



**annual report & summary  
financial statements**  
**2007/08**



# introduction

**2007/08** was our first full year as a Foundation Trust following our authorisation by the regulator Monitor in October 2006.

It was a year of significant achievement as Chelsea and Westminster maintained and developed its reputation as a hospital of choice.

We are proud that our double 'Excellent' rating in the Healthcare Commission's annual performance ratings makes us one of the best three hospitals in London.

## **Transparent, open and honest reporting**

This annual report aims to reflect best practice in corporate reporting by being as transparent, open and honest as possible in its discussion of not only our successes, but also the major challenges that faced the Trust during 2007/08.

The Leslie Chapman (née Ash) compensation case, an infection outbreak, and our disappointing performance in the Healthcare Commission's review of maternity services are all covered in this report.

In addition, the 'Reporting back' and 'Looking ahead' sections outline clearly the Trust's performance against key priorities in 2007/08 and our objectives for 2008/09.

Throughout this report you will find facts and statistics to substantiate claims that we make about our performance.

These are often benchmarked against other neighbouring NHS trusts or against our performance in previous years.

## **Choose Chelsea and Westminster**

'Choose Chelsea and Westminster', the main section of the report, focuses on five areas that we believe make us a hospital of choice for patients:

- Quality
- Excellence
- Performance
- Success
- Cleanliness

We hope you enjoy reading this annual report.

This annual report has been produced in-house by Chelsea and Westminster Hospital NHS Foundation Trust:

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# contents

## Introduction

|                                   |   |
|-----------------------------------|---|
| Chairman's Statement .....        | 2 |
| Chief Executive's Statement ..... | 3 |
| Reporting Back .....              | 4 |
| Looking Forward .....             | 5 |

## Choose Chelsea and Westminster

|                          |    |
|--------------------------|----|
| Choose Quality .....     | 6  |
| Choose Excellence .....  | 10 |
| Choose Performance ..... | 14 |
| Choose Success .....     | 16 |
| Choose Cleanliness ..... | 20 |

|                            |    |
|----------------------------|----|
| NHS 60th Anniversary ..... | 22 |
|----------------------------|----|

## Statutory Information

|  |    |
|--|----|
| Background Information .....                                   | 24 |
| Directors' Report .....  | 24 |
| Operating & Financial Review (OFR)—Operational Reporting ..... | 26 |
| Operating & Financial Review (OFR)—Patient Care .....          | 26 |
| Operating & Financial Review (OFR)—Stakeholder Relations ..... | 27 |
| Operating & Financial Review (OFR)—Finance .....               | 27 |
| Members' Council .....   | 28 |
| Board of Directors .....                                       | 30 |
| Audit Committee .....  | 32 |
| Nominations Committee .....                                    | 32 |
| Membership .....   | 32 |
| Public Interest Disclosures .....                              | 33 |

## Finance

|   |    |
|---|----|
| Summary Financial Statements for Chelsea and Westminster Hospital NHS Foundation Trust .....  | 34 |
| Remuneration Report for the Period 1 April 2007 to 31 March 2008 .....  | 34 |
| Independent Auditors' Report to the Members' Council and Board of Directors of<br>Chelsea and Westminster Hospital NHS Foundation Trust ..... | 35 |

# chairman's statement

I was delighted and honoured to become Chairman of Chelsea and Westminster Hospital NHS Foundation Trust in November 2007.

My first impression of the hospital when I was appointed was that it was already a very successful organisation with highly motivated staff.

This was reflected in the Healthcare Commission's annual performance ratings 2007 which ranked Chelsea and Westminster 'Excellent' for both clinical services and financial management and among the best three hospitals in London.

The Trust met its key financial targets and achieved a healthy surplus to reinvest in new service developments, exceeded the March 2008 milestone to treat 85% of inpatients and day cases and 90% of outpatients within 18 weeks of GP referral, and met almost all national performance targets.

Although we missed an extremely tight target of no more than 12 patients with Methicillin Resistant Staphylococcus Aureus (MRSA) bacteraemia, only one patient admitted to the hospital for routine planned surgery acquired MRSA and the Trust has reduced cases of MRSA by 66% in three years.

We had a small number of unacceptable breaches of the 13-week outpatient waiting time target but steps have been taken to ensure this does not happen again.

I am confident that our excellent performance overall puts us in a strong position to achieve our aim of being a hospital of choice at a challenging time for the health service both nationally and in London.

The introduction of 'free choice' from April 2008 enables patients to choose where they receive treatment and an ongoing review of the NHS in London will have a major impact on healthcare in the capital.

We consulted on our strategic aims for 2008/09 and beyond both with our staff and also with the Members' Council.

The Trust's partnership with the Members' Council is one of our key strengths. It plays an increasingly important role in the life of the Trust and it approved my appointment as Chairman after a selection process led by a Nominations Committee including Patient and Staff Council Members.

Council Members also helped plan the hospital Open Day and took part in the process to develop a new corporate 'brand' for the Trust.

I believe that the increased autonomy that goes with the award of Foundation Trust status is a way of restoring and enhancing local pride and ownership of the hospital.

This hospital belongs to all who use its services, work here or live locally. Many of these are Foundation Trust members and I hope that over the next few years many more people will want to become members and play a role in the continuing success of our hospital.

Almost 1,700 people attended our hospital Open Day in May 2008. This demonstrates that we already have a close relationship with our local community which I hope will develop further in time.



Professor Sir Christopher Edwards  
Chairman





# chief executive's statement

2007/08 was our first full year as a Foundation Trust and we utilised the benefits of our new status. As a Foundation Trust we retain our financial surplus and have more freedom to borrow money to invest in developments that benefit patients and staff.

The Trust Board was able to approve a £19.4 million capital investment programme for the 2007/08 financial year, as a direct result of Foundation Trust status.

This programme included centralising the decontamination of endoscopes, expanding our children's A&E department, and developing a new digital X-ray system. All these developments enhance patient safety.

The Trust Board also made a one-off payment of £100 to every member of staff as a thank you for helping the Trust to achieve a double 'Excellent' rating in the Healthcare Commission's annual performance ratings.

We felt that this was an appropriate way to reward staff for 'going the extra mile' to improve the quality of care that they provide for patients.

The bonus was paid not only to frontline staff, such as doctors and nurses, but also to support, administrative and clerical, and all other staff who play an important part in our performance.

I am pleased that our reputation as a hospital of choice where patients can expect high quality clinical care in a clean, safe environment was enhanced this year.

I believe that Chelsea and Westminster has a bright future with high quality staff led by a strong Trust Board and an increasingly involved Members' Council.

I would like to thank Juggy Pandit for his enormous contribution as Trust Chairman until he stepped down in October 2007. He was an excellent ambassador for Chelsea and Westminster who played a key role in our successful application for Foundation Trust status.

Marilyn Frampton stepped down as a Non-Executive Director in October 2007 and I would like to thank her for her contribution, in particular as Chair of the Clinical Governance Assurance Committee.

Professor Sir Christopher Edwards, who succeeded Juggy as Chairman in November 2007, brings a wealth of knowledge and experience to the position.

His previous role as Principal of Imperial College School of Medicine is particularly valuable as we reinforce our reputation as a centre of excellence in teaching and research.

I look forward to working with our new Chairman and all staff at Chelsea and Westminster to continue to improve the care that we provide for our patients.

*Heather Lawrence*

Heather Lawrence  
Chief Executive



# reporting back

## Performance against key priorities 2007/08

### Priority

#### **1** Develop faster, shorter pathways and one-stop care to deliver the 18-week referral to treatment target.

- We met the March 2008 government milestone to treat 85% of inpatients and day cases and 90% of outpatients within 18 weeks of GP referral
- We met the vast majority of national performance targets set by the Healthcare Commission including treating 98% of A&E patients within four hours and seeing all cancer patients referred by their GP for an urgent outpatient appointment within two weeks
- We missed an extremely tight target of no more than 12 MRSA bacteraemia, although we achieved a year-on-year MRSA reduction, and we had a small number of breaches of the 13-week outpatient waiting time target
- We opened an Acute Medical Unit in August 2007 to provide rapid assessment and fast tracking of emergency patients
- A digital radiology system—PACS (Picture Archiving & Communications System)—was fully implemented this year

### Priority

#### **2** Make patients the centre of everything we do through a focus on customer care and be the provider of choice.

- 90% of patients taking part in the NHS patient survey 2007 rated their care at Chelsea and Westminster as 'Excellent', 'Very good' or 'Good'
- We achieved a maximum 'Excellent' rating in the Healthcare Commission's annual performance ratings for quality of clinical services
- More than 1,800 staff have now received customer service training
- We have developed our specialist services by achieving 'preferred provider' status for bariatric (obesity) surgery, introducing thrombolysis for stroke patients, and providing support for PCT-led community diabetes services

### Priority

#### **3** Provide excellent teaching, learning and development opportunities for all staff.

- 40 Trust staff took part in a Leadership Academy to equip senior clinical and managerial staff with a range of management expertise
- We developed nurse training by introducing a ward sisters' programme
- We strengthened undergraduate teaching in conjunction with Imperial College School of Medicine by creating 2 additional Director of Clinical Studies posts
- Our NHS staff survey 2007 response rate was 10% up on 2006 and there was a marked improvement in staff views about their working life at the Trust

### Priority

#### **4** Develop a clear understanding of our income and cost base through service line reporting.

- The Trust achieved a financial surplus of £14.6 million
- We achieved a maximum 'Excellent' rating in the Healthcare Commission's annual performance ratings for use of resources (financial management)
- All clinical directorates took forward service line reporting in at least one area to ensure NHS resources are spent efficiently

# looking forward

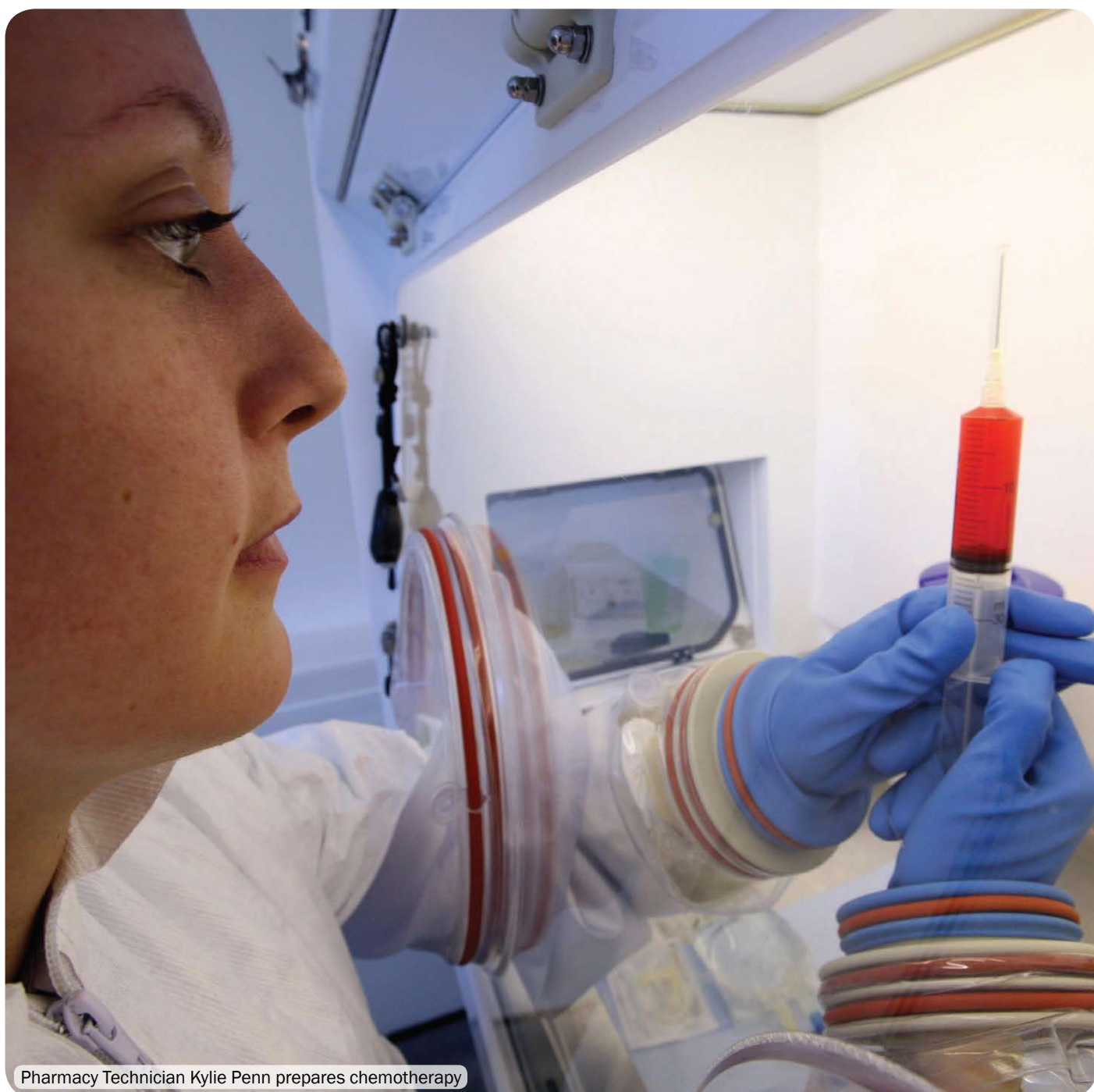
## Overarching aims and corporate objectives 2008/09

### Overarching aims

- Maintain 'Excellent' ratings for quality of services and use of resources (financial management), as assessed by the Healthcare Commission
- Achieve national best practice in the effectiveness and efficiency of services and strive for international best practice

### Corporate objectives

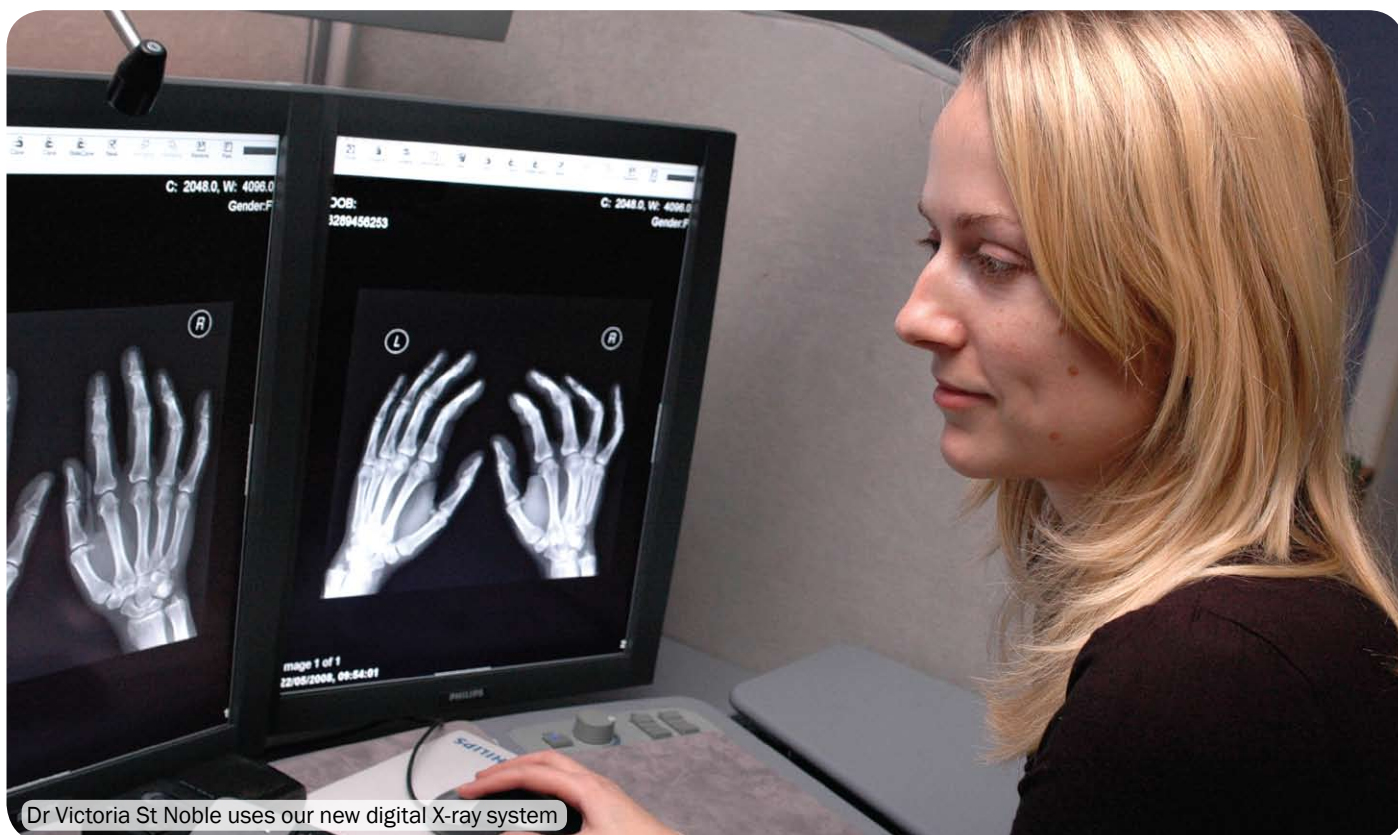
- Focus on patient safety and quality
- Deliver effective and efficient pathways of care
- Be the provider and employer of choice
- Deliver excellence in teaching and research
- Create a robust infrastructure for the future



Pharmacy Technician Kylie Penn prepares chemotherapy



# choose quality



**We are** committed to supporting our frontline staff to provide the very best quality care for patients.

Chelsea and Westminster has an established reputation for its use of new technology—digital X-rays and electronic prescribing of medication are the latest developments with tangible benefits for patient safety.

