

Specialist unit cares for the most premature babies



SAFE HANDS: The L&D now has the ability to treat the most premature babies across the whole of Beds and Herts.

THE L&D's Neonatal Intensive Care Unit (NICU) has been designated the Level 3 Unit for Beds & Herts as part of the Investing In Your Health project - see report, below.

This is the highest level attainable for NICU services and gives the L&D responsibility for treating the most premature babies across the whole of Beds and Herts.

Chief executive Stephen Ramsden said: "The L&D is now a centre of excellence for intensive care for new born babies.

We already have a high reputation for the special care we provide for babies and will be

able to expand this service further over the next five years."

The L&D unit has space for over 25 babies up to 18 months old requiring specialist care including eight intensive care cots - an increase from five - for newly born babies.

The L&D received central Government funding for this expansion which includes 12 extra nurses, three midwives, and an additional consultant and obstetrician.

We intend to expand NICU to 12 intensive care cots in the future which means we would have more than doubled our capacity to treat the highest risk premature babies.



Pursuing perfection - find out more, page 3

At the centre of NHS drive for excellence



VIP VISITOR: Health secretary John Reid met staff and patients when he came to the L&D to officially open the new facilities.

SECRETARY of State for Health, the Rt Hon John Reid MP, performed the official opening of the L&D's new operating theatre on 29 June this year. The £1.6 million development includes a new recovery room that can accommodate 10 patients recovering from surgical operations, and a new patient waiting room that incorporates a colourful children's area.

The new operating theatre is part of Investing In Your Health (IYH), a major restructuring of acute healthcare services across the whole of Bedfordshire and Hertfordshire.

L&D's chief executive Stephen Ramsden said "IYH is about changing the way we provide healthcare services in Beds and Herts following the largest review of its kind across both counties. This new strategic approach will result in almost a billion pounds of new investment in local health services over the next ten years."

The new operating theatre is part of the IYH strategy to centralise Oral Maxillo Facial Surgery services (OMFS) - which provide specialised jaw and mouth surgery - at the L&D.

The Trust now has a team of six OMFS consultant surgeons that work at the hospital carrying out surgical operations on in-patients from five separate hospitals.

In addition to building another operating theatre, the centralisation of OMFS resulted in the creation of an additional ITU bed, adaptation of a ward for head and neck surgical patients and the appointment of two extra consultants. In total over £1 million pounds a year of extra funding has been invested in this development.



Your feedback helps us improve services - page 5



A&E waiting time still on the way down - page 4

Losing that star was a body blow, but we're still on the up

Heartache

HAVING had a very successful year the news of the L&D not retaining its three stars came as a dreadful shock.

To say that we were disappointed would not be sufficient to convey the frustration and heartache felt by our staff and patients.

Our ambition to become an NHS Foundation Trust is now on hold pending the outcome of our appeal to the

Healthcare Commission – which is the body responsible for awarding stars under the performance rating system for NHS organisations.

Meanwhile, we remain resolute in our desire to become one of the country's most successful and innovative hospitals.

Overwhelmed

WE have in fact been overwhelmed by the messages of support we have received from our patients, the public,

colleagues in the health sector and the local press.

This goes a long way to maintaining the morale of the 3,000 staff at the L&D who aim to provide the highest levels of healthcare with compassion and dignity for our patients.

Improvements

DESPITE the setback of losing a star, the last three years have seen major improvements and new developments at the L&D.

Building developments include a new A&E department, St Mary's Wing, Macmillan Cancer Unit and an Operating Theatre.

We also invested in more medical staff to help reduce waiting times and achieve tough performance targets set by the Government.

By the end of March 2004 our two admission wards (2 and 3) had been adapted to comply with the Government's requirements for mixed sex accommodation, including separate washing and toilet facilities.

Patient activity has reached new levels; last year patient referrals from GPs increased by five per cent with a record 80,000 first out-patient appointments and 60,000 admissions.

Annual spending this year will reach a record level of £125 million which will be used to make further improvements in waiting times and to fund developments in patient services.

Innovative

WE will continue to introduce innovative ways of working – for example, under the Changing the Way We Work initiative – and transforming services in partnership with other healthcare providers arising from the Investing In Your Health strategic review (see page 1 for more details).

This will result in a number of services from neighbouring hospitals being centralised here at the L&D and transfer of some existing services to a local

setting closer to home.

Developing

ACUTE Trusts such as the L&D will concentrate on developing and centralising those services that only hospitals can provide – such as emergency services and the highest levels of Neonatal Intensive Care (see front page for more information). In doing so other services can be moved much nearer to where people live – for example, via GP surgeries and diagnostic treatment centres.

Strategic

IN view of the strategic developments that have taken place in the last three years, and as part of our application to become a NHSFT, we have prepared a revised five-year strategic plan.

This document summaries the main objectives for the Trust for 2004/05 and includes headline points from our new five year plan for 2005 – 2010.



‘We remain resolute in our desire to become one of the country's most successful and innovative hospitals.’

Chairman Soraya Dhillon

L&D Chairman Soraya Dhillon and Chief Executive Stephen Ramsden reflect on the successes and challenges of another busy year at the L&D



‘The L&D will become a centre for excellence in offering those services that only a hospital can provide’

Chief Executive Stephen Ramsden

Fighting infection

INFECTION control is a priority for L & D and the Government's own figures show that we are succeeding in beating the bug.

