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This annual report is also available in large print and can be produced in different languages on request.

The Trust Communications Team would like to thank all those staff and patients who kindly agreed to appear in this year’s report.

Photography: Mr Matthew Reading  
Design: PB Group Ltd

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About Maidstone and Tunbridge Wells NHS Trust

Maidstone and Tunbridge Wells NHS Trust is a large acute hospital trust. We provide a full range of general hospital services to around 500,000 people living in the south of west Kent and parts of north east Sussex.

Many of the people we serve live in the Maidstone and Tunbridge Wells area. In addition, the Trust provides specialist cancer services, through its cancer centre at Maidstone and unit at Kent & Canterbury Hospital, for the whole of Kent, Hastings and Rother, about 1.8 million people.

This Trust is at the forefront of developments in minimally invasive laparoscopic surgery in the NHS and is increasing the range of other highly specialised services available locally to patients.

Our Staff
We employ a team of approximately 4,750 whole time equivalent staff.

Our Hospitals
The Trust primarily works from four clinical sites: Maidstone Hospital, Kent & Sussex Hospital, Pembury Hospital and Preston Hall (Aylesford, near Maidstone).
We also provide cancer services at Kent & Canterbury Hospital in Canterbury.

Our Values
The way the Trust works is essential to the whole patient and staff experience and the principles by which we will deliver the vision is set out in our values:

- We will keep the patient at the heart of all that we do;
- We will respect and value each other;
- We will use resources wisely;
- We will work together as a team;
- We will strive to be excellent in all that we do.
Board Members

Anthony Jones
Chairman
(from January 2009)
Non-executive Director
(from March 2008 to December 2008)
Chairman Remuneration Committee

Glenn Douglas
Chief Executive
(from October 2007)

Nikki Luffingham
Chief Operating Officer
(From January 2008)

Paul Turner
Finance Director
(from July 2008)

Jim Lewis
Medical Director
(interim from April 2008
Substantive from February 2009)

Flo Panel-Coates
Director of Nursing
(From August 2008)

Phil Wynn Owen
Non-executive Director
(from March 2008)
Finance Committee, Charitable Funds Committee

Sylvia Denton
Non-executive Director
(from March 2008)
Quality and Safety Committee, Patient Experience Committee

Denise Harker
Non-executive Director
(from June 2008)
Audit Committee

Kevin Tallett
Non-executive Director
(from June 2008)
HR Committee

Other Directors and Non-executive Directors

Terry Coode, Human Resources Director
Frank Sims, Corporate Development Director
Graham Goddard, New Hospital Development Director
(formerly Estates Development Director)
Morfydd Williams, ICT Programme Director
(from April 2007 to August 2008)
Christina Edwards, Interim Chief Nurse
(from December 2007 to August 2008)
Jim Hope, Acting Finance Director
(from April 2007 to July 2008)
Sara Mumford, Director of Infection Prevention and Control
(from November 2007)
George Jenkins, Non-executive Chairman
(from October 2007 to December 2008)
Steve Tinton, Interim Non-executive Director
(from November 2007 to June 2008)
Harshad Topiwala, Interim Non-executive Director
(from November 2007 to May 2008)
Welcome to our annual report

The introduction to our last annual report, following the highly critical Healthcare Commission Report into the two Clostridium difficile outbreaks in this Trust in 2005 and 2006, said:

“The past year has been a time of intense public scrutiny for our Trust, with the need to face some harsh realities and make significant changes for the better.”

Now, one year on, we can claim some significant successes in the tasks we had in front of us. Because we all have an unequivocal commitment to protect patients properly we have been able to make strong progress towards our goal of being “excellent in all that we do” during 2008-09.

The evidence for that can clearly be seen throughout this year’s Annual Report, most particularly in the key area of infection control and patient safety.

Our challenging goals in infection control have been more than achieved a year early for reducing the incidence of C. difficile; and we now have amongst the lowest rates in the country.

There will never be any room for complacency in patient safety, and we still have some progress to make in reducing waiting times and improving efficiency. However, we can now plan with confidence and ambition for the future.

Key measures of success for the next year will be:

- Infection rates will be the lowest in the South amongst acute trusts;
- Financial break even – every month our income will be more than, or as great as, our costs;
- All core standards will be met;
- All access (waiting times) standards will be met;
- Patient feedback will be collected daily;
- Staff and stakeholders will know where services are to be located;
- Location of the birthing centre at Maidstone will be agreed;
- Work to be started on refurbishing the Nurses’ Home at Maidstone;
- Laparoscopic training centre will be open;
- Stroke unit at Maidstone will be fully functional;
- Detailed planning for Pembury changes will be completed.

By 2011 we will have moved into our new 100% single room hospital at Pembury and be well on the way to upgrading our wards and outpatient clinics at Maidstone. We will be in financial balance, investing in state of the art treatments such as tomotherapy and will have opened our internationally recognised keyhole surgery training centre.

By 2013 we will have achieved Foundation Trust status and be known for our commitment to continuous improvement in everything we do. We want to achieve university hospital status; building on our excellent links in services such as oncology and complex surgery.

We will become a more attractive place to work, train and research and an organisation that listens and learns from the experience of our patients, stakeholders and partners. We intend to continually improve patient care, be more flexible and quicker to deliver excellence. We want to listen to our patients and deal with the things that are important to them – like reassuring them they are coming into a safe hospital with a zero tolerance to infection.

We intend to build on what we do well; grow our tertiary cancer services and related complex surgery, consolidate trauma and emergency services, deliver local services – and extend our teaching, research and learning aspirations. We will do all this while upgrading Maidstone hospital to complement the facilities at the new hospital in Pembury.

People make services, not buildings; that is why we are focussed on how we deliver service improvement as well as what services can best be provided where.

These are the aspirations we are determined to achieve, which focus on our number one aim – providing safe and high quality care and an excellent patient experience.

Anthony Jones
Chairman

Glenn Douglas
Chief Executive
The Trust has provided local hospital treatment and specialist care to tens of thousands of NHS patients during 2008/09. The Trust achieved some major national priority standards including delivering ‘referral to treatment’ waiting times within 18 week standards and for the treatment of cancer.

18 weeks maximum wait from referral to treatment

For the 18 week access standard, a year ago we were at 69% for those patients who are treated without admission to hospital and 44% for those admitted patients. A considerable amount of effort and service redesign has gone into the whole system ensuring a sustainable position.

We reached the non-admitted 95% target at the end of October 2008 and have sustained this consistently. We reached the 90% target for admitted patients at the beginning of December and maintained a consistent performance. This is particularly commendable considering the huge pressure the Trust was under for emergency activity throughout January and February.

Cancer targets

Cancer targets have continued to be met consistently through the Trust for two years according to old guidelines. The new cancer strategy commitments are now in place and the Trust is committed to this process and confident it can continue with the achievement of this target. As a major tertiary centre MTW compliance, however, may well be lower than average. Department of Health announcement in May/June 09 regarding the level the threshold will be set will be incorporated into our performance data.

Stroke services

We have opened an acute stroke unit at both Kent & Sussex and Maidstone hospitals, 6-beds each and are actively participating in the network thrombolysis rota. We can offer thrombolysis at both hospitals Monday-Friday, 9-5 and as part of the on-call rota, out of hours. Thrombolysis has been performed successfully in both hospitals according to national guidelines.
Emergency access target – total time of 4 hours within A&E department

The Trust has found this standard increasingly challenging especially through the winter and achieved 96.1% against the national standard of 98%. We had had a period of achieving over 98% consistently until serious winter pressures from December onwards put huge demand on hospital capacity. Despite huge efforts from all concerned and extra beds put in place by the community and support from the NHS West Kent in this crisis time, it took some time for the Trust to recover. Maintaining safety and quality of care for patients remained a priority and the escalation policies were strictly adhered to at all times so as not to compromise this safety.

Considerable service improvement programmes are ongoing throughout the Trust, these are around length of stay, delayed discharges and achievement in these areas will improve the Trust’s overall performance as well as significantly effect the Emergency Access Target.

Delayed transfers of care

The Trust’s performance has improved significantly from last year to 2.0%. This means that the Trust is now achieving the maximum national target of 3.5%.

