients sister at Grantham in 1979. In more recent times she specialised in breast cancer care.

When the fast track clinics for breast cancer were introduced in 1995, she relinquished some of her management role to spend 24 hours a week with breast patients, going full-time two years later. She also formed the Grantham Breast Cancer Support Group.

She said "My interest came through research while on a course. I persuaded myself I had a lump just to check the psychological effect. I found it was devastating. I really got into the role and wrote a paper about how it felt".

The Trust wishes Jean well in her retirement.

Improving Working Lives

Of the staff who work in the operating theatres at Lincoln County Hospital, Kevin Moir and Carol Smith provide two examples where the commitments of individual members of staff have been considered along with the needs of the department. Kevin joined the hospital in 1991 as a theatre porter and qualified in 1994 as a Senior Operating Department Practitioner. He has adapted his shift patterns to fit in with those of his wife who is a nurse.

Carol has been a Health Care Assistant who has changed her working pattern so that she can work her full time hours over 4 days. With her family living away, this gives Carol the extra flexibility of an extra day to make a visit to them more worthwhile.

Theatre Manager Michelle Kemp said that with 160 staff working in the department, they are able to cope with most variations and still cover the service. "We can be very flexible and Kevin and Carol are just two examples of how we are able to improve the working lives of our staff. Most staff working in the theatres have an individual profile that fits with their work and home commitments".

Trust appoints additional consultant medical staff

The Trust appointed additional consultant medical staff in ophthalmology, radiology, anaesthetics, respiratory medicine and care of the elderly in 2001. A consultant neurologist was appointed at Nottingham to provide services to the south of Lincolnshire and the Trust has also appointed a consultant neurologist to be based at Lincoln, with sessions at Grantham. This is the first time that a neurology service has been available at Grantham.

PALS - The new patient advice & liaison service

In Lincolnshire we want to help people through worrying times and so, in line with the rest of the country, we are introducing a new patient advice and liaison service – PALS. PALS is designed to give on-the-spot help, advice and support.

Ann Millar has been appointed to lead the development of this service and she took up her post at the beginning of March. Ann has been working at the Trust for 9 years, most recently on a project to improve the patient's experience of hospital.

She said "I am thrilled to bits to have this opportunity to be in at the start of a project that will make a real difference to patients, their families and friends and also for staff. Bringing a customer care focus to the NHS in Lincolnshire will be one of the key aims of this work and I am really looking forward to it. It is so exciting to have the chance to work across the whole NHS and help people make sense of the services they are using and to feel I am in a position to improve things for them".

Ann will have direct access to the chief executives of all the NHS organisations in Lincolnshire. She will be expected to keep them informed of ways in which the patient's journey through the NHS can be improved and where it is working really well so that lessons can be learned and the right changes made.

Improving Working Lives

Facilities management staff were able to make an improvement to the working lives of junior medical staff by opening the WRVS canteen overnight. Until recently junior doctors at Lincoln County Hospital had no catering facilities available to them after 7.15 pm each night. The British Medical Association recommends that facilities should be available all night. Dr Isajn Gunatunga is a junior doctor in general medicine and President of the Junior Doctors Mess. He said "It is an essential service for doctors working at night but it is a facility that is available for all staff".



Survey reveals what our patients say about us

Patients who stayed overnight in our hospitals had the chance to participate in a patient survey in February 2002. Over 500 patients filled in the survey which had 58 questions about patient experience in it.

The results of the survey were grouped under 5 broad headings and the results compared with other Trusts nationally. Patients rated our hospitals in the top 25% on all 5 headings.

Some of the results of the survey are shown below:

While 61% said they were in pain at some time during their stay, only 8% felt staff did not do everything to help control the pain.

67% felt their ward was very clean and 56% rated the food as very good.

60% felt their care was well organised on admission.

50% of A&E patients were admitted within 2 hours.

74% of patients on a waiting list felt they were admitted as soon as necessary but 8% felt they should have been admitted a lot sooner.

Patients wait less time to be treated

The Trust bettered its targets to reduce the length of time patients wait to be seen in clinic and to be admitted for surgery. The targets were very challenging and this was only achieved through huge effort by staff right across the Trust. It involved undertaking many additional sessions outside normal hours and made meeting our financial targets all the more difficult.

The national guarantee of 18-month maximum wait for inpatient and day case treatment was met. The Trust improved on this and, by the end of March 2002 no patient waited over 15 months for orthopaedic surgery and no more than 12 months in any other speciality. In addition it is only in orthopaedics that patients now wait over 12 months for their operation.

The Trust also achieved the national target that no patient should wait more than 26 weeks for an outpatient appointment and improved on its target for the number of patients waiting more than 13 weeks.

The Trust continued to make progress to meeting national targets offering patients choice through booking appointments and admissions at times that are convenient to them. At Grantham Hospital a new pre-assessment unit was opened in November 2001. The newly constructed building, which cost £70,000, includes well equipped consulting and examination rooms, offices and patient waiting area and brings together all the staff involved in the admission process.

Kay Greetham is one of three pre-assessment nurses who work in the unit. She said "We are especially pleased with the new unit. It means that we can improve services that we offer to patients. All the preparation and paperwork that a patient needs for their operation can be done in one place the same day".

The unit also provides a central point for patients to contact, if they have any queries about their forthcoming operation.



Improving the quality of care

The Trust has set up Clinical Governance Groups which look at the quality of care we provide to patients in each clinical directorate. Their work is monitored by the three Divisional Clinical Governance Committees which are accountable to the Clinical Governance Committee for the Trust.

The Trust introduced annual appraisals for consultants during the year and introduced a trust-wide Adverse Incident Reporting system. This provides information to managers and clinicians on numbers, trends, location and nature of incidents for future analysis and action to prevent further occurrences. Adverse incidents are discussed at the Nursing and Midwifery Advisory Groups to ensure lessons are learnt across the Trust. A monthly Risk Management newsletter has been introduced and is circulated widely throughout the Trust.

The Trust achieved level 2 of the Clinical Negligence Scheme for Trusts in April 2002, a national scheme which assesses the Trust's systems for clinical risk management against a series of national targets. Nationally only 13% of Trusts have achieved this standard which demonstrates our commitment to reducing risk and improving the quality of patient care.

The Trust has its routine review of clinical governance by the leading Commission for Health Improvement (CHI) in 2002/03. We recognise the importance of such a review as clinical governance is high on our agenda. However, at this relatively early stage there is clearly more work to be done in developing our clinical governance arrangements. Once the report is received, the Trust will work with CHI and our partners to develop an action plan to address any issues identified.

Improving Working Lives

Vanessa Wells has worked as a housekeeper at Lincoln County for the past 8 years. Over the past 4 years a back problem got progressively worse resulting in her not being able to walk. This meant she was unable to work for 7 months. With 13 years reception experience before joining the NHS Vanessa was keen to take on temporary redeployment as a main entrance receptionist.

Vanessa has also recently undertaken some training in switchboard duties. She said of the redeployment "Although it is only temporary it has given me back my confidence".

Orthopaedics



This specialty has the longest waiting times in the Trust. The Trust was therefore delighted to secure national funding of just under £1 million for an additional orthopaedic theatre which will be based at Pilgrim Hospital, Boston. Construction will take place during the 2002/03 winter with the facility becoming operational early in 2003.

Paul Hogg, Directorate General Manager for Orthopaedics, said "Waiting times for patients to have routine operations have not been as short as we would like. The Trust has worked hard to reduce waiting times and the additional resource of a third fully equipped operating theatre at Pilgrim Hospital will enable us to reduce the time patients wait".

As part of the national Orthopaedic Collaborative Programme, a project at the Trust demonstrated a reduction in the length of stay for primary hip and knee joint replacements from 12 days to 6.4 days. This will enable the Trust to treat more patients within existing facilities. In addition a scoring tool for GPs and physiotherapists to assess a patient's need for referral to the orthopaedic service was piloted last year and is being rolled out to other GP practices this year. A pain assessment tool has also been implemented on one site within the Trust and will be rolled out to the others.

New x-ray facilities opened at Louth



New state of the art x-ray equipment, costing £400,000, was formally opened at County Hospital, Louth, by Trust Chairman Jenny Green in 2001. The digital fluoroscopic machine features all the latest state of the art facilities.

The unit is fully digitised which enables images to be stored in an electronic form and images can be sent via a computer to Lincoln County Hospital if required. Superintendent Radiographer, Lisa Goodacre said the unit has enabled examination times to be shortened considerably as the radiologist can view images instantaneously, without having to wait for a conventional film to be processed.

Radiology Services Manager Peter Bowker said "The unit has been a welcome replacement machine and has already proven its worth. The state of the art digital system has enabled radiologists to view images when required from any computer connection via the local network."

..... In brief

New hospital for South Holland a step nearer

The Trust submitted a Business Case to the NHS Executive in December 2001 to build a new hospital in Spalding. The new hospital will provide ward accommodation, outpatient clinics, a minor injuries unit and treatment facilities. It has been developed in partnership with East Lincolnshire PCT and the Lincolnshire Partnership Trust. The Trust is now developing the scheme to include recent guidance which will increase the number of single rooms on wards and provide more privacy and dignity to patients.

Compliance statement - NHS managers' pay

The Trust has complied with the requirement to limit pay rises for senior managers set out in the NHS Chief Executive's letter of the 16th March 2000.

Travel plan

The Trust is developing a travel plan which aims to provide a package of measures to tackle different aspects of transport problems and to encourage alternative modes of travel. The Trust is working in partnership with Lincolnshire County Council, Lincoln City Council, Boston Borough Council, East Lindsey District Council and Sustrans to achieve this. The plan will include better public transport, improved facilities for cyclists and improved routes for pedestrians.

Policies relating to staff with disabilities

The Trust takes seriously its obligation to adapt its premises and facilities in order to accommodate staff who may become disabled whilst already employed. We also link with the disability service to try and find suitable jobs for disabled people seeking employment. The Trust Occupational Health Physician is proactive in monitoring the Trust's performance and also in giving advice on what changes are necessary.

Further developments in information technology

The Trust completed the majority of the supporting infrastructure to ensure desktop access to basic e-mail and directory services for all clinical and support staff. A network has been put in place for the first time at County Hospital, Louth.

Working jointly with our partners in primary care the Trust can now electronically send pathology results to 54 GP practices.

The Electronic Patient Record (EPR) project is looking at how the Trust can improve patient care using the opportunities offered by information technologies.

The Trust website was launched in 2002 and is proving to be a popular source of information for internet users with over 1,000 visitors in the first week. The site contains information for patients, visitors and job seekers.

Art and music in hospitals

Have you noticed the pictures that hang in the corridors of some of our hospital sites? You may like them, you may hate them but at least they make you feel something.

Did you know that some wards invite small musical groups to perform for patients?

Up to now all these sorts of initiatives have been organised by individuals. Now a small group called "Art in Hospitals" has been set up to act as co-ordinator under the chairmanship of Liza Grenfell, Non-Executive Director. Its aim is to try and make hospital a more welcoming and comfortable place for patients, staff and visitors.

The cost to the Trust is negligible – mostly providing suitable methods for hanging pictures in designated areas without damaging walls. The group is also looking into external sources of funding such as sponsorship and grants.

Skegness hospital's future debated in Parliament

The future of Skegness Hospital was the subject of an adjournment debate in Parliament called by Mark Simmonds, MP for Boston and Skegness. David Loasby, Chief Executive, said "I echo the comments made by the Minister for Health, Jacqui Smith, when she said that Skegness Hospital is a thriving hospital with excellent services and there is a clear commitment from everyone in the health and social care community to maintain and develop the current level of those services at Skegness."



£ £ £ Financial information £ £ £

Financial performance for the year ended 31st March 2002

During the financial year ending 31st March 2002, the Trust faced a number of challenges including high levels of emergency admissions, demanding waiting list targets and cost pressures that needed to be managed within available resources. Despite the financial pressures faced during 2001/2002, the Trust was able to make good progress in investing in a number of service developments. These included additional consultant and nursing appointments across the Trust in a wide range of different specialties. Capital developments included completion of the new radiotherapy unit at Lincoln County Hospital, sustained progress with the façade scheme at Pilgrim Hospital, Boston and the replacement of outdated residential and educational facilities at Grantham.

This report identifies the key financial performance indicators relating to the 2001/2002 financial year and includes audited Summary Financial Statements prepared from the Trust's audited Full Financial Statements for the year.

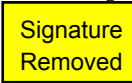
The Trust successfully achieved all of its headline financial targets during 2001/2002, being as follows:-

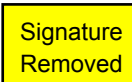
- Ensured that revenue expenditure was contained within income levels for the year.
- Managed its cash resources in order to ensure compliance with its external financing limit.
- Absorbed the cost of capital at a rate of 6% against its net relevant assets.
- Contained capital expenditure within its Capital Resource Limit.

In addition, the Trust contained its management costs within its target level.

Summary financial statements 2001/2002

The summary financial statements have been prepared from the Trust's full financial statements, which were adopted by the Board of United Lincolnshire Hospitals NHS Trust at its meeting held on 2nd August 2002.

Signed:  Date 2nd August 2002
Mark Gibbs - Director of Finance

Signed:  Date 2nd August 2002
David Loasby - Chief Executive

Copies of the Trust's full audited financial statements can be obtained without charge from:
*The Director of Finance, United Lincolnshire Hospitals NHS Trust, Trust Headquarters,
Grantham & District Hospital, 101 Manthorpe Road, Grantham, Lincolnshire NG31 8DG*

Statement of director's responsibility in respect of internal control

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

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

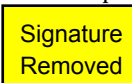
- Governance
- Financial Management
- Risk Management.

I plan to have the necessary procedures in place by the beginning of the financial year 2003/2004 necessary to meet the Treasury guidance. This takes into account the time needed to fully embed the processes that the Board has agreed should be implemented.

The actions taken so far include:

- The organisation has undertaken a self-assessment exercise against the core Controls Assurance standards (Governance, Financial Management and Risk Management). An action plan has been developed and implemented to meet any gaps.
- The organisation has in place arrangements to monitor, as part of its risk identification and management processes, compliance with other key standards, including relevant Controls Assurance standards covering areas of potentially significant organisational risk.

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

Signed:  Date: 2 August 2002
David Loasby, Chief Executive
(on behalf of the Board)

Independent auditor's report to the directors of United Lincolnshire Hospitals NHS Trust on the summary financial statements

We have examined the summary financial statements set out in this report.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. Our responsibility is to report to you our opinion on the consistency of the summary financial statements with the statutory


financial statements. We also read the other information contained in the Annual Report and consider the implications for our report if we become aware of any misstatements or material inconsistencies with the summary financial statements.

Basis of opinion

We conducted our work in accordance with Bulletin 1999/6 'The Auditor's Statement on the Summary Financial Statements' issued by the Auditing Practices Board for use in the United Kingdom.

Opinion

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

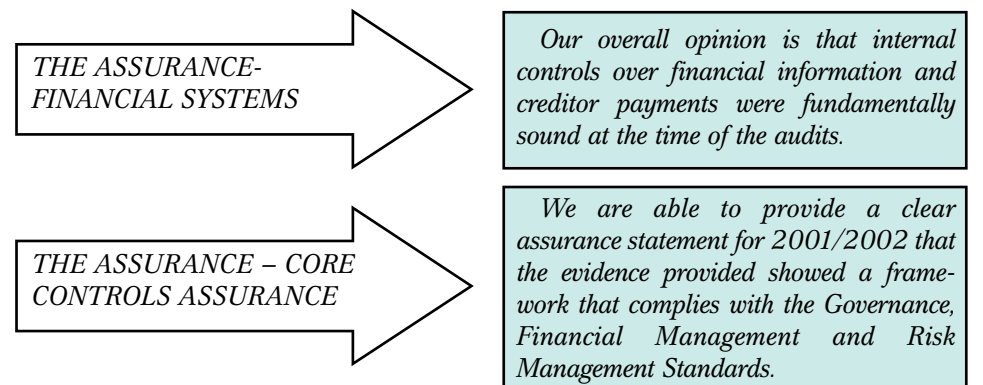
Signed:  Date 2nd August 2002
Neil Bellamy - District Auditor
2nd Floor, Witham House, Canwick Road, Lincoln LN5 8HE

Statement on internal control from the Trust's internal auditor

“We have conducted our audits, both in accordance with the mandatory standards and good practice contained within the NHS Internal Audit Manual and, additionally, from our own internal quality assurance systems.”

We have outlined the limitations in the scope of our audit work in this statement and have, particularly, emphasised that assurance on wider areas of internal control such as clinical controls, was not within the scope of the audit plan. Internal Audit work will, in line with Department of Health requirements, be focussed in future years on providing the co-ordinating role on assurance issues.

From our audit work in 2001/2002 the following assurances can be given:



In reaching this opinion, the following factors were taken into particular consideration:

- Action plans have been produced and require carrying through to ensure areas of residual non-compliance within the three core standards are addressed.
- The Clinical Governance Development Plan for 2002/03, if carried through, will ensure a merging of clinical risk management into Controls Assurance process.”

Tim Thomas, Head of Internal Audit.

Summary Income & Expenditure Account for the year ended 31 March 2002

	2001/02	2000/01
	£000	£000
Income from activities (continuing operations)	203,088	183,466
Other operating income	16,019	15,614
Operating expenses (continuing operations)	(210,607)	(191,178)
OPERATING SURPLUS	8,500	7,902
Exceptional gain: on write-out of clinical negligence provisions	12,812	0
Exceptional loss: on write-out of clinical negligence debtors	(12,812)	0
Cost of fundamental reorganisation/restructuring	0	0
Profit on disposal of fixed assets	45	0
SURPLUS BEFORE INTEREST	8,545	7,902
Interest receivable	249	343
Interest payable	0	0
Other finance costs	(321)	1
SURPLUS FOR THE FINANCIAL YEAR	8,473	8,246
Public Dividend Capital dividends payable	(8,470)	(8,237)
RETAINED SURPLUS FOR THE YEAR	3	9

Summary Balance Sheet as at 31 March 2002

	31 Mar 02 £000	31 Mar 01 £000
FIXED ASSETS		
Intangible assets	188	145
Tangible assets	164,078	154,685
	164,266	154,830
CURRENT ASSETS		
Stocks and work in progress	3,205	2,799
Debtors	10,968	23,349
Investments	0	0
Cash at bank and in hand	928	1,052
	15,101	27,200
CURRENT LIABILITIES		
Creditors falling due within one year	(20,087)	(23,409)
NET CURRENT ASSETS (LIABILITIES)	(4,986)	3,791
TOTAL ASSETS LESS CURRENT LIABILITIES	159,280	158,621
Creditors falling due after more than one year	(356)	(446)
Provisions for liabilities and charges	(1,875)	(9,974)
TOTAL ASSETS EMPLOYED	157,049	148,201
FINANCED BY CAPITAL AND RESERVES		
Public dividend capital	148,937	143,841
Revaluation reserve	3,642	642
Donation reserve	3,851	3,395
Government grant reserve	0	0
Other reserves	190	190
Income and expenditure reserve	429	133
TOTAL CAPITAL AND RESERVES	157,049	148,201

Summary Cash Flow Statement for the year ended 31 March 2002

	2001/02 £000	2000/01 £000
OPERATING ACTIVITIES		
Net cash inflow	22,946	14,577
RETURNS ON INVESTMENTS & SERVICING OF FINANCE		
Net cash inflow	244	362
CAPITAL EXPENDITURE		
Net cash outflow	(14,017)	(14,021)
DIVIDENDS PAID		
Net cash outflow	(8,470)	(8,237)
MANAGEMENT OF LIQUID RESOURCES		
Net cash inflow/(outflow)	0	0
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING	703	(7,319)
FINANCING		
Net cash inflow/(outflow)	(703)	7,762
INCREASE/(DECREASE) IN CASH	0	443

Summary Statement of Total Recognised Gains and Losses for the year ended 31 March 2002

	2001/02 £000	2000/01 £000
Surplus for the financial year before dividend payments	8,473	8,246
Fixed asset impairment losses	0	(988)
Unrealised surplus on fixed asset revaluations/indexation	3,339	1,813
Increase in donation reserve due to receipt of donated assets	882	722
Reduction in donation reserve due to depreciation, impairment (loss of economic benefits) and/or disposal of donated assets	(472)	(357)
Additions in "other reserves"	0	190
Total gains and losses recognised in the financial year	12,222	9,626

Salary and pension entitlements of senior managers

Name and Title	Age	Salary (bands of £5000)	Other Remuneration (bands of £5000)	Golden hello/compensation for loss of office	Benefits in kind	Real increase in pension at age 60 (bands of £2500)	Total accrued pension at age 60 at 31 2002 (bands of £5000)
		£000	£000	£000	£000	£000	£000
Chairman							
Mrs J Green	53	15-20	0	0	0	0	0
Non-Executive Directors							
Councillor M Anderson	46	5-10	0	0	1	0	0
Mr J Cawdell (resigned 18/02/02)	49	0-5	0	0	0	0	0
Mr B Gosling	62	5-10	0	0	1	0	0
Mrs E Grenfell	60	5-10	0	0	0	0	0
Mr J Hanlon (appointed 19/11/01)	57	0-5	0	0	0	0	0
Mrs J Makinson-Sanders	53	5-10	0	0	0	0	0
Mr N Mapstone (appointed 19/11/01)	47	0-5	0	0	0	0	0
Dr W Proudlock (appointed 19/02/02)	61	0-5	0	0	0	0	0
Chief Executive							
Mr D Loasby	44	105-110	0	0	0	2.5-5	30-35
Director of Finance							
Mr JA Smith (resigned 23/09/01)	"Consent to disclosure withheld"						
Mr M Gibbs (appointed 24/9/01)	38	45-50	0	0	0	0-2.5	5-10
Medical Director							
Dr M Fairman	56	35-40	55-60	0	4	2.5-5	35-40
Director of Facilities							
Mr N Schofield	43	55-60	0	0	0	0-2.5	10-15
Director of Human Resources							
Mr A Avery	54	70-75	0	0	0	0-2.5	5-10
Director of IM&T							
Mr M Przystupa	45	60-65	0	0	0	2.5-5	20-25
Director of Nursing & Midwifery							
Miss S Skelton	52	70-75	0	0	0	0-2.5	25-30
Director of Strategic Development							
Mrs S Wallace	45	70-75	0	0	0	0-2.5	20-25
Divisional Director							
Mr P Howie	39	55-60	0	0	4	5-7.5	15-20
Mr D Libiszewski	51	55-60	0	0	2	0-2.5	20-25
Mrs K Rosedale	43	55-60	0	0	0	2.5-5	10-15

Non-Executive Directors' benefits in kind relate to payments of tax and national insurance contributions in respect of travel expenses. All other benefits in kind relate to leased vehicles.

Public Sector Payment Policy

Better Payment Practice Code - measure of compliance

	Number	£000
Total bills paid in the year	93,530	59,066
Total bills paid within target	79,665	47,545
Percentage of bills paid within target	85.18%	80.49%

The Late Payment of Commercial Debts (Interest) Act 1998

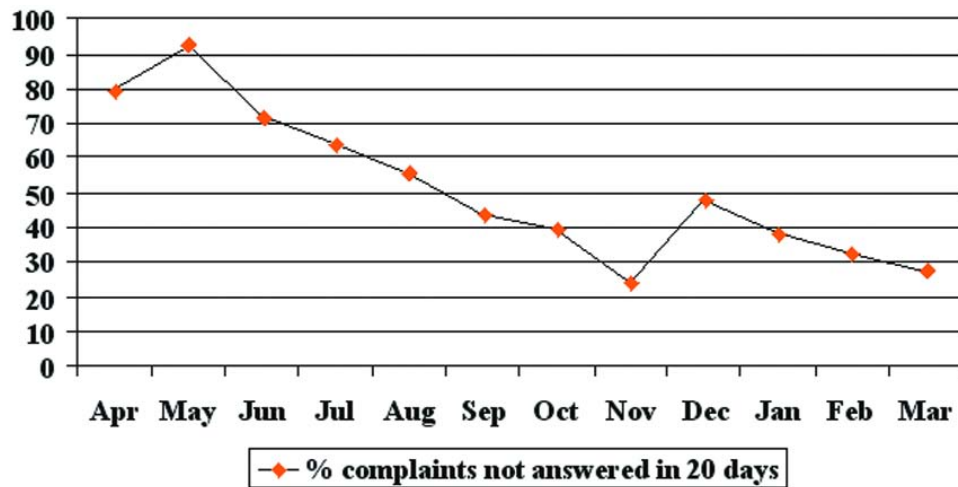
No claims were made by businesses under the above legislation in either 2001/02 or 2000/01.

Management costs

	2001/02 £000	2000/01 £000
Management costs	7,600	7,492
Income	219,107	199,080

COMPLAINTS

Significant improvements have been made during the year in the speed of responding to patients' complaints and the Trust is now above the national average.



Complaints provide an opportunity to understand patients' and relatives' experience of care and to improve services for future patients.

Examples of improvements to care which have resulted from complaints include:-

- The introduction of a Trust-wide system for obtaining special pressure-relieving mattresses
- New leaflets in gynaecology giving more details of the risks and complications of certain procedures
- The introduction of a policy on the management of orthopaedic trauma.

The Complaints Procedure is a national one and the Trust measures itself against a series of national targets. These include:

- Acknowledging complaints within 2 working days
- Responding to complaints within 20 working days

	Lincoln	Boston	Grantham
% Acknowledgement within 2 days	86%	86%	97%
% Response within 20 days	59%	35%	57%
Total number of complaints	405	265	63

The procedure allows complainants who are dissatisfied with the Trust's response to appeal to a local convenor who is a non executive director. The convenor decides whether the complaint should be heard by an Independent Review, referred back for local resolution or whether no further action should be taken. Complainants also have the right to refer their complaint to the Ombudsman.

Total number of requests for Independent Review	=	11
Number of panels convened	=	0
Number referred back for local resolution	=	8
Number of requests refused	=	3
Number referred to the Ombudsman	=	2
Number to be investigated by Ombudsman*	=	1

(*case awaiting decision by the Ombudsman)

Improving Working Lives

For the past few years two single parent nursing staff working on Carlton Ward at County Hospital, Louth have been able to make shift arrangements that fit in with their childcare arrangements. Staff Nurse Anna Wiseman works hours to fit in with the school hours of her 2 children aged 11 and 12. She does not work weekends, nights or late duties. She said that her working arrangements are essential "otherwise I couldn't get childminders in this area to cover late shifts and it would be very difficult, especially at Bank Holidays".

Nursing Assistant Chris Garland has 1 child and works similar shifts to fit in with family arrangements. She said "I could not afford to pay for childcare, even if it were available, during normal shift hours".

Façade scheme nears the end

The £12m façade refurbishment programme at Pilgrim Hospital, Boston is nearing the end of its 5-year programme. The programme will see the old style metal frame windows gradually replaced and wall insulation introduced into the 10-storey tower block.

New ward and theatre facilities have also been opened as part of this scheme.



Research links forged with university

Research and development at the Trust is moving forward rapidly following the forging of ground breaking links between the Trust and the University of Lincoln.

The research links are co-ordinated by a joint University of Lincoln and Trust Health Research Board and the Trust recently appointed a Research and Development Facilitator.

The first collaborative joint grant has recently been awarded which will pay for an exciting 3-year study that will investigate drug resistance in human cancer cells. It is anticipated that the results of the work will lead to improved treatments for cancer patients with drug resistance.

Work is being led by Dr Peter Griffith, Director of Health Sciences at the Medical Physics Department at Lincoln County Hospital. Co-investigators include Dr Mohamed El-Sheemy, Senior Clinical Fellow at the Breast Unit at Lincoln County Hospital and Professor Hassan Hassan, Head of the Lincolnshire Institute for Health at the University of Lincoln.

Trust staff undertaking collaborative research with the University of Lincoln will

also soon have access to a range of sophisticated equipment that will be available in a new state of the art £300,000 laboratory which is in the final stages of construction at the university.

Amongst the equipment in the laboratory will be a machine that will help researchers study and analyse the behaviour of human cells in acute and chronic diseases.



Professor Brian McGaw, Head of Biomedical Sciences; Dr Anita Wells, Research and Development Facilitator; Professor Hassan Hassan, Head of the Lincolnshire Institute of Health, University of Lincoln and Professor Oleg Eremin, Lincoln County Hospital.

The Trust Board

Chairman	Jenny Green OBE+
Chief Executive	David Loasby
Non Executive Directors	Councillor Mark Anderson+ John Cawdell (until February 2002)* Dr Bill Proudlock (from February 2002)* Barrie Gosling+ Liza Grenfell*+ Jill Makinson-Sanders+
Executive Directors	Dr Martin Fairman, Medical Director (until August 2002), Dr Keith Sands (from August 2002) Sarah Skelton, Director of Nursing John Smith, Director of Finance (until September 2001) Mark Gibbs (from September 2001) Andrew Avery, Director of Human Resources
Other Directors	Sue Wallace, Director of Strategic Development Mick Przystupa, Director of Information Management and Technology Nigel Schofield, Director of Facilities David Libiszewski, Divisional Director for Surgery Karen Rosedale, Divisional Director for Medicine Peter Howie, Divisional Director for Women's, Children's and Clinical Support Services

The Chairman requested authorisation to increase the membership of non-executive directors due to the size and complexity of the organisation, and in November 2001 two additional non-executive directors were appointed, John Hanlon and Nicholas Mapstone.

*denotes member of Audit Committee

+denotes member of Remuneration Committee

Violence at work

Reported violence at work increased in 2001/02. The Trust takes this extremely seriously and has published its zero tolerance campaign widely. In two cases solicitors wrote to patients who abused staff. Training programmes for managing violence at work are delivered across the Trust.

Improving Working Lives

Senior Personnel Officer at Lincoln County Hospital, Richard Watson is one of a number of staff at Lincoln who have benefited from reduced subscriptions to the new state of the art leisure club, Burton Waters.

The reduced subscriptions were funded from last year's Government allocation to improve the working lives of staff.

Richard has been a member since last November and visits about 5 times every week.