Two years ago we launched an awareness campaign to encourage the widespread use of alcohol rub for staff to use between seeing patients.

For the year ending March 2004, the L&D had the lowest level of MRSA infection across the whole of Beds and Herts and one of the lowest in the East of England region.

Dr Rohinton Mulla, Consultant in Infection Control said, “Our screening shows that a significant proportion of MRSA cases are acquired from outside the hospital. Our infection control measures include continuous surveillance of all patients, screening those patients who are particularly at risk and having a dedicated isolation ward.

“Our actions have brought down blood MRSA infections by 25 per cent in the past

two years.

“But we recognise that we have still more work to do.”

● The L&D was singled out for special praise by the British Cleaning Council for investing 25% more on cleaning and moving up to the top of the Patient Environment Action Team league table which measures hospital cleanliness.

Employing a new cleaning manager and having an in-house cleaning team has made a significant impact on the patient environment.

“Our domestic staff have been given national recognition for their hard work and high standards and we already support the government move to involve patients in spot checks for hospital cleanliness.” said Roger Long, L&D's Director of Operations.

The latest opinion survey of L&D patients showed that 84 per cent of adults and 96 per cent of young people thought that the wards were clean.

Constantly looking for ways to do things better



£1 million beds boost

ONE way of improving the service for patients and helping staff at the same time has been the £1 million purchase of electric beds for every ward. The contract negotiations were part of a consortium across five hospitals in Beds and Herts. The consortium was led by the L&D's Director of Nursing, Bridgit Stacey, and Head of Procurement, Karen Walker. This was one of the largest bed procurement contracts in the UK covering over 1,000 new electric beds.

The initiative included the appointment of a tissue viability nurse to advise staff on healthcare needs of patients who spend long periods in bed. Other benefits include:

- Patients can adjust the beds themselves
- Better patient comfort
- Reduction in back injuries for staff
- More efficient control of spending on beds
- Better response time for maintenance of beds
- Outsourcing of bed maintenance reduces pressure on L&D's own maintenance staff.

The beds were supplied by Luton-based firm Huntleigh Healthcare after a complex tendering process. This integrated approach to bed management ensures that we provide high quality care for patients while making maximum use of our 550 beds.

Director of Nursing and Midwifery, Bridgit Stacey is pictured above with six-year-old Ryan Matthews from the Poets area in Luton showing off one of the new beds.

Quality

CLINICAL Audit is an essential quality improvement tool, ensuring that the L&D provides high levels of excellence in clinical care and efficient use of resources and expertise.

The L&D's arrangements for clinical audit have been commended by the Commission for Health Improvement (CHI) in its 2002 report on the Trust.

The Trust continued to build upon its formal process for the dissemination and reporting of clinical guidance published by the National Institute for Clinical Excellence (NICE).

As part of the Trust's quality monitoring arrangements, regular reports continued to be made to the Clinical Audit and Effectiveness Committee and the Quality Management Committee.

Transforming

DURING the year the L&D became one of only six communities in the UK working with hospitals in the USA and Europe to transform healthcare by moving towards standards never previously attained.

For example, by seeking to avoid unnecessary pain, removing inequality, reducing drug errors and having no hospital-acquired infections.

We will also introduce more integrated ways of working with other healthcare agencies to ensure that transformational goals are agreed with NHS providers and Social Services within Luton and South Bedfordshire.

L&D's Medical Director John Pickles said, "Pursuing perfection seems an impossible goal. But why should our patients accept anything less?"

"The current system for providing healthcare in the UK is under enormous stress.

Therefore we need to find new ways of working – at every level - while moving to a higher goal."

Pursuit of perfection

PATIENTS, front line staff and managers have worked together to understand how to improve care both for patient and staff.

During the year we have introduced various initiatives in pursuit of perfection.

An example of improvement in patient safety is the introduction of an early warning scoring system to ensure safe, rapid, accurate commu-



'Pursuing perfection – why should our patients accept anything less?'

L&D medical director Mr John Pickles

nication between doctors and nurses about the patient's condition.

Another recent example is the use of a specific folder for patient notes that is used by all staff involved in providing healthcare for any patient who has fractured their neck of femur.

This ensures the coordination of the various stages of care via an integrated set of notes.

Sometimes a simple administrative change can lead to improvements in patient care.

For example, by changing the order and timing of the various stages of the pulmonary rehabilitation programme, for patients with lung disease, we have been able to reduce the length of time that patients need to wait to receive their treatment.

Come along and have your say

THIS year's Annual General Meeting for the Luton & Dunstable Hospital will be held in the lecture theatre of L&D's COMET centre at

7pm on Tuesday 28 September.

The Trust also offers an open invitation to

its regular Board meetings which are open to the public to attend.

Dates for board meetings for the remainder of the year are as follows: Thursday 30 September and Thursday 25 November. Both meetings start at 2pm and are held in the Boardroom.

84 per cent of L&D patients would be happy to recommend the hospital to friends and family

For the year ending March 2004, the L&D had the lowest rate of MRSA infection across the whole of Beds & Herts

New dimension for equality drive

OUR work on Equality continues to expand. This year we have focused on 'Enabling Employment' which means that we have invested in recruiting and retaining our unequalled workforce by providing opportunities - via national vocational qualifications - to gain access onto professional training programmes.