Our HIV and sexual health services are recognised internationally—they use new technology and new approaches to make care more convenient for patients.

Chelsea and Westminster is a major London teaching hospital and our role in research has been enhanced by a successful bid for government funding.

Our bid to the National Institute for Health Research placed emphasis on ensuring the speedy implementation of new developments when research proves they benefit patients.

## New Technology Digital X-Rays

A new digital radiology system—PACS (Picture Archiving and Communications System)—went live in June 2007.

This filmless X-ray system enables staff to view images on a computer instead of looking at X-ray films on a lightbox, retrieve digital images in seconds, and look at images at the same time as a colleague in another department.

Dr Margaret Phelan, Consultant Radiologist and Clinical Director for Anaesthetics & Imaging, says: “PACS maintains the Trust’s position at the forefront in the use of medical technology to support clinical care.”

## Sexual Health Services

**eTriage**, an electronic system which enables patients to request sexual health clinic appointments via the Trust website 24 hours a day, won an NHS Leadership in Health Informatics Accolade Award. The system uses an IT solution to provide a patient-centred service which was developed with a company called Mikkom.

Dr Ann Sullivan, the co-inventor of eTriage, says: “It has been extremely well received by patients who enjoy the flexibility of out of hours access to our appointments system as well as an alternative means of access to the telephone.”

Chelsea and Westminster became the first NHS trust to venture into online treatment in September 2007 by launching a remote treatment service for erectile dysfunction with **DrThom**, an online healthcare provider.

The service makes it easier for the 2.3 million UK men who suffer from erectile dysfunction to access treatment by providing a properly regulated, safe and affordable online treatment service.

Chelsea and Westminster aims to help more men seek treatment for the condition which can be an early symptom of wider health needs including cardiovascular problems.



## Electronic Prescribing

Chelsea and Westminster became the first NHS hospital in London to use full electronic prescribing of medication across both outpatient and adult inpatient settings in Autumn 2007.

Doctors can now prescribe drugs and nurses can record administration of medicines at a patient's bedside using a wireless handheld tablet PC, as shown in the photo below.

Electronic prescribing, which is already used for outpatient clinics and 'take home' medication for patients being discharged from hospital at Chelsea and Westminster,

reduces errors, improves consistency and speeds up the dispensing of drugs.

Following the introduction of electronic prescribing for outpatients and patients discharged from hospital, there has been a significant decrease in errors relating to the prescribing and administration of medicines. It is anticipated that inpatient prescribing will lead to a similar decrease.

The electronic prescribing system at Chelsea and Westminster allows doctors to use the tablet PC to prescribe medicines for patients, and it also has a back-up 'decision support' system to improve the quality and safety of prescribing.



Dr Rhys Evans and India Hardy (Lead Pharmacist—EPR Prescribing Project) demonstrate the electronic prescribing system



## choose quality



Andrew Murungi (Specialist Clinical Pharmacist) and Brian Smith (Homecare Administrator)

### HIV Homecare

A celebration event was held in March 2008 to mark the success of a scheme which makes life easier for more than 1,000 HIV patients by delivering their medicines to them at home.

Advances in drug treatments for HIV mean that many more patients can live a relatively normal life with the right medication.

The Homecare scheme enables patients from the Kobler, Victoria and West London Centre for Sexual Health clinics to have medicines delivered at a time and place convenient to them.

If staff decide that patients are clinically suitable for Homecare, administrator Brian Smith helps ensure that home delivery is set up and working for them.

Brian has been nationally recognised for his role—he won the ‘Outstanding Contribution to Acute Sector Care’ category of the PHARMAs for Pharmacy Awards in October 2007.

Homecare is a popular service according to a recent patient satisfaction survey:

- 96% rate the service as ‘Excellent’ or ‘Good’
- 83% say the service has made their life easier

HIV Consultant Dr Mark Nelson says: “The success of Homecare is a tribute to the teamwork between doctors, nurses, pharmacists and other staff, and of course the patients who choose to receive their care at our centres.”

### Sexual Health Service for People with Learning Disabilities

A new sexual health service for people with learning disabilities—the Pearl Service—was launched at the Trust’s West London Centre for Sexual Health this year.

It won the Tracey Harrow Award for Innovation from Hammersmith & Fulham PCT who are Chelsea and Westminster’s partners on the project.

Marie Comerasamy, of the PCT’s Learning Disability Team, says: “This service is the result of teamwork across NHS organisations and a genuine partnership between healthcare staff and people with learning disabilities.”

Ceri Evans, Senior Sexual Health Adviser at the West London Centre for Sexual Health who led the development of the service for the Trust, says: “Our service users chose the name, helped develop our patient information, and they are vital in spreading the word about our service.”

### Key Facts

- **66,067** patients used our sexual health services in 2007/08
- **5,444** people living with HIV receive treatment from Chelsea and Westminster

## Patients to Benefit from £20 million Research Project

NHS patients in North West London will benefit from a £20 million research project which aims to drive forward the rapid introduction of new, effective treatments for a wide range of medical conditions.

Chelsea and Westminster led a bid for funding on behalf of NHS hospitals, primary care trusts and community services in North West London, together with our academic partner Imperial College London.

Public Health Minister Dawn Primarolo announced in May 2008 that a £10 million bid to the National Institute for Health Research (NIHR) had been successful.

This central funding for the North West London Collaboration for Leadership in Applied Health Research and Care (CLAHRC) will be matched by £10 million from CLAHRC organisations.

The CLAHRC has an ambitious programme of work which has the potential to accelerate the delivery of research findings into patient care.

It is internationally recognised that patients do not always see the benefits of medical research because of a lack of clear pathways to implement successful treatments.

The North West London CLAHRC, hosted at Chelsea and Westminster, will develop and evaluate a systematic approach to implementing successful treatments across a variety of clinical settings. New treatments and ways of working will be tested and, if successful, implemented.

The research projects aim to:

- Speed up the introduction of new treatments
- Standardise treatment wherever patients are treated
- Ensure that all new treatments focus on improving patient experience, as well as safety and functionality

Projects due to start in October 2008 include:

- A joint project with NHS Direct to explore the potential benefits of telephone follow-up in relation to patient drugs for patients discharged from hospital
- A primary care-led project to develop case management of patients living with chronic diseases such as diabetes and asthma
- 'Care bundles' to standardise treatment for pneumonia and chronic obstructive pulmonary disorder (COPD)

Professor Derek Bell, Professor of Acute Medicine at Chelsea and Westminster who led the bid for funding, says: "We are dedicated to actively involving patients and the public in developing research projects. This will be supported by a programme of staff training and development."

### Key Facts

- **193** active research projects were underway at Chelsea and Westminster in 2007/08
- **308** research papers were published by researchers at Chelsea and Westminster in the last year including publication in the *Lancet* and the *British Medical Journal*



Research & Development team (left to right)—Stuart Green, Maria Batson, Christopher Braime, Dr Julie Reed and Professor Derek Bell



# choose excellence



A newborn baby on our Maternity Unit

**We are** committed to providing excellent treatment and care for patients.

Chelsea and Westminster was rated 'Excellent' by the Healthcare Commission for both quality of services and use of resources in its annual performance ratings published in October 2007.

This makes us officially one of the best three hospitals in London and among the top 5% in England.

Our maternity and children's services are popular with patients and parents alike.

## Maternity Services—Miracle of Life

Our maternity services are increasingly popular with women—there were more than 4,700 deliveries in 2007/08.

However, we were disappointed to be among the hospitals rated 'Least well performing' in the Healthcare Commission's review of maternity services.

Even before the review was published in January 2008, the Trust had made a series of improvements in response to concerns raised when it was carried out in February 2007.

## Safety Standards

Chelsea and Westminster performed well in a major national survey of safety standards in NHS maternity services which was published in March 2008.

'Perinatal Mortality 2006', a study by the Confidential Enquiry into Maternal and Child Health (CEMACH), reports stillbirths and perinatal deaths (between five months gestation and one week after birth) in all maternity units in England, Wales and Northern Ireland.

Our figures for both stillbirths and perinatal deaths are well below both the London and national averages.

This new study should reassure pregnant women that Chelsea and Westminster is a safe hospital.

## Improving Postnatal Care

The Healthcare Commission raised concerns about postnatal care during its review of maternity services in February 2007.

A Postnatal Working Group was set up with consultants, midwives, women who use our services, and members of the Maternity Services Liaison Committee (the patient forum for maternity services).



Improvements made before the Healthcare Commission published its review in January 2008 included more thorough cleaning, the development of a transfer lounge where women and their babies can wait in comfort before going home, and a postnatal ward information pack for all women.

Postnatal ward statistics confirm these improvements:

- 37% fewer clinical incidents in 2007 (compared with 2006)
- 48% fewer complaints April to November 2007 (compared with April to November 2006)

Martin Lupton, Consultant Obstetrician and Gynaecologist, says: "Our Postnatal Working Group agreed that postnatal care had problems that we needed to sort out as quickly as possible. I am delighted that this focused approach has made a demonstrable difference to our postnatal care."

### Maternity Services Website

Our new and improved maternity services website includes a virtual tour so you can see our facilities from the comfort of your own home. It also includes a step-by-step guide to pregnancy and birth. Visit [www.chelwest.nhs.uk/maternity](http://www.chelwest.nhs.uk/maternity) to find out more.

### Key Facts

- **4,768** deliveries on the Maternity Unit at Chelsea and Westminster in 2007/08
- **90%** of women rate the quality of their maternity care at Chelsea and Westminster as 'Excellent', 'Very good' or 'Good' (Healthcare Commission maternity review 2008)



Susana Garcia with her 2-day-old twins Sara and Emily

### My Chelsea and Westminster

*"Our baby son was delivered by emergency Caesarean section at Chelsea and Westminster on 26 July 2007. I had planned a home water birth but had to be brought to hospital by ambulance after being in labour at home for more than 24 hours.*

*"By the time I arrived in the delivery room I was exhausted and upset at being in hospital, but despite this the doctor, midwife and the student midwife assisting them treated me with respect.*

*"Eventually a Caesarean became necessary for the wellbeing of the baby and I was extremely impressed with the treatment I received. I will be forever grateful."*

—**Ekatarina van den Rekk**

*"I gave birth to Sam at Chelsea and Westminster on 15 September 2007 and I want to express my gratitude for the excellent support and professional care I received both from the Juniper team midwives and staff on the Labour Ward.*

*"My antenatal and postnatal care from the Juniper team was second to none. They provided expert guidance, reassurance*

*and gave me complete confidence in bringing Sam into the world. I believe they are an outstanding team and a real asset to our community.*

*"The Labour Ward team were also fantastic. We were allocated a midwife who was confident and reassuring throughout my labour, looking after us from the moment we arrived until Sam was delivered.*

*"All too often the total commitment offered by outstanding staff is taken for granted. In all cases, every person offered care above and beyond the call of duty."*

—**Claire Gordon**

*"I had my baby at Chelsea and Westminster on 28 June 2007 and the care I was given was exceptional. A midwife stayed with me every step of the way. Even when things got tough they explained what was happening and why, and helped to get my baby out safe and sound.*

*"The care I received from the Willow team midwives in the two weeks after I went home was also very much-needed and appreciated. Thank you."*

—**Sally Atherton**



A baby being cared for on the Neonatal Intensive Care Unit (NICU)

### Children's Services—Safe In Our Hands

Our children's services are among the best in the country—a national review by the Healthcare Commission placed us in the top 25% of NHS trusts.

A wide range of general and specialist services provide integrated healthcare for children and their families in hospital, the community and at home.

Specialist services include:

- Neonatal and paediatric surgery
- Neonatal Intensive Care Unit
- 24-hour Children's A&E
- Specialist clinics
- Children's operating theatres
- Dedicated adolescent services
- Support services including school and play specialists

In 2008/09 we intend to bid to become the lead centre for specialist children's services in North West London—this report profiles just a few of these services.

Families who have relied on the expertise of our staff and services tell their stories in their own words.

### Craniofacial Surgery

Rugby-mad teenager George Lafford is back playing the game he loves—thanks to the expertise of surgeons at Chelsea and Westminster.

He travelled from Cornwall to be operated on for a malignant tumour by Consultant Craniofacial Surgeon Simon Eccles and his colleague, Consultant ENT/Head and Neck Surgeon Peter Clarke.

George says: "My local hospital referred me to Chelsea and Westminster because they specialise in this surgery."

Peter Clarke explains: "We carried out a seven-hour operation in September 2007 to remove not only George's tumour but also an extensive area around the ear including lymph nodes to ensure that no trace of the cancer was left."

Simon Eccles says: "While Peter was removing the tumour, I was grafting skin and tissue from George's leg to help reconstruct the area around the ear."

The operation was successful and George was able to return home to Cornwall a week later to the delight of his mum, Denise.

### My Chelsea and Westminster

*"I am in awe of the craniofacial surgery team and the wonderful adolescent unit. We were uplifted by the positive help and support we received as a family. We travelled for treatment from Cornwall because of the expertise of staff at Chelsea and Westminster."*

—Denise Lafford

### Neonatal Intensive Care Unit

When her twins were born two months prematurely, Hilary McElwaine swapped a high-flying career in the City for a new existence watching over her critically ill babies in our Neonatal Intensive Care Unit (NICU).

The expertise of staff on NICU, who provide the highest level of specialist care for more than 500 sick and very premature babies every year, enabled Oliver and Clarissa to pull through after spending almost two months on the Unit.

Now Hilary has written a book about her experiences to raise money and awareness for NICU.