Focus for improvement in 2009/10

Total time of 4 hours within A&E department

Achieve the national standard 98% of A&E patients seen, treated, admitted or discharged within 4 hours of arrival.

Cancelled operations

Performance for the Trust was 2.3% against the target of 0.08%. This has been a huge challenge to the Trust; winter pressures, especially around January and the snow and ice of February, incurred the largest ever amount of cancelled operations in one month. It was not only patients cancelled by us due to the unprecedented emergency activity but also patients who cancelled themselves.

During 2008/09 the Trust saw:

- A total of 510,001 patients;
- Treated 110,174 patients in its A&E departments;
- Gave specialist advice to 332,004 outpatients including follow ups;
- Carried out 10,287 planned operations, 19,993 daycase procedures and 37,543 emergency procedures;
- Delivered 5,051 babies;
- Carried out 2,931,502 pathology tests;
- Took 254,519 radiology images;
- Had 33,495 missed appointments.
2008/9 has continued to be a busy year for making improvements to patient care and Nurses, Midwives and Allied Health Professionals have been key in this contribution.

The general wards have met the challenge of:

- Daily Infection Control enhanced reporting;
- Daily and weekly monitoring of nursing and care Key Performance Indicators (KPI's). This includes monitoring issues such as patients who require assistance with feeding and pressure area care;
- This has resulted in a reduced incidence of key infections including MRSA bacteraemia and Clostridium difficile and has improved our patients’ experience and outcomes.

Some of the key achievements for 2008/9 are:

- Successful pilot of the national ‘Releasing Time to Care – Productive Ward’ to increase nursing time with patients;
- Review of the nursing staff ward by ward to ensure continued safe staffing levels based on patient dependencies;
- Created a new care pathway for patients undergoing major bowel surgery at Maidstone Hospital, improving patients’ experience, pain management and recovery;
- Additional ITU beds with more beds for patients with a higher dependency and need;
- Increase in cardiac specialist nurses delivering more nurse-led services and helping to keep patients well and at home;
- Additional investment in senior nursing cover to improve patient safety and support the management of the hospital sites out of hours;
- Our Maternity Services were shortlisted for the Royal College of Midwifery innovation annual award for our successes in promoting normality in childbirth and scored as ‘Better Performing’ by the Health Care Commission in 2008;
- Commenced a Patient Experience Committee to ensure greater Patient and Public Involvement;
- Our Consultant Ophthalmic Nurse has specialised in using Botox to treat facial twitches and eyelid spasms.

To continue to improve the standard of patient care and support the workforce during 2009/10 the Trust is:

- Developing its first joint Nursing, Midwifery and Allied Health Professionals Strategy, which sets the direction and priorities from 2009-2012 and into the new hospital;
- Celebrating the areas of innovation and success of Nurses and Midwives during May for International Nurses Day and International Midwives Day;
- Introducing a system that monitors the number of patients who share mixed sex facilities;
- Producing up to date patient information to be available at the bedside;
- Further training and development of key nurse leaders such as ward managers;
- Introducing a real-time patient system at ward level which gathers patients’ views on their recent experience.
In April 2008 we welcomed a visit by Christine Beasley, Chief Nurse. Christine, who is also the Department of Health’s lead director for reducing healthcare associated infections, praised staff for working hard to improve patient care.

Then in March 2009 we welcomed Peter Carter, the Royal College of Nursing Chief Executive and General Secretary who spent a day at the Trust, meeting staff and seeing for himself the changes we have put in place since the Healthcare Commission report in October 2007. He visited the infection control ward at Kent and Sussex, held an open forum with RCN members and other nursing staff, then travelled to Maidstone where he met more staff. He congratulated the trust on the changes we have made.

Photograph courtesy of Courier Media Group
Patient safety is the main priority for this Trust. Infection control has a central role to play in ensuring that our hospitals are as safe as possible for all our patients.

Building on the success of last year in bringing down infection levels, the Trust has made even more significant reductions in healthcare associated infections such as MRSA bacteraemia (bloodstream infection) and C. difficile. Maidstone and Tunbridge Wells NHS Trust now has the lowest rate of C. difficile infection in the South East Coastal area and one of the lowest in the country.

Our zero tolerance approach to avoidable infections has been supported by good infection control and high cleaning standards which are monitored regularly.

In 2008/9 the Trust had 16 cases of MRSA bacteraemia and diagnosed 203 cases of C. difficile (community and hospital acquired of which 75 were hospital acquired).

Infection can also be brought in to hospital so we have introduced strict policies to assess and isolate patients who are admitted with diarrhoea or who develop it whilst they are in hospital. This has helped to reduce C. difficile infections but has also helped us to control norovirus (winter vomiting disease) and stop it spreading through the hospitals. This winter the number of wards and beds closed due to norovirus has been dramatically reduced.

Patients with C. difficile are transferred to the isolation ward at Maidstone Hospital where they receive specialist nursing care.
Last year Maidstone and Tunbridge Wells NHS Trust:

- Reduced MRSA bacteraemia by 33% (16 cases in 2008/9 compared with 24 cases in 2007/8);
- Reduced C. difficile infections from 220 inpatient diagnoses last year to 116 this year, of which 75 developed in hospital. (A number of hospital associated C. difficile infections are unavoidable because they arise from antibiotic treatment which has to be prescribed to treat other life-threatening conditions).

### MRSA bacteraemia

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<tbody>
<tr>
<td>Number of cases</td>
<td>58</td>
<td>52</td>
<td>47</td>
<td>41</td>
<td>24</td>
<td>16</td>
</tr>
<tr>
<td>Rate / 10000 bed days</td>
<td>2.06</td>
<td>1.90</td>
<td>1.89</td>
<td>1.68</td>
<td>0.99</td>
<td>0.66*</td>
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Working with the Health Protection Agency, Dr Sara Mumford and the microbiology department have been awarded a research grant of £140,000 to investigate new methods of diagnosing C. difficile and how those methods can be used to predict which patients are likely to relapse or have more severe disease.

### Infection control improvements

- Weekly infection control reports to the Board and senior staff;
- The Chief Executive and directors of the Trust including the Director of Infection Prevention and Control gave a 20 minute talk to all members of staff on hand hygiene, infection control and the Saving Lives programme;
- The Department of Health Saving Lives programme was relaunched within the Trust;
- All staff in clinical areas are required to be bare below the elbows;
- More sinks fitted in wards at the Kent and Sussex hospital to increase hand washing facilities;
- Weekly checks on wards to make sure that everyone including visitors are observing good hand hygiene;
- Regular monitoring of cleaning standards in all areas;
- Appointment of two senior infection control matrons;
- Rapid risk assessments to enable ward staff to identify patients who might have infectious diarrhoea;
- Root cause analysis of all healthcare associated infections;
- Expanded pre-admission screening to include all planned admissions in line with Department of Health guidelines;
- Purchase of four hydrogen peroxide dry fogging machines to improve decontamination of clinical areas;
- Continued the deep cleaning programme into a second year and planning ahead for the future;
- Appointed an additional consultant microbiologist;
- Development of an extensive audit programme of infection control activity.
Achieved compliance with the Hygiene Code and gained unconditional registration with the Care Quality Commission;

Empowered all staff to challenge poor infection control practice wherever they see it;

Put up posters at every ward entrance so that patients, staff and visitors can see the infection control record of the ward.

Planned improvements for 2009/10

Phased introduction of admission screening for MRSA for all patients during 2009-2011;

Introduction of further improved cleaning specifications;

Regular use of hydrogen peroxide fogging to decontaminate side rooms where C. difficile patients have been diagnosed;

Regular decontamination of the isolation ward by the same method;

Extending root cause analysis to include surgical wound infections.

Taking part in a pilot scheme to monitor infection rates in Caesarian section wounds;

Expansion of the infection control training programme and development of specific training packages for non-clinical staff such as domestic and portering staff;

Continuing to emphasise the need for scrupulous hand hygiene;

Strive for further improvements in healthcare associated infection rates;

Continuing with the annual deep clean programme.