To date we have more than 50 members of staff training to join a skilled medical workforce in careers such as nursing, healthcare science, occupational therapy and radiography.

This year we were pleased to hold our fifth anniversary of equality celebrations called 'Equality + Diversity Counts - GIVE US 5' with events taking place throughout the day for our staff and community representatives. The day saw sampling of our 'world food' menus, the launch of our Age Diversity programme and musical and dance performances from our local community groups.

Working hard on improvements

IMPROVING Working Lives is a Department of Health initiative that aims to ensure NHS employees are valued, have access to training and are supported in maintaining a healthy balance between work and home life.

The L&D is one of only 12 Trusts in the country to achieve 'Practice Plus' - the highest top award in the scheme for improving Working Lives.

Lynne Watson, Director of Personnel and Training and Development, said: "This achievement shows that across the whole organisation, the L&D has shown a commitment to make real and tangible improvements to working lives of the 3,000 staff who work at the Trust.

"By improving staff practices and raising morale we are able to improve the services we provide to our patients."

'It's a really wicked place!'

THAT'S the verdict of one young visitor who enjoyed the new children's outpatients department. Anyone - including adults - who visits the refurbished unit will be dazzled by the delightful décor scheme which is based on a design of the rays of the sun.

The hospital's League of Friends donated £80,000 to decorate the facility and the whole area is bright, welcoming and friendly and they even installed a plasma TV and play equipment.

Dr Michael Thompson, Clinical Director for Women's and Children's Services, said: "We are most grateful to the League of Friends for their generous donation which helps achieve our aim of providing a truly child-focused area, making visits to the hospital much more relaxing and enjoyable for young patients and their families."



Big names, new facilities

HEALTH secretary John Reid - see front page - was just one of a stream of high profile visitors who have made a point of visiting the L&D this year.

A £500,000 centre for the treatment of diabetes was opened by Mr Reid's junior ministerial colleague Rosie Winterton MP in November 2003.

Ms Winterton, pictured right meeting staff and thanked by Luton's MPs Margaret Moran and Kelvin Hopkins, said: "This impressive new diabetes centre means that the L&D can give the best treatment and support to 4,000 diabetic patients a year in modern, comfortable surroundings."

The centre provides educational support to patients and also boasts a retinal camera to aid early diagnosis and help save the sight of many patients. Professor

Soraya Dhillon, Chairman of the Trust said: "The challenge of providing high quality care for diabetics is particularly tough in Luton and South Beds where we have a high incidence with 10,000 cases locally."

And former cabinet minister Mo Mowlam was delighted to perform the official opening of the new McMillan Cancer Unit in October.

Mo, pictured left chatting to the unit's first patient Freddie Benson, said: "I wish I'd had access to a unit like this when I was being treated for cancer. Facilities like this should be available to all cancer patients."

Patients and staff warmed to Mo's relaxed and friendly approach and the opening event was a great celebration of partnership between the hospital and McMillan Cancer Relief, who funded the £2 million project from public donations.



New X-ray machines

X-RAYS may be one of the most common procedures carried out in hospital and the L&D has a number of new imaging facilities to benefit patients.

We now have the latest type of portable x-ray machine which, if the patient is too ill to go to the x-ray unit, is taken to the bedside.

There is also a new CT scanner which we have added to our existing one to increase our capacity and provide greater enhanced images.

Other major developments and improvements to our x-ray departments include a newly-built nuclear medicine suite incorporating a new gamma camera and a patient waiting area.

Patients and visitors will have noticed the start of new building work above the main

entrance to the hospital. This is to make way for two new MRI scanners that will be housed in a new imaging suite.

The MRI scanners are part of a £3 million investment which will increase the L&D's capacity for specialised imaging. They are expected to be in operation in the spring of 2005.

Dr Mark Alexander, Clinical Director of Imaging, said: "The new equipment is very good news for patients."

"The L&D is also helping to tackle the national shortage of trained radiographers in a joint venture with the University of Hertfordshire to provide more options for training which will help reduce waiting times for patients."

WE are now treating more patients than ever before. During the year of report referrals from GPs had increased by five per cent on the previous year with a record 80,000 first out-patient appointments and 60,000 patients admitted into hospital.

Five years ago at this time we had 3,000 patients waiting over 13 weeks for a first outpatient appointment.

By June this year this had been progressively reduced to less than 800, as you can see from the graph opposite.

Our target for end of March 2005 is to have no one waiting more than 13 weeks for a first outpatient appointment as promised in the Government's NHS Plan, published in 2000.

At the end of 1999 there were 438 patients waiting over nine months for a surgical operation.

By the end of March this year we have totally eroded this queue to zero.

Building on this success we will reduce the maximum waiting time for surgery to six months during 2005.

During the year we had to cancel 131 operations, compared with 208 last year. All patients were offered another operation date within 28 days.

