Salford Royal NHS Foundation Trust
2007/2008 Review

safe - clean - personal
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We will improve quality and the patient experience by providing safe, clean and personal care.
2007/2008 has been another outstanding year for the Trust. In October 2007, the Trust celebrated 125 years of providing hospital services in Salford. Staff, patients and visitors were invited to join in a number of events to mark this occasion.

This anniversary provided an opportunity to reflect on changes in Salford over the years and to recognise changes for the better in the services provided.

The focus continued to be to deliver the highest quality services and to achieve key targets and standards set out in the NHS Operating Framework and by the Healthcare Commission. Once again the Trust earned an excellent rating for the quality of services provided in the Healthcare Commission’s assessment. The Trust also became one of only three in the country to achieve the highest ratings (Level 3) against the NHS Litigation Authority’s risk management standards and the Clinical Negligence Scheme for Trusts maternity risk management standards. Further credit was earned by the Trust’s Maternity service when the Healthcare Commission placed the Trust’s maternity services in the ‘best performing’ category and within the top ten units in the country.

I am also pleased to be able to report that once again we treated more in-patients and out-patients than in previous years and achieved an underlying financial surplus of £7.6m (after adjusting for non-cash charges relating to hospital redevelopment asset revaluations) which has, and will continue to, enable reinvestment in services for patients.

This financial year has seen significant progress in the Trust’s hospital redevelopment project when financial close on the Private Finance Initiative (PFI) funded element of the scheme was reached in September 2007 after seven years of planning and development. Building work has commenced on site with phase 1 of the redevelopment to construct a new education building and support service accommodation, due to be completed by March 2009. Phase 2, to build the new clinical accommodation will begin early in 2009, following the completion of associated enabling works.

The Trust remains committed to developing and delivering the eight themes that support the future service development plans of the organisation. These eight themes were originally set out in the Trust’s Service Development Strategy, produced in 2006 to support the Trust’s foundation trust application. The themes are reviewed and re-focused regularly and are all in place to deliver the Trust’s absolute commitment to delivering quality services to make the patient experience safe, clean and personal.

The Trust has used its strategic themes as a framework for the development of its 2008/09 Annual Plan, which provides a description of how the Trust intends to develop its services in the coming year and the risks associated with these plans.

The Trust developed an Annual Plan for 2007/08 and is satisfied that the objectives set down in that plan have been delivered and that any risks identified have been mitigated or actions taken to address them. Details of the Trust’s Annual Plan for 2007/08 can be found on the Trust’s website at www.srt.nhs.uk. The Trust’s 2008/09 Annual Plan will be published on the Trust website and also on Monitor’s website once approved by Monitor. The website address for Monitor is http://www.monitor-nhsft.gov.uk.
The Trust’s Council of Governors (CoG) have been proactive in supporting the ongoing delivery and achievement of the service development plans. The CoG reviewed and re-set their work-streams during 2007/08 to ensure that their responsibilities reflected the strategic direction of the Trust and, as such, formed five new CoG sub-groups to progress work in:

- Strategic direction
- Communications and marketing
- Safe patient experience
- Clean patient experience
- Personal patient experience

Each of these sub-groups also includes a Trust non-executive director to ensure the Board of Directors is proactive in developing an understanding of the views of the CoG and members.

The Trust’s achievements during the year would not have been possible without the continued commitment of our staff and Council of Governors and I would like to take this opportunity to thank them for their continued dedication and hard work.

While the Trust has had another rewarding and successful year, there is no room for complacency. The Trust will undoubtedly face many challenges in the forthcoming months and years. These may be linked to internal factors such as making the progress desired by the Board of Directors in delivering the Trust’s ambitious development plans but are also likely to be influenced by external factors such as the continued growth of competition for clinical services from the independent sector. The Board of Directors has an established Assurance Framework which includes management and assurance committees to deliver Trust objectives and to identify and manage risks on behalf of the Board.

This comprehensive framework will continue to operate to ensure that key risks are identified and plans developed to reduce the impact on the Trust.

Finally, this will be my last Annual Report as Chair of Salford Royal NHS Foundation Trust. My time at Salford Royal has been tremendously satisfying and rewarding. I have enjoyed a privileged position as Chair, where I have been able to observe first hand the dedication and commitment of its staff which has made this a wonderful and successful hospital. There have been numerous challenges along our journey, but I’m confident that as Jim Potter takes over the Chair of the Foundation Trust, that the future for this organisation holds great success.

Margaret Morris - Chair
2007/08 has been a year of outstanding successes for Salford Royal.

“EXCELLENT QUALITY OF SERVICES”
Healthcare Commission Assessment 2007

Quality improvement
The focus on targets continued in 2007/2008 with the Operating Framework and Healthcare Commission standards maintaining the focus on existing priority areas.

In addition to the headline performance targets the following achievements and developments should be noted as contributing towards, and providing continued assurance of, improving quality of services provided.

In October 2007 the Healthcare Commission’s annual health check results assessed the quality of services provided as excellent and as being excellent value for money. This rating put the Trust among the top 12 acute hospitals in the country.

The NHS assesses the safety of its services based on the rigorous criteria of the NHS Litigation Authority (NHSLA) and Clinical Negligence Scheme for Trusts (CNST). Salford Royal achieved Level 3 – the highest possible assessment – for both its acute and maternity services.

Achieved the highest rating for patient safety in the NHS
Salford Royal Foundation Trust was one of only three Trusts to achieve both these Level 3 accreditations and this reflects the emphasis placed on improving the patient care.

This was followed in January 2008 with the Healthcare Commission Maternity Service Review which placed the Trust’s Maternity Services in the best performing category, and within the top ten in the country.

Throughout the year the Trust’s Specialist Cancer teams have been subject to peer reviews of their services against the national standards set out in the manual of cancer measures. All services have had positive reviews, with particular note being made at the review of colorectal services to the high standards of care and commitment of the team in delivering them.

The pathology department has had successful Clinical Pathology Accreditation (CPA) visits to haematology, immunology and microbiology and a successful UK Primary Immunodeficiency Network inspection for clinical immunology.

Hospital cleaning NHS finalist
The domestic services’ staff have been commended in the hospital cleaning award category in the 2007 Health Business awards and a finalist in the Golden Service Awards for the best cleaned premises by an in-house team.

Catering award for excellence
The catering services team has been graded as excellent in the PEAT (Patient Environment Action Team) assessments.

In October 2007 the Trust has launched an ambitious programme of projects in a quality initiative to address the safe, clean and personal priorities and these work-streams will be further developed in 2008/2009.
Satisfying the needs of commissioners and users
The Trust has delivered activity levels meeting all contract agreements in 2007/2008.

More ‘one stop’ services for patients
Service redesign is ongoing and this year more assessment and ‘one stop’ services were put in place (suspected lung cancer, post menopausal bleed clinic, colposcopy, neuroscience assessments and other assessment services).

Implementation of the automated robotic dispensing system in pharmacy has improved efficiency and safety in delivering medicines.

The inpatient survey, which collects views of patients on their experience of being on the wards, reported higher ratings in 2007/2008, with improvements in patient care, treatment and discharge processes.

National winner for service redesign
Salford Royal and Salford PCT won the clinical service redesign category of the prestigious Health Service Journal Awards 2007 with the Neurosciences Clinical Assessment and Treatment Service.

The Trust was highly commended in the 2007 Health Service Journal Awards for the improving care with e-technology, with improved patient experience in outpatients associated with automated booking systems.
Three new theatres have been built and were commissioned in March 2008.
Strategic service change and developments

The Trust continues to develop local clinical assessment and treatment services to ensure Trust services are competitive compared with other providers including those in the private sector.

New operating theatres

Three new theatres have been built and were commissioned in March 2008.

Cardiology services have been enhanced with the purchase of two digital echocardiography machines, which provide state of the art scanning. A mobile image intensifier and new cardiac monitoring equipment has also been provided for the Heart Care Unit.

Expanded renal services

There has been a local expansion of renal dialysis services along with laser and photobiology services in dermatology.

During the year the outcome of the ‘Making it Better’ consultation, which looked at the provision of maternity and neonatal services, was reviewed by the Independent Reconfiguration Panel, which concluded that the decision should stand. This confirmed that Salford Royal will not continue to provide these services.

The Trust is now working closely with partner organisations to establish local plans for the implementation of the ‘Making It Better’ consultation.

Services will be maintained on site until transfer arrangements are in place, which is expected to be 2011/12.
a year of achievements for Salford Royal

which pic?
A year of achievements for Salford Royal

Continued maintenance and upgrades

The Trust’s own facilities directorate is also delivering a significant maintenance and upgrade programme across the hospital site, including major improvements to the hospital environment and the electrical infrastructure.

Hospital redevelopment underway

Financial close was reached after seven years of planning on the PFI component of the new hospital development and building work started in September 2007. The new development includes:

- A new emergency department
- A 55 bed assessment unit
- A renal dialysis unit, ward and outpatients
- Intensive care and high dependency unit
- New wards with 50% single rooms
- Intestinal failure unit
- Education building
- Main entrance

Specialist cancer surgery at Salford Royal

The Trust has implemented the National Institute of Clinical Excellence (NICE) Improving Outcomes guidance for the main cancer tumour sites and this has involved Salford Royal becoming the centre for specialist cancer surgery for the populations of Wigan, Bolton and Salford.

Developing Christie at Salford

The Trust has started working with the Christie Foundation Trust to develop a radiotherapy unit on the Salford Royal site, the ‘Christie @ Salford’. This will bring services of the Christie Hospital on to the Salford Royal site by 2010.

Following the success of the local neurosciences assessment and treatment service model, this was rolled out to Bolton which has significantly improved delivery of neurology and neurosurgery services to Bolton patients. Further extension of this model across Greater Manchester is planned.

Cardiology services have been developed with an appointment to a consultant interventional cardiologist post.

Renal services have further developed in the North West sector with increased capacity for haemodialysis at the Wigan satellite unit, under the supervision of Salford clinicians.

Service Developments of the SHIFT Programme

The Trust has continued to develop the Salford Health Investment for Tomorrow (SHIFT) Programme in partnership with Salford PCT and this year has seen further work implementing new models of care and initiation of construction for the hospital redevelopment project.

Partnerships and joint ventures with other service providers
2007/08 has been a year of outstanding successes for Salford Royal.

Productivity and control of costs

Lowest waiting times ever
There has been a continued increase in the number of patients treated. The pressures of meeting increased demand and meeting the target milestones associated with the 18 week target from GP referral to the start of treatment have been challenging.

The Trust continues to meet these targets, which have resulted in the lowest waiting times ever experienced at Salford Royal.

Education and Research
The undergraduate and postgraduate education team has successfully introduced the national modernising medical careers agenda while maintaining a high level of clinical care.

At the same time significant training opportunities have been introduced for all medical staff.

Consultants have been appointed as specialty tutors and as educational supervisors giving them appropriate training so as to deliver these roles to a high standard.

The Research and Development Departments of Salford PCT and the Trust have been successfully merged. This was a unique move that has benefited both organisations. It has led to an improvement in administration and governance within research and development activity.

Strong corporate governance and organisational development
The Trust Board Assurance Framework structure continues to provide a means to manage the Trust agenda, enabling the Board to provide assurance that it complies with all standards and that it delivers its annual plans.
We will improve quality and the patient experience by providing safe, clean and personal care.
Putting patients first

The Trust continues to participate in the annual inpatient survey as it provides valuable feedback on patients’ experience and helps to shape the development of targets for areas for improvement. Patients have once again rated the quality of care received at Salford Royal as among the best in the country.

Patient survey places us in the top 20%

The annual inpatient survey published by the Healthcare Commission puts Salford Royal in the top 20% of Trusts for a number of important areas. These include:

- **The overall care received by patients.**
- **Patients being treated with dignity and respect.**
- **Patients having enough help from staff to eat their meals.**
- **Staff explaining the risks and benefits of an operation or procedure, how patients may feel afterwards and how the operation has gone.**
- **Patients receiving clear information about their medicines, how to take them and any side effects.**
- **Patients feeling involved in decisions about their discharge from hospital.**

The Trust receives feedback from patients and visitors via the Patient Advice and Liaison Service (PALS). This valuable feedback is used quickly resolve individual concerns and to improve services for all users.

The Trust also receives feedback from patients and visitors by complaints. The Trust views complaints as an opportunity to receive important and valuable feedback from our patients that may inform improvements to practice or service.

**Foundation Trust membership**

The Trust’s membership strategy is based on attracting public members from all constituencies served by the hospital and to include all staff as members unless they choose to ‘opt out’.

The Trust aims to build a representative membership during its first five years as a foundation Trust, including a recognition that many patients attending the hospital do not live within the Salford local authority boundary.

For the Salford population, a representative membership was sought through the eight local authority community committee areas which are based on the electoral wards of Salford. As approximately one-third of the Trust’s patients lives outside Salford, a separate membership target has been applied and the Council of Governors is working to identify ways of engaging this group of people.

2,000 new members

A sub-group of the Council of Governors has undertaken a number of membership workshops and, working with one of the Trust’s non-executive directors, worked to identify the benefits that membership can bring to the Trust. The work of this sub-group is being developed to shape the future plans for engaging with the public and with members. We have seen a 2038 new members come on board this year.

The membership constituency of Salford Royal NHS Foundation Trust is split into two constituencies i.e. public and staff.
Behind the scenes

Council of Governors

Every Foundation Trust is required to have a Council of Governors who is responsible for representing the interests of NHS Foundation Trust members and partner organisations in the local health economy.

Supportive and proactive governors

The Council of Governors is responsible for:

- Appointment (and removal) of the Chair and non executive directors and determining their remuneration and allowance.
- Approval of the appointment of the Chief Executive.
- Appointment or removal of the Trust’s external auditor.
- Providing their view to the Board of Directors on the Trust’s forward plans.
- To review the Trust’s membership strategy.
- To respond to the Board of Directors when consulted and to undertake functions as requested by the Board of Directors.
- To make recommendations for the revision of the Trust’s Constitution.

The Council of Governors is also responsible for providing, through the FT membership and public, an external perspective on the organisation’s strategic direction and service provision.

The Council of Governors and the Board of Directors continue to work together to develop an effective working relationship.

The Council of Governors has 35 members, including a Lead Governor and an elected composition planned to reflect the profile of the patients who attend the Foundation Trust. The elected Governors have been elected in accordance with the rules stated in the Constitution of the Foundation Trust.

The Trust’s executive and non executive directors will ensure that the views of the Council of Governors and the Trust’s membership are taken into account through appropriate attendance and active engagement in the Council of Governors meetings.

Board of Directors

The Board of Directors is responsible for providing strong leadership to the Trust. Responsibilities include:

- Setting of strategic aims and objectives, taking into account the views of the Council of Governors.
- Ensuring robust assurance, governance and performance management arrangements in place to ensure the delivery of identified objectives.
- Ensuring the quality and safety of healthcare services, education, training and research and applying the principles and standards of robust clinical governance.
- Ensuring that the Trust complies with its terms of authorisation, its constitution, mandatory guidance as laid down by the independent Foundation Trust regulator, Monitor and other relevant contractual or statutory obligations.

Composition of the Board of Directors

The Board consists of six executive directors, six non-executive directors and a non-executive chair.

Margaret Morris, Chair (until 30th June 2008)
David Dalton, Chief Executive

Executive directors

Tony Whitfield, Deputy Chief Exec/ Exec Director of Finance
Simon Neville, Executive Director of Strategy and Development
Elaine Inglesby, Executive Director of Nursing
Stephen Waldek, Executive Medical Director
Raj Jain, Executive Director of Workforce and Service Improvement

Non-executive directors

Jim Potter, Vice Chair (Chair from 1st July 2008)
John Willis (from 1st January 2008)
David Thompson
Katharine Perera
Mike Halsall
Howard Forster
The Trust reached financial close on its PFI project to substantially redevelop part of the hospital site following approval of the full business case by the NHS North West and the Private Finance Unit of HM Treasury. An abridged version of the full business case and further details of the hospital redevelopment plans can be found on the Trust’s website www.srft.nhs.uk.

The PFI is one element of the hospital redevelopment plan. The Trust has made significant progress in redeveloping buildings that will remain the property of the Trust through investing a combination of Department of Health provided public dividend capital (PDC) and Trust internally generated funds.

**Investing in better facilities for our patients**

Significant capital developments planned for 2008/09 include:

- The building of a new pain centre to improve and replace existing accommodation that will be demolished as part of the hospital redevelopment.
- The creation of additional critical care beds to support the development of cancer services at the Trust.
- The Trust will invest in expanding accommodation and clinical equipment for stroke services.
- Establish two new surgical high dependency beds to provide additional resource, predominantly for orthopaedic and cancer surgery.
- Invest a further £0.6m in schemes to improve energy efficiency, following a successful bid for funding from the Department of Health.
a year of achievements for Salford Royal
Financial highlights

Where the money came from

<table>
<thead>
<tr>
<th>Income</th>
<th>£000s</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>NHS organisations</td>
<td>227,237</td>
<td>83%</td>
</tr>
<tr>
<td>Education and Training</td>
<td>21,788</td>
<td>9%</td>
</tr>
<tr>
<td>Other Income</td>
<td>9,487</td>
<td>3.5%</td>
</tr>
<tr>
<td>Non-patient care services</td>
<td>6,744</td>
<td>2%</td>
</tr>
<tr>
<td>Research and Development</td>
<td>2,943</td>
<td>1%</td>
</tr>
<tr>
<td>Interest received</td>
<td>1,876</td>
<td>0.7%</td>
</tr>
<tr>
<td>Other income (e.g. overseas visitors, NHS injury cost recovery scheme)</td>
<td>1,263</td>
<td>0.5%</td>
</tr>
<tr>
<td>Private patients</td>
<td>550</td>
<td>0.2%</td>
</tr>
<tr>
<td>Donated asset reserve</td>
<td>312</td>
<td>0.1%</td>
</tr>
<tr>
<td>Charitable funds</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>272,200</td>
<td>100%</td>
</tr>
</tbody>
</table>

Other income includes a number of items. The material items include income to fund the costs of widening Eccles Old Road by Salford City Council (£1,956k), income from Salford PCT towards the local information management strategy (£780k) and income from sales to staff, patients and the public for provision of services such as the restaurant (£1,027k), car parking (£975k) and accommodation (£307k).

Where the money went

<table>
<thead>
<tr>
<th>Expenditure</th>
<th>£000s</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff salaries</td>
<td>157,663</td>
<td>55%</td>
</tr>
<tr>
<td>Drugs</td>
<td>31,524</td>
<td>11%</td>
</tr>
<tr>
<td>Supplies and Services</td>
<td>27,882</td>
<td>10%</td>
</tr>
<tr>
<td>Fixed asset impairments</td>
<td>19,225</td>
<td>7%</td>
</tr>
<tr>
<td>Premises and Establishment</td>
<td>14,664</td>
<td>5%</td>
</tr>
<tr>
<td>Purchase of healthcare from other providers</td>
<td>11,549</td>
<td>4%</td>
</tr>
<tr>
<td>Depreciation and amortisation of assets</td>
<td>8,313</td>
<td>3%</td>
</tr>
<tr>
<td>Dividends on Public Dividend Capital</td>
<td>5,474</td>
<td>2%</td>
</tr>
<tr>
<td>Clinical negligence scheme for Trusts annual premium</td>
<td>2,351</td>
<td>1%</td>
</tr>
<tr>
<td>Capital grant to Salford PCT to fund the costs of highways improvements to improve access to the new hospital buildings</td>
<td>1,956</td>
<td>1%</td>
</tr>
<tr>
<td>Other costs</td>
<td>3,894</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>272,200</td>
<td>100%</td>
</tr>
</tbody>
</table>
At the end of 2007/08, the Trust reported a deficit of £12,295k. This deficit included costs associated with writing down the value of a number of Trust building assets in recognition that they now have a reduced useful life as they will need to be demolished to make room to build the new hospital accommodation. The charge, to write down the value of the building assets, amounted to £19,925k during the year. It was not a transaction involving a payment of cash and therefore did not affect the underlying ‘financial health’ of the Trust, which for 2007/08 had an underlying surplus of 7.6m.

Capital investment -

<table>
<thead>
<tr>
<th>Scheme description</th>
<th>Capital expenditure 2007/08 £000s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi-storey car park (Note 1)</td>
<td>11,000</td>
</tr>
<tr>
<td>Three new operating theatres</td>
<td>4,930</td>
</tr>
<tr>
<td>New surgical instruments and instrument trays</td>
<td>3,300</td>
</tr>
<tr>
<td>Site backlog maintenance schemes (e.g. new lifts, fire alarm schemes)</td>
<td>1,940</td>
</tr>
<tr>
<td>Medical equipment</td>
<td>1,820</td>
</tr>
<tr>
<td>Paediatric Observation and Assessment Unit</td>
<td>1,640</td>
</tr>
<tr>
<td>Hospital redevelopment enabling schemes (e.g. service diversions)</td>
<td>1,460</td>
</tr>
<tr>
<td>New Computer Suite to ensure critical IT systems are always available</td>
<td>900</td>
</tr>
<tr>
<td>Development of a new haematological cancer ward</td>
<td>740</td>
</tr>
<tr>
<td>Further expansion of renal services</td>
<td>650</td>
</tr>
<tr>
<td>Other schemes (each with a value not exceeding £0.50m)</td>
<td>3,460</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>31,840</strong></td>
</tr>
</tbody>
</table>

During the year, the Trust invested over £31 million in improving the hospital site and purchasing new and replacement equipment.

Note 1 – As part of the commercial agreement for the PFI the Trust was obliged to make a payment of £11m for the multi-storey car park. The amount charged to the 2007/08 capital programme was £6.82m which represents the value of the building as at 31st March 2008. The balance of the actual cost paid was reported as a debtor in the Trust’s balance sheet.
a year of achievements for Salford Royal