### My Chelsea and Westminster

*"The staff on NICU were just fantastic when our twins were born prematurely. I wrote my book 'Little Miracles' not only to say thank you and to raise money for NICU but also to help other parents who have multiple births or babies born prematurely."*

—Hilary McElwaine



## Key Facts

- Our children's services are **'Good'** (Healthcare Commission review 2006)
- **70,753** children were treated in 2007/08

|             |        |
|-------------|--------|
| Inpatients  | 8,164  |
| Outpatients | 31,678 |
| A&E         | 30,911 |

## Children's A&E

When Jessica Osborne fell ill at Christmas 2007, she and her family were thousands of miles from their home in Canada.

Fortunately, staff in our Children's A&E department—which is open 24 hours a day and treats 30,000 children a year—came to the rescue. Jessica's family sent a heartfelt email of thanks to the hospital when they were safely back home.

## My Chelsea and Westminster

*"We were visiting London from Toronto when my husband's daughter Jessica caught an enteric (intestinal) infection and was quite ill. She is diabetic so we took her to Chelsea and Westminster to be assessed and treated."*

*"Staff in Children's A&E ensured that Jessica was comfortable, worked quickly to get her blood and urine samples tested, and took time to assure Jessica's mum (on the phone from Canada) that she was well taken care of."*

*"We really appreciated the help of those staff—it was wonderful to encounter such a welcoming hospital while visiting a foreign country!"*

—Erika Davis

## Specialist Clubfoot Clinic

The pioneering work of a team who have an international reputation for their care of babies born with clubfoot is set to be featured in a BBC TV medical documentary presented by Professor Robert Winston.

'Medical Frontiers' will follow the story of Jody and Stuart Diton whose daughter Addison was diagnosed with clubfoot before she was born in May 2008—Jody and Stuart asked for her to be referred for treatment at Chelsea and Westminster.

The Ponseti Clubfoot Clinic team is led by Denise Watson, Paediatric Orthopaedic Physiotherapy Practitioner, and includes orthopaedic surgeons, other physiotherapists and a plaster technician.

Treatment for clubfoot has traditionally involved invasive surgery but the Ponseti method includes serial casts, a tenotomy (small surgical incision) of the Achilles tendon performed under local anaesthetic, and splints that are worn at night.

Denise Watson says: "The Ponseti method enables us to predict good results for parents. Our success relies on a strong team and would not be possible without the support of orthopaedic surgeons Alison Hulme and Stuart Evans."



Professor Robert Winston with baby Addison



Dr Ed Abrahamson examines Amelia Sutton (12 months) in Children's A&E

# choose performance

**We are** committed to working in partnership with patients, our local community and staff to make Chelsea and Westminster a high performing hospital of choice.

We work with our Members' Council, including elected representatives of patients, members of the public and staff, to ensure that their voices are heard.

Foundation Trust status provides improved accountability to patients, the public and staff, and increased financial flexibility to invest in services.

## An Excellent Hospital—It's Official!

Chelsea and Westminster was officially rated 'Excellent' for both quality of services and use of financial resources in the Healthcare Commission's annual performance ratings.

We were among the top three hospitals in London and in the top 5% nationally—see the table below for local comparisons.

## My Chelsea and Westminster

*"We are very pleased with the results achieved by Chelsea and Westminster which demonstrate that the services we commission as a PCT are performing to a very high standard."*

—**Diana Middleditch, Chief Executive  
Kensington & Chelsea Primary Care Trust**

*"This independent assessment should assure patients that they can expect to receive a very high standard of care when they come to Chelsea and Westminster."*

—**Heather Lawrence, Chief Executive  
Chelsea and Westminster Hospital**

## Listening to Patients Nurses Win National Award

Sheila Smith, a member of the rheumatoid arthritis patient group at Chelsea and Westminster, nominated a team of nurses for the National Rheumatoid Arthritis Society's 'Healthcare Champions in Inflammatory Arthritis' award.

The Society named Bridget Ryan, Sarah Collis, Antonia Greeves and Ashlynn Van Vuuren among their top 20 healthcare champions for rheumatoid arthritis patients.

Bridget Ryan said: "We were particularly delighted to win this award because the winners were chosen by patients. We are really excited that our patients are developing a voice."

## My Chelsea and Westminster

*"I would like to give our heartfelt thanks to the team at Chelsea and Westminster for all their efforts on behalf of their patients."*

—**Lynn Love, Director of Operations  
National Rheumatoid Arthritis Society**

## Patient Survey

We were rated the fourth best hospital in London in the Healthcare Commission's annual patient survey. 90% of patients said our care was 'Excellent', 'Very good' or 'Good'.

Areas for improvement to be addressed by wards include:

- Staff talking in front of patients
- Cleanliness of toilets and quality of hospital food
- Information for patients before admission to hospital
- Pain control
- Enhancing confidence and trust in doctors and nurses

## Annual Performance Ratings—How Do We Compare?

| Trust                                    | Quality Of Services <sup>1</sup> | Use Of Resources <sup>1</sup> |
|--|----------------------------------|-------------------------------|
| Chelsea and Westminster                  | Excellent                        | Excellent                     |
| Ealing                                   | Good                             | Good                          |
| Hammersmith <sup>2</sup>                 | Good                             | Fair                          |
| Hillingdon                               | Fair                             | Good                          |
| North West London Hospitals <sup>3</sup> | Good                             | Weak                          |
| Royal Brompton                           | Good                             | Good                          |
| Royal Marsden                            | Excellent                        | Excellent                     |
| St Mary's                                | Good                             | Good                          |
| West Middlesex                           | Fair                             | Weak                          |

<sup>1</sup> Rated Excellent, Good, Fair or Weak (**Source:** Healthcare Commission annual performance ratings—October 2007)

<sup>2</sup> Includes Hammersmith and Charing Cross hospitals' performance combined

<sup>3</sup> Includes Northwick Park and Central Middlesex hospitals' performance combined





Foundation Trust status has enabled us to invest in new CT and MRI scanners

## Benefits of Foundation Trust Status Rewarding Our Staff

The Trust Board approved a one-off payment of £100 to every member of staff when the Trust was rated 'Excellent' by the Healthcare Commission.

Bonuses are commonplace in the private sector but more unusual in the NHS—we used our financial freedoms as a Foundation Trust to make the payment.

Chief Executive, Heather Lawrence said: "The Trust Board recognised that our 'Excellent' performance was made possible by the efforts of staff."

## My Chelsea and Westminster

*"Giving staff a £100 payment to show their appreciation is a very good gesture from the Board."*

—**Dr Helen Yarranton, Consultant Haematologist**

*"Thank you—this is a real morale booster."*

—**Tina Hutchings, Specialist Sister  
Early Pregnancy Assessment Unit**

*"This is really a lovely gesture and I am sure it will boost staff morale everywhere."*

—**Sue Collins, Nurse Clinician  
Gynaecology Rapid Access Service**

## Key Facts

- **13,140** patients, members of the public and staff are Foundation Trust members
- Almost **1,700** people attended our Foundation Trust Open Day in May 2008

## Investing in Patient Care

As a Foundation Trust, we retain our financial surplus and have more freedom to borrow money.

The Trust Board approved a £19.4 million capital investment programme for the 2007/08 financial year as a direct result of our Foundation Trust status, including:

- Centralising the decontamination of endoscopes
- Expanding our Children's A&E department
- Replacing CT and MRI scanners
- Implementing a digital X-ray system (PACS)
- Expanding the Private Maternity Unit

## Role of the Members' Council

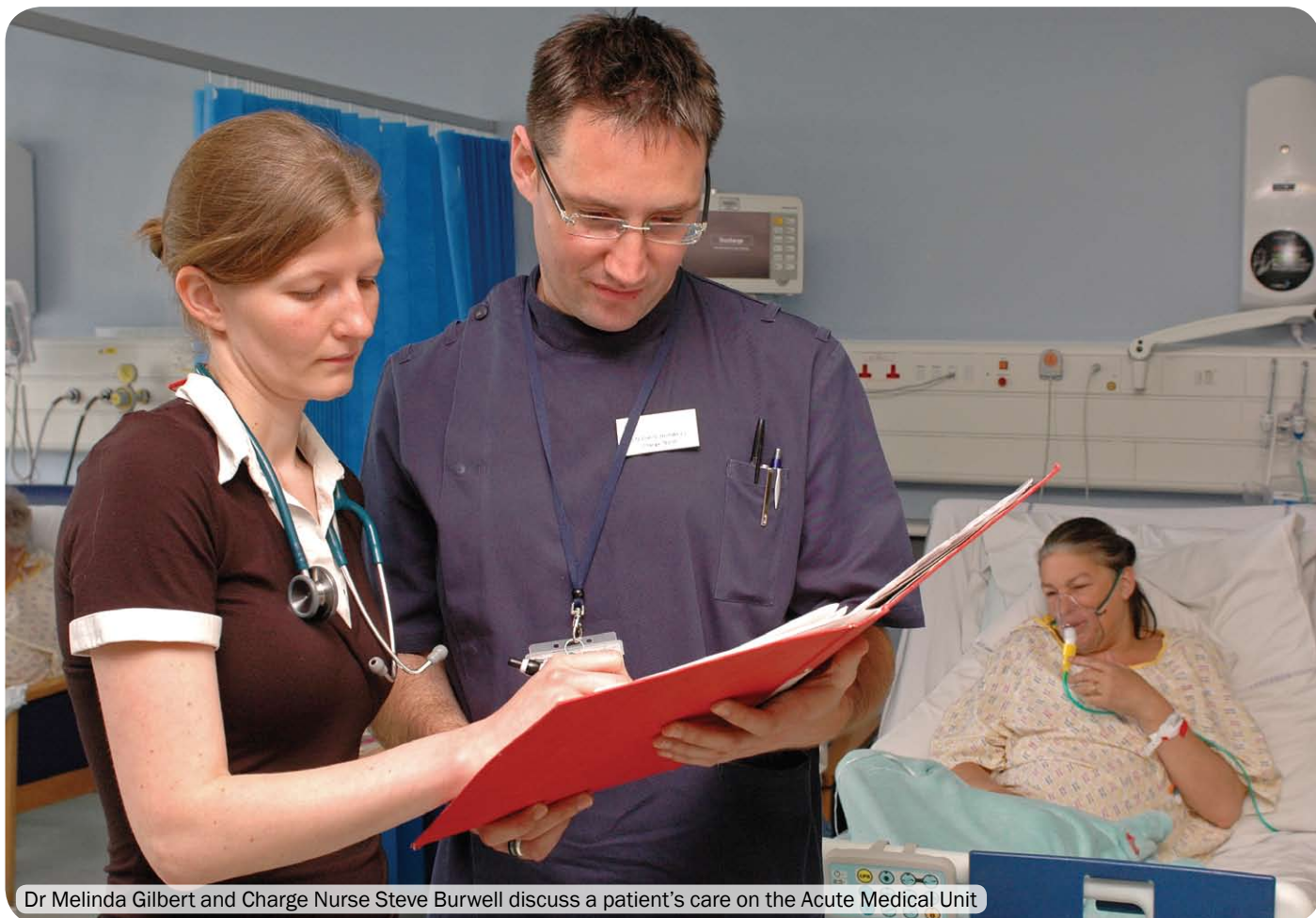
This year our Foundation Trust Members' Council, including elected representatives of patients, the public and staff, accomplished the following:

- Approving the appointment of a new Trust Chairman after a selection process led by a Nominations Committee which included Patient and Staff Council Members
- Reporting back to Foundation Trust members at the Annual Members' Meeting in September 2007—Martin Rowell, a patient representative on the Council, presented the report
- Taking part in the development of the Trust's strategic direction and key objectives
- Developing Foundation Trust membership activity through a Membership Development and Communications Sub-Committee of the Members' Council
- Launching a regular series of 'Meet the Members' Council' sessions at the hospital Open Day in May 2008



Martin Rowell, patient representative on the Members' Council, speaking at the Annual Members' Meeting in September 2007

# choose success



Dr Melinda Gilbert and Charge Nurse Steve Burwell discuss a patient's care on the Acute Medical Unit

**We are** committed to reducing waiting times by improving pathways of care for patients.

The Trust not only met but exceeded a government target that by March 2008 90% of outpatients and 85% of inpatients and day case patients should be treated within 18 weeks of referral by their GP.

Improvements to patient pathways this year included the opening of a new Acute Medical Unit and a new approach to the care of urology patients in our Treatment Centre.

We also provide specialist services that are recognised by independent experts as among the best in the country—including stroke care and bariatric (obesity) surgery.

## Acute Medical Unit Opens

An Acute Medical Unit opened in August 2007 for patients with a wide range of medical conditions who can be referred direct from A&E or by their GP.

The Unit has a team of nurses, doctors, therapists, pharmacists, and other healthcare professionals to give patients the care they need as quickly as possible.

Dr Gary Davies, Lead Consultant, explains: "We provide a self-contained rapid assessment unit so that care is well co-ordinated, leading to early diagnosis, prompt treatment and discharge from hospital."

Steve Burwell, Charge Nurse, says: "Patients are rapidly assessed by a nurse and by a member of the medical team within 20 minutes."

## Key Facts

- Inpatients and day cases treated within 18 weeks of GP referral

|                |     |
|----------------|-----|
| March 2007     | 29% |
| September 2007 | 54% |
| March 2008     | 91% |

- Outpatients treated within 18 weeks of GP referral

|                |     |
|----------------|-----|
| March 2007     | 48% |
| September 2007 | 82% |
| March 2008     | 97% |



## Specialist Services

### Stroke Care

The Stroke Unit at Chelsea and Westminster is among the best in the country—we were ranked sixth out of 224 hospitals in England in the latest National Sentinel Stroke Audit.

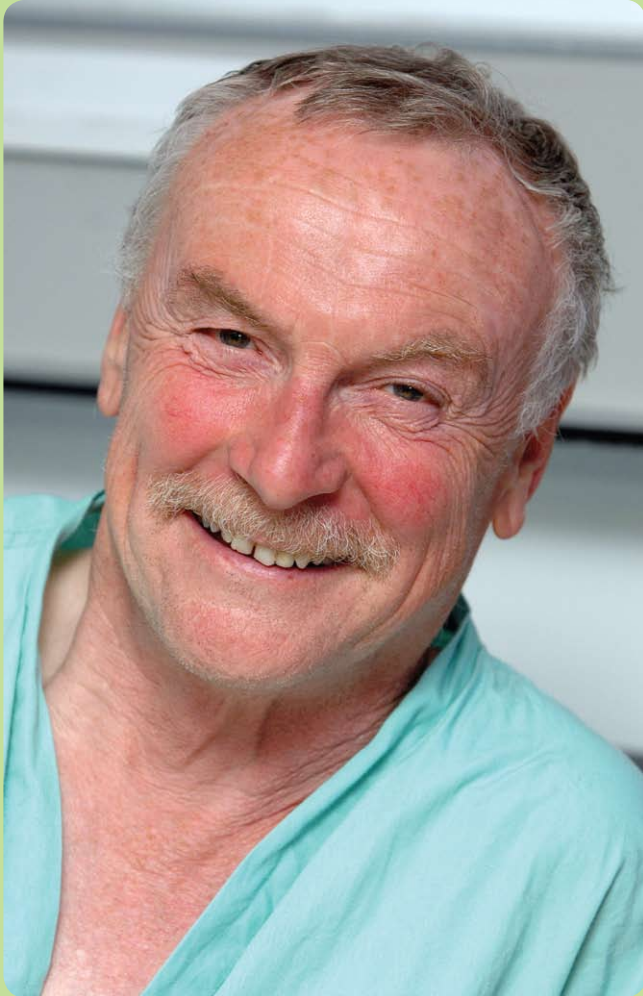
This service has been enhanced by the introduction this year of stroke thrombolysis, a clot-busting treatment that can improve the recovery of patients who have had a stroke caused by a blockage of the blood supply to the brain.