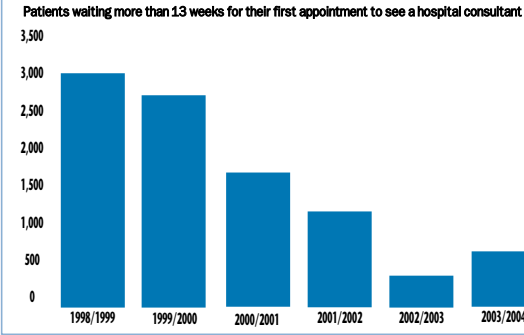
This year we will identify ways of reducing the number of outpatients who wait more than 30 minutes when they arrive for an appointment.

Last year our Accident and Emergency Department treated 80,000 people who came through the door.

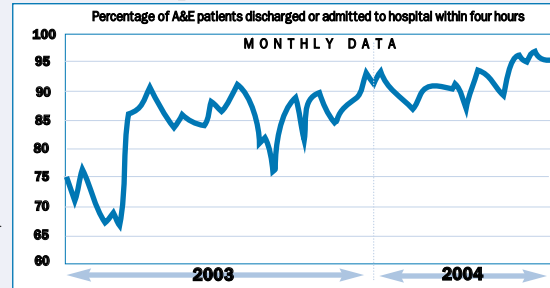
Our aim to discharge or admit 90 per cent of all A&E patients within four hours.

We succeeded in meeting this target during the period of report and reached 100 per cent on a number of occasions, see graph opposite.

We have continued to meet these targets and recently received the Government's performance payment reward of £100,000.



We're treating more patients than ever before, and quicker



'During my three stays in L&D in the past 12 months, I cannot speak too highly of the doctors, nurses and staff who care for me.'

An extract from one of the 3,700 complimentary letters received over the year from patients and relatives

THE strategy of Putting Patients First is paying off at L & D with results from the Healthcare Commission patient survey of the NHS showing that 84 per cent of our patients would recommend this hospital to friends and family.

Patients have confidence in our clinical staff and feel they get understandable answers from them.

Stephen Ramsden, Chief Executive, said: "I am very proud of the efforts of staff in giving a high standard of care and a good experience to patients."

"The survey results particularly praise the respect and dignity shown to patients, our continued improvements in reducing waiting times, and the excellent partnership between doctors and nursing staff."

Areas where we need to improve include our admissions and discharge procedures as well as ensuring that patients are adequately informed about how they are likely to feel after a surgical operation.

From next year patients will be able to choose which hospital they can be referred to for consultations and surgical operations.

Comments

THE L&D receives more than 10 times the number of complaints than it does compliments.

During the year over 3,700 complimentary letters were received from

Action points

OVER the past year the Patient Advice & Liaison Service (PALS) has assisted over 3,000 people with their queries or concerns. The PALS Officers listen to patient's

comments and identify areas that can be improved. For example, following a comment from a patient regarding the poor state of the patient's gowns used in the X-ray Department, a new style of gown has now been purchased.

Have your say

WE have an active Patient Representative Group, whose members are ex patients or their carers. Many of the Patient Representative Group members have been co-opted onto committees around the Trust to ensure the patients have a voice at the planning stage in all we do.

The Patient Representative Group also work closely with the Trust's new Patient Forum to ensure the work of both groups complement each other. If you are interested in becoming a member of the Patient Representative Group please contact Margaret deWinter, Patient Advice and Liaison Service Manager on 01582 497014.



Feedback from patients helps the L&D improve its services.

patients and relatives who were pleased with the standard of care provided by the L&D.

This compares with 347 formal complaints received during the year. All of the complaints were investigated and 78 per cent were responded to within four weeks.

Complaints

ELEVEN of the complainants were not satisfied with the Trust's investigation and went on to request an independent review of their complaint. None of these eleven cases proceeded to an Independent Review.

During the year the Health Service Commissioner carried out an investigation into one of our complaints. The complaint was upheld and the L&D has subsequently revised its practices.

Acting on your suggestions and in your interests

'Having spent nearly two years going in and out of L & D for operations, I have nothing but admiration for the hospital and staff. 5 stars as far as I am concerned.'

An extract from this year's patient survey

Looking ahead to the next five years

AS part of our application to become an NHS Foundation Trust we have produced a new Service Development Strategy for the next five years 2005-2010. During this period we will concentrate on:

- **Redesigning our services:** Reducing the length of stay in hospital, treating more people on a day-case basis and treating people closer to home in a community setting (e.g. in a local diagnostic treatment centre).
- **Centralising hospital services:** The front page of this report outlines how we have centralised Oral Maxillofacial surgery from several other hospitals here at the L&D. By working in partnership with neighbouring hospitals and PCTs we will provide 'super' services for people living in Beds, Herts and parts of Bucks.
- **Future plans for centralising services at the L&D include cardiac treatment, HIV/AIDS, children's surgery, ENT, ophthalmology emergency inpatients and head and neck surgery for cancer patients.**
- **Increased patient activity:** We anticipate that our catchment population will increase to 500,000 patients (from 300,000 at present) over the next ten years.
- **Pursuing Perfection:** For more details on this, turn to page 3.
- **Capital investment:** Priorities for additional building development include reorganisation of the surgical and medical blocks, creation of a Women's and Children's Centre in a new building, expansion of our Acute Assessment Unit, a new Cardiac Unit and additional car parking.

Copies of our summary service plan - incorporating a summary of our five year plan - are available from the L&D's Communications Unit on 01582 497458.