We are determined to build on our progress so far in improvements in infection control, to continue to strive for excellence and to maintain our position as a Trust with some of the lowest infection rates in the country.
A year of excellent progress – with new challenges to face

By Glenn Douglas, Chief Executive

Welcome to my look-back on progress in the Trust over the past year. Every week in my newsletter Update I report back to staff on the issues, positive and otherwise, which have stood out for me during the past week.

I thought it would be useful to the wider readership of our Annual Report to offer a similar snap-shot of the year just passed. So much has happened that it’s impossible to feed back on all the significant things that happen every week, let alone over a year. So, apologies in advance to those people I have missed out.

April 2008

We had a very welcome visit from Christine Beasley, the country’s Chief Nursing Officer (CNO). Christine is also the Department of Health’s lead director for reducing healthcare associated infections. THE CNO praised staff for working hard to improve patient care and described the people she had met as “vibrant and enthusiastic.”

She told us that tackling C. difficile and other infections had been the catalyst for the whole NHS to put quality and patient safety back at the top of the agenda. “Money and activity matter - using the resources you have efficiently and well to keep cutting waiting times - but high quality care for patients is what it’s really all about and nurses are at the front line in this,” she said.

I was also able to report a year-on-year cut of 35% in the number of C. difficile cases, with a target of a further 40% reduction within two years. (We have more than achieved that already).
In week two I was glad to pay a grateful tribute to the tireless volunteers of our hospitals’ Leagues of Friends (LoF), and the other volunteers who do so much to improve things for our patients. In the previous year Maidstone LoF raised and spent over £220,000, Kent and Sussex LoF £112,000, and Pembury LoF £71,000, on everything from fetal monitors to refurbishment and wall murals to brighten the place up.

In week three I reported on important changes in management structures, the beginning of our senior nurses’ ‘Back to the Wards’ Fridays, and the second of our clinical engagement events where a cross section of about 100 staff - doctors, nurses, managers and others - explored what the direction of our clinical strategy should be.

In week four I told staff that the success we were having in the battle against C. difficile meant that at Maidstone, Cornwallis Ward had become too big for its purpose as the Trust isolation ward so that important role was now taken up by Whitehead Ward, which has fewer beds.

May 2008

Throughout January and February, BBC 1’s Panorama cameras and crew had full co-operation and free access to our hospitals for a programme on hospital acquired infections. Called ‘How Safe is Your Hospital’ it was a 50 minute special programme broadcast in April. Following the broadcast I told our staff: “My reaction was that the tragic stories told by some of the relatives of people who died during the two C. difficile outbreaks made us sad, and sorry for what had happened to them.

“But I was pleased that the programme made clear the high degree of care, professionalism and integrity shown by all the staff who were interviewed. My thanks to them again for taking part. It also made it completely clear that we have put stringent measures in place to minimise the risk of outbreaks, and that this is a serious problem for all hospitals.

“It showed and said, quite explicitly, that our hospitals are very different and better places than they were two or three years ago. I was also very pleased about the extremely positive things patients in the isolation ward had to say about the care they had received from us.

“We were completely open and honest with Panorama because that is our policy, and gave them full access to our hospitals – they filmed wherever and whenever they wanted to, providing patients were not inconvenienced and were willing to be seen. We have nothing to hide and a great deal to be proud of. I am glad that we were able to add our experience to this important national debate.”

I was also able to tell staff about a service we are particularly proud of – our internationally renowned laparoscopic surgical team led by Consultant Upper Gastro Intestinal Surgeon Mr Amir Nisar who had recently run a national training course on keyhole surgery techniques for senior surgeons around the country.

We are a world-leader in laparoscopic surgery and are the only trust in the country to perform some of these highly specialised and minimally invasive procedures which are so beneficial for patients. Only a few centres around the world can carry out the types of procedures our surgeons perform here.
In week two I was able to report the success we were having in driving down Genito Urinary Medicine (GUM) (sexual health procedures) waiting times, and in week three the results of the Patients' Survey, taken at a very low point for the Trust, in the immediate aftermath of the Healthcare Commission report into the two earlier C. difficile outbreaks.

In week four I welcomed our new Director of Nursing, Flo Panel-Coates, and told everyone about the important Productive Ward initiative we are involved in. Our efforts to improve standards of patient care and dignity received national support from the NHS Institute for Innovation and Improvement.

The Institute visited staff on Ward 7 at Kent & Sussex and John Day Ward at Maidstone who were championing our Releasing Time to Care (Productive Ward) initiative. (It is now on Mercer Ward). The scheme empowers staff to change the way they work so that more of their time can be spent on direct patient care. It is also being run nationally and has come up with some really startling positive results.

**June 2008**

In the first June issue I was able to tell people about our success in beginning to turn the corner with Emergency Access waiting times. During May, 96.4% of people who came to A&E – at both Maidstone and Kent and Sussex – were treated within four hours, a radical improvement on just a few months previously.

Week two saw the launch of a Disability Action Network for staff, and the next meeting of the Black and Ethnic Minority (BME) staff Network, both of which have my full support.

In week three I gave details about another area of national and international medical expertise in which we are at the cutting edge. The first international course on Interventional Bronchoscopy and Medical Thoracoscopy took place on 6 and 7 June, organised jointly by Respiratory Medicine Department and the Postgraduate Centre at Maidstone Hospital, in affiliation with the European Association of Bronchology. (Bronchoscopy involves a doctor using a special tube or fibre optics to identify and treat chest conditions).

Week four carried on the theme. Colorectal clinical nurse specialist Jane Elliott was at the 10th World Congress on gastro-intestinal cancer in Barcelona, presenting an enhanced recovery programme for patients undergoing colonic resection.

Mr Amir Nisar had given a presentation to the European Association of Endoscopic Surgery. There were five showcase examples of worldwide advances in laparoscopic techniques shown to some of Europe's leading surgeons. Two of these were developed by our laparoscopic team at Maidstone.

Meridian TV also heard about the laparoscopic team's groundbreaking work and came into Maidstone Hospital to film them.

Our continuing determination to be among the best at infection control also took another step forward. Medical Director, Mr Jim Lewis, wrote to all Consultants, and later to every member of staff, reminding everyone of the importance of our hand-washing policy.

He also stressed that the Dress and Uniforms Policy is just as important because long sleeves, jewellery and watches interfere with thorough hand-washing. And dangling things like long sleeves, ties, or necklaces can become contaminated and transfer infection. That's why we have our strict 'Bare Below the Elbows' policy, based on national guidelines.

His letter reminded people that the policy is mandatory for all staff having clinical contact with patients, no matter how senior they are.
July 2008
The first week of July is always NHS Week, and last year was extra special because it was the 60th anniversary of the NHS. Our Emergency Planning Officer John Weeks is also a local historian and he had been working for some months building up a fascinating display of old photographs and other material about the history of the Kent and Sussex Hospital. It was displayed at Tunbridge Wells Town Hall throughout the summer.

It was also the 180th anniversary of the Tunbridge Wells hospital and that the exhibition has all sorts of fascinating pieces – old medical equipment, even gruel bowls from the old workhouse at Pembury!

In the second week I gave an update on the fantastic progress being made at Pembury (still forging ahead of schedule) and reported the success of our maternity services as being the best in Kent and Medway.

The third issue of the month covered more good progress towards our access targets, feedback from some of the mandatory infection control training sessions we ran for all staff over the summer, and the talented entries in the Trust’s annual Postgraduate Art Competition. There were 39 entries in three categories – Painting, Drawing and Photography.

The last week of July covered our second strategy event, this time at the East Malling Conference Centre, involving 111 key people from across the Trust. We also welcomed two new Non-executive Directors - Denise Harker, and Kevin Tallett.

August 2008
At the beginning of August we launched our Annual 2008 Staff Awards and opened our expanded Critical Care Unit at Maidstone. The Daily Mail ran a refreshingly positive feature story about our laparoscopy surgery success; then reverted to type by trumpeting an almost entirely bogus story about hospitals having difficulties with pest control – and focused on us.

The number of times our pest controllers are called out to deal with a pest problem – usually very minor – is an indication of dealing with an inevitable problem, particularly on old sites like Pembury and Kent and Sussex, not that they are neglected or insanitary. Precisely the reverse, in fact.