Thrombolysis is not suitable for all stroke patients and its use is always considered carefully by clinicians because it can have serious side effects.

Dr John Janssen, Consultant Neurologist, explains: “Although thrombolysis is only suitable for a minority of patients, all stroke patients benefit from its introduction.

“This is because we have revamped the stroke assessment process with improved multi-disciplinary working, faster access to brain CT scan and rapid admission to the Stroke Unit.”

### My Chelsea and Westminster



*“I came to A&E after suffering a stroke in a restaurant near the hospital. I had been visiting my brother on a ward at Chelsea and Westminster and I was lucky that I was so close to the hospital when it happened because my treatment in A&E and on the Stroke Unit was excellent.*

*“The A&E doctor assessed my suitability for thrombolysis, a treatment offered to patients who could benefit from it. I had an electrocardiogram, a chest X-ray and a CT scan.*

*“The care on the Stroke Unit was first rate—I was seen by doctors, nurses, physiotherapists, and occupational and speech therapists. It felt like a real team effort and I am extremely grateful to everyone at Chelsea and Westminster.”*

**—Dick Goddard, stroke patient**

### My Chelsea and Westminster



*“We travelled from South Wales to go to the Chelsea Flower Show, which I have always wanted to do, but unfortunately I was taken ill with a suspected stroke at the Show and I was brought to A&E at Chelsea and Westminster.*

*“I was terrified but the staff were fantastic. They did tests to see if I was suitable for thrombolysis.*

*“The care I received on the Stroke Unit was amazing. I wanted to stay here for treatment, rather than be transferred to a hospital closer to home, because this is a specialist unit and the nursing staff were brilliant.*

*“Not only do they have expertise but they also have that human touch which makes all the difference.”*

**—Wendy Powell, stroke patient**

## choose success



### Bariatric Surgery

Chelsea and Westminster has been selected as a regional 'preferred provider' of bariatric (obesity) surgery by the South East Coast Specialist Commissioning Group.

'Preferred providers' like Chelsea and Westminster ensure that patients receive surgery to suit their needs as part of a holistic service including post-operative support.

Surgery is just one part of the assessment and treatment of clinically and morbidly obese patients.

Patients are assessed by a multi-disciplinary team of staff and we follow National Institute for Clinical Excellence (NICE) criteria to assess their suitability for surgery.

The service was strengthened this year by the recruitment of surgeon Mr Gianluca Bonanomi and the appointment of a clinical nurse specialist, Nuala Davison.

### Key Facts

- Average length of hospital stay (non-emergency patients)

|         |           |
|---------|-----------|
| 2006/07 | 3.11 days |
| 2007/08 | 2.90 days |

- Average length of hospital stay (emergency patients)

|         |           |
|---------|-----------|
| 2006/07 | 3.73 days |
| 2007/08 | 3.44 days |

- Number of patients treated in 2007/08

|              |                |
|--------------|----------------|
| Inpatients   | 39,405         |
| Outpatients  | 357,907        |
| Day cases    | 17,955         |
| <b>Total</b> | <b>415,267</b> |

### Small Changes Make a Big Difference for Urology Patients

The Treatment Centre is for short stay surgical patients, most of whom can return home on the same day as their operation.

Patients undergo pre-operative assessment, preparation for surgery, anaesthetic, surgery and post-operative recovery in the Treatment Centre.

Patient Oswald Smith (see opposite page) says: "I chose to come to Chelsea and Westminster for my minor urology operation because I was treated for prostate cancer here and I was pleased with my care.

"The atmosphere in the Treatment Centre was more relaxed than an operating theatre. I was able to come in at 11am and leave by 5pm the same day."

A new nursing role has improved the care of urology patients in the Treatment Centre. Ruth Featherstone phones patients before they come in for surgery, ensures all pre-assessment checks are done, and checks that operating theatre staff and equipment are available.

In the first three months after Ruth's role was introduced by Dawn Grant, Senior Nurse in the Treatment Centre, there was a 25% reduction in cancelled operations and an 83% decrease in patients failing to turn up for surgery.

Dawn says: "This proves that a small change can make a big difference. Patients appreciate the 'personal touch' of being phoned before coming in for their operation."

### Key Facts

- **8,270** operations were carried out in the Treatment Centre in 2007/08
- **11,146** operations were carried out in the Main Operating Theatres in 2007/08



## A Patient's Journey in the Treatment Centre—Oswald Smith



1  
Oswald at his pre-operative consultation



2  
Oswald has his blood pressure checked



3  
Staff nurse Emanuela Preda weighs Oswald prior to anaesthetic



4  
Oswald is prepared for his anaesthetic



5  
The general anaesthetic is administered



6  
The general anaesthetic takes effect and Oswald is ready for surgery



7  
Surgeon Michael Dinneen operates on Oswald



8  
Oswald in recovery after the operation



9  
Thumbs up—Oswald is all smiles following a successful procedure



# choose cleanliness



Housekeeper Jemima Owusu on Edgar Horne Ward

**We are** committed to minimising the risk of infection and maintaining a clean hospital in partnership with our cleaning contractor ISS Mediclean.

Our track record on infection control and cleanliness over the past few years compares well with other hospitals in London and nationally.

We took swift action to contain a serious outbreak of diarrhoea and vomiting in January and February 2008 and we have learned infection control lessons from a legal case settled in January 2008.

## Saving Lives

A national initiative 'Saving Lives' has been launched at Chelsea and Westminster.

It reinforces the message that all staff can reduce infections—visitors to the hospital can also help by cleaning their hands with hand gel available at the entrances to all wards and departments.

'Saving Lives' includes seven 'high impact interventions' for staff to focus on to reduce the risk of infection—such as surgical site infections, care of intravenous lines (drips), and the care of ventilated patients.

## Containing an Infection Control Outbreak

Swift and decisive action was required to tackle an outbreak of diarrhoea and vomiting in January 2008. More than 50 patients and staff had symptoms, 24 of whom had *Clostridium difficile*.

Senior staff including the Chief Executive, Director of Nursing and Director of Infection Prevention & Control monitored the outbreak and agreed actions to contain it.

Infected patients were treated in single rooms wherever possible, wards were closed to admissions of new patients to limit the risk of infection and 'deep cleaned' before re-opening to new admissions.

Posters were displayed prominently notifying the public of the outbreak and advising people to stay away from the hospital if they had symptoms of diarrhoea and vomiting.

The Chief Executive took the decision to use a ward of single rooms usually occupied by the hospital's private patients to help control the outbreak.

These measures were successful in enabling the Trust to tackle the outbreak effectively, limit the spread of infection and return the hospital to normal as soon as possible.



Sister Sue Smith helps a young visitor clean his hands

## Learning Lessons

Actress Leslie Chapman (née Ash) was awarded £5 million compensation by the NHS Litigation Authority in January 2008.

She sustained injuries as a result of shortcomings in her care at Chelsea and Westminster in April 2004 relating to infection control practice.

The case was highlighted by the national media because of the size of the compensation payout and Mrs Chapman's high profile.

The Trust carried out a full review of all relevant procedures at the time of this case to learn from its mistakes and to improve patient care.

The Trust apologised to Mrs Chapman for the failings in her care and stressed its excellent track record on infection control and cleanliness in the four years since she was a patient.

## My Chelsea and Westminster

*"I have been impressed on recent visits to Chelsea and Westminster by the wonderful cleanliness of your hospital which is far and away the most sparkling clean of any I have seen. The media seems to be full of horror stories about dirty hospitals but you seem to be doing a great job."*

—Sue Ellicott

*"[Chelsea and Westminster] was wonderful. The nurses were marvellous. It was spotlessly clean."*

—Lord Mancroft, House of Lords speech



Dr Berge Azadian, Director of Infection Prevention & Control, at work in the hospital's laboratories

## Key Facts

- **90%** of patients said their room or ward was clean (Healthcare Commission patient survey 2007)
- Our hygiene standards are rated **'Good'** (Patient Environment Action Team data—National Patient Safety Agency 2007)

- Our infection rate is almost **50%** less than the national average (Hospital Infection Society)
- **66%** reduction in MRSA rate over 3 years

|         |          |
|---------|----------|
| 2004/05 | 47 cases |
| 2005/06 | 28 cases |
| 2006/07 | 23 cases |
| 2007/08 | 16 cases |



# nhs 60<sup>th</sup> anniversary

2008 marks the 60th anniversary of the NHS—one of the most recognised and best loved institutions in the world.

Chelsea and Westminster Hospital also celebrates its 15th birthday in 2008 but, of course, the history of healthcare in the area dates back much further than 1983.

The new hospital brought together staff and services from 5 London hospitals:

- **St Mary Abbots Hospital**—an infirmary occupied the site of what had been the Kensington workhouse and the hospital was founded in the late 19th century
- **St Stephen's Hospital**—St Stephen's was founded in the late 1800s but a map of 1664 indicates on this site (where Chelsea and Westminster Hospital is now located) 'the hospital in Little Chelsea' and later there was a workhouse and then an infirmary
- **Westminster Children's Hospital**—built in 1907 as The Infants Hospital in Vincent Square, SW1, it amalgamated with the Westminster Hospital in 1946
- **Westminster Hospital**—founded as a voluntary hospital in Petty France, Pimlico, in 1719, it occupied a number of other sites
- **West London Hospital**—opened in 1860, the hospital was known from the early 1970s for its woman-centred maternity service

## National Campaign Launched at Chelsea and Westminster

TV presenter Gaby Roslin officially launched a national campaign to celebrate the 60th anniversary of the NHS at the Chelsea and Westminster Hospital Open Day in May 2008.

Under the slogan "ordinary people doing extraordinary things", the NHS Employers campaign honours the contribution of NHS staff to their communities and celebrates the many reasons that staff throughout the health service are proud to work for the NHS.

Open Day visitors were invited to write down their own personal reasons for being proud of the NHS on special anniversary postcards which were then attached to a giant '60' art installation.

The launch at Chelsea and Westminster kicked off a series of similar events all over the country—more than 150 NHS trusts pledged to participate in the campaign.

As our photos from the Open Day show, staff and visitors of all ages took the time to express their pride in the NHS and in their local hospital.





## Picturing the NHS at 60

Patients and staff at Chelsea and Westminster took part in a unique photographic project to capture the essence of the NHS in its 60th year—in just 60 images.

NHS Choices—a national website with a wide range of health information—commissioned the photo essay which can be seen at [www.nhs.uk](http://www.nhs.uk).

Photographers were given access to a number of different clinical areas at Chelsea and Westminster—including the Maternity Unit, Neonatal Intensive Care Unit, Treatment Centre and Burns Unit—to take these stunning pictures.



Tears of joy on the Maternity Unit



Surgeon Michael Dinneen at work in the Treatment Centre



A premature baby on the Neonatal Intensive Care Unit (NICU)



Nurse Gloria Olaofe changes a dressing on the Burns Unit



# statutory information

## Background Information

### Brief History of the Trust

Chelsea and Westminster Hospital opened in May 1993 on the former site of St Stephen's Hospital. It replaced five hospitals—St Stephen's, St Mary Abbots, Westminster Children's, Westminster and West London.

Chelsea and Westminster Hospital NHS Foundation Trust was founded on 1 Oct 2006 under the Health and Social Care (Community Health and Standards) Act 2003.

### Financial Information

Accounting policies for pensions and other retirement benefits are set out in notes 1.16 - 1.18 to the accounts. Details of senior employees' remuneration are on page 46. Deloitte & Touche LLP are the Trust's external auditors. Details of their remuneration are in note 5 to the accounts on page 45.

## Directors' Report

### Directors

The Trust has a Board of Non-Executive and Executive Directors.

#### Non-Executive Directors

Juggy Pandit retired as Chairman on 31 Oct 2007. Professor Sir Christopher Edwards was appointed as Chairman from 1 Nov 2007. Marilyn Frampton retired as a Non-Executive Director on 31 Oct 2007. Colin Glass was appointed as a Non-Executive Director from 1 Nov 2007. Other Non-Executive Directors are Andrew Havery, Professor Richard Kitney, Karin Norman and Charles Wilson.

#### Executive Directors

Executive Directors are Heather Lawrence (Chief Executive), Dr Mike Anderson (Medical Director), Lorraine Bewes (Director of Finance & Information), Andrew MacCallum (Director of Nursing) and Amanda Pritchard (Director of Service Integration & Modernisation/Deputy Chief Executive—maternity leave Dec 2007–July 2008). Mariella Dexter joined the Trust in Jan 2008 as Interim Director of Service Integration & Modernisation to cover Amanda Pritchard's maternity leave. Catherine Mooney (Director of Governance & Corporate Affairs) attends Board meetings as Company Secretary.

### Principal Activities of the Trust

The Trust is a Central London teaching hospital, providing general hospital services to the local population and specialist tertiary services in a range of specialties including HIV, Burns and Paediatrics to patients from a wider area. It is a main campus of Imperial College School of Medicine.

Most services are at Chelsea and Westminster Hospital but HIV/GUM services are provided at the St Stephen's Centre next to the hospital, the Victoria Clinic, SW1, and the West London Centre for Sexual Health, Charing Cross Hospital.

Clinical services are divided into five directorates, each led by a General Manager and Clinical Director. Support services include pharmacy, therapy services, and facilities management. Facilities services are contracted out to ISS Mediclean and Haden Building Management.

### Audit Information

So far as the Directors are aware, there is no relevant audit information of which the auditors are unaware. The Directors have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

### Business Review

#### Review of Financial Performance

The Trust built on its financial success in 2006/07. It had an exceptional year and achieved a surplus of £14.6m for 2007/08. Consequently the Trust's financial risk rating by Monitor was 5 out of 5 where 5 is 'low risk' and the top rating that a Foundation Trust can achieve.

Factors driving this financial performance included well controlled pay budgets (pay was underspent by £1.1m), non-clinical income over-performance (£5.8m ahead of plan) and non-pay expenditure (£3.2m ahead of plan) due to non-recurrent benefits including release of bad debt provision (£1.2m).

#### Review of Non-Financial Performance

The Trust was rated 'Excellent' (the maximum score available) for both 'Quality of services' and 'Use of resources' in the annual performance ratings published by the Healthcare Commission in October 2007. The Trust exceeded the government's March 2008 milestone to treat 85% of inpatients and day cases, and 90% of outpatients within 18 weeks of GP referral.

The Trust met most national targets in 2007/08 but experienced some difficulty in meeting 2 targets:

- The Trust missed a target of no more than 12 MRSA bacteraemia but had only one patient admitted for routine planned surgery in 2007/08 who acquired MRSA bacteraemia and the Trust had a year-on-year reduction in MRSA. The Department of Health set a target to reduce MRSA by 60% over a three-year period. This would require the Trust to have no more than 15 cases in 2007/08, which is the target that the Health Protection Agency set for the Trust. The Trust had 16 cases which is within tolerance levels. However, there is a disagreement about the target which the Department of Health maintained should be 12.
- The Trust had a small number of unacceptable breaches of the 13-week outpatient waiting time target but steps were taken to ensure this does not happen again.

#### Principal Risks and Uncertainties Facing the Trust

The Trust considers there are key performance risks in 2008/09 for five national targets:

- Year-on-year reduction in *Clostridium difficile* infections



- Achieving the new set target of MRSA cases at less than 50% of the 2003/04 level (19 cases in 2008/09)
- Maximum 31-day wait from decision to treat to start of cancer treatment
- Maximum 62-day wait from referral to cancer treatment
- 18-week wait from GP referral to hospital treatment for 90% of inpatients and day cases, and 95% of outpatients by December 2008

A risk assessment has been completed for all key performance risks and plans put in place to mitigate them.