Loyd licks his lips at the L&D's menu

CELEBRITY chef Loyd Grossman thought that the L&D cooked up the tastiest food when he visited the hospital to sample the patients' menu.

The L&D was one of only eight hospitals in the UK to pilot the Better Hospital Food programme and has been favourably assessed for its patient centred approach and use of fresh produce.

Loyd, who chairs the Better Hospital Food initiative, said: "The L&D has achieved all of the recommendations of the Better Hospital Food programme. "Not only that, but they produce great tasting food."

Income and spending

Our results for the year that ended 31 March 2004.

	2004 £000	2003 £000
A Income	113,435	101,586
B Running Costs	(110,570)	(98,730)
C Surplus (A+B)	2,865	2,856
D Exceptional gain	0	0
E Exceptional loss	0	0
F Loss on sale of land and buildings	0	(8)
G Surplus before interest (C+D+E+F)	2,865	2,848
H Interest owed to us	156	164
I Finance costs	0	0
J Dividend we paid to the government (2,169)		(2,913)
K Total surplus for the year (G+H+I+J)	852	99

Cashflow summary

How our cash was used during the year that ended 31 March 2004 and the total change in the amount of cash we held.

	2004 £000	2003 £000
Cashflow from providing services		
A Increase in cash from providing services	4,756	5,103
Returns on investments & borrowing		
B Interest we received	156	164
C Interest we paid	0	0
D Dividends we paid to the government	(2,169)	(2,913)
E Decrease in cash from investments and borrowing (B+C+D)		
	(2,013)	(2,749)
F Cash paid by us for buildings and equipment		
	(7,944)	(5,361)
G Disposals/transfer of land and buildings		
	0	452
H Decrease in cash from land, buildings and equipment (F+G)		
	(7,944)	(4,909)
I Government loans we received		
	5,500	2,561
J Increase in cash (A+E+H+I)		
	299	6

Recognised gains and losses

This table shows how the value of our assets has changed during the year that ended 31 March 2004.

	2004 £000	2003 £000
A Total surplus for the year before we paid dividend to the government	3,021	3,012
B Fixed asset impairment losses	0	0
C Change in the value of land, buildings and equipment	5,325	7,565
D Increase in the value of gifts from charities	1,186	(220)
E Prior period adjustment	0	(1,165)
F Total gains and losses recognised since last annual report (A+B+C+D+E)	9,532	9,192

What we spend, how we pay for it

Balance sheet

This table shows the value of our assets on 31 March 2004, and how they were paid for.

	2004 £000	2003 £000
A Value of land, buildings and equipment	74,282	62,798
B Stock	1,503	1,433
C Amounts owed to us	9,358	7,630
D Cash	337	38
E Amounts we owe	(8,872)	(8,182)
F Provisions for amounts we owe	(1,197)	(1,169)
G Total (A+B+C+D+E+F)	75,411	62,548

The assets were paid for by

H Investment by the government	56,938	51,438
I Rise in the value of land, buildings and equipment	13,770	9,285
J Gifts from charities	4,242	2,883
K Total gain since becoming a Trust	461	(1,058)
L Total funds (H+I+J+K)	75,411	62,548

How quickly we paid our bills

We have a target set by the NHS Executive to pay bills within 30 days of receiving them.

In the year to 31 March 2004, of 45,432 bills paid with a value of £42,274,000, 35,890 were paid within 30 days (79%).

These bills had a value of £36,445,000 (86.22% of the total).

In 2003, of 37,528 bills worth £34,299,000, 27,165 (68.72%) were paid within 30 days. These were worth £26,782,000 (78.08% of the total value).

How much we spent on managers

We used the NHS Executive guidelines to work out our management and administration costs. These were £3,771,000, or 3.32% of our total income. This is an increase of £293,000 from the previous year.

In line with the secretary of state's guidance, the total pay rise for board members & senior managers was not greater than 3.7% in year effect for 2003/2004.

Payments to board members

Name	Position	Age	Salary ^A	Others ^B	Golden ^C	Benefits ^D	Pension ^E	Accrued ^F
Mr S Ramsden	Chief Executive	47	95-100	0	0	0	0-2.5	30-35
Mr R Long	Director of Operations	53	70-75	0	0	0	0-2.5	20-25
Mr J Pickles	Medical Director	51	15-20	100-105	0	0	5.0-7.5	40-45
Mr A Harwood	Director of Finance & Information	40	75-80	0	0	0	0-2.5	15-20
Ms B Stacey*	Director of Nursing & Midwifery	35	40-45	0	0	0	0	2.5-5
Dr S Dhillon	Chairman	47	15-20	0	0	0	0-2.5	0-5
Mr P Drew	Non-Executive Director	66	5-10	0	0	0	0	0
Dr R Grant	Non-Executive Director	48	5-10	0	0	0	0	0
Mr C Bygrave	Non-Executive Director	69	5-10	0	0	0	0	0
Mrs A Clarke	Non-Executive Director	37	5-10	0	0	0	0	0
Mr R Stokoe	Non-Executive Director	63	5-10	0	0	0	0	0
Mrs J Graham**	Director of Nursing & Midwifery	54	10-15	0	0	0	0-2.5	15-20

A: Salary includes all amounts paid or payable by the Trust and payments by the Trust to fund directors' pensions. Salaries exclude reimbursement of out of pocket expenses and reimbursement of travelling expenses. Salaries are quoted in bands of £5,000.

B: Other remuneration, quoted in bands of £5,000.

C: Golden hello or compensation for loss of office.

D: Benefits in kind. E: Real increase in pension at age 60, expressed in bands of £2,500.

F: Total accrued pension at age 60 at 31 March 2004, expressed in bands of £5,000.

* Until 30 November 2003

** From 1 December 2003

Summary of results

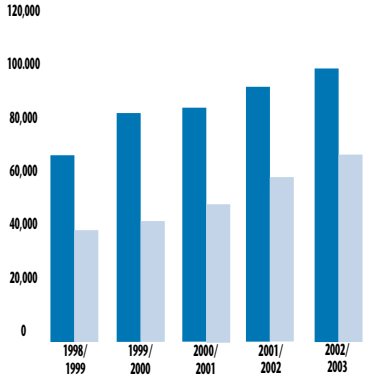
£000	1998	1999	2000	2001	2002	2003	2004
Total income	58,882	66,847	83,389	85,936	90,240	101,586	113,435
Operating surplus	1,882	2,010	2,671	2,656	2,724	2,856	2,865
Total surplus (or loss)	(729)	(595)	128	101	52	99	852

Annual Accounts

The financial information shown here is a simplified summary of the information in the Trust's annual accounts. You can get a copy of the accounts from the Chief Executive.

The increasing spend on the L&D

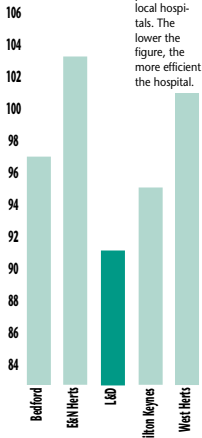
£000s



The amount of money spent by the L&D on providing services for local people has steadily increased in recent years, as this table shows.

Reference cost index

This table compares the spending per patient at local hospitals. The lower the figure, the more efficient the hospital.



Total spend
Spend on staff

Financial Performance Targets

A. Break-even Performance

We are required by the NHS to break even on income and spending over the last three years. This measure is subject to a materiality limit of one half of one percent of annual turnover. Over the last three years the Trust has surplus of £52,000 in 2001/2002, £99,000 in 2002/2003 and £852,000 in 2003/4. Our three year position is within the materiality limit set by the NHS Executive.

B. Financial Target Performance

We are required to meet a financial target return of 3.5% on our assets. In 2002/2003 we made a return of 3.4%. This is within the Department of Health's materiality range.

C. External Financing Limit

This limit is set by the NHS Executive and says how much money we can borrow or draw from our investments in clinical buildings with surplus of £52,000 in 2001/2002. We achieved our target for the year, which was an increase in borrowing of £5,208.

Regulating Our Activities

The Department of Health has set codes of Practice for NHS Trust Boards. These codes show that the work of NHS Trusts must reflect the Citez Charter values of accountability, honesty and openness. We are responsible for making decisions about investments, selling assets checking that there are proper financial and performance arrangements, and for managing the hospital.

All members of the Trust Board follow these codes. As part of this process, board members have to say if they are directors of any other company that may do business with the NHS.

Directors' statement (Internal control)

Scope of responsibility

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

The Board has agreed with the Bedfordshire and Hertfordshire Strategic Health Authority an Annual Accountability Agreement and has been held to account by the Authority for the performance of the Trust.

The purpose of the system of internal control

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

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

The system of internal control does not have in place in the Luton and Dunstable Hospital NHS Trust for the whole year ended 31 March 2004, but was in place by 31st March 2004 and is the date of approval of the annual report and accounts.

The capacity to handle risk

The Director of Nursing and Midwifery is the Trust Board lead for Clinical Risk Management. The Director of Operations is the Trust Board lead for the Director of Nursing and Midwifery is the Trust Board lead for Clinical Risk Management. The Director of Operations is the Trust Board lead for non-clinical (including Health and Safety) risk management. In addition, for Clinical Risk Management, the Associate Medical Director (Quality) chairs the Risk Management Committee where all aspects of Risk Management are discussed.

At induction new joiners to the organisation undergo basic training in Risk Management (Clinical and Non-clinical). Statutory training is provided to all nursing and midwifery staff and those in professions allied to medicine.

In addition monthly risk management training sessions are held which provide practical examples of incidents and risks, as well as refresher training on other aspects of risk management.

Liaison with General Managers, with directorate responsibilities, ensures that when practice is changed as a result of integrated learning from the risk management process, this is cascaded to other directorates. This usually takes place through the Risk Management Committee or directly from the Risk Managers (Clinical and Non-clinical) directly to clinical Management Teams.

The risk and control framework

The Luton and Dunstable Hospital NHS Trust has a philosophy that "Patients are at the centre of everything we do". It places emphasis on encouraging positive communication amongst staff and developing organisational values, which the Trust can adopt. The implementation of the Risk Management Strategy supports this philosophy.

Through ongoing involvement of the Trust's approach to risk management, care will be provided in an environment that is safe and secure. The Trust will similarly provide a safe and development orientated workplace for all staff. The Trust will make every effort to reduce all risks to as low as is reasonably achievable, however, it is not possible to reduce all risk to zero and regard must be given to available resources. The Trust has a planned programme of risk assessments to ensure that risks Trust-wide are identified. Where risk assessments have previously been undertaken, there is a process in place for review to ensure appropriate action is taken.

The Assurance Framework has been documented during 2003/04 in accordance with guidance issued from the Department of Health. This involved, identifying the objectives of the organisation, and those risks which threaten the achievement of these objectives. The Trust has developed controls to manage the principal risks and subjected these controls to independent scrutiny (e.g. Internal Audit, CNSI etc).

Risks that have been identified through these processes have been utilised to populate the Trust-wide Risk Register. This, along with the Assurance Framework, is used to inform the Board of the risks that will impact upon the achievement of its objectives.

Incident reporting is actively promoted and encouraged across all directorates as part of the culture of the organisation. Incidents that that have a significant impact on the Trust, its business or an individual are immediately and thoroughly investigated. The lessons learnt are shared.

The Trust promotes the involvement of Patient representatives in many aspects of its activities. Patients are represented on the following committees:

- Equality Strategy Group
- Clinical Audit and Effectiveness Committee
- Patient and Public Involvement Steering Group
- National Service Framework for Older People
- PEAT (Patient Environment Action Team)
- Car Parking Working Group
- Research and Development Group
- Environmental Group
- Quality Management Committee

The Luton and Dunstable Hospital Patient Forum was established in December 2003. This group is currently liaising with the Patient Advice and Liaison Service Manager to develop a work programme for the 2004/05 financial year.

Patient and public involvement (PPI) activity across the Trust is reported to the PPI Steering Group which convenes on a quarterly basis. The National Patient Survey action plan is also progressed and monitored through this group.

Review

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. In carrying out this review, information from internal audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of the internal audit work. Executing internal audit across the Trust is reported to the PPI Steering Group which convenes on a quarterly basis. The National Patient Survey action plan is also progressed and monitored through this group.

The Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by assurance given on which reliance has been placed during the year by the Audit Commission and Commission for Health Improvement.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Audit Commission and Quality Management Committee (both sub-committees of the Trust Board). A plan to address weaknesses and ensure continuous improvement of the system is in place. The process for maintaining and reviewing the effectiveness for the system of internal control is monitored by the following:

The Trust Board – The Board places reliance upon both the Audit and Quality Management Committees for assurance that the system of internal control is sound.

The Audit Committee – The Audit Committee primary role is to independently oversee the governance assurance process on behalf of the organisation and to report to the Trust Board on the soundness and effectiveness of the systems in place for risk management and internal control.

In order to provide this assurance to the Board, both Internal and External Audit undertake systems based and value for money reviews involving an opinion to the committee on the processes and controls in place.

The Quality Management Committee – This incorporates the arrangements for Clinical Governance, Risk Management and Controls Assurance. It seeks a holistic approach to quality assurance and produces the monthly quality report for the Board. It also manages achievement of the annual Clinical Governance and PPI Framework in place as at 31st March 2004.

As part of the Internal Audit Plan for the 2003/04 financial year, external reviews have been undertaken on the controls assurance process assisting Lead Officers in identifying compliances and actions required to strengthen processes in place.

Stephen Ramsden, Chief Executive
1 August 2004 on behalf of the Board

Independent Auditor's Report

I have audited the financial statements which have been prepared in accordance with the accounting policies relevant to the National Health Service.

This report is made solely for the audit of Luton & Dunstable Hospital 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

As described on page 1 the Directors are responsible for the preparation of the financial statements in accordance with directions issued by the Secretary of State. My responsibilities, as independent auditor, are established by statute; the Code of Audit Practice issued by the Audit Commission and my profession's ethical guidance.

I report to you my opinion as to whether the financial statements give a true and fair view of the state of affairs of the Trust and its income and expenditure for the year, in accordance with the accounting policies relevant to the National Health Service in England.

I review whether the directors' statement on internal control reflects compliance with the Department of Health's guidance. The Statement on Internal Control 2003/2004 issued on 15 September 2003. I report if it does not meet the requirements specified by the Department of Health or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required, nor have I considered, whether the directors' statement on internal control covers all risks and controls. I am also not required to form an opinion on the effectiveness of the Trust's corporate governance procedures or its risk and control procedures. My review was not performed for any purpose connected with any specific transaction and should not be relied upon for any such purpose.

Basics of audit opinion

I conducted my audit in accordance with the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission, which requires compliance with relevant auditing standards issued by the Auditing Practices Board.

An audit involves examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements in which the accounting policies are consistently applied to the Trust's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion the financial statements give a true and fair view of the state of affairs of Luton and Dunstable Hospital NHS Trust as at 31 March 2004 and of its income and expenditure for the year then ended in accordance with the accounting policies directed by the Secretary of State as 1998 and for the National Health Service in England.

Certificate

I certify that I have completed the audit of the accounts in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

Karen McConnell, District Auditor
Sheffield House, Lytton Way, Stevenage
Date to come 2004

‘The Hospital’s League of Friends has donated £480,000 for new equipment this year alone’



ON LINE: The L&D's new-style website provides details of job vacancies and patient services.

New look website and more in store...

DURING the year we have given a facelift to our public website. This includes up to date details of job vacancies as well as information about health issues that can have major impact on our lives.

Future plans include web pages about L&D's stroke services and rehabilitation facilities for people with heart problems.

In the coming year we are planning to publish web-based information for health professionals on a number of issues including diabetes and the L&D's partnership work with the Centre for Obesity Research.

By January 2005 our local GPs will be able to access the L&D's internal intranet and download key information such as referral protocols and patient-information for direct-referral procedures here at the L&D.

In order to meet our legal obligations under Freedom of Information legislation, and to ensure that information is more easily accessible, our website is being expanded to include comprehensive information about the Trust, its services and records of key decisions.



THE TRUST BOARD

NON-EXECUTIVE DIRECTORS

- Dr Soraya Dhillon** (Chairman, b, c, d)
- Mr Clifford Bygrave** (a, d)
- Mrs Alison Clarke** (c, d, e)
- Dr Richard Grant** (a)
- Mr Michael Drew** (Deputy chairman, b, c)
- Mr Roger Stokoe** (a, b, d, e)

EXECUTIVE

- Chief Executive
- Mr Stephen Ramsden** (b, c, d)
- Director of Operations
- Mr Roger Long** (b, d)
- Director of Finance & Information
- Mr Andrew Harwood** (b, e)
- Medical Director
- Mr John Pickles** (d, e)
- Director of Nursing & Midwifery
- Ms Bridgit Stacey** (d)
- Director of Personnel & Development
- Ms Lynne Watson** (c)
- Associate Medical Director
- Dr Danielle Freedman** (d) (Quality)
- Associate Medical Director
- Dr Mark Alexander** (d) (Medical Management)
- Training & Education
- Associate Director
- Ms Kate Jones** (e) (Changing the Way We Work)

NOTES ON COMMITTEE MEMBERSHIP:

- (a) Audit Committee
- (b) Charitable Funds Committee
- (c) Human Resources and Remuneration Committee
- (d) Quality Management Committee
- (e) Procurement Board

Volunteers do their bit to help hospital run smoothly

MORE than 300 volunteers give their time to support the L&D, and the hospital's Voluntary Services Department coordinates their activities.

This year we expanded our work experience programme for over 100 students. This provides students with life skills and work experience that will be of use to them in their future career.

This could include working with staff on wards, such as helping to feed patients, as well as general office work.

In 2004 we introduced a special programme for sixth formers and students considering a career in medicine, nursing or midwifery.

This prepares them for communicating sym-

thetically with patients and learning about the complex workings of a busy hospital.

Last October a number of L&D staff and our volunteers joined forces with six of Luton's largest businesses and Luton University for "Big Help Week". For five days volunteers collected and sorted a mountain of more than 35,000 re-usable items for local charities and community organisations. This is a great way of getting involved and supporting the community!

If you would like information about volunteering at the L&D call 01582 497357



YOUNG GENERATION: Work experience for school pupils and older students is an increasingly popular part of the L&D voluntary programme.

Clinic's vital contribution

THE Cobham Clinic sees and treats private health-care patients on the L&D site.

Last year the clinic generated £450,000 for NHS services last year, and admitted approximately 700 inpatients.

The Clinic has recently been developed and expanded to include four new beds, closing for four weeks in the process.

During the year two of the rooms in the paediatric department of the Clinic were refurbished and upgraded.

Friends continue to provide vital support

SINCE January 2004 the L&D's League of Friends donated over £480,000 for essential equipment.

The Friends' funds come from donations, legacies and investments, fundraising events and subscriptions and sales of Christmas cards.

Chairman Peter Cowan, paying tribute to the dedication and hard work of members of the League, said: "It is with pride that our major objective in providing help to Luton

and Dunstable Hospital has exceeded my wildest expectations".

Consultant Mr John Pickles, the L&D's medical director, said: "Requests for new and replacement equipment far exceeds the funds available and without the financial gifts from the League of Friends, doctors and nurses at the L&D would not have access to much of the modern equipment that 21st century medical practice requires".

Sowing the seeds with teenagers

Promoting careers within health care is an important part of our long term recruitment strategy. In particular we have extended our career fairs to include school children between 14 and 18 years of age. Our career fairs, called Expedition NHS, are held twice yearly with contributions from every staff group in the hospital, medical and non-medical. Our March

Expedition attracted 350 school children as well as adults seeking a career at the hospital.

The next Expedition NHS career fair is to be held at the L&D on Thursday 7 October in the COMET Centre.

For further information about a career at the L&D contact Sue Etherington, Careers Promotion Officer on 01582 718013.

Hospital is prepared for the worst, just in case...

AS well as handling over 80,000 sick and injured patients each year the busy A&E Department plays a major role in planning and responding to major incidents. These incidents could be the result of natural disasters (e.g. flooding), a building collapse, an epidemic disease, or a major road accident.

Staff are also trained and rehearsed in handling the results of a terrorist attack.

We have a written contingency plan which is fully compliant with NHS guidance on preparedness and planning for a major incident.

We have the facilities necessary to treat people seriously contaminated by chemicals (for example, following an accident involving a chemical tanker on the M1).

Our levels of preparedness include training of key staff and taking part in full scale exercises involving other emergency services across Bedfordshire.