In the second week we kept up the pressure on infection control by introducing the ‘It’s OK to Ask’ (about good hand hygiene) slogan.

In week three we trailed the imminent, and crucial, visit by the Health and Safety Executive (HSE). (One of many such visits and inspections, by the Healthcare Commission (HCC) and others, checking on our progress).

I also welcomed a trailblazing new initiative – moving cardiac rehabilitation programmes out of the Kent & Sussex Hospital and into a better natural home – local Sportscentres.

From time to time we publish letters of thanks from grateful patients in Update and this one, at the end of August, is quite typical. He came into Maidstone to have a kidney stone removed. Here’s what he had to say:

“This was my first ever stay in any hospital, first general anaesthetic, and first ever surgery. All of the staff were extremely helpful, caring and professional. Considering how busy everyone was, it was comforting to know they always made the time to stop and help me, explaining what was happening at every stage of my treatment. I experienced the same helpful, caring and professional attitude from all the staff from A&E, the wards, the porters, in x-ray and the theatre staff.

“I should also like to mention the cleanliness. I was impressed! My bed was changed every day. The cleaners did a thorough job of cleaning all the surfaces and floor – one even cleaned the light bulbs in the bed lamps!...my thanks to everyone who looked after me.”
September 2008

By September we really began to feel that we had turned a corner and that patient, public and media perceptions about infection control were beginning to catch up with the real position here. C. difficile cases were 73% down between April and June compared with the previous year, for example, and we did our best to let people know about it.

An interview by the Times health correspondent with Dr Sara Mumford, our Director of Infection Prevention and Control, was very positive and showed that we were very far away from our low points in the past.

That was followed up by her involvement in a three-way live interview on the BBC R4 ‘You and Yours’ lunchtime consumer programme. She described again what we have done to put things right and keep them that way, just one of many TV, radio and press interviews Sara handled throughout the year.

Then she and I were invited to be the first speakers at a conference in London organised by the Healthcare Commission called ‘Improving performance through peer learning’.

We were very well received by our audience of clinicians, nurses, infection control specialists and managers from trusts across London and the south east, who listened carefully and treated us as the experts in this field that we and the whole trust have become.

It was in the second week of September when we discovered that we were now the best acute hospital trust in the south east for infection control. I had the pleasant task that week also of presenting our annual Long Service Awards to dedicated staff who between them had contributed over 4,000 years of work and commitment to our hospitals.

I also thanked all the friends, volunteers and staff who took part in the Maidstone Hospital Summer Fete. Special personal thanks went to both the bouncy castle and face painting team for ensuring that my daughter had a wonderful time. After such a wet summer, thank goodness for the nice weather on the day!

The last week of September was action packed: a mixed report from the HSE which led us to develop action plans to tackle the few failings they had identified; praise from the Strategic Health Authority (SHA) for the innovative and groundbreaking work our midwives have done in reducing the number of unnecessary Caesarean Sections; and our Annual Awards presented by Baroness Emerton OBE, a very old friend of the Trust.

October 2008

An exciting decision by the Board gave the go-ahead for a new laparoscopic operating theatre with dedicated training facilities.

The Board agreed that we should build on our international success in this field, and approved a proposal to refurbish a theatre at Maidstone to create a new integrated laparoscopic theatre. At the same time we will expand the Post Graduate Medical Centre to provide more facilities for medical education and a dedicated laparoscopic training facility.
More sobering was a report from an independent consultancy, Verita, commissioned by the SHA to review the then Board’s leadership before, during and after the C. difficile outbreaks. It made some hard-hitting criticisms of the way the trust had previously been managed and made a number of key recommendations which we had largely already taken up.

October was the first anniversary of the Healthcare Commission report, and we were all very pleased by the way local and national media marked the occasion and acknowledged the progress we have made. The Kent Messenger ran a four-page special supplement headed One year on and it all looks so different and the Health Service Journal followed up (rather embarrassingly) with The Managers Who Saved Maidstone and NHS Infection Control: A Clean Bill of Health.

Headlines don’t matter, compared with the confidence and trust of our patients, except that they do play an important part in building (or undermining) the trust and help to raise the morale of everyone who works here.

Our Emergency Planning team came in for some praise too. They won praise from Southern and South Eastern train companies for the work they have done in training Railcare volunteers. Railcare is a national scheme in which volunteers from the rail industry are trained to work with the NHS in hospitals, rest centres and Humanitarian Assistance Centres in an emergency.

We also had our Employee of the Year awards, taken this year by senior midwife Karen Davies who received more nominations than anyone has ever had for the awards.

After a run of good news and happy events the Healthcare Commission Annual Health Check was something of a set-back, though entirely expected because it was based on our own earlier self-assessment, and referred back to how things were in 2007.

In the third week of October I told Update readers about a useful meeting I had had with MASH campaigners (Maidstone Action for Services in Hospital) who are against any hospital services transferring from Maidstone to Tunbridge Wells or Pembury when it is ready. (Since then we have decided not to relocate any services until Pembury is ready).

In the last week of October I was able to report a big success of our Genito Urinary Medicine (GUM) service in radically cutting waiting times.

November 2008

In the first week of November our wonderful new Cardiac Catheter Lab at Maidstone was completed, enabling us to see and treat over 1,600 heart patients a year who would have otherwise had to travel to London for their care.

We reported one of many tributes we receive from patients and their relatives and friends: this one from the November issue of a village newsletter.

“An old friend of mine, old in both senses, had had a stroke and finds herself in the K&S. After passing through the acute care stage she is now in something called Neuro Rehab, and I cannot speak highly enough about the care she is receiving. The atmosphere in the ward is relaxed yet professional, the doctor is charming, the nurses friendly and the physios are olympic maidens by whom it would be a pleasure to be manipulated.”

“The Kent and Sussex is our local hospital and it has had a very bad press recently. It seems to me that they have got their act together.”

In mid-November I told staff about a very chilly visit I made to Oslo. My main reason for going was to see and talk to the staff running the only all single room emergency hospital in Europe. I learnt a lot and they were very happy to help us work through how to get the very best out of our new facilities at Pembury.

Two more successes by our excellent staff came out. The specialist registrars on the South East Thames orthopaedic circuit voted the Maidstone Orthopaedic Department the best training centre in the region. The region consists of 17 hospitals and 65 specialist registrars.

Success number two was a ‘secret shopper’ visit to the Cancer Centre at Maidstone by a senior official from the Department of Health. She presented as if she was a patient and went to the oncology reception first, then went to see our Radiography General Manager, Lyn McKay, where she made herself known and visited the mobile Positron Emission Tomography - Computerised Tomography (PET-CT) van.

She was very impressed and pleased with the service we provide, especially the work flows and the storage of the PCT-CT images, to such an extent that she now recommends other Trusts wrestling with PET-CT problems to visit us to see how it should be done.
She followed it up with an email, part of which said:

“our visit today was very successful and such a pleasure to come to such a nice Trust. I must say all of the hospital reception staff I spoke to were extremely helpful and the atmosphere was very pleasant. I wish all of my visits were as positive!”

December 2008

A new on line Trust Formulary came on line at the beginning of December. In the past the formulary was published every two years in book form which was not only very labour intensive but the book was out of date almost as soon as it was produced.

The formulary website, which is fully searchable, contains not just a list of approved medicines but also the Trust Antibiotics Policy, an extensive range of guidance on medicines use and answers to some of the most frequently asked questions put to the Trust Medicines Information Centre. It can be updated in minutes for example to reflect the latest decision of the Drugs and Therapeutics Committee, product shortages or new medicines safety data.

It is accessible on the World Wide Web so that the information can be viewed by staff on-call from home, local GPs and healthcare staff from other organisations.

A recurrent theme for the rest of the winter appeared in mid-December with a sudden cold snap leading to massive pressures on our A&E and on the wards. Staff worked fantastically hard throughout the winter to try to achieve the four hour Emergency Access treatment target, and the 18 week maximum target for non-urgent operations, often under a great deal of pressure.

In the same week we took delivery of a new three tesla Magnetic Resonance Imaging (MRI) scanner at Maidstone Hospital - the first one of its kind in the South East outside of London. The £1.5 million scanner is twice as powerful as most conventional MRI machines.

It gives us the ability to spot even smaller cancerous lesions – helping catch the disease even sooner. We are also able to scan patients at risk of having strokes by checking their brain functions (spectroscopy).

In mid-December we welcomed Anthony (Tony) Jones as our new Chairman. Tony, who joined us as a Non-Executive Director in March and had been Vice Chairman since August, said:

“I’ve witnessed first-hand the progress MTW has made this year. We now have some of the lowest rates of hospital-acquired infections in the South East, much cleaner hospitals and waiting times are down.

“This Trust has come a long way on its journey of improvement and we will go even further in 2009. As a Board, we will keep working hard, scrutinising decisions and supporting our frontline staff who want to provide the very best standards of care they can for patients.

“We now have a strong team of Non-Executive Directors excellent directors and, most importantly of all, over 4,000 highly skilled and hard working staff. To put it simply, patients will be at the centre of everything we do.”

He succeeded former Chairman George Jenkins who joined the Trust on an interim basis in October 2007.

Tony had a long career as a senior human resources manager for Ford, before retiring in 2002 as Director of Human Resources for Jaguar. Since then he has been a non-executive board member of Midland Heart, one of the country’s top ten housing associations, and of Groundwork UK, one of the top environmental charities.

January 2009

We had four major successes to celebrate in the first week of the new year. On 9 January the Healthcare Commission published its report, a one year follow-up from the original devastating report into the two C. difficile outbreaks.

They praised our progress in implementing our action plan, and the first rate infection control procedures we have in place, and recognised the general high standards of cleanliness we have.

One particular finding stood out: “The current infection rates for the Trust are amongst some of the best in the country. As the rates were the key issue in the investigation this needs to be recognised and celebrated as this is a positive outcome for patients.

This is a very different Trust to the one we investigated in 2007. It was never going to be easy to turn things around in just 12 months and indeed there is still some way to go. But the substantial progress it has made to improve the prevention and control of infection is commendable.”

www.mtw.nhs.uk
“Staff at every level have put in considerable effort to make these improvements and should be recognised for their hard work. Senior staff have demonstrated strong leadership and it is clear that infection control is now a top priority at the Trust.”

Success number two, which also recognised our expert status in infection control, was the award of a £140,000 grant from the Health Protection Agency to help lead crucial research into the diagnosis and treatment of C. difficile.

The two-year research programme will establish the fastest and most accurate methods of diagnosing C. difficile and most effective ways of treating the disease.

Importantly, the study will also look at the potential impact C. difficile is likely to have on different patients of different ages and different illnesses, providing clinicians with valuable information for starting the most appropriate levels of treatment sooner.

Success number three was accreditation to provide bowel cancer screening services for the whole of Kent. Bowel cancer is one of the ‘big three’ cancers. One in 20 people, usually older people, will get it and it is the second commonest cause of death from cancer.

After many months of hard work by many people to ensure that we met the stringent requirements in every respect, the Joint Advisory Group on Gastrointestinal Endoscopy awarded us the £300,000 annual contract.

Success number four was the opening of a dedicated acute stroke unit at Maidstone, a five-bedded acute stroke unit on Boxley Ward.

For the first time we became able to provide stroke patients, where clinically appropriate, with thrombolysing – clot-busting – drugs at Maidstone and Kent & Sussex.

This treatment can reduce the level of disability stroke patients suffer if administered within three hours of the onset of a stroke.

By joining forces with Darent Valley and Medway Maritime hospitals we are able offer stroke patients a 24/7 emergency service.

The following week saw another good survey report. Patients rated highly the care they receive in our A&E departments, with 88% rating it as “excellent”, “very good” or “good”, according to a survey by the Healthcare Commission.

In the great majority of categories Maidstone and Tunbridge Wells NHS Trust fell within either the 20% of best performing trusts or the 60% of intermediate trusts.

The next week kept up the run of good news when our midwives came in the top three for the most prestigious award in their discipline – The Royal College of Midwives annual award for Innovation in Midwifery.

They gained this recognition for midwifery innovation for their Midwifery Practice Audit, an innovative and dynamic tool to change practice and lower caesarean section rates.

We also had national and international positive media attention about one of the less well-known services we provide. The story featured a patient who has a condition known as crocodile tears.

Nerve damage forces her to cry uncontrollably whenever she eats. Fortunately there is a remedy: Botox, usually a cosmetic treatment. She is one of around 60 patients, many with even more troubling conditions, who attend Botox clinics every 8-10 weeks at Maidstone and Pembury. They are run by our Nurse Consultant in Ophthalmology, Margaret Gurney.

And the Pembury Hospital Catering team again won a Gold Hygiene Award after a Tunbridge Wells Borough Council environmental health inspection.

The last week of January was a strange one for me because I spent most of it in the High Court where our former Chief Executive Rose Gibb was suing us over the size of her severance payment.

The whole experience felt a very long way from working in our hospitals to improve services for patients.
February 2009

In the first week of February our part of the world bore the brunt of the heaviest snowfall for over 20 years and it hit our hospitals hard, with many staff unable to get into work.

Of course, patient and staff safety was our top priority so with the support of all our staff we swung into action to maintain services, particularly A&E which was under massive pressure.

We hired a 4-wheel drive vehicle which was kept very busy all day ploughing through the snow and ice picking up key staff and bringing them in. We also arranged for emergency accommodation for any staff unable to get home after work. Non-urgent operations were cancelled, as were some outpatient clinics because we didn’t want the risk of elderly or frail people slipping on the ice on the way to a clinic.

As the day wore on and the snow kept remorselessly falling pressures mounted, not least because with so many GP surgeries closed or inaccessible people turned to our hospitals instead. So we put out an appeal on Radio Kent and other media asking people to only come into A&E if they had an accident or needed emergency treatment.

Those staff who did make it in, many on foot, worked fantastically hard for long hours and kept our services going.

The pressure on our hospitals, particularly on Trauma services carried on into the following week as the cold weather continued.

Meanwhile other work and progress went on. The Strategic Health Authority, impressed with the work of the Productive Ward Scheme piloted at Maidstone, gave us quarter of a million pounds a year to expand the scheme.

It helps ward staff free up more of their time to care for patients. Changes made to help this happen can range from physically relocating store cupboards and sluices to subtly altering the way we work.

Our groundbreaking Pembury Hospital development continued to attract worldwide interest - this time from Australia. A delegation of senior health officials from the South Australian Government visited Pembury as part of a fact-finding mission to support the development of a new hospital in Adelaide.

The group was particularly interested in Pembury’s unique patient safety features, focus on infection control and attention to privacy and dignity issues.

A key decision was taken by the Trust Board meeting in the last week of February. We decided to defer the creation of a specialist centre for complex and cancer surgery and a trauma centre until the new hospital at Pembury opens in 2011.

The decision follows a detailed internal review of our readiness to reconfigure services in advance of the completion of the new Hospital, originally planned to take place from May 2009.

We listened carefully to local people’s concerns and looked again at all the issues, and the review concluded that an immediate move of services would not produce benefits for all of our patients. It would not support our commitment to offer safe and high quality patient care, or enable us to use our resources with maximum efficiency.
The reasons for the decision include capacity at Kent & Sussex Hospital; its old fabric, which although currently adequate would be challenged by increasing significantly the emergency workload; difficulty of patient access to the Kent & Sussex site, especially for people from the Maidstone area; and the management capacity needed to implement such a major project at a time of significant challenge for the Trust.

So the Board decided that it would make little sense for patients, staff or the organisation as a whole to move services twice within a short period of time, particularly when we see the spectacular progress of the construction at Pembury.

We are still entirely committed to the intention of creating a specialist centre for complex and cancer surgery at Maidstone and a trauma centre at Pembury when the new hospital is ready.

The Catering Team at Maidstone were awarded a 5 Star rating ‘Scores on the Doors’ for hygiene and cleanliness following an inspection by Maidstone Borough Council.

This is the highest possible score and reflects the excellent standards of food safety management and compliance with the food safety legislation.

March 2009
One of our highest priorities over the past year and before has been to recruit more staff, particularly nurses, where there are shortages.

Most recently the nurses are maximising the chances of filling their vacant Clinical Support Worker (CSW) posts through a new initiative with local Job Centres. They have jointly set up a pilot scheme where potential CSWs work a 30 day trial period with us before taking up full-time posts.

Candidates go through all the necessary checks and are then chosen to take up posts on wards with the assistance of ward managers and matrons.

If the scheme is successful, it will be opened up to trained nurses or midwives looking to ‘Return to Practice’ as well.

Maternity have also been busy pulling together a new recruitment pack. In it midwives tell jobseekers about some of the really good things they achieved in maternity care at MTW in the past year.

Looking forward
At the beginning of 2009-10 financial year we were looking forward to the official opening of Maidstone Hospital’s new state-of-the-art Laparoscopic Theatre on 1 May 2009. The opening of the theatre is the first phase in the creation of an international laparoscopic training centre at Maidstone Hospital this year.

Our vision is to train surgeons from across the UK and Europe in the latest laparoscopic techniques in partnership with leading teaching centres around the world. That will put us in the forefront of developments in national and international minimally invasive surgery.

Having made huge progress in 2008-09 we approached the new year with a new set of challenges for us to turn our thoughts and energies to. We can all be proud of having been part of a step change in the Trust’s performance, particularly in the crucial area of patient safety.

By 2011, we will have moved into our new 100% single bedded hospital at Pembury and be well on the way to upgrading the wards and outpatient clinics at Maidstone.

The following year we aim to achieve both University Hospital and Foundation Trust (FT) status. These achievements will enable us to further improve our services and bring the new opportunities and financial freedoms with them that our colleagues around Kent are starting to see.

The changes required to achieve FT status are even more significant than the changes we’ve achieved in the last 18 months, however, and will need our focussed attention over a similar length of time to achieve.

To gain FT status we have to show we are capable of providing responsive, high quality services within our available resources. We’ve made huge improvements in our standards of care and waiting times and now need to show the same diligence with our use of resources.

We have been spending around 10% more than it costs other more efficient organisations to provide the same standards and levels of patient care. We need to achieve the same levels of efficiency. It goes without saying that no organisation can keep on delivering investments and improvements indefinitely if it is spending more than it earns. I am convinced that we can and will achieve the efficiencies we need, just as we have achieved excellence in cleanliness and infection control.
Construction of the new hospital has progressed at an amazing pace with contractors Laing O’Rourke meeting the programme dates and in some areas being significantly ahead of programme.

The skyline at Pembury tells the story with 5 tower cranes visible and behind the hoarding work on the structure and the internal fit out continues.

The Trust signed the contract for the new hospital on 26 March 2008 and construction started just a few days later on 31 March. Work had previously already started on upgrading Tonbridge Road, providing the increased capacity for the utilities for the hospital and demolishing the old huts at the bottom of the site. So it was all systems go immediately after signing the contract.

Over the last year:

- The new road layout has been completed with a traffic light controlled junction and entrance into the hospital;
- A temporary car park has been constructed for Trust staff at the adjacent Notcutts Garden Centre;
- New gas, water and electricity supplies have been installed.

By April 2009 approximately 80% of the structural frame was built and work on the internal partitions, external cladding and mechanical and electrical services had started.

To enable the Trust to familiarise itself with the innovative single en-suite bedrooms a sample room was completed early. This assists in testing equipment and the final location of bed head services etc to ensure that we meet our aim of putting patient safety at the centre of everything that we do.

Building a £225 million, 7 storey, and 66,000 square metre floor area building on a green field site would be a challenge in its own right but doing so on an operational hospital adds a different dimension of complexity. Working closely together the Trust and the contactor, through good planning and co-operation, have ensured that at no time has the service to our patients been compromised.

The Trust will take over the first phase in November 2010 with the Women’s and Children’s services currently at Pembury transferring into the new hospital in February 2011 and the remainder of the services together with those at the Kent and Sussex Hospital moving in during July/August.
Environmental impact

For environmental and cost-saving reasons the Trust is committed to reducing its carbon footprint and improve energy efficiency. The size of the Trust’s estate at Maidstone Hospital has grown considerably, by twenty four per cent since 2003. However, the Performance Index (measured in gJ per 1000 m³ per heated volume) has improved.

This is for several reasons:
- older BMS (building management systems) are being replaced;
- new buildings having better standards of insulation and air handling units incorporating heat recovery systems;
- new buildings have variable speed drives on heating and hot water pumps;
- use of the more efficient plate heat exchangers over traditional calorifiers for heating and hot water services both in the new buildings and as replacements in existing buildings;
- installation of new burners into existing boiler plant.

The Pembury Estate has reduced in recent years to enable the building of the new PFI hospital. The areas demolished consisted primarily of the least efficient building fabric resulting in an improvement in performance.

The Kent & Sussex Hospital has had a slight worsening in performance over the same period as a result of higher occupation density caused by service transfer from Pembury.

Current energy saving initiatives

Hospital Laundry:
- a waste water heat recovery system is being installed;
- additional water metering being installed to enable more accurate monitoring of water consumption;
- Degree-day analysis of major sites.

A new Energy and Carbon Management Policy for the Trust and this will include energy awareness campaigns and regular energy ‘walk round’ surveys. The latter have already provided important information and places where low cost capital works would achieve considerable savings and improve the working environment.

Future strategy

Bids for energy saving works have been applied for from the Department of Health Energy and Sustainability fund and have progressed to stage 2 (awaiting funding to be available); this bid is for funding which includes installation of a Combined Heat and Power plant (CHP), installation of variable speed drives, and absorption-chilling replacing vapour compression systems.

The Trust is also participating in the NHS Carbon Management Plan which is due to start May 2009.

<table>
<thead>
<tr>
<th>Performance Indexes (GJ / 1000m³)</th>
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</thead>
<tbody>
<tr>
<td>Pembury</td>
</tr>
<tr>
<td>2006-07</td>
</tr>
<tr>
<td>2007-08</td>
</tr>
</tbody>
</table>

The Government performance target is to achieve a figure of less than 55 Gigajoules per 1000 cubic metres (Gj / 1000m³). The new hospital at Pembury once completed is designed to achieve this target, the existing building fabric at Pembury together with the Kent & Sussex Hospital will be removed from the estate at that time.
Clinical governance

The Quality and Governance Team, which includes clinical governance, has undergone considerable changes in the last year. In the interests of driving improvement within the organisation the team has been restructured, as has the committee structure to enhance the monitoring of activities to help us to analyse the information we have.

By looking closely into areas such as clinical outcomes, complaints, incidents and audits we are able to learn where things have not gone right, recommend changes to practice and so take action to improve the services the Trust offers.

Within the Quality and Governance Team we have improved the information we are able to provide to the Divisions to help improve performance. We have reinstated the CLIP committee at which complaints, incidents, Patient Liaison Information Service, (PALS) and claims information from across the Trust are discussed to ensure that we identify and share learning throughout the organisation.

Following last year’s declaration with respect to Standards for Better Health - the Trust has made considerable strides towards meeting the standards during 08/09. We are aware that the declaration we are currently making will not reflect the extent of the improvements made. This is because some have only been met during the year and have not been in place for the full year, which is what is needed to declare the standard met. All, except two of the standards have been met by the end of March 2009.

This Trust, along with others in Kent, have been part of the national early adopters scheme to improve the management of complaints in line with the recommendations in the document from the Department of Health ‘Making Experiences Count’.

We do recognise that we are still not responding to complaints in as timely a way as we would wish, however, we anticipate that with new structures in place as we join our PALS and Complaints team to develop a Patient Experience Team and seamless service between the two, within the next few months, that we will be better able to address any concerns that are brought to us.