The Trust has also identified a risk regarding the electronic patient record (EPR) system, Lastword. GE will no longer support Lastword from 1 Jan 2009 and started downsizing its UK healthcare operations from April 2008, leaving Lastword relatively unsupported by a third party. The Trust decided to bring necessary support in-house, allowing time to investigate other EPR systems and ensure a new system is up and running prior to decommissioning Lastword.

The Trust has effective mechanisms in place to manage risk, in accordance with its risk management policy and strategy, supported by three committees with Board accountability—Audit Committee, Clinical Governance Assurance Committee and Facilities Assurance Committee.

### **Trends & Factors Likely to Affect the Trust's Future Performance**

A number of national, regional and local trends may affect the Trust.

Nationally, the introduction of 'free choice' from April 2008 means that patients can choose to be referred to Chelsea and Westminster irrespective of where they live, which may impact on patient numbers and referral patterns.

Also nationally, the need to deliver and sustain a maximum 18-week wait from GP referral to hospital treatment so that 90% of inpatients and day cases, and 95% of outpatients are seen within this time by December 2008 is a key target for the Trust.

Regionally, the ongoing review of the NHS in London, following publication of 'Healthcare for London: A Framework for Action' in July 2007, and actions arising from it, will impact on healthcare in London. The Trust views more opportunities than threats arising from the review.

Also regionally, 2008/09 is likely to see the designation of 'preferred providers' for specialist services. The Trust is a preferred provider of bariatric (obesity) surgery and is in a strong position for specialist designation of HIV inpatient facilities in 2008/09.

The Trust will continue to both collaborate and compete with Imperial College Healthcare NHS Trust, formed by the merger of St Mary's, Hammersmith and Charing Cross Hospitals.

We intend to explore further options for joint working with two neighbouring specialist hospitals, the Royal Marsden and Royal Brompton.

### **Environmental Matters**

The Trust pledged to reduce its carbon footprint by 15% by joining the Carbon Trust's NHS Carbon Management programme. All staff are encouraged to help cut carbon emissions and reduce energy bills by taking simple steps to be more energy efficient.

### **Our Staff**

The Trust employs more than 2,700 staff. A key priority in 2007/08 was to focus on learning and development opportunities for staff. The Trust offered to 40 senior Trust staff a Leadership Academy to equip them with a range of management expertise. In addition, more than 1,800 staff have now received customer service training.

The Trust Board rewarded all staff for the organisation's excellent performance in the Healthcare Commission's annual performance ratings with a one-off bonus of £100.

There was a 10% increase in the response rate to the annual NHS staff survey and a marked improvement in staff views about their working life at the Trust.

### **Future Developments**

Potentially the key service development for the Trust in 2008/09 is the expansion of specialist children's services to become the lead centre for North West London. Trusts will be asked to submit bids as part of a process led by North West London PCTs. If our bid is successful, the current service will need to be expanded to include additional inpatient wards and children's theatres, also a Paediatric Intensive Care Unit.

The Trust has submitted a planning application to relocate the Victoria Clinic for sexual health to a new site in Soho. Subject to planning approval, the new centre will open in 2009.

Following selection as a 'preferred provider' of bariatric (obesity) surgery, the Trust has capacity to carry out 250 procedures annually compared with 150 in 2007.

### **Research & Development**

The Trust led a successful bid for Collaboration for Leadership in Applied Health Research and Care (CLAHRC) funding on behalf of the NHS in North West London.

The £20 million project—£10 million from the National Institute for Health Research matched by £10 million from CLAHRC organisations—aims to lead to the rapid introduction of new, effective treatments for a wide range of medical conditions.

An Academic Board for research will be established in 2008/09 to review and develop the Trust's Research & Development Strategy. The Trust produced its first patient and public focused publication about research at Chelsea and Westminster in May 2008, arranged a research and development Open Day in July 2008, and will establish a patient and public involvement research committee in 2008/09.

### **Policies in Relation to Disabled Employees**

#### **Policies for Giving Full and Fair Consideration to Applications for Employment Made by Disabled Persons, Having Regard to their Particular Aptitudes and Abilities**

The Trust has an Equal Opportunities Policy and a Recruitment and Selection Policy and Procedure so that the applications of disabled candidates, both external and internal, receive full and fair consideration. Support for Trust staff is provided by recruitment training days, compulsory for staff who participate in recruitment panels.

### **Policies for Continuing the Employment of, and Arranging Appropriate Training for, Employees Who Have Become Disabled Persons**

Disabled staff, managers, Human Resources and Occupational Health staff advise on adjustments to support disabled staff including adjustments to job roles, working hours and environment, and additional training.

The Trust is consulting staff and disability groups on a new policy and guidance for supporting staff with disabilities.

### **Policies for the Training, Career Development and Promotion of Disabled Employees**

Staff should have regular performance development reviews and training needs support through the Knowledge and Skills Framework.

### **Action to Inform, Involve & Consult with Trust Staff**

The Trust is committed to keeping staff fully informed about everything that has an impact on their working lives at Chelsea and Westminster by providing them with information, consulting them on key decisions and listening to their concerns.

Executive Directors and Staffside representatives meet monthly at the Joint Management and Trade Union Consultative Committee (JMTUC).

Quarterly meetings of the Members' Council include six elected staff representatives.

Communication with staff includes a monthly staff newsletter and a monthly Team Briefing with the Executive team.

Staff are invited to be involved in the annual business planning process and development of Trust objectives.

## **Operating & Financial Review (OFR)—Operational Reporting**

### **Development & Performance of the Trust During the Financial Year**

See 'Review of financial and non-financial performance' in the Directors' Report, 'Performance against key patient targets' in the Operating and Financial Review (OFR)—Patient Care, and the Operating and Financial Review (OFR)—Finance.

### **Position of the Trust at the End of Financial Year**

See 'Review of financial and non-financial performance' in the Directors' Report, 'Performance against key patient targets' in the Operating and Financial Review (OFR)—Patient Care, and the Operating and Financial Review (OFR)—Finance.

### **Main Trends & Factors Underlying the Development, Performance & Position of the Trust During the Financial Year**

See 'Review of financial and non-financial performance' in the Directors' Report and 'Performance against key patient targets' in the Operating and Financial Review (OFR)—Patient Care.

## **Main Trends & Factors Likely to Affect the Trust's Future Development, Performance & Position**

See 'Trends and factors likely to affect the Trust's future performance' in the Directors' Report.

## **Operating & Financial Review (OFR)—Patient Care**

### **Foundation Trust Status**

Foundation Trust status enables the Trust to develop services and improve patient care because we retain our financial surplus and we have more freedom to borrow money to invest in developments.

Our £19.4 million capital investment programme for 2007/08 included centralising the decontamination of endoscopes, expanding our children's A&E department, replacing diagnostic scanning machines, and implementing a digital radiology system.

Foundation Trust status has also enabled the Trust to develop a partnership with the Members' Council, who have input into the development of strategic plans, and with Foundation Trust members who are invited to an Annual Members' Meeting.

### **Performance Against Key Patient Targets**

The Trust met most key patient targets in 2007/08, improving patient care by, for example, reducing waiting times.

The Trust missed a target of no more than 12 MRSA bacteraemia but only one patient admitted for routine planned surgery acquired MRSA and the Trust had a year-on-year reduction in MRSA.

The Trust had a small number of unacceptable breaches of the 13-week outpatient waiting time target but steps have been taken to ensure this does not happen again.

### **Monitoring Quality Improvements**

Progress towards meeting national and local targets is reported to the Board of Directors and any action required to meet targets is approved as appropriate. Action plans are developed for approval by the Trust Board in response to the Trust's performance in the Healthcare Commission's annual patient and staff surveys.

The Trust takes external reviews or assessments of specific services very seriously, and responds to their findings. The Trust was disappointed by its performance in the Healthcare Commission's review of maternity services, published this year, and took action which has led to service improvements.

### **Service improvements Following Surveys, Comments or Reports**

Our Patient Advice and Liaison Service (PALS) received 4,146 enquiries in 2007/08. Improvements made in response to comments received through PALS include:

- Amendments have been made to information on the Trust website in response to user feedback



- The Treatment Centre has introduced privacy booths for patients undergoing sensitive procedures
- Essential repairs on Edgar Horne Ward have been completed

## Complaints Handling

The Trust received 406 formal complaints in 2007/08—94% of complaints were responded to within 25 working days, as required by NHS guidelines. Improvements made in response to formal complaints include:

- Improvements to postnatal care including increased staffing levels, postnatal information packs for all new mothers, and the opening of a discharge lounge
- Dedicated time on the children's theatre emergency list for the plastic surgery team to minimise delays for children who require emergency plastic surgery
- The Patient Transport department has implemented a procedure to ensure all patients are contacted in advance of a journey to confirm their mobility and confirm that the most appropriate transport has been booked for them

## Improvements in Patient/Carer Information

A revised Patient Information Policy and Procedure for staff producing patient information leaflets was approved. Improvements to information on the Trust website included the launch of new sections for children's services, HIV and sexual health services, the Intensive Care Unit and bariatric (obesity) surgery.

## Operating & Financial Review (OFR)—Stakeholder Relations

We have strong relationships with key partners and stakeholders including PCTs, local authorities and educational partners such as Imperial College School of Medicine. These organisations are represented on the Members' Council.

North West London developed a strategic framework in 2007/08 which will be fully implemented in 2008/09 to formalise relationships between PCTs and acute trusts. The

Trust Chief Executive sits on the Provider Reference Group and the Medical Director sits on the Clinical Reference Group.

Kensington and Chelsea PCT is the Trust's host commissioner of services. A Joint Clinical Executive Group meets every 3 weeks to improve links and streamline patient pathways between primary and secondary care.

A service developed by the Trust jointly with the PCT this year provides specialist support for an enhanced community diabetes service run by the PCT. Staff at Chelsea and Westminster provide overall clinical leadership and ensure that the care provided meets the highest standards.

The Trust became the first NHS body to venture into online treatment by launching a remote treatment service for erectile dysfunction with DrThom.

The Trust entered into a partnership with Chelsea and Westminster Health Charity to redevelop the Private Maternity Unit. The Charity will set up a company to manage the expanded unit. Profits generated will support projects that benefit NHS patients at the discretion of the Charity.

## Operating & Financial Review (OFR)—Finance

The Trust had a very successful year in 2007/08. It delivered a surplus of £14.6m for the year. The financial risk rating reported at March 2007 was 5 out of 5 where 5 is 'low risk' and the maximum achievable rating. The Trust's annual income and expenditure performance is set out in Table 1.

The key variances from plan in 2007/08 are explained below:

1. Income was £5.8m ahead of plan driven primarily by non-clinical income over-performance for items which were not part of the original plan, including £2.2m Resource Accounting and Budgeting (RAB) adjustment.
2. Pay budgets were well controlled and were within 1% of plan.

**Table 1: Summary 2007/08 Income and Expenditure Outrun vs Plan (£m)**

|                              | <b>Plan<br/>2007/08</b> | <b>Actual<br/>2007/08</b> | <b>Variance<br/>2007/08</b> |
|------------------------------|-------------------------|---------------------------|-----------------------------|
| <b>Income</b>                |                         |                           |                             |
| Clinical Income              | 210.6                   | 211.2                     | 0.6                         |
| Non-Clinical Income          | 41.8                    | 47.0                      | 5.2                         |
| <b>Total Income</b>          | <b>252.4</b>            | <b>258.2</b>              | <b>5.8</b>                  |
| <b>Expenses</b>              |                         |                           |                             |
| Pay Costs                    | (135.1)                 | (134.0)                   | 1.1                         |
| Non-Pay Costs                | 97.0                    | 93.8                      | 3.2                         |
| <b>Total Expenses</b>        | <b>(232.1)</b>          | <b>(227.8)</b>            | <b>4.3</b>                  |
| <b>EBITDA</b>                | <b>20.3</b>             | <b>30.4</b>               | <b>10.1</b>                 |
| Depreciation                 | (8.2)                   | (7.6)                     | 0.6                         |
| Dividend on PDC              | (9.3)                   | (9.3)                     | 0.0                         |
| Interest                     | 0.7                     | 1.1                       | 0.4                         |
| Subtotal                     | <b>3.5</b>              | <b>14.6</b>               | <b>11.1</b>                 |
| Exceptionals                 | 0.0                     | 0.0                       | 0.0                         |
| <b>Net Surplus/(Deficit)</b> | <b>3.5</b>              | <b>14.6</b>               | <b>11.1</b>                 |

3. Non-pay budgets were below plan by £3.2m (3%). This was due to the release of bad debt provision from the balance sheet totalling £1.2m reflecting improved debt collection, together with a non-recurrent benefit of £0.65m arising from a legal settlement relating to an historic dispute with a previous facilities provider. The remaining £1.3m of slippage relates to general non-pay reserves which were not utilised.

4. Interest received was 122% overachieved with £2m interest receivable compared with £0.9m plan. This was due to higher than planned cash levels that were available for investment.

There were no exceptional items charged to the accounts in the year.

The Trust had a significant savings programme in 2007/08 of £8.4m (3.3% of turnover) and delivered 4% over target.

The Prudential Borrowing Limit for the Trust was set at £29.9m. The Trust has two loans in place. One loan is with the Department of Health, which replaced historical cash brokerage received by the Trust. The balance of £3.1m is repayable in 2008/09. The second loan for £12.5m is with the Foundation Trust Financing Unit and was arranged to fund the Trust's capital programme. £7.8m of this second loan was drawn down in 2006/07 and the balance was drawn down in 2007/08.

The Trust's cash balances were £17.5m ahead of plan with end of year balances of £35.9m. The improvement was due to the following factors:

- Improvement in EBITDA—£10.2m
- Reduction in working capital—£0.9m
- Capital slippage—£7.8m
- Improvement in interest receivable—£0.4m

The capital plan of £18.1m underachieved by 43% or £7.8m. Of this overall underspend £4.6m was committed and the balance represents slippage. The total committed of £4.6m relates to some high value orders which were placed late in the financial year but were not received on site before 31 Mar 2008. It includes radiology equipment (CT and MRI scanners of £1.7m), other miscellaneous equipment (£0.4m), buildings (£2.4m) and IT (£0.1m).

Building projects scheduled to slip into 2008/09 included the Private Maternity expansion (go live planned October 2008), Regional Burns Unit (delayed pending agreement of the tariff for burns services), and Additional Administration Accommodation to enable moves associated with the strategic 10-year plan for the hospital.

Private Patient income for the year to 31 March 2008 was 3.15% of clinical income, which is well below the 3.5% private patient cap.

The Better Payment Practice Code requires the Trust to pay all valid invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later, unless other payment terms have been agreed with the supplier.

Performance against the Code in 2007/08 is summarised in Table 2.

## Members' Council

### How the Board of Directors and the Members' Council Operate

The Members' Council represents the interests of the local community—patients, public and staff who are Foundation Trust members—and shares information about key decisions with Foundation Trust members.

The Members' Council is not responsible for the day-to-day management of the organisation which is the responsibility of the Board of Directors.

Key roles of the Members' Council are to:

- Appoint or remove the Chairman and other Non-Executive Directors and approve the appointment (by Non-Executive Directors) of the Chief Executive
- Decide the remuneration, allowances and other terms and conditions of office of Non-Executive Directors
- Appoint or remove the Foundation Trust's Financial Auditors
- Review the Trust's constitution and suggest changes
- Review and develop the Trust's Membership Development and Communication Strategy

### Composition of the Members' Council

There are 35 Council Members including:

- Chairman (appointed)—also Chairman of the Board of Directors
- 6 Staff (elected)—1 each from 6 staff constituencies
- 8 Public (elected)—2 each from 4 local boroughs
- 10 Patients (elected)—patients treated at the hospital in the last 3 years or their carers
- 10 Nominated Representatives (appointed)—nominated from 10 partnership organisations

**Table 2: Performance Against the Better Payment Practice Code**

| By Number of Invoices                   | Year To<br>31 Mar 2008 |
|---|------------------------|
| Invoices Paid                           | 65,669                 |
| Invoices Paid Within Target             | 61,743                 |
| <b>% of Invoices Paid Within Target</b> | <b>94.0%</b>           |
| <b>By Value of Invoices (£000)</b>      |                        |
| Invoices Paid                           | 124,372                |
| Invoices Paid Within Target             | 110,805                |
| <b>% of Invoices Paid Within Target</b> | <b>89.1%</b>           |



## Council Members Who's Who

| Name (Elected or Appointed)<br>Constituency/Organisation                                    | End of<br>Term of<br>Office | Attendance at<br>Members' Council<br>Meetings 2007/08 |
|---|-----------------------------|---|
| Professor Sir Christopher Edwards, Chairman (since 1 Nov 2007)                              | Nov 2010                    | 2/2   |
| Juggy Pandit, Chairman (to 31 Oct 2007)   | Oct 2007                    | 3/3   |
| Arana, Maria-Elena (elected Mar 06), Patient  | Sep 2009                    | 4/5   |
| Arends, Valerie (elected Mar 06), Public—Kensington & Chelsea 2                             | Mar 2009                    | 4/5   |
| Balmford, Walter (elected Dec 07), Patient  | Dec 2010                    | 1/1   |
| Bennett, June (elected Dec 07), Patient   | Dec 2010                    | 1/1   |
| Billing, Nathan (elected May 07), Staff—Allied Health Professionals, Scientific & Technical | Apr 2010                    | 4/4   |
| Birch, Chris (elected May 07), Patient  | Apr 2010                    | 4/4   |
| Blewett, Christine (appointed Mar 06), Public—Hammersmith & Fulham 2                        | Sep 2009                    | 4/5   |
| Bradford, Martin (elected Dec 07), Public—Hammersmith & Fulham 1                            | Dec 2010                    | 1/1   |
| Browne, Nicky (appointed Dec 06), The Royal Marsden NHS Foundation Trust                    | Dec 2009                    | 3/5   |
| Delamare, Alison (elected Mar 06), Staff—Contracted   | Mar 2009                    | 4/5   |
| Fitzgerald, Hugo (elected Mar 06), Patient  | Sep 2009                    | 1/5   |
| Foulkes, Lionel (elected Mar 06), Public—Wandsworth 2                                       | Mar 2009                    | 4/5   |
| Gazzard, Prof Brian (elected Mar 06), Staff—Medical & Dental                                | Mar 2009                    | 3/5   |
| Henry, Michael (elected Mar 06), Patient  | Sep 2009                    | 2/5   |
| James, Cathy (elected Mar 06), Staff—Support, Admin & Clerical                              | Mar 2009                    | 5/5   |
| Jowett, Prof Sandra (appointed Spring 06), Thames Valley University                         | Sep 2009                    | 2/5   |
| King, Jane (elected Apr 06), Patient  | Sep 2009                    | 4/5   |
| Levy, Mr Raymond (elected Dec 07), Public—Kensington & Chelsea 1                            | Dec 2010                    | 1/1   |
| Lewis, Martin (elected Dec 07), Public—Westminster 2  | Dec 2010                    | 1/1   |
| Longworth, Catherine (appointed Spring 06), Westminster PCT                                 | Sep 2009                    | 4/5   |
| Macrae, Dr Duncan (appointed Spring 06), Royal Brompton & Harefield NHS Trust               | Sep 2009                    | 3/5   |
| Marshall, Cllr Harvey (appointed Apr 06), Westminster City Council                          | Sep 2009                    | 0/2   |
| Maze, Prof Mervyn (appointed Spring 06), Imperial College London                            | Sep 2009                    | 3/5   |
| Mills-Duggan, Ann (elected May 07), Public—Westminster 1                                    | Apr 2010                    | 4/4   |
| Molyneux, Peter (appointed Nov 07), Kensington & Chelsea PCT<br>replaced Andrew Kenworthy   | Sep 2009                    | Molyneux: 2/2<br>Kenworthy: 3/3                       |
| Rawaf, Prof Salman (appointed), Wandsworth PCT  | Sep 2009                    | 1/5   |
| Rowell, Martin (elected Mar 06), Patient  | Sep 2009                    | 5/5   |
| Smith, Jim (elected Mar 06), Patient  | Sep 2009                    | 2/5   |
| Smith, Sue (elected Dec 07), Patient  | Dec 2010                    | 1/1   |
| Smith, Sue (elected Dec 07), Staff—Nursing & Midwifery                                      | Dec 2010                    | 1/1   |
| Symons, Mary (elected Dec 07), Public—Wandsworth 1  | Dec 2010                    | 1/1   |
| Taylor, Cllr Frances (appointed), Royal Borough of Kensington & Chelsea                     | Sep 2009                    | 4/5   |
| Wood, Vivian (appointed Mar 07), Hammersmith & Fulham PCT                                   | Sep 2009                    | 3/5   |

The Members' Council meets quarterly—there were 5 meetings in 2007/08. All meetings are open to the public and are advertised in the local press.

Executive and Non-Executive Directors are invited to attend—details of their attendance are in the table 'Directors' attendance at Members' Council meetings 2007/08'. Details of Council Members' attendance at meetings are in the table 'Council Members—Who's Who'.

Council Members' initial terms of office commenced on the day that the Foundation Trust was licensed—1 Oct 2006.

## Elections Held During 2007/08

Elections were held in Oct 2007 to fill nine vacant seats.

Council Members elected to serve from December 2007 were Walter Balmford (Patient), June Bennett (Patient), Sue Smith (Patient), Martin Bradford (Public: Hammersmith and Fulham 1), Raymond Levy (Public: Kensington and Chelsea 1), Mary Symons (Public: Wandsworth 1), Martin Lewis (Public: City of Westminster 2) and Sue Smith (Staff: Nursing and Midwifery). There were no candidates for the vacancy in Staff: Management so this seat remains vacant.

## Directors' Attendance at Members' Council Meetings 2007/08

| Non-Executive Directors                        | Attendance |
|--|------------|
| Juggy Pandit <sup>1</sup>                      | 3/3        |
| Professor Sir Christopher Edwards <sup>2</sup> | 2/2        |
| Marilyn Frampton <sup>3</sup>                  | 3/3        |
| Colin Glass <sup>4</sup>                       | 1/2        |
| Andrew Havery                                  | 2/5        |
| Professor Richard Kitney                       | 2/5        |
| Karin Norman                                   | 3/5        |
| Charles Wilson                                 | 5/5        |

<sup>1</sup> Chairman to 31 Oct 2007

<sup>2</sup> Chairman from 1 Nov 2007

<sup>3</sup> Non-Executive Director to 31 Oct 2007

<sup>4</sup> Non-Executive Director from 1 Nov 2007

| Executive Directors   | Attendance |
|---|------------|
| Heather Lawrence, Chief Executive   | 5/5        |
| Amanda Pritchard, Director of Service Integration & Modernisation (Deputy Chief Executive) <sup>1</sup> | 3/4        |
| Dr Mike Anderson, Medical Director  | 0/5        |
| Lorraine Bewes, Director of Finance & Information   | 4/5        |
| Mariella Dexter, Interim Director of Service Integration & Modernisation <sup>2</sup>                   | 0/1        |
| Andrew MacCallum, Director of Nursing   | 3/5        |
| Catherine Mooney, Director of Governance & Corporate Affairs <sup>3</sup>                               | 4/5        |

<sup>1</sup> On maternity leave since Dec 2007

<sup>2</sup> Interim Director of Service Integration & Modernisation since Jan 2008

<sup>3</sup> Attends Foundation Trust Board meetings as Company Secretary

## Access to Register of Council Members' Interests

Members of the public can gain access to the register of Council Members' interests by making a request to Julie Cooper (Foundation Trust Secretary), Chelsea and Westminster Hospital NHS Foundation Trust, 369 Fulham Road, London SW10 9NH, via email [julie.cooper@chelwest.nhs.uk](mailto:julie.cooper@chelwest.nhs.uk) or on 020 8846 6716.

## How the Board Have Acted to Understand the Views of Council Members and Foundation Trust Members

Executive and Non-Executive Directors have attended Members' Council meetings to gain an understanding of the views of Council Members and the membership constituencies they represent.

Workshops on specific issues have been arranged for the Board to gain the input of Council Members. A 'Meet the Directors' session was also held at the end of the corporate induction for new Council Members.

## Board of Directors

### Composition of the Board

The Board has six Non-Executive Directors (including the Chairman) and five Executive Directors (including the Chief Executive)—the Director of Governance & Corporate Affairs attends Board meetings as Company Secretary.

The appointment of the Chairman and appointment/reappointment of Non-Executive Directors is approved by the Members' Council. The appointment of the Chief Executive is by the Non-Executive Directors, subject to approval by the Members' Council.

See below for details of the Board including each Director's name, role or job title, responsibilities, a brief description of their background and length of appointment (Non-Executive Directors only).

## Balance of Board Membership & Performance Evaluation

The competencies of the Board were assessed as part of the recruitment process for a new Chairman and Non-Executive Director. This ensured an appropriate balance of skills and experience in line with the requirements for Foundation Trust Boards. As the Trust appointed a new Chairman who took up post on 1 Nov 2007, no formal performance evaluation of the Board was conducted in 2007/08 but this is due to take place in Autumn 2008.

Executive Directors have an annual appraisal with the Chief Executive. The performance of Non-Executive Directors is evaluated annually by the Chairman.

## Access to Register of Directors' Interests

Members of the public can gain access to the register of Directors' interests by making a request to Julie Cooper (Foundation Trust Secretary), Chelsea and Westminster Hospital NHS Foundation Trust, 369 Fulham Road, London SW10 9NH, via email [julie.cooper@chelwest.nhs.uk](mailto:julie.cooper@chelwest.nhs.uk) or on 020 8846 6716.



## Board Meetings

The Board meets regularly—on average once a month. There were 11 meetings in 2007/08.

## Directors' Attendance at Board Meetings 2007/08

| Non-Executive Directors                        | Attendance |
|--|------------|
| Juggy Pandit <sup>1</sup>                      | 6/7        |
| Professor Sir Christopher Edwards <sup>2</sup> | 4/4        |
| Marilyn Frampton <sup>3</sup>                  | 7/7        |
| Colin Glass <sup>4</sup>                       | 3/4        |
| Andrew Havery                                  | 7/11       |
| Professor Richard Kitney                       | 7/11       |
| Karin Norman                                   | 11/11      |
| Charles Wilson <sup>5</sup>                    | 10/11      |

<sup>1</sup> Chairman to 31 Oct 2007

<sup>2</sup> Chairman from 1 Nov 2007

<sup>3</sup> Non-Executive Director (and Vice Chair) to 31 Oct 2007

<sup>4</sup> Non-Executive Director from 1 Nov 2007

<sup>5</sup> Vice Chair from 1 Dec 2007

| Executive Directors   | Attendance |
|---|------------|
| Heather Lawrence, Chief Executive   | 11/11      |
| Amanda Pritchard, Director of Service Integration & Modernisation (Deputy Chief Executive) <sup>1</sup> | 8/9        |
| Dr Mike Anderson, Medical Director  | 9/11       |
| Lorraine Bewes, Director of Finance & Information   | 11/11      |
| Mariella Dexter, Interim Director of Service Integration & Modernisation <sup>2</sup>                   | 2/2        |
| Andrew MacCallum, Director of Nursing   | 11/11      |
| Catherine Mooney, Director of Governance & Corporate Affairs <sup>3</sup>                               | 9/11       |

<sup>1</sup> On maternity leave since Dec 2007

<sup>2</sup> Interim Director of Service Integration & Modernisation since Jan 2008

<sup>3</sup> Attends Foundation Trust Board meetings as Company Secretary

## Significant Commitments of the Trust Chairman

The Chairman is a Senior Research Fellow at Imperial College London and Chairman of a geothermal energy company.

## Board of Directors Who's Who

### Non-Executive Directors

**Professor Sir Christopher Edwards, Chairman:** Professor Edwards was appointed as the new Trust Chairman from 1 Nov 2007. He was the first Principal of Imperial College School of Medicine from 1995 to 2000 before becoming Vice-Chancellor of the University of Newcastle upon Tyne where he led a major restructuring to make it one of the top universities in the UK. During a distinguished medical and

academic career, Professor Edwards has held numerous senior positions including President of the Association of Physicians of Great Britain and Ireland and Chairman of the Council of Heads of Medical Schools. He was knighted in June 2008. He chairs the Finance & Investment Committee.

**Charles Wilson, Vice Chair:** Charles was appointed in September 2000. He was reappointed for four years in October 2003. His term ended in October 2007 but the Members' Council voted to reappoint him for a further two years, his term ends in October 2009. He is the Senior Independent Director and Chair of the Facilities Assurance Committee. Charles spent 50 years in the newspaper industry, serving as editor of a number of papers including The Times. He retired as Managing Director of the Mirror Group plc.

**Colin Glass:** Colin was appointed for three years from 1 Nov 2007. Colin has nearly 30 years experience of consumer business, having joined Boots as a graduate trainee and subsequently worked for some of the biggest retailers in the country. During his career Colin has been Managing Director of both Dixons Stores Group and PC World, Chief Executive of the food group Watson and Philip plc, and until recently Chairman of online company PhotoBox Ltd. He founded and is actively involved in a social enterprise business which provides work-related training for under-privileged groups in south east Asia.

**Andrew Havery:** Andrew was reappointed for three years in November 2007, his term ends in November 2010. He has been a councillor in Westminster since 2002. A Non-Executive Director since December 2003, Andrew is a chartered accountant and worked for KPMG for 8 years before becoming a compliance officer to investment banks. He is now Senior Vice President, Corporate and Finance, Millennium and Copthorne Hotels plc. He chairs the Audit Committee.

**Professor Richard Kitney OBE:** Professor Kitney was appointed for four years in May 2006, his term ends in April 2010. He is Professor of Biomedical Systems Engineering and Dean of the Faculty of Engineering at Imperial College. A leading authority on the use of IT in healthcare, Professor Kitney is Chairman and Director of Visbion Ltd.

**Karin Norman:** Karin was appointed for four years in July 2005, her term ends in June 2009. She worked in investment banking in London and New York as a fixed income specialist, advising on investments, risk and capital management, and structured finance. She was a Non-Executive Director of the NHS Pensions Agency and is currently a member of the Audit Committee for the Parkinson's Disease Society, and a Trustee of both the Nursing and Midwifery Council and MyGeneration, a community and youth charity that she co-founded. She chairs the Clinical Governance Assurance Committee.

### Executive Directors

**Heather Lawrence, Chief Executive:** Heather has almost 20 years' experience at NHS Trust Board level, as Chief Executive of Hounslow and Spelthorne Community and Mental Health Trust and North Hertfordshire NHS Trust before being appointed Chief Executive at Chelsea and Westminster in May 2000. Her management experience spans all sectors of health care and includes major service change, including the development of innovative services, service re-design, developing an academic department, and closure of services. Heather chairs the North West London Critical Care Network and was NHS Employers' lead negotiator on the Staff and Associate Specialist doctors contract. Heather is a Chartered Fellow of the Institute of Personnel and Development.

**Amanda Pritchard, Director of Service Integration & Modernisation (Deputy Chief Executive):** Prior to her appointment in September 2006, Amanda worked in the Prime Minister's Delivery Unit. She was previously Acting Director of Strategy & Service Development and General Manager for the Surgery and Anaesthetics & Imaging Directorates at Chelsea and Westminster, and Assistant Director of Critical Care & Ambulatory Services at West Middlesex Hospital. Amanda was an inaugural Health Foundation Leadership Fellow.

**Dr Mike Anderson, Medical Director:** Dr Anderson was appointed in Summer 2003. Previously, he was a Consultant Physician and Gastroenterologist at West Middlesex Hospital where he also held the post of Medical Director. He is an Honorary Clinical Senior Lecturer of Imperial College and continues in active clinical practice as a Consultant Gastroenterologist.

**Lorraine Bewes, Director of Finance & Information:** Prior to her appointment in May 2003, Lorraine was Director of Performance at University College London Hospitals NHS Foundation Trust and Deputy Director of Finance at Hammersmith Hospitals NHS Trust. She joined the NHS in 1991 following a successful commercial accountancy career, where she worked at ITN and WH Smith Television Services.

**Mariella Dexter, Interim Director of Service Integration & Modernisation:** Mariella provided interim cover during Amanda Pritchard's maternity leave from January - June 2008. Previously she was Chief Executive of Gloucestershire Royal NHS Trust and Chief Executive of Avon, Gloucestershire & Wiltshire Workforce Development Confederation.

**Andrew MacCallum, Director of Nursing:** Andrew was appointed in August 2003, having previously been Director of Nursing at Queen Mary's Sidcup NHS Trust and Deputy Director of Nursing at Guy's and St Thomas' NHS Trust.

**Catherine Mooney, Director of Governance & Corporate Affairs:** Before being appointed in March 2006, Catherine was Chief Pharmacist at St Mary's NHS Trust for 15 years until March 2004 when she joined Hammersmith Hospitals NHS Trust as Clinical Governance Manager. She attends Foundation Trust Board meetings as Company Secretary.

## Audit Committee

### Membership & Attendance

The Audit Committee is chaired by Andrew Havery, a Non-Executive Director, and includes two other Non-Executive Directors—Karin Norman and Charles Wilson (replaced Marilyn Frampton who left the Board on 31 Oct 2007). It met five times in 2007/08—Andrew Havery attended all meetings, Karin Norman and Charles Wilson attended three meetings, and Marilyn Frampton attended two meetings.

### How the Committee Discharges its Responsibilities

The Audit Committee assures the Board of Directors that probity and professional judgement are exercised in all financial matters.

It is authorised by the Board to seek relevant professional advice and to secure attendance of relevant parties at its meetings.

## Nominations Committee

### Membership & Attendance

The Nominations Committee is chaired by the Chairman of the Foundation Trust.

It includes two elected Council Members—Valerie Arends (Public: Kensington and Chelsea 2) and Professor Brian Gazzard (Staff: Medical and Dental)—and an appointed Council Member—Andrew Kenworthy (Kensington and Chelsea PCT).

It met once in 2007/08—Juggy Pandit (Chairman to October 31 2007), Valerie Arends and Professor Gazzard attended. Andrew Kenworthy did not attend because of a conflict of interest.

### Description of the Committee's work

The Nominations Committee leads for the Members' Council on all aspects related to the recruitment, retention and terms and conditions of Non-Executive Director appointments, including the Chairman, to the Board of Directors.

### Process for Board Appointments

1. The Trust recruited a new Non-Executive Director and Chairman during the year. The Nominations Committee, together with the Board of Directors, agreed the person specifications and the posts were advertised. An executive search firm was used to support the process.
2. For the Chairman, 11 appropriate candidates were identified by the Nominations Committee, with the support of the executive search firm, through a process of open competition, which took into account the skills and experience required. Five candidates were interviewed by a panel consisting of the Senior Independent Director, two elected members of the Nominations Committee and an independent assessor.
3. For the Non-Executive Director, 33 appropriate candidates were identified by the Nominations Committee, with the support of the executive search firm, through a process of open competition, which took into account the skills and experience required. Five candidates were interviewed by a panel consisting of the Chairman, two elected members of the Nominations Committee and an independent assessor.
4. In both cases, the interview panel selected one candidate to be ratified by the Members' Council.

## Membership

### Who Can Be a Member?

- **Patient Constituency:** Any patient treated at the hospital in the last three years, or the carer of a patient
- **Public Constituency:** Anyone living in the local boroughs of Kensington and Chelsea, Hammersmith and Fulham, City of Westminster and Wandsworth—each borough is divided into two areas for Members' Council elections
- **Staff Constituency:** Any member of staff—this constituency is divided into six staff groups which are Allied Health Professionals, Scientific and Technical; Contracted; Management; Medical and Dental; Nursing and Midwifery; Support, Administrative and Clerical



## How Many People are Members?

| Number of Members | 31 Mar 2008   |
|-------------------|---------------|
| Patients          | 6,095         |
| Public            | 6,580         |
| Staff             | 465           |
| <b>Total</b>      | <b>13,140</b> |

## How Are We Developing a Representative Membership?

The Membership Development and Communication Sub-Committee of the Members' Council develops and reviews the Membership Development and Communication Strategy.

The membership database is regularly analysed by age, gender and ethnicity to ensure that it is representative of the community we serve. Steps taken to ensure a representative membership include:

- Promoting Foundation Trust membership at local community Black and Minority Ethnic (BME) Health Forums
- Publishing a membership recruitment leaflet for distribution in public areas of the Trust, outpatient waiting areas and in our local community
- Moving from 'opt-in' to 'opt-out' membership for staff so staff are members unless they opt out—this will increase the diversity of staff membership

The Trust aims to increase its membership by 7% in 2007/08 including a 5% increase in patient members, maintaining the current level of public membership, and increasing staff membership by moving from an 'opt-in' to an 'opt-out' system.

## How Do We Involve Members?

All Foundation Trust members are invited personally to attend the Annual Members' Meeting in September and the hospital Open Day in May—more than 200 people attended the annual meeting in September 2007 and more than 1,600 people attended the Open Day in May 2008. All members are sent two membership newsletters per year, the Foundation Trust section of the Trust website is updated regularly, and 'Meet the Members' Council' sessions have been launched.

## Get In Touch

Members who wish to communicate with their representatives on the Members' Council or Executive Directors should contact Julie Cooper (Foundation Trust Secretary), Chelsea

and Westminster Hospital NHS Foundation Trust, 369 Fulham Road, London SW10 9NH. She can also be contacted via email [julie.cooper@chelwest.nhs.uk](mailto:julie.cooper@chelwest.nhs.uk) or on 020 8846 6716.

## Public Interest Disclosures

### Action to Inform, Involve & Consult with Trust Staff

See 'Action to inform, involve and consult with Trust staff' in the Directors' Report.

### Policies in Relation to Equal Opportunities & Disabled Employees

The Trust aims to be an employer of choice for all. We have an Equal Opportunities Policy to ensure there is no direct or indirect discrimination and to build a workforce whose diversity reflects the community we serve.

The Trust's Disability Equality Scheme (DES) outlines our commitment to ensuring that disabled employees are supported to contribute equally to the work of the Trust, and that there is no direct or indirect discrimination. A key aim of the DES is that disabled people have equal opportunities to gain employment and promotion.

In 2007/08 the Trust established a network of staff groups including a Disability Action Group and a Gay, Lesbian, Bisexual and Transgender (GLBT) Staff Network, held a Diversity Awareness Week, and joined the Stonewall Workplace Diversity Champions Programme.

## Health & Safety Performance

The number of incidents reported to the Health & Safety Executive increased from seven in 2006/07 to 18 in 2007/08 as a result of improved levels of reporting.

### Occupational Health Performance

The Occupational Health department provides services including fitness for work assessments, screening for infectious diseases, and moving and handling training. The department reviewed a Trust policy relating to stress management.

### Counter-Fraud Policies & Procedures

The Trust has a Counter-Fraud Policy for dealing with suspected fraud and corruption, and other illegal acts involving dishonesty or damage to property.

Nominated officers who Trust staff can contact confidentially if they suspect a fraudulent act are the Director of Finance & Information and the Local Counter Fraud Specialist (LCFS).



# finance

## Summary Financial Statements for Chelsea and Westminster Hospital NHS Foundation Trust

### Foreword to the Summary Financial Statements

These Summary Financial Statements are merely a summary of the information in the full accounts, which can be obtained from the Director of Finance and Information, Finance Directorate, Chelsea and Westminster Hospital NHS Foundation Trust, 369 Fulham Road, London SW10 9NH.

### Going Concern

After making enquiries, the Directors have reasonable expectation that Chelsea and Westminster Hospital NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the accounts.

### Statement of the Chief Executive's Responsibilities as the Accounting Officer of Chelsea and Westminster Hospital NHS Foundation Trust

The National Health Service Act 2006 states that the Chief Executive is the Accounting Officer of the NHS Foundation Trust. The relevant responsibilities of Accounting Officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the Accounting Officer Memorandum issued by Monitor, the independent regulator of NHS Foundation Trusts.

Under the National Health Service Act 2006, Monitor has directed Chelsea and Westminster Hospital NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Chelsea and Westminster NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the NHS Foundation Trust Financial Reporting Manual and in particular to:

- Observe the Accounts Direction issued by Monitor, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards as set out in the NHS Foundation Trust Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements
- Prepare the financial statements on a going concern basis

The Accounting Officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and to enable her to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS Foundation Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in Monitor's NHS Foundation Trust Accounting Officer Memorandum.

*Heather Lawrence*

Heather Lawrence, Chief Executive and Accounting Officer  
13 June 2008

### Statement on Internal Control for the Period 1 April 2007 to 31 March 2008

The statement on internal control can be found in the full accounts.

### Remuneration Report for the Period 1 April 2007 to 31 March 2008

This report contains details of the salary and pension entitlements of senior managers that are recorded on page 38.

### Remuneration Committee

This Trust Board sub-committee acts on behalf of the Trust Board to determine policy and process for remuneration of the Trust's senior managers.

Its membership includes the Trust Chairman and 5 Non-Executive Directors as tabled above. The Director of Human Resources acts as Secretary to the Remuneration Committee and the Chief Executive attends its meetings, except when her remuneration is under discussion.

The Remuneration Committee met 3 times in 2007/08 to agree Executive Directors' remuneration recommendations and a revised Executive Director Contract of Employment, updated to reflect Foundation Trust status. The Committee met on the following dates:

- 26 April 2007
- 28 September 2007
- 25 October 2007

The Committee will be judged to be non quorate if there are fewer than 3 members present. The Committee reports to the Foundation Trust Board after each meeting.

The Remuneration Committee's role is to:

- Monitor and review performance of Executive Directors
- Ensure that contractual terms on termination, and any payments made, are fair to the individual and the Trust,



that failure is not rewarded and that the duty to mitigate loss is fully recognised

- Ensure that new appointees are offered and accept terms within a previously agreed level
- Develop remuneration packages which are appropriate, defensible and linked to the discharge of responsibilities, taking advice on labour market pay trends in the NHS and beyond
- Ensure the Trust complies with Monitor's directives and advice on pay and remuneration
- Agree the policy for authorising expense claims from the Chair and Chief Executive
- Supply details of remuneration for the Trust's annual report

## Senior Manager Remuneration Policy

Senior manager pay is benchmarked against comparable roles in trusts of comparable size and complexity to ensure that rates of pay are competitive, represent value for money and provide stability in senior manager roles.

In this financial year, the Remuneration Committee reviewed the Executives pay band in line with a market review. This led to the increase in salaries of the Executive Directors.

## Methods to Assess Performance Conditions

All senior managers are appraised regularly and their performance is assessed against personal and corporate objectives, long and short term.

## Policy on Duration of Contracts, Notice Periods and Termination Payments

Contracts of employment do not have predetermined end dates. The notice period for senior managers is six months. Termination payments are not made unless for exceptional factors at the discretion of the Remuneration Committee.

## Service Contracts

All have 6 months' notice period and no provision for early termination is made.

## Non-Executive Directors

The remuneration of the Trust Chairman and the Non Executive Directors was reviewed in this financial year by the Members' Council and increased to reflect the change in responsibilities and competencies required for the Foundation Trust status.

*Heather Lawrence*

Heather Lawrence, Chief Executive  
(on behalf of the Board)  
13 June 2008

## Independent Auditors' Report to the Members' Council and Board of Directors of Chelsea and Westminster Hospital NHS Foundation Trust

We have examined the summary financial statements of Chelsea and Westminster Hospital NHS Foundation Trust for the year ended 31 March 2008 which comprise the Income and Expenditure Account, Balance Sheet, Statement of Total Recognised Gains and Losses, Cash Flow Statement and the related notes which comprise only Private Patient Income, Management Costs, Better Payment Practice Code, Prudential Borrowing Limit, Salary and Pension Entitlements of Senior Managers and analyses of Sources of Income, Income by Purchaser of Healthcare and Operating Expenditure.

This report is made solely to the Members' Council and Board of Directors ("the Boards") of Chelsea and Westminster Hospital NHS Foundation Trust, as a body, in accordance with paragraph 4 of Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Boards those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not, in giving our opinion, accept or assume responsibility to anyone other than the Trust and the Boards, as a body, for this report, or for the opinions we have formed.

## Respective Responsibilities of Directors and Auditors

The directors are responsible for preparing the Annual Report. Our responsibility is to report to you our opinion on the consistency of the summary financial statements within the Annual Report with the statutory financial statements. We also read the other information contained in the Annual Report and consider the implications for our report if we become aware of any misstatements or material inconsistencies with the summary financial statements.

## Basis of Opinion

We conducted our work in accordance with Bulletin 1999/6 'The auditors' statement on the summary financial statement' issued by the Auditing Practices Board.

## Opinion

In our opinion the summary financial statements are consistent with the statutory financial statements of the Trust for the year ended 31 March 2008. We have not considered the effects of any events between the date on which we signed our report on the statutory financial statements (16 June 2008) and the date of this statement.

*Heather Bygrave*  
26 June 2008

Heather Bygrave, Senior Statutory Auditor  
For and on behalf of Deloitte & Touche LLP  
Chartered Accountants  
St Albans  
26 June 2008

## Income and Expenditure Account for the Year Ended 31 March 2008

|   | Year ended<br>31 Mar 2008<br>£000 | 6 months ended<br>31 Mar 2007<br>£000 |
|---|-----------------------------------|---------------------------------------|
| Income from activities                    | 221,636                           | 103,244                               |
| Other operating income                    | 36,574                            | 18,111                                |
| Operating expenses                        | (235,414)                         | (112,774)                             |
| <b>Operating surplus</b>                  | <b>22,796</b>                     | <b>8,581</b>                          |
| Finance income                            | 2,018                             | 503                                   |
| Finance costs—interest expense            | (880)                             | (114)                                 |
| <b>Surplus for the financial period</b>   | <b>23,934</b>                     | <b>8,970</b>                          |
| Public Dividend Capital dividends payable | (9,309)                           | (4,833)                               |
| <b>Retained surplus for the period</b>    | <b>14,625</b>                     | <b>4,137</b>                          |

## Balance Sheet as at 31 March 2008

|  | 31 Mar 2008<br>£000 | Restated<br>31 Mar 2007<br>£000 |
|--|---------------------|---------------------------------|
| <b>Fixed assets</b>  |                     |                                 |
| Tangible assets  | 278,701             | 276,013                         |
| <b>Current assets</b>  |                     |                                 |
| Stocks and work in progress                                    | 6,002               | 5,573                           |
| Debtors  | 9,990               | 8,829                           |
| Cash at bank and in hand                                       | 35,894              | 25,469                          |
| <b>Total current assets</b>                                    | <b>51,886</b>       | <b>39,871</b>                   |
| <b>Creditors:</b> amounts falling due within one year          | <b>(32,376)</b>     | <b>(32,225)</b>                 |
| <b>Net current assets</b>                                      | <b>19,510</b>       | <b>7,646</b>                    |
| <b>Total assets less current liabilities</b>                   | <b>298,211</b>      | <b>283,659</b>                  |
| <b>Creditors:</b> Amounts falling due after more than one year | <b>(13,222)</b>     | <b>(13,154)</b>                 |
| <b>Provisions for liabilities and charges</b>                  | <b>(4,212)</b>      | <b>(3,990)</b>                  |
| <b>Total assets employed</b>                                   | <b>280,777</b>      | <b>266,515</b>                  |
| <b>Financed by:</b>  |                     |                                 |
| <b>Taxpayers' equity</b>                                       |                     |                                 |
| Public dividend capital  | 162,549             | 162,602                         |
| Revaluation reserve  | 91,040              | 91,040                          |
| Donated asset reserve  | 7,533               | 7,843                           |
| Income and expenditure reserve                                 | 19,655              | 5,030                           |
| <b>Total taxpayers' equity</b>                                 | <b>280,777</b>      | <b>266,515</b>                  |

*Heather Lawrence*

Heather Lawrence, Chief Executive  
13 June 2008

## Statement of Total Recognised Gains and Losses for the Year Ended 31 March 2008

|   | Year ended<br>31 Mar 2008<br>£000 | 6 months ended<br>31 Mar 2007<br>£000 |
|---|-----------------------------------|---------------------------------------|
| Surplus for the financial year before dividend payments   | 23,934                            | 8,970                                 |
| Reductions in the donated asset reserve due to depreciation, impairment and/or disposal of donated assets | (310)                             | (78)                                  |
| <b>Total recognised gains and losses for the financial period</b>   | <b>23,624</b>                     | <b>8,892</b>                          |



## Cash Flow Statement for the Year Ended 31 March 2008

|   | Year ended<br>31 Mar 2008<br>£000 | 6 months<br>31 Mar 2007<br>£000 |
|---|-----------------------------------|---------------------------------|
| <b>Operating activities</b>   |                                   |                                 |
| <b>Net cash inflow from operating activities</b>                            | <b>27,841</b>                     | 18,814                          |
| <b>Returns on investments and servicing of finance</b>                      |                                   |                                 |
| Interest received   | 1,977                             | 498                             |
| Interest paid   | (800)                             | (66)                            |
| Interest element of finance leases  | (80)                              | (40)                            |
| <b>Net cash inflow from returns on investments and servicing of finance</b> | <b>1,097</b>                      | 392                             |
| <b>Capital expenditure</b>  |                                   |                                 |
| Payments to acquire tangible fixed assets                                   | (10,694)                          | (3,670)                         |
| <b>Net cash outflow from capital expenditure</b>                            | <b>(10,694)</b>                   | (3,670)                         |
| <b>Dividends paid</b>   | <b>(9,309)</b>                    | (4,833)                         |
| <b>Net cash inflow before financing</b>                                     | <b>8,935</b>                      | 10,703                          |
| <b>Financing</b>  |                                   |                                 |
| New public dividend capital received  | 2,151                             | 256                             |
| Public dividend capital repaid  | (2,204)                           | 0                               |
| Loans received from Foundation Trust Financing Facility                     | 4,706                             | 7,794                           |
| Other loans received  | 0                                 | 6,250                           |
| Other loans repaid  | (3,126)                           | 0                               |
| Capital element of finance lease rental payments                            | (37)                              | (16)                            |
| <b>Net cash inflow from financing</b>                                       | <b>1,490</b>                      | 14,284                          |
| <b>Increase in cash</b>   | <b>10,425</b>                     | 24,987                          |

## Private Patient Income

|                              | Base year<br>2002/03<br>£000 | Year ended<br>31 Mar 2008<br>£000 | 6 mos ended<br>31 Mar 2007<br>£000 |
|------------------------------|------------------------------|-----------------------------------|------------------------------------|
| Private patient income       | 5,498                        | 6,937                             | 2,826                              |
| Total patient related income | 157,015                      | 221,636                           | 103,244                            |
| Proportion (as percentage)   | 3.50%                        | 3.13%                             | 2.74%                              |

## Management Costs

|                           | Year ended<br>31 Mar 2008<br>£000 | 6 mos ended<br>31 Mar 2007<br>£000 |
|---------------------------|-----------------------------------|------------------------------------|
| Management costs          | 10,850                            | 5,357                              |
| Income                    | 258,210                           | 121,355                            |
| <b>% Management Costs</b> | <b>4.2%</b>                       | 4.4%                               |

## Better Payment Practice Code

|   | Year ended<br>31 Mar 2008<br>number | Year ended<br>31 Mar 2008<br>£000 | 6 mos ended<br>31 Mar 2007<br>number | 6 mos ended<br>31 Mar 2007<br>£000 |
|---|-------------------------------------|-----------------------------------|--------------------------------------|------------------------------------|
| Total bills paid in the year                  | 65,669                              | 124,372                           | 23,955                               | 40,016                             |
| Total bills paid within the target            | 61,743                              | 110,805                           | 22,497                               | 35,187                             |
| <b>Percentage of bills paid within target</b> | <b>94.0%</b>                        | <b>89.1%</b>                      | 93.9%                                | 87.9%                              |

## Prudential Borrowing Limit (PBL)

|                           | £000<br>authorised | 31 Mar 2008<br>£000<br>actual | 31 Mar 2007<br>£000<br>actual |
|---------------------------|--------------------|-------------------------------|-------------------------------|
| Total long term borrowing | 29,900             | 17,859                        | 16,317                        |
| Working capital facility  | 18,000             | 0                             | 0                             |
| <b>Total</b>              | <b>47,900</b>      | <b>17,859</b>                 | 16,317                        |

## Salary and Pension Entitlements of Senior Managers

|  | a) Remuneration  |  | b) Pension Benefits                                   |  |  |  |
|--|--|--|---|--|--|--|
|  | Salary for the year ended 31 Mar 2008<br>bands of £5,000 | Other remuneration for the year ended 31 Mar 2008<br>bands of £5,000 | Cash equivalent transfer value at 31 Mar 2008<br>£000 | Lump sum at age 60 related to real increase in pension at 31 Mar 2008<br>bands of £2,500 | Total accrued pension and related lump sum at age 60 at 31 Mar 2008<br>bands of £2,500 | Real increase in pension at age 60 at 31 Mar 2008<br>bands of £2,500 |
| <b>Executive Directors</b>   |  |  |   |  |  |  |
| Heather Lawrence, Chief Executive  | 165 - 170  | 0  | 1,343   | 57.5 - 60.0  | 217.5 - 220.0  | 17.5 - 20.0  |
| Mike Anderson, Medical Director  | 135 - 140  | 0  | 858   | 17.5 - 20.0  | 145.0 - 147.5  | 5.0 - 7.5  |
| Lorraine Bewes, Director of Finance & Information  | 120 - 125  | 0  | 352   | 12.5 - 15.0  | 70.0 - 72.5  | 2.5 - 5.0  |
| Amanda Pritchard, Director of Service Integration & Modernisation (Deputy Chief Executive) | 100 - 105  | 0  | 125   | 8.0 - 8.25   | 40.0 - 42.5  | 2.5 - 5.0  |
| Andrew MacCallum, Director of Nursing  | 90 - 95  | 0  | 383   | 12.5 - 15.0  | 87.5 - 90.0  | 2.5 - 5.0  |
| Mariella Dexter, Interim Director of Service Integration & Modernisation <sup>1</sup>      | 25 - 30  | 0  | 0   | 0  | 0  | 0  |
| <b>Non-Executive Directors</b>   |  |  |   |  |  |  |
| Juggy Pandit, Chairman <sup>2</sup>  | 20 - 25  | 0  | -   | -  | -  | -  |
| Professor Christopher Edwards, Chairman <sup>3</sup>                                       | 15 - 20  | 0  | -   | -  | -  | -  |
| Andrew Havery, Non-Executive Director  | 15 - 20  | 0  | -   | -  | -  | -  |
| Karin Norman, Non-Executive Director   | 10 - 15  | 0  | -   | -  | -  | -  |
| Charles Wilson, Non-Executive Director   | 10 - 15  | 0  | -   | -  | -  | -  |
| Professor Richard Kitney, Non-Executive Director   | 10 - 15  | 0  | -   | -  | -  | -  |
| Marilyn Frampton, Non-Executive Director <sup>4</sup>                                      | 5 - 10   | 0  | -   | -  | -  | -  |
| Colin Glass, Non-Executive Director <sup>5</sup>   | 0 - 5  | 0  | -   | -  | -  | -  |
| <b>Director</b>  |  |  |   |  |  |  |
| Catherine Mooney, Director of Governance & Corporate Affairs                               | 80 - 85  | 0  | 361   | 5.0 - 7.5  | 75.0 - 77.5  | 0 - 2.5  |

### Notes

- <sup>1</sup> Mariella Dexter was appointed as the Interim Director of Service Integration & Modernisation on 7 January 2008.
- <sup>2</sup> Juggy Pandit left on 31 October 2007, and his salary has been apportioned accordingly.
- <sup>3</sup> Professor Christopher Edwards was appointed as the Chairman on 1 November 2007.
- <sup>4</sup> Marilyn Frampton left on 31 October 2007, and her salary has been apportioned accordingly.
- <sup>5</sup> Colin Glass was appointed as a Non Executive Director on 1 November 2007.

As non executive directors do not receive pensionable remuneration there are no entries in respect of pensions for them. 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.

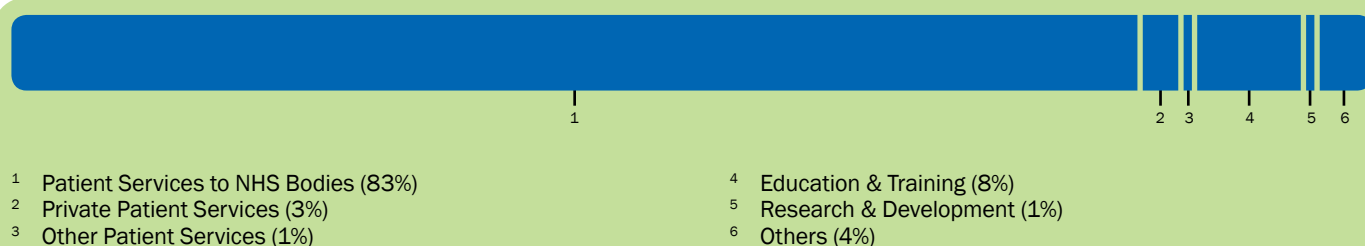
A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figure shown relates to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The CETV figures include the value of any pension benefits in another scheme or arrangement in which the individual has transferred to the NHS pension scheme. They also include any additional pension benefits 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.

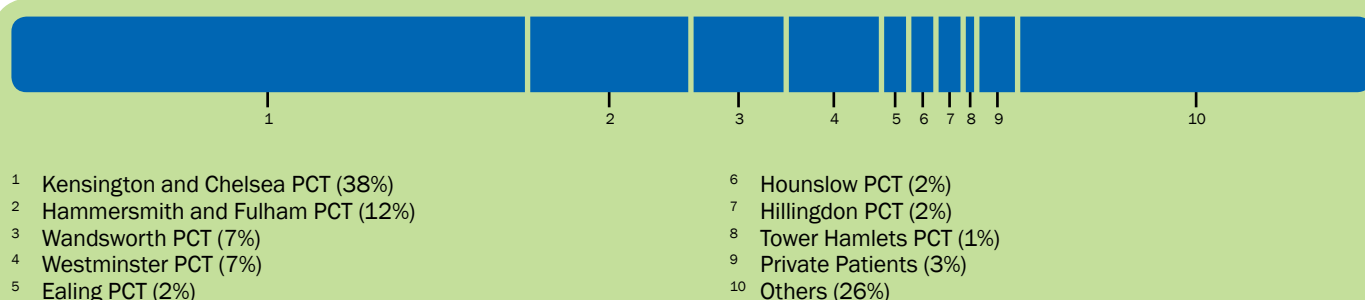
Real increase in CETV—This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common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



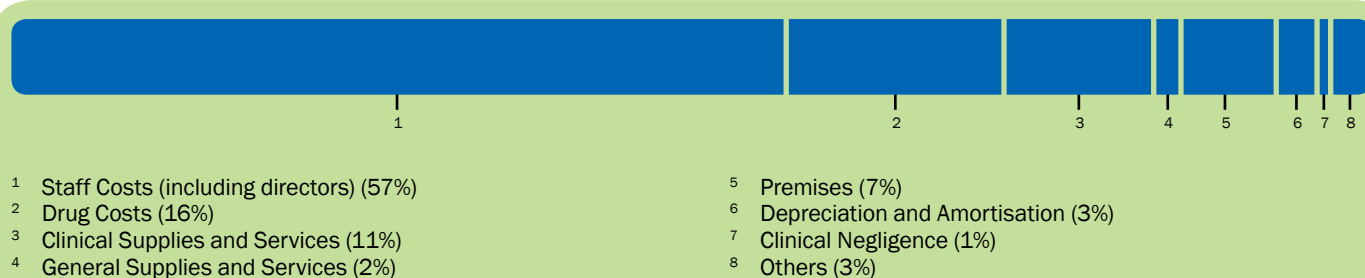
### Sources of Income for the Year Ended 31 March 2008



### Income by Purchaser of Healthcare for the Year Ended 31 March 2008



### Operating Expenditure for the Year Ended 31 March 2008

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# get involved

## Foundation Trust Membership

Patients and their carers, members of the public and staff can get involved in the life of the Hospital by becoming Foundation Trust members.

Benefits include voting in Members' Council elections, standing for election to the Council, commenting on new service developments, and receiving regular Trust newsletters and invitations to Trust events.

How can you become a Foundation Trust member?

- Register online at [www.chelwest.nhs.uk](http://www.chelwest.nhs.uk)
- Register by telephone on 0870 707 1567
- Register by post either by completing and returning a membership leaflet or by writing to request an application form: Chelsea and Westminster Hospital NHS Foundation Trust, c/o Computershare, The Pavilions, Bridgwater Road, Bristol, BS13 8AE.

## Working Here

If you are interested in job opportunities at Chelsea and Westminster and careers in the NHS, all the latest vacancies are available at [www.chelwest.nhs.uk](http://www.chelwest.nhs.uk).

## Volunteering Here

If you are interested in becoming a volunteer at Chelsea and Westminster, please contact Frank Johnson on 020 8746 8480 or email [frank.johnson@chelwest.nhs.uk](mailto:frank.johnson@chelwest.nhs.uk).

## Chelsea and Westminster Health Charity

Chelsea and Westminster Health Charity gives grants and raises funds to benefit patients and staff at Chelsea and Westminster—to find out more, make a donation or get involved in fundraising, please contact:

### Chelsea and Westminster Health Charity

6 Verney House  
1B Hollywood Road  
London  
SW10 9HS

**Tel:** 020 8846 6600

**Email:** [charity@chelwest.nhs.uk](mailto:charity@chelwest.nhs.uk)

## The Friends of the Chelsea & Westminster Hospital

The Friends is a voluntary organisation and registered charity which supports the work of the hospital for the benefit of patients, their families and staff—to find out more or to join the Friends, please contact:

### The Friends of the Chelsea & Westminster Hospital

Chelsea and Westminster Hospital  
369 Fulham Road  
London  
SW10 9NH

**Tel:** 020 8746 8825

**Email:** [friends.office@chelwest.nhs.uk](mailto:friends.office@chelwest.nhs.uk)





**Front Cover:** Staff Nurse Karla Hickson with Ameen Mohammed (8 months) on Neptune Ward

Choose  
**Chelsea and  
Westminster**

Chelsea and Westminster Hospital 

NHS Foundation Trust

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