

2004.05



Annual Report & Summary Accounts





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Patients speak out

"One hears so much of what is wrong with the NHS but my experience could not have been better. The ward was clean and all the staff were polite and friendly and one came away feeling that nothing was too much trouble for them."

MR, Woodhall Spa

Patients speak out

"Just to say a big thank you for the care and attention given to my mum whilst on your ward.

You all made her so very comfortable and were very kind to me."

J H, Grantham

Chairman and Chief Executive's foreword

Each year seems to bring its own challenges and ever increasing demands on the National Health Service and our staff. It also brings its own successes, and as you read this report you will get an insight into the wide range of high quality initiatives and service developments that has taken place during the year. Only a few can be mentioned in a report like this and we are aware that we need to find ways of celebrating our own successes in a more positive way. Much of what we do is "leading edge", but we need to get better at publicising our achievements.

We have continued to enhance our facilities and were proud to welcome HRH The Princess Royal to open our new major ward development at Lincoln County Hospital. Developments during the year at Pilgrim included a dedicated unit for patients suffering from strokes, new lung function test equipment, and an extension for the coronary care unit. Grantham and District Hospital and County Hospital Louth welcomed several new consultants to their teams.

In most respects 2004/05 was a good year for United Lincolnshire Hospitals NHS Trust. The dedication and commitment of all our staff enabled us to raise our standards, as measured by the national targets and we were pleased to achieve

2 star status. This was an excellent result, especially as we scored so highly in the measurements that really matter to patients. Of the 16 categories, measuring impact on patients we performed in the top group nationally - a wonderful result. The one indicator we failed to achieve was financial balance and had we achieved this we would have three stars. But financial balance is important and the unremitting pressure we have been under to keep costs down, has to continue.

Patient safety is of utmost importance to us and we are pleased to say that we have achieved level 2 in the Clinical Negligence Scheme for Trusts (CNST), and for the first time we achieved level 1 for the Risk Pooling Scheme for Trusts. This puts us in the top 10% of all acute trusts for having effective policies and systems in place, for managing both clinical and organisational risks.

During the year the Department of Health published "A Patient-led NHS" and it is clear from this very important document that we must ensure that all our services are centred around patients and are based on best practice. This means a real focus on treating patients as close to their homes as is possible, reducing unnecessary hospital admissions and increasing the number of procedures carried out as a day case.

The Trust Board and our staff have to respond to the ever increasing demands of national initiatives and new guidance. We are working with all staff to implement Agenda for Change, and with our consultants to ensure delivery of the benefits from the consultant employment contract. Together we strive to meet the requirements of new guidelines from the Department of Health and National Institute for Clinical Excellence (NICE) and to implement the National Service Frameworks. We have already implemented a partial "choose and book" system and patients are routinely having cataract operations within three months of referral.

Together with our healthcare partners we have agreed a "Strategic Framework" incorporating 8 work streams designed to help us deliver integrated effective healthcare. The aim is to deliver overall a better experience for our patients.

Mr Barrie Gosling, Non Executive Director retired during the year, having given almost 5 years of dedicated service to the Trust. We have recently welcomed two new non executive directors, Bill Baker and Ann Knott, who both came from the private sector and their input will help us as we progress towards Foundation Trust status.

Our thanks to all our staff for continuing to deliver the highest standards of healthcare in what can be described as demanding times.

Signature
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Jenny Green OBE
Chairman

Signature
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Roger Paffard
Chief Executive

The Trust fully appreciates that people want to wait the minimum time possible for their healthcare. The Trust is pleased to report that it has successfully achieved lower waiting times ahead of national targets.

Trent Strategic Health Authority targets were a guaranteed wait of 6 months (9 months nationally) for all inpatient and day case operations by the end of March 2005.

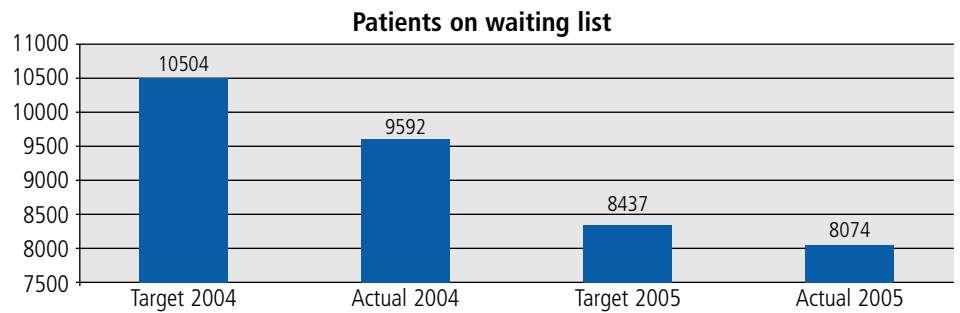
In addition, the ophthalmology target of 3 months for the first eye and 1 month for the second eye, where clinically appropriate, was met by the end of September 2004.

Similarly the 13 week maximum wait for outpatients (17 weeks nationally) was achieved by the end of March 2005.

The Trust is justifiably proud of these achievements.



Waiting times reduced



Key targets 2004/05

The Trust was pleased to achieve two star status, an improvement on the previous year, from one star.

The Trust successfully achieved 7 out of the 8 key targets.

The 7 key targets achieved were:

- No patient waited longer than twelve hours for emergency admission via A&E following a decision to admit
- 98% or more patients were seen within two weeks of urgent GP referral for suspected cancer
- No patients waited longer than 9 months for a planned inpatient or day case admission
- Hospital cleanliness
- 67% or more outpatients were given booked appointments for outpatient appointment or inpatient care
- No patient waited longer than 17 weeks for a first outpatient appointment
- 98% or more patients were seen in A&E within 4 hours.

The one area where the Trust failed was finance.

Roger Paffard, Chief Executive said:

"Failing to reach this target is the only reason we did not achieve three stars this year."

A key focus throughout 2005/2006 is financial sustainability in order to ensure high quality services for the Lincolnshire Health community in the longer term.

The Trust performed well in:

- **patient focus** – the Trust was in the top band of performance overall and did well for A&E emergency admission waits, 6 month inpatient waits and patient complaints
- **capacity and capability** – the Trust was in the top band of performance overall and did particularly well for data quality on ethnic group. The Trust also performed well in information governance and workforce indicator
- **clinical focus** – the Trust was in the middle band of performance overall and did particularly

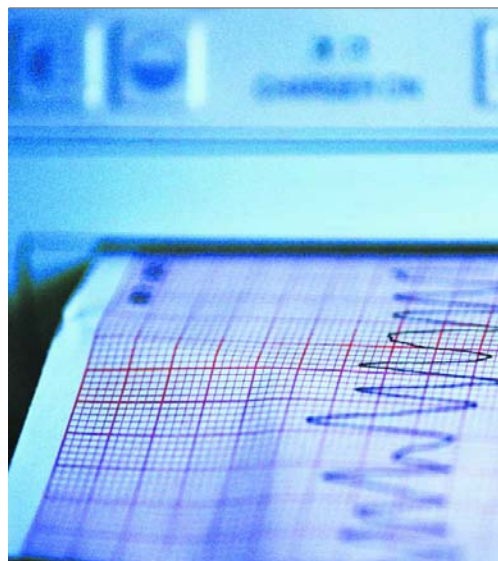
well for child protection and composition of participation in audits. The Trust also performed well in clinical risk management.

In 2003/2004 the Trust did not perform well in two areas, these were the two week cancer wait and hospital cleanliness. For both of these areas action plans were put in place and the improvements made have meant that the Trust was able to achieve targets in 2004/2005.

It has been a challenging year and the successful achievement of key targets should be commended. However, these need to be maintained and improved as well as working towards new targets such as the 31 and 62 day cancer waits. This work is already underway to meet the key access targets for 2005/06.



Facts and figures



Number of patients treated

	2003/2004	2004/2005
Planned inpatients	17,122	17,620
Day cases	41,894	43,906
Emergency inpatients	84,936	90,539
New outpatients	119,514	114,839
Follow up appointments	332,218	337,648

The total income for the Trust was £280.5m. This included £5.65m of planned revenue support from the Trent Strategic Health Authority.

Further details and summary financial statements are included on page 14.

Improving Working Lives

SWL, Personal Assistant now takes a half hour lunch break and leaves work a half hour earlier 3 days a week "Arriving home earlier in the evenings allows me to utilise my time better."

Complaints

How has the Trust improved following complaints?

The Trust has received 701 written complaints. Of those, 96% have been replied to within 20 days as can be seen in the table below. The consistent improvement, year on year, illustrates the determination and co-operation of the teams involved. It is important to provide people who complain with the opportunity to meet face to face to listen to them and feedback action that has been taken. Hence, it is not always possible to answer all complaints within the 20 day standard.

Year	Numbers of Written Complaints	% replied within 20 days
2000-01	682	27.8%
2001-02	733	49.5%
2002-03	710	77%
2003-04	702	84.3%
2004-05	701	96%

Key issues from complaints are now considered for inclusion in the Trust audit programme to make sure that lessons are learnt from the complaint. Some examples of changes resulting from complaints are shown below:

- A&E patients presenting with neurological symptoms who have a significant previous medical history involving certain medical conditions are always referred to the medical team before they are discharged home
- Customer care training is now available and staff who may need direction around their attitude and communication skills are offered this
- Increased checks of effectiveness following certain types of bowel surgery are being made prior to completion of surgery.

Independent Reviews into complaints are now conducted by the Healthcare Commission and the Trust is advised by them when a member of the public has requested an Independent Review of their complaint.

Total requests for Independent Review	5
Numbers referred back for local resolution	2
Numbers of requests refused	2
Cases currently with the Healthcare Commission	1
Number investigated by Ombudsman	1



Improving Patient Access to Care and Treatment

In response to the Department of Health's Improvement Partnership for Hospital Programme, the Trust launched its ImpACT (Improving Patient Access to Care and Treatment) programme in July 2004. The aim of the Programme is to improve quality of care as well as reducing unnecessary delays for patients.

There are four workstreams which include:

- Elective and Ambulatory Care
- Emergency and Intermediate Care
- Diagnosis Service Redesign
- Long Term Conditions.

Elective and Ambulatory Care

Choose and Book - Beginning in September 2005, as GPs identify a patient's need for referral to a specialist the patient will be able to

choose a provider and book a convenient date and time for their clinic appointment.

A significant amount of work has been undertaken to ensure the Trust is ready for patients to be able to choose their appointments.

The Trust will be ready to go live towards the end of 2005.

Emergency and Intermediate Care

The main focus for A&E departments has been to reduce the time patients wait for treatment across the country. The target of 98% of all patients attending A&E being seen, treated and discharged or transferred within four hours has been achieved.

Diagnostic Service Redesign

The new radiology information system will be up

and running in 2005/06 as will the picture archiving communication system (PACS). This will provide huge benefits including:

- Improved access and reduced waiting times for patients
- Reduced reporting times
- Ease of access to reports
- Opportunities for role expansion for staff.

Long Term Conditions

Working closely with health and social care partners new models of care are being developed to improve care for patients with long term conditions. Long Term Conditions include:

- chronic obstructive pulmonary disease
- coronary heart disease
- diabetes
- falls
- strokes.



Improving Working Lives

Medical secretary, VS changed her hours to collect her son from school "These hours allow me to collect my son from school twice a week. The other advantage is that between 5 and 6 I am hoping to get a lot of work done as there should be fewer interruptions."

Cancer services

Key cancer access targets have been introduced for achievement by December 2005. Improvements will mean that 100% of all newly diagnosed cancer patients will be treated within 31 days from diagnosis and 95% of all 2 week wait cancer referrals will be treated within 62 days from referral.

Clinical teams across the Trust are being

encouraged to use prospective monitoring and tracking methods to help them plan patient care and to ensure patients with cancer are treated in a timely fashion.

Initiatives implemented include the introduction of improved referral/waiting list processes and single visit clinics. All of these developments will contribute to the objective of ensuring that patients across Lincolnshire are diagnosed and treated more quickly.

Patients speak out

Thank you so much to all the nurses, doctors and support workers for taking care of me. Thank you doesn't seem enough.
PB, Grantham

Service developments and new appointments



Boston heart care team win award

A Lincolnshire cardiac care team was awarded the Best Practice in Integrated Cardiac Care (BPICC) Award for 2004. The team, from Pilgrim Hospital and Lincolnshire Ambulance Service's Skegness teams, was recognised for their training and communication initiatives and exemplary team work which has helped them to achieve a 30 minutes door-to-needle time for clot-busting for 100% of their patients.

New facility for patients leaving Lincoln County Hospital

Lincoln County Hospital opened a new discharge ward facility - the Lindum Suite accommodates adult patients on their day of discharge and provides them with care until they are picked up by their transport.

All aspects of care are maintained and patients can take their meals in a relaxed and informal atmosphere. This innovative idea supports the rest of the hospital, freeing up beds for acute admissions and preventing prolonged waits in Accident and Emergency.

Patients due to go home from hospital come to the suite on the morning of their day of discharge where any necessary preparatory arrangements are made for them including equipment, medicine, social services arrangements or simply transport.

County Hospitals win national award in training

The Trust won a prestigious award for its work in developing electronic learning programmes. The awards ceremony for the "Excellence in HRM Awards" run by the The Association of Healthcare Human Resource Management was held at the Marriott Hotel, Grosvenor Square, London. The awards recognise and promote the best of human resource management practice being demonstrated in the NHS and aim to reward and publicly recognise those demonstrating the most effective approaches.

Improving Working Lives award

The Trust was awarded the prestigious Improving Working Lives Practice Status Award.

Investor in people accreditation for Grantham

Grantham and District Hospital was once again awarded Investor in People accreditation. An assessor visited the hospital for four days and met with a broad cross section of staff to discuss issues such as communication, job roles, training, induction and appraisal.



National award for nurse

A nurse specialist at the Trust won a prestigious award. The Journal of Wound Care Scholarship for Experienced Practitioners (affectionately known as the Oscars of the Wound Care World) was presented to Mark Collier at an awards ceremony in London recently.

Caring for older people award

Local nurse Maureen Catterson, from Lincoln has been declared a winner in the Nursing Standard Nurse 2004 Awards. Maureen, who is ward sister for the Cathedral Suite at Lincoln County Hospital was nominated for establishing a nurse and therapist led unit dedicated to caring for older people within the hospital.

Macmillan CancerLincs Information Facilitators appointed

The Trust appointed 2 Macmillan CancerLincs information facilitators to develop information for patients with cancer and their carers.

The Trust worked in collaboration with Macmillan Cancer Relief to develop the 18 month secondment posts as an extension of an existing project in the community.

The hospital based Macmillan CancerLincs information facilitators provide high quality, up to date, information on cancer, cancer prevention,

social care and treatment to people affected by a cancer diagnosis (patients, healthcare professionals, relatives and friends) within the hospital environment.

Opening of new ward development at Lincoln County Hospital

HRH The Princess Royal officially opened a major new ward development at Lincoln County Hospital. The £4.25 million scheme was completed on time, taking just over one year to complete.

The development provides replacements for old Nightingale style Panton and Kirkby elderly care wards, a new stroke unit and enabled the transfer of Ashby Ward from the former St George's Hospital.

New Consultant Physician comes to Grantham

A Consultant Physician with a special interest in healthcare for the elderly was appointed by the Trust. Dr Vijay P Sood took up his position at Grantham and District Hospital following 16 years at Raigmore Hospital, Inverness.

Discharge Lounge for Pilgrim Hospital

Much of the pressure experienced in A&E is due to emergency admission patients waiting for a bed. One of the ways this pressure has been reduced is by opening a discharge lounge where patients go on the day of discharge and are looked after by Red Cross volunteers until transport arrangements have been made to take them home, thereby freeing up a bed earlier in the day.

Air tube in Accident and Emergency Department at Pilgrim

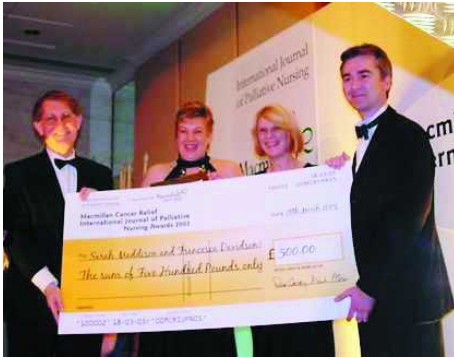
Samples for testing in pathology go directly to the lab without having to wait for a porter to take them. The results are then returned to A&E by computer enabling a faster diagnosis and decision on next step of care. This system can save up to an hour per patient.

Coronary care expanded at Pilgrim

An extra 7 beds allows quicker assessment of patients with chest pain and reduces length of stay for cardiology patients reducing waiting time in A&E for beds.

New Lung function test equipment at Pilgrim

New equipment provides a quick and efficient investigation into breathing problems reducing the waiting time for the patient for clinical diagnosis and treatment.



Nurses Scoop Top Care Award

Two clinical nurse specialists at Lincoln County Hospital received a top award for excellence in palliative care at a presentation ceremony at the Savoy Hotel, London.

The award for developing a palliative care service for the Trust was given by the monthly journal, the International Journal of Palliative Nursing (IJPN) in conjunction with the UK cancer charity, Macmillan Cancer Relief.

Faster call response times at Grantham and Boston hospital

New telephony systems at two Lincolnshire hospitals ensure patients, staff and callers to the hospitals have an improved telephone service and faster call response times.

The Trust needed to replace the voice systems at two of the main hospitals within the Trust: Pilgrim Hospital, Boston and Grantham and District Hospital. The existing switchboards were rapidly becoming outdated, having almost reached capacity, and were having difficulties supporting the number of calls coming into the hospitals.

Royal College of Nursing recognised Lincolnshire's contribution to beating MRSA

Good practice in infection control aimed at minimising the spread of MRSA and other infections led The Royal College of Nursing to adopt best practice introduced by infection control nurses at the Trust.

The best practice was featured on the website for the Royal College of Nursing so that it could be shared with other healthcare staff across the country.

New Learning Resource Centres

Staff of the Trust benefit from new educational facilities at Lincoln County Hospital and Pilgrim Hospital, Boston.

The new facilities comprise work stations with full computer access and increases access to education for all staff, particularly those who do not have professional qualifications. Trade union learning representatives and library staff are closely involved in promoting the use of the centres.

Funding for the facilities came from the Trent Workforce Development Confederation to provide additional library and learning resource areas for staff.

Cardiac research gains worldwide acclaim

Stephanie Baker, Clinical Science Officer at Grantham and District Hospital won a prestigious award from the British Cardiac Society.

It was at the 4 day event that Stephanie won best technical prize for her research on ultrasound scans of the heart and blood pressure responses to exercise.

Dr Sanghi - Gastroenterologist and Consultant General Physician - joins Louth

The Trust welcomed Dr Pradeep Sanghi to County Hospital Louth. Born in Delhi, he gained an MD in General Medicine at one of the top medical schools in India - Maulana Azad Medical College, before coming to work in the UK.

Dr Sanghi's special interests are luminal disease which includes inflammatory bowel disease. He also specialises in endoscopy investigations and will be providing a comprehensive gastroenterological service to the people of Louth and surrounding areas.

Dr Jean Paul Favier, Consultant Anaesthetist

The Trust welcomed Dr Jean Paul Favier, Consultant Anaesthetist with a special interest in pain management to Grantham and District Hospital.

Pilgrim Hospital provides dedicated unit for stroke patients

Pilgrim Hospital, Boston provides a dedicated unit for patients suffering from strokes. The unit follows the Department of Health's National Service Framework for Older People. Care is provided by a dedicated team of multi-disciplinary professionals. The team assists patients in their acute care and their

rehabilitation, whether in medical and nursing care, physiotherapy, occupational therapy, speech and language therapy or a combination of these treatments.

Patient bedside entertainment systems

A major project to install TV and phone systems at each patient bedside was completed at the Trust. Patients at Lincoln County Hospital; Pilgrim Hospital, Boston and Grantham and District Hospital benefit from the system.

The installation was carried out by Patientline, the UK's largest supplier of this type of equipment. The county's three largest hospitals will benefit from the scheme where all installation and operational costs are met by Patientline. The Trust negotiated with Patientline for the provision of a colour portable TV for every patient bedside at Louth County Hospital as smaller hospitals are not included in the national agreement. This is in accordance with the NHS Plan which recommends that "bedside televisions and telephones will be available in every major hospital by 2004."



Baby friendly is best for Lincolnshire Mums

The Trust was awarded a Certificate of Commitment in its first step towards gaining international recognition from UNICEF (United Nation's Children's Fund).

The Baby Friendly Initiative, set up by UNICEF and the World Health Organisation, is a global programme which provides a practical and effective way for health services to improve the care provided for all mothers and babies. In the UK the initiative works with health professionals to ensure that mothers and babies receive high-quality support to enable successful breastfeeding. The Certificate of Commitment recognises that a health care facility is dedicated to implementing recognised best practice standards.

Improving the quality of care



The quality of the Trust's systems and processes for managing risk and providing quality care was recognised in 2004/05 through the achievement of RPST (Risk Pooling Scheme for Trusts) level 1 compliance and CNST (Clinical Negligence Scheme for Trusts) level 2 compliance.

Both awards are a significant achievement. The RPST assessment focuses on ensuring that the organisation has good ownership at Board level of risk and that policies and procedures are in place to protect patients and staff. The Trust was congratulated for achieving a high degree of compliance with all of the level 1 requirements of the RPST standard.

The CNST assessment requires the Trust to demonstrate that policies and procedures relating to the training and competence of staff, clinical care and risk management for example are implemented and can be seen in our practice.

Our excellent performance in both assessments was reflected in the 2004/05 star ratings and demonstrates the continued commitment of all of our staff to delivering safe, high quality care.

Patients speak out

Our mother was treated in Accident and Emergency with complete professionalism, kindness and humour and so was my father and the rest of our family. My whole family wish to thank every one of these caring people for giving us back our lovely mum.
LM, Lincoln

Home computing initiative:

LH, Occupational Therapist, "It has been extremely useful in helping me achieve my ECDL as well as benefiting my son in connection with his studies."

Clinical effectiveness incorporates research and development, evidence based practice and clinical audit.

Research produces the evidence, evidence based practice implements the evidence into working practice, whilst clinical audit helps to evaluate the quality of care provided.

It is about doing the right thing, the right way, and at the right time for the right patient. The process involves a continuous framework of informing, changing where appropriate, and monitoring practice.

Clinical Audit

The audit programme consists of local as well as national audits. There were over 200 clinical audits carried out in 2004/05.

A number of clinical audit and clinical effectiveness performance indicators were developed as part of helping to review and improve clinical performance, for example:

- 100% of all specialties has a clinical audit programme
- 40% of clinical audits are multi-professional
- 5% of all audits in the audit programme are re-audits
- Demonstration of at least six improvements in clinical practice

arising as a result of clinical audit.

The indicators are designed to introduce a number of quality checks to help clinical teams answer the question 'How well am I doing and how do I know?'. Significant progress has been made by all clinical teams.

Significant progress has been made by all clinical teams.

Dr Foster

The Trust has been praised for its use of the Dr Foster clinical outcomes tool. The tool which was implemented across the Trust in 2004 allows comparison of the Trust's performance for specific conditions against the rest of England in four areas:

- Day case surgery
- Length of stay
- Readmissions
- Mortality.

The information from the tool has been used to highlight areas of good practice and to take action to improve practice where performance is not as good as the rest of England.

Care Pathways

Care pathways are the patient's journey through the healthcare system. The Lincolnshire care pathway partnership aims to develop care pathways

within each Trust and across organisational boundaries as part of modernising services. It works across the Lincolnshire health community assisting care pathways and service redesign.

A number of care pathways have been developed but two have won national praise.

• Discharge Planning

A discharge planning integrated care pathway and tool kit have been developed for use with adults with either simple or complex discharge planning needs. They are based on recent Department of Health guidelines and include "triggers" and recommended time scales for actions. The tool kit has been praised by the National Change Agent Team.

• MRSA – The Trust's care pathway featured on the Royal College of Nursing website

The care pathway is designed to assist staff in ensuring they are doing things in the best possible way for patients with infections to improve their treatment and to minimise the spread of infection. It acts as a patient record and as an aide-memoire for healthcare staff, patients and carers.

The best practice is featured on the website for the Royal College of Nursing so that it can be shared with other healthcare staff across the country.

Clinical Governance

Clinical governance is about improving the quality of healthcare for patients and is what staff do at work every day. Clinical governance development therefore involves all staff.

During the year significant progress has been made with;

- The development and introduction of clinical governance indicators to support performance reviews
- The development of the clinical governance development unit (CGDU) to co-ordinate and facilitate clinical governance to improve patient care
- The development and achievement of a Trust

clinical governance action plan to set priorities and co-ordinate action to improve

- Assuring the Trust has systems in place to assess itself against the Healthcare Commission Standards for Better Health and where necessary take action to improve in accordance with the planned timescales
- Developing risk management and public and patient involvement by the appointment of a Risk Manager and a Patient and Public Involvement Manager to co-ordinate and manage the development of these areas.

Trent Strategic Health Authority has commended the Trust for progress made in developing clinical governance systems.



Investment in our staff



Investment in "front line" staff

The Trust continues to invest in the development of staff. The key points during the year were:

- Effective working relationships have been established with the University of Lincoln, leading to collaborative programme development in key areas such as stroke care
- The in-house training department spent approximately £381,000 and delivered training programmes at a cost of £51 per person per day, which represents an efficiency gain of £2 per head over the previous year
- The training department has increased the number of person days in training by 10% over the last year, while remaining within budget
- Almost two-thirds of the in-house training effort has gone into induction and mandatory training programmes with 90% of those attending coming from key clinical staff groups
- Approximately £1.7 million was spent on non-medical training in 2004/2005

Patients speak out

You have all changed my life after 8 long years of pain and despair – at last there is light at the end of the tunnel. I can't express how grateful I am to you all. I hope I don't see you again! (know what I mean!!).

AL, Grantham

Home computing initiative:

BH, Midwife, "I had been looking at laptops but they were all too expensive. I have found the laptop really good as I can move round so easily. The children and my husband are also enjoying using it. The scheme was very straight forward. I just completed the form and was informed of a delivery date and it arrived on that day."

Patients speak out

I cannot speak highly enough of the nursing care on both wards; they were so patient and caring, they deserve the highest rewards. Everyone else I came into contact with, the cleaners, the porters, were all smilingly helpful.

JB, Lincoln

- A range of e-learning programmes and computer work stations have been developed which will provide a way of increasing access to and flexibility of training in the future
- Close working relationships with staff side representatives have led to increased numbers of trained Union Learning Representatives and effective use of funding for National Vocational Qualifications and Individual Learning Accounts.

Improving Working Lives

The site champions have continued their excellent work to ensure staff have access to better facilities or to flexible ways of working to improve their "work to life" balance. In time for Christmas, we took advantage of the Government's Home Computer Initiative which offered staff a way to buy a computer over 3 years and to save tax and national insurance payments. More than 400 computers were purchased by staff for their own use at home.





The award is given to employers who can satisfy the disability employment advisors they meet the criteria for provision of facilities and equipment for disabled staff. Employers also have to satisfy the assessors that they have adequate policies and procedures relating to those employees who are disabled or become disabled.

Doctors in training

The Trust had a successful accreditation visit by the Postgraduate Dean from the University of Nottingham. Overall, the standard of education offered to doctors was assessed very positively. Minor improvements will be made to ensure doctors can take the maximum benefit from the clinical experience they receive matched with the training opportunities presented by consultants and others during their time in the Trust.

Graduate Entry Medical School

The Trust is working with the University of Nottingham to establish a medical school within Lincolnshire. The objective is to attract doctors to Lincolnshire at an early stage in their career so that they settle in the county. The project is dependent on the government deciding to increase the number of medical students. The Trust hopes to make a successful bid for training to take place in all sections of the NHS, including general practice as well as hospital services.

Policies relating to staff with disabilities

The Trust has an obligation to make adaptations to its premises and facilities for staff who may become disabled whilst in employment. It also links with the disability service to try and find suitable jobs for disabled people seeking employment.

The Trust guarantees an interview to a disabled person who applies for a job providing they meet the essential person specification. The Trust's Occupational Health Physician is proactive in monitoring the Trust's performance and in giving advice on what changes may be made.

"Positive about disabled" award

The Trust continued to meet the standards required by the "two ticks" positive about disabled award after being assessed by the Employment Service in the previous year.



Recruitment

The recruitment difficulties in radiology were eased by a successful campaign to attract doctors from eastern europe. The Trust has worked closely with these doctors to help them settle into the NHS and their new environment.

Patients speak out

I recently had cataract surgery and from my first referral through to the final check up, the quality of care I received was quite outstanding. Congratulations and a heart-felt thank you to everyone at the eye clinic, on the ward and in the operating theatre from an extremely satisfied customer.
MN, Lincoln

Patients speak out

I have nothing but praise for everyone working in the NHS – the nurses, doctors, consultants and not forgetting the catering staff, the porters and cleaners.
BS, Skegness

Home computing initiative:

JH, Sister, "The scheme coincided nicely with my plans to upgrade my old system and has proved to be a very useful asset."

Improving Working Lives

Asst Head Cook, TP has reduced her working hours to support her family "the extra days makes it easier for me to help out with shopping, gardening and other jobs."

Use of information and IT



The information management & technology (IM&T) directorate provides

- Information services ranging from the health record that is used by medical staff to record every patient consultation in hospital, through to the reports of activity that are used by the Department of Health to monitor the health of the nation
- Information technology and skills to improve ways of working to enhance the delivery of medical care

In addition to meeting the increasing demands from Government and the public for more information, this corporate directorate continues to provide improvements to patients' services through technological advances and the training of staff to exploit these advances. In the past year highlights include:

Improved treatment for patients

- The map of medicine system provides medical knowledge to clinical teams and is successfully being used to provide better diabetic care.
- The new cardiac catheter laboratory development for Lincolnshire includes a new digital imaging system to support the diagnosis and treatment of patients with heart problems.

Better systems to improve patient care

- GPs can now send electronic referrals to the Trust which has provided faster access to patient services.
- and
- A modern computer system allows wards and departments to have access for fast retrieval of results of investigations
 - Doctors, nurses and other staff providing patient care now have access to systems which allow them to monitor the patient as they enter the hospital. This allows them to take early action on any potential delays to the patient's journey.
 - The Jonah A&E system helps the accident and emergency clinical staff to monitor waiting times to ensure patients are treated within 4 hours of admission.
 - The Jonah discharge system is being used on key wards across the Trust to ensure inpatients receive the specialised care and support needed to achieve a prompt and safe discharge.
 - The breast screening department has migrated to a modern national computer system which streamlines the administration of appointments and results
 - The use of the endoscopy clinical record system has now been extended to Grantham and District Hospital providing enhanced reporting to GPs and hospital consultants
 - New systems have been introduced to support the screening of new born hearing and improve record keeping in audiology.

Patients speak out

I would like to say a big thank you to all the doctors, nurses and other staff for the care I received during my stay in hospital.

DB, Boston

Improving Working Lives

KT, Linen Room Assistant, commenting on being supported on reducing her working hours ahead of her retirement "I now have more time to be with my husband who has ill health. I feel much better in myself, less stressed and have more energy."

Systems for support services

- A new contract for the supply of a financial ledger system was negotiated and implemented to ensure continuity of the Trust's core business services.
- An ageing Works Information Management System was replaced to enable the facilities department to maintain efficient support services to clinical staff.
- The IT Helpdesk was upgraded and extended to NHS organisations county wide to ensure the same prompt response to support calls across the county.
- A significant improvement in the support of the information technology resources was achieved by the introduction of a modern directory management system across the NHS in Lincolnshire to allow centralised management of network passwords, email accounts and resources. This also allows users to maintain their own telephone and address details.



Improved access to educational resources

- Library resource areas at all four main hospitals provide access to the wealth of medical information on the internet, funded by an NHS Workforce Development Confederation grant.

Improvement in communication

The local area networks across the Trust are constantly being upgraded to ensure they have the capacity and resilience to support modern clinical information systems. A key development was the introduction of new telephone switches which will allow the Trusts to realise the benefits

of running its telephones and computers on the same communications network.

Connecting for Health (The National programme for IT)

The Trust completed a great deal of preparatory work to ensure it is ready to transform radiology, for example computerised xrays. It is expected that these systems will be introduced in 2005/2006. The first major building block of a new clinical information system is expected in 2005/2006.

In order to be able to run the new systems, approximately 800 ageing computers and terminals were replaced with latest models.



Patients speak out

I have nothing but praise for the Lincolnshire midwives who have looked after me through two pregnancies. My experience of them has been nothing but positive.
RD, Lincoln

Financial Performance for the year ended 31 March 2005

2004/05 has proved to be another financially challenging year for the organisation with a number of pressures especially in relation to the pay modernisation agenda and income settlements with the local PCTs in relation to activity provided. The Trust has however achieved the following statutory duties:

- Managing cash resources to ensure compliance with the External Financing Limit
- Absorbing the cost of capital at a rate of 3.5% against net relevant assets
- Containing capital expenditure within its Capital Resource Limit

The Trust has also managed to maintain its achievement against the Better Payments Policy Target.

Summary financial statements

These summary Financial Statements have been prepared from the Trust's full financial statements, which were adopted by the Audit Committee on behalf of the Trust Board at its meeting held on 11th July 2005.

Signature
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Signed:
Roger Paffard - Chief Executive

Signature
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Signed:
Andy Leary - Director of Finance and Performance

Copies of the Trust's full audited financial statements including the statement of internal control can be obtained without charge from: Nikki Harris, Assistant Director of Finance, United Lincolnshire Hospitals NHS Trust, Lincoln County Hospital, Greetwell Road, Lincoln LN2 5QY

Independent Auditor's Report to the Directors of the Board of United Lincolnshire Hospitals NHS Trust on the Summary Financial Statements

I have examined the summary financial statements set out on pages 14 to 18.

This report is made solely to the Board of United Lincolnshire Hospitals NHS Trust in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 54 of the Statement of Responsibilities of Auditors and of Audited Bodies, prepared by the Audit Commission.

Respective responsibilities of directors and auditors

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 statements 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 statements.

Basis of opinion

I conducted my 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 my opinion the summary financial statements are consistent with the statutory financial statements of the Trust for the year ended 31 March 2005 on which I have issued an unqualified opinion.

Signature
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Signed:
D. Brumhead

Date: 29th July 2005

D Brumhead
Audit Commission
Littlemoor House
Littlemoor
Eckington
Sheffield
S21 4EF

Financial accounts (continued)

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 March 2005		
	2003/04	2004/05
	£000	£000
Income from activities:	256,520	238,267
Other operating income:	23,955	19,837
Operating expenses:	(278,930)	(252,330)
OPERATING SURPLUS	1,545	5,774
Cost of fundamental reorganisation/restructuring	0	0
Profit (loss) on disposal of fixed assets	(2)	(54)
SURPLUS BEFORE INTEREST	1,543	5,720
Interest receivable	472	319
Interest payable	(29)	(29)
Other finance costs - unwinding of discount	(60)	(54)
Other finance costs - change in discount rate on provisions	0	0
SURPLUS FOR THE FINANCIAL YEAR	1,926	5,956
Public Dividend Capital dividends payable	(6,839)	(5,890)
RETAINED SURPLUS (DEFICIT) FOR THE YEAR	(4,913)	66

All income and expenditure is derived from continuing operations.

NOTE TO THE INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 March 2005	
	£000
Retained surplus/(deficit) for the year	(4,913)
Financial support included in retained surplus/(deficit) for the year - NHS Bank	0
Financial support included in retained surplus/(deficit) for the year - Internally generated	5,650
Retained surplus/(deficit) for the year excluding financial support	(10,563)

Planned financial support of £5.65 million received from Trent Strategic Health Authority was carried forward from 2003/4. £2.650m is due to be repaid in 2005/06, with the remainder repayable in 2006/07.

The Trust is continuing to put plans in place to achieve a recurrent balanced income and expenditure position through the three year recovery plans agreed with the Trent Strategic Health Authority.

BALANCE SHEET AS AT 31 March 2005		
	31 March 2004	31 March 2005
	£000	£000
FIXED ASSETS		
Intangible assets	806	315
Tangible assets	229,708	202,765
Investments	0	0
	230,514	203,080
CURRENT ASSETS		
Stocks and work in progress	4,507	4,440
Debtors	13,232	13,450
Investments	0	0
Cash at bank and in hand	715	632
	18,454	18,522
CREDITORS: Amounts falling due within one year	(19,583)	(15,018)
NET CURRENT ASSETS (LIABILITIES)	(1,129)	3,504
TOTAL ASSETS LESS CURRENT LIABILITIES	229,385	206,584
CREDITORS: Amounts falling due after more than one year	0	(8)
PROVISIONS FOR LIABILITIES AND CHARGES	(4,004)	(5,670)
TOTAL ASSETS EMPLOYED	225,381	200,906
FINANCED BY TAXPAYERS' EQUITY:		
Public dividend capital	162,319	156,180
Revaluation reserve	56,284	34,972
Donated asset reserve	3,900	3,709
Government grant reserve	0	0
Other reserves	190	190
Income and expenditure reserve	2,688	5,855
TOTAL TAXPAYERS' EQUITY	225,381	200,906

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Signed:
Roger Paffard - Chief Executive

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 March 2005

	2003/04	2004/05
	£000	£000
OPERATING ACTIVITIES		
Net cash inflow/(outflow) from operating activities	14,424	11,167
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE:		
Net cash inflow/(outflow) from returns on investments and servicing of finance	443	281
CAPITAL EXPENDITURE		
Net cash inflow/(outflow) from capital expenditure	(15,046)	(7,900)
DIVIDENDS PAID	(6,839)	(5,790)
MANAGEMENT OF LIQUID RESOURCES		
Net cash inflow/(outflow) from management of liquid resources	0	0
Net cash inflow/(outflow) before financing	(7,018)	(2,242)
FINANCING		
Net cash inflow/(outflow) from financing	7,021	2,253
Increase (decrease) in cash	3	11

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 March 2005

	2003/04	2004/05
	£000	£000
Surplus (deficit) for the financial year before dividend payments	1,926	5,956
Fixed asset impairment losses	0	0
Unrealised surplus (deficit) on fixed asset revaluations/indexation	22,748	16,516
Increases in the donated asset and government grant reserve due to receipt of donated and government grant financed assets	1,052	292
Reductions in the donated asset and government grant reserve due to the depreciation, impairment and disposal of donated and government grant financed assets	(551)	(589)
Additions/(reductions) in "other reserves"	0	0
Total recognised gains and losses for the financial year	25,175	22,175
Prior period adjustment	0	0
Total gains and losses recognised in the financial year	25,175	22,175

SALARY AND PENSION ENTITLEMENTS OF SENIOR MANAGERS, 2004/05
A) Remuneration
Name and Title

Mrs J Green OBE - Chair
Councillor M Anderson - Non Executive Director
Mr J Cranston - Non Executive Director (commenced 1st January 2004)
Mr B Gosling - Non Executive Director
Dr I Hindle - Non Executive Director (commenced 1st January 2004)
Mr N Mapstone - Non Executive Director
Dr W Proudlock - Non Executive Director
Mrs E Grenfell - Non Executive Director (term of office concluded 30th November 2003)
Mr J Hanlon - Non Executive Director (term of office concluded 5th January 2004)
Mrs J Makinson-Sanders - Non Executive Director (term of office concluded 30th November 2003)
Mr R Paffard - Chief Executive (commenced 11th August 2003)
Mr J Willetts - Chief Executive (19th May 2003 - 31st August 2003)
Mr D Loasby - Chief Executive (left 19th May 2003)
Ms H Scott-South - Chief Operating Officer (commenced 26th January 2004)
Mr A Leary - Director of Finance & Performance (commenced 8th September 2003)
Mr P Sheward - Interim Director of Finance (11th June 2003 - 22nd August 2003)
Mr A Waite - Joint Acting Director of Finance (joint acting until 11th June 2003)
Mr K Simkins - Joint Acting Director of Finance (joint acting until 11th June 2003)
Dr K Sands - Medical Director
Mrs S Knight - Chief Nurse (commenced 14th July 2004)
Mrs H Blanchard - Director of Nursing (left 6th May 2004)
Miss S Skelton - Executive Director (Louth) (retired 12th July 2004)
Mr A Avery - Director of Human Resources
Mr M Przystupa - Director of IM&T
Miss A Donkin - Director of Strategic Development (commenced 1st March 2004)
Mrs J King - Acting Director of Strategic Development (acting until 29th February 2004)
Mr W Millar - Acting Director of Facilities (acting 1st August 2003 - 31st March 2004)
Mr N Schofield - Director of Facilities (left 31st July 2003)

Note: The details of senior managers employed by the Trust during 2003/04 have been included on the advice of the Audit Commission to enable comparisons to be made between the years.

B) Pension Benefits
Name and Title

Mr R Paffard - Chief Executive
Ms H Scott-South - Chief Operating Officer
Mr A Leary - Director of Finance
Dr K Sands - Medical Director
Mrs S Knight - Chief Nurse
Mrs H Blanchard - Director of Nursing
Mr A Avery - Director of Human Resources
Mr M Przystupa - Director of IM&T
Miss A Donkin - Director of Strategic Development

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

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a

Financial accounts (continued)

2004-05			2003-04		
Salary (bands of £5000) £000	Other Remuneration (bands of £5000) £000	Benefits in Kind (Rounded to the nearest £100)	Salary (bands of £2500) £000	Other Remuneration (bands of £5000) £000	Benefits in kind (Rounded to the nearest £100)
20-25	0	5700	20-25	0	2800
5-10	0	3600	5-10	0	1300
5-10	0	0	0-5	0	0
5-10	0	2,900	5-10	0	1,000
5-10	0	0	0-5	0	0
5-10	0	5,200	5-10	0	2,200
5-10	0	3,900	5-10	0	900
			0-5	0	100
			0-5	0	700
			0-5	0	1,000
120-125	0	9,700	75-80	0	3,900
			consent to disclose withheld		
			15-20	0	0
95-100	0	3,400	15-20	0	600
90-95	0	3,700	50-55	0	2,400
			consent to disclose withheld		
			10-15	included in accounts of employing orgn.	
			10-15	included in accounts of employing orgn.	
110-115	40-45	3,400	120-125	30-35	2,900
50-55	0	0			
5-10	0	0	35-40	0	0
			45-50	0	0
75-80	0	0	75-80	0	0
75-80	0	0	70-75	0	0
80-85	0	200	5-10	0	0
			60-65	0	0
			40-45	0	1,700
			20-25	0	0

Post of Chief Nurse commenced in July 2004 replacing the Director of Nursing who left in May 2004. The prior year comparison information in relation to the Medical Director has been amended to reflect arrears payments made under the Consultant's Contract. Chair and Non Executive Director benefits in kind relate to gross payment of home to Trust travel expenses. All other benefits in kind relate to lease cars.

Real increase in pension and related lump sum at age 60 (bands of £2500) £000	Total accrued pension and related lump sum at age 60 at 31 March 2005 (bands of £5000) £000	Cash Equivalent Transfer Value at 31 March 2005 £000	Cash Equivalent Transfer Value at 31 March 2005 £000	Real increase in Cash Equivalent Transfer Value £000	Employers Contribution to Stakeholder Pension To nearest £100
5-7.5	5-10	34	8	26	
5-7.5	140-145	514	349	29	
17.5-20	110-115	357	278	71	
27.5-30	185-190	752	614	121	
5-7.5	45-50	116	95	18	
2.5-5	45-50	220	191	24	
7.5-10	115-120	423	369	44	
5-7.5	90-95	330	289	33	

scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and from 2004-05 the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in

the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

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

Financial accounts (continued)

Better Payment Practice Code

Better Payment Practice Code - measure of compliance

	Number	£000
Total bills paid in the year	98,878	68,988
Total bills paid within target	91,548	60,838
Percentage of bills paid within target	93%	88%

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

The Late Payment of Commercial Debts (Interest) Act 1998

	£000	2003/04 £000
Amounts included within Interest Payable (Note 9) arising from claims made under this legislation	0	0
Compensation paid to cover debt recovery costs under this legislation	0	0

6.4 Management costs

	£000	2003/04 £000
Management costs	10,103	9,054
Income	280,173	258,104

Management costs are defined as those on the management costs website at www.doh.gov.uk/PolicyAndGuidance/OrganisationPolicy/FinanceAndPlanning/NHSManagementCosts/fs/en..

Trust Board Members

Chairman Jenny Green OBE

Chief Executive Roger Paffard

Non Executive Directors Councillor Mark Anderson +
John Cranston + **
Barrie Gosling (until 31 March 2005) +
Dr Ian Hindle + **
Nicholas Mapstone +
Dr Bill Proudlock + **

Executive Directors Andrew Avery, Director of Human Resources
Sylvia Knight, Chief Nurse (from 14 July 2004)
Andy Leary, Director of Finance and Performance **
Dr Keith Sands, Medical Director
Helen Scott-South, Chief Operating Officer

Other Directors Dominic Cox, Hospital Director Grantham
(from 14 June 2004)
Ann Donkin, Director of Strategic Development and Modernisation
Peter Howie, Hospital Director Lincoln
Sarah-Jane Mills, Hospital Director Louth
(from 1 September 2004)
Mick Przystupa, Director of Information Management and Technology
Karen Rossdale, Hospital Director Boston

+ denotes member of Remuneration Sub Committee

** denotes member of Audit Sub Committee

United Lincolnshire Hospitals 
NHS Trust

Trust Headquarters

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NG31 8DG

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County Hospital Louth
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Louth
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