Data protection incidents

The following data protection incidents occurred during 2008/09:

<table>
<thead>
<tr>
<th>ID</th>
<th>Incident Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>25112</td>
<td>8-Aug-2008</td>
<td>Approx 85 sets of patient notes covering the period April - July 2008 were found to be missing. Patients were treated without access to notes. Duplicate notes created.</td>
</tr>
<tr>
<td>29028</td>
<td>23-Feb-2009</td>
<td>Patient had received information relating to another patient.</td>
</tr>
<tr>
<td>25407</td>
<td>2-Sep-2008</td>
<td>Theft of a laptop between 21 August - 2 September. Laptop contained patient data as follows: -Patient’s name + Date of birth + Graphs.</td>
</tr>
<tr>
<td>23327</td>
<td>10-May-2008</td>
<td>Theft of laptop. No patient identifiable information was contained.</td>
</tr>
<tr>
<td>24792</td>
<td>31-Jul-2008</td>
<td>Patient received a copy of another patient’s details in a letter sent.</td>
</tr>
</tbody>
</table>
Human resources
Being a model employer remains one of the Trust’s strategic objectives and acknowledges the importance of our staff to the delivery of safe, high quality patient care and service.
The Trust continues to invest in the workforce, seeking to recruit more doctors, nurses and other staff providing care direct to patient care.

Developing our people
A new and substantial prospectus of the learning and development programmes available to staff was published and provides learning opportunities for all staff. NVQ programmes have been developed and leadership development programmes have been launched which will support the development of personal skills, team working and service development and this encompasses leaders at Trust Board through to aspiring managers.
The Trust continues to work positively with partner universities in London, Kent and Sussex to ensure that the most appropriate professional development is available for our staff.
We will celebrate the learning achievement of staff in an award ceremony.

Diversity
The Trusts has Race, Gender and Disability equality schemes in support of its commitment to equality.
The Trust employs a highly rich and diverse workforce and we are delighted that our Black and Minority Ethnic Network has become established as an important forum to support he development of equality practice under the leadership of Cynthia Colson.
The Trust was delighted to receive confirmation from NHS South East Coast that, following a review of compliance with the Race Equality Duty the Trust has ‘robust plans’ which represented their highest accolade.
During the year the Trust has also established a Disability Action Group, chaired by Sarah James Whatman, and comprising both staff members and representatives from various special interest groups.
All new Trust policies or service developments go through an equality impact assessment process.

The Trust Board continues to monitor equality and diversity in the workforce and during the forthcoming year will develop an integrated equality scheme to ensure that opportunities for development and progression are available to all.

Communicating with our staff
Openness and honesty has been embedded in the Trusts’ values.
Weekly ‘Updates’ from the Chief Executive to all staff give a personal briefing on key developments, achievement and issues and are very well received by staff.
Regular formal and informal meetings take place with staff representatives and open discussions take place on current challenges and future opportunities in the true spirit of openness.
Directors of the Trust aim to be as visible and accessible to staff as possible and a new ‘Back to the Floor’ scheme will ensure that these leaders see the Trust through the eyes of our front line staff.

Staff survey
The trust received generally positive feedback from staff through the national Staff survey with improvements in many aspects on working lives. Staff said that they were particularly happy with the culture of team working, the reporting of incidents, access to hand washing materials and the availability of relevant on the job training.

An action plan is being developed to address priority areas where improvements are required such as: the management of incidents where staff are bullied or harassed by patients/relatives, the number of staff working extra hours and the number of staff being appraised and having personal development plans; further improvements in two-way communication up and down the Trust is also a priority.

Healthy staff
Our Occupational Health service has been strengthened by new appointments of new and qualified staff to the team.
A comprehensive service is available to staff who are experiencing health and wellbeing issues and this includes health and lifestyle advice, counselling and immunisations. Health promotions and health education initiatives also take place and we try to take the service to staff through visits from Occupational Health staff to departments and wards across our hospital sites.
Pensions
Past and present employees of the Trust are covered by the provisions of the NHS Pension Scheme.

Recruiting key medical staff
We were successful in making the following consultant appointments:

- Radiologists (2 full time, 1 part time)
- Physician with interest in strokes
- Haematologist
- Gastroenterologists (2)
- Cardiologist
- Cellular pathologist
- Oncologist

Emergency planning
Maidstone & Tunbridge Wells NHS Trust has been at the forefront of local health Emergency Planning during the year. Uniquely, across West Kent one Emergency Planning Team hosted by MTW ensures that the local NHS is ready to respond to anything from terrorism and train crashes to heat waves or blizzards.

Frequent exercises with local multi-agency partners have been undertaken to ensure a high standard of response. They included an infant abduction exercise with Kent Police and a live Fire Exercise at the Kent & Sussex Hospital.

Plans for a Flu Pandemic were also tested in conjunction with all other Kent Acute Trusts and Primary Care Trusts (PCTS) and the Trust has invested heavily in stockpiles of key equipment to ensure protective equipment is available for all staff in the event of a pandemic.

The team hosted a student from Coventry University and were invited to the House of Lords as guests of Baroness Emerton to tell how the West Kent health economy is prepared for emergencies.

Emergency Planning worked with railway staff and volunteer groups to train and prepare Care Teams to work in hospitals in an emergency.
View from the Finance Director

The Trust has made huge progress over the last 18 months, especially in the critical area of patient safety. To support the excellent work of our clinical staff the Trust Board has invested significant additional resources particularly in additional doctors and nurses. In total the organisation’s pay costs increased by £22m compared to the previous year as a result of this investment. In addition £5m has been spent in the private sector to ensure that waiting times for elective operations are reduced.

Despite these pressures the Trust has achieved all of its financial duties for the year but has been dependent on additional non-recurring income (£16.8m) from West Kent Primary Care Trust to support this essential investment. In future years this additional income will not be available and the Trust will need to support continued investment by improving financial management and efficiency and reducing waste.

In addition to the progress in building the new hospital at Pembury the Trust has continued to invest in improving equipment and buildings in Maidstone. In total we have spent £18m in the last year on capital projects including completion of the Cardiac Catheter Laboratory, the new High Dependency Unit and the new state of the art MRI scanner, all at the Maidstone Hospital.

Highlights for the Year
(Note references refer to the full accounts which are available on request)

Breakeven Duty (Note 24.1)
The Trust is required to “breakeven year on year” and records a balanced position on the income and expenditure reserve in its balance sheet.

At the end of 2008/09 the Accounts show an accumulated deficit of just over £3.2m. Further detail can be found in Note 24 of the full Accounts. At the current time the Trust has not breached its breakeven duty owing to an agreement with the Strategic Health Authority that the duty is measured over a five year period which ends in 2011.

Capital Cost Absorption Duty (Note 24.2)
The Trust is required to achieve a rate of return on capital employed of 3.5%.

This is calculated as the value of dividend paid to the Department of Health (£9.2m) as a percentage of the Trust Balance Sheet excluding the donated asset reserve and cash held in government bank accounts. In 2008/9 the Trust achieved a return of 3.9% which is viewed as fully meeting this target.

External Financing Limit - EFL (Note 24.3)
This is the Department of Health’s control mechanism for capital expenditure. The Trust was set a year end CRL of £18.820 million.

The Trust utilised £18.6m of this limit, recording a small underspend of £241k.

Better Payment Practice Code - BPPC (Note 7.1)
The BPPC requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later. In 2008/09 and 2007/08 the Trust achieved in respect of Trade invoices:

<table>
<thead>
<tr>
<th>Year</th>
<th>2008/09</th>
<th>2007/08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>85,214</td>
<td>92,152</td>
</tr>
<tr>
<td>£000</td>
<td>93,997</td>
<td>140,544</td>
</tr>
<tr>
<td>Percentage of bills paid Within target</td>
<td>88%</td>
<td>78%</td>
</tr>
<tr>
<td></td>
<td>85%</td>
<td>81%</td>
</tr>
</tbody>
</table>

No interest was paid under the ‘late payment of commercial debt act’ during the year.

Private Finance Initiative

The Trust achieved financial close on March 26th 2008 for a new hospital at Pembury, financed through the private finance initiative (PFI).

This will be the country’s first large NHS hospital to have all inpatient single rooms with en-suite facilities.

The 512-bedded, circa £226 million, PFI hospital is being designed and built by Equion. It will have state of the art facilities throughout when the first phase opens in 2010 with the second phase in 2011. Construction is ahead of target.

Capital Expenditure

The Trust continues to make major investment in local services. In 2008/09 it invested £18.6m.

The largest items of expenditure within the 2008/09 capital programme were £5 3m towards PFI enabling works and enhancements for the new hospital. £1.3m was utilised on a high specification three tesler MRI scanner.

The Trust is holding land at depreciated historic cost to which indexation has been applied to reflect the best estimate of current cost. The Trust is planning a full valuation of land & buildings, in accordance with the International Financial Reporting Standards (IFRS) for 2009/10.

Management Cost Target

The Trust’s Management Costs for the year were £8,901,000 compared to £8,299,000 in 2007/08.
Counter Fraud

The Trust Board is committed to maintaining high standards of honesty, openness and integrity within the organisation. It is committed to the elimination of fraud within the Trust, and to the rigorous investigation of any suspicions of fraud or corruption that arise.

The Trust revised its Counter Fraud Policy in 2007/08 and is seeking to develop an open and transparent anti-fraud policy in which all staff can participate in eliminating such losses.

Accounting Issues

The accounts were prepared in accordance with guidance issued by the Department of Health and in line with UK GAAP (Generally Accepted Accounting Principles). There were a few changes to accounting practices during the year concerning valuation and classification of assets and accounting for provisions. Some of these resulted in Prior Period Adjustments. Full details are available in the main accounts.

The accounts were prepared under the ‘Going Concern’ concept.

Other Key Issues

Constitution of Audit Committee

The Audit & Governance Committee is constituted by the Board as a Non-executive Committee of the Board. The Committee has no executive powers.

The Committee members are appointed by the Trust Board from amongst the Non-executive Directors of the Trust and consist of not less than three members. All Non-executive Directors are deemed to be full members of the Committee when in attendance at meetings.

The Chairman of the Trust is not a member of the Committee.

With effect from 5 August 2008 Denise Harker assumed the role of Chair of the Committee.

The following individuals routinely attend meetings of the Committee:

Director of Finance
Deputy Director of Finance
Head of Quality & Governance
Internal Audit Manager and other appropriate representatives
District Auditor and other appropriate representatives
Local Counter Fraud Specialist

The Chief Executive is invited to attend, at least annually, to discuss with the Audit Committee the process for assurance that supports the Statement on Internal Control. Other Executive Directors are invited to attend when the Committee is discussing areas of risk or assurance that are the responsibility of that Director and it is felt that their attendance is necessary to fully understand or address the issues.

External Auditors

The Trust’s External Auditors are the Audit Commission; their charge for the year was £313,000.

Financial Outlook for 2009/10

Over the next 12 to 15 months the Trust needs to continue to focus on quality and patient safety whilst at the same time delivering improved efficiency, making the most of the resources we have available and planning the moves required for the new hospital. This will be a significant challenge. We are currently spending significantly more than we earn; probably around 10% more than similar more efficient organisations. We cannot deliver investments and improvements in patient care and will not be considered fit for Foundation Trust status unless we can demonstrate much better control over the way we use all our resources.

In order to help us achieve these changes we have set up the Foundation Trust Improvement Programme to find new and better ways of working more efficiently. The Improvement Programme consists of a series of workstreams and projects each lead by managers and clinical leads and each designed to ensure that we can maximise efficiency in a particular area of the Trust. They cover almost all parts of our organisation and are all focused on improving the way we use the resources we have whilst maintaining or increasing the quality of our services.

The Trust has agreed Service Level Agreements with each of its local Primary Care Trusts which provide a shared understanding of the expected level of activity and income which will be required to ensure that patients are treated within agreed timescales. The Trust will monitor activity closely during the year to ensure that plans are achieved.

The Trust has extensive capital expenditure plans for the next 5 years. They provide an integrated programme of investment designed to deliver key development and operational objectives as the Trust prepares for the significant impact of the new Pembury Hospital, while seeking to renew and maintain existing hospital property, equipment and Information, Communication, Technology infrastructure.

The capital programme still requires formal approval but the Trust is planning to spend up to £120m over the next 5 years, in addition to the costs of the new hospital which are being funded under the Private Finance Initiative (‘PFI’).

From April 2009 the Trust is required to adopt International Financial Reporting Standards (‘IFRS’) in the preparation of its accounts including a restatement of the comparative figures for 2008/09. IFRS will have no impact on the reporting of most financial transactions but does require more detailed disclosure in a number of areas. The key accounting issue for the Trust under IFRS is the accounting treatment for the new Pembury hospital. Further national guidance is awaited on this and other IFRS issues. Although the introduction of IFRS represents a number of technical challenges the Trust is well placed to comply with the new standards from April 2009.

Paul D Turner
Finance Director
5 June 2009
Statement of Director’s Responsibilities in Respect of their Accounts

The Directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure, recognised gains and losses and cash flows for the year. In preparing those accounts, Directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State, with the approval of the Treasury;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust, to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

By order of the Board

Signed.............................................................Chief Executive
5 June 2009

Signed............................................................Finance Director
5 June 2009

Statement of the Chief Executive’s Responsibilities as the Accountable Officer of the Trust

The Secretary of State has directed that the Chief Executive should be the Accountable Officer to the Trust. The relevant responsibilities of Accountable Officers are set out in the Accountable Officers Memorandum issued by the Department of Health. These include ensuring that:

- there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- value for money is achieved from the resources available to the Trust;
- the expenditure and income of the Trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems are in place; and
- annual statutory accounts are prepared in a format directed by the Secretary of State, with the approval of the Treasury, to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, recognised gains and losses and cash flows for the year.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as the Accountable Officer.

Signed.........................................................................Chief Executive
5 June 2009

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

2. The purpose of the system of internal control
The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control has been in place in Maidstone & Tunbridge Wells NHS Trust for the year ended 31 March 2009 and up to the date of approval of the annual report and accounts.

3. Capacity to handle risk
The Board has adopted and the Trust is committed to an integrated Risk Management policy and strategy, covering both clinical and non-clinical activities, which will support the Trust in meeting its business objectives. The strategy defines the accountabilities and responsibilities for risk management throughout the organisation and requires managers at all levels to comply with the standards of corporate and clinical governance.

A revised committee structure was introduced into the organisation in August 2008 to enhance reporting lines, monitoring and escalation of risks and to ensure all types of risks are managed effectively. The effectiveness of the new committee structure is currently being reviewed internally. The External Auditors are due to review the effectiveness of the new governance structure in the summer of 2009.

I, as Accountable Officer, carry overall responsibility for risk management and governance, though the day to day responsibility for the management of risk is delegated to individuals throughout the organisation. The Risk Management Strategy is underpinned by a training programme which provides training for all risk managers, investigators and risk assessors to enable them to carry out their duties and responsibilities for risk management.

All staff are expected to be risk aware at all times and ensure that Line Managers are notified of hazards and risks that they see in the workplace.

4. The risk and control framework
Risks are reviewed at least bimonthly and high level risks reported to the Quality & Safety Committee and the Trust Board.

The Trust Board has adopted an Assurance Framework which provides assurance on the management of key strategic risks.

In reviewing the Standards for Better Health this year a new assurance process has been introduced whereby each domain is overseen by an Executive and a Non-executive Director and each standard is reviewed by a committee within the governance structure, which then reports upwards to the Board.

As an employer with staff entitled to membership of the NHS Pension scheme, the Trust has control measures in place to ensure all employer obligations within the Scheme regulations are complied with.

Control measures are in place to ensure that all the organisation’s obligations under equality, diversity and human rights legislation are complied with.

5. Review of effectiveness
As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed in a number of ways. The head of internal audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of the internal audit work and this year concluded that: “Our overall opinion is that we are able to give Significant assurance that the Assurance Framework is generally of sound design, is fit for purpose and embedded within the organisation”.

The Trust has completed a self assessment of the Assurance Framework for 2008/2009 which concluded that “An Assurance Framework has been established which is designed and operating to meet the requirements of the 2008/09 SIC and provide reasonable assurance that there is an effective system of internal control to manage the principal risks identified by the organisation”.

During the year the Trust had to deal with a number of significant issues including outstanding actions from the Healthcare Commission report into the investigations into the Clostridium Difficile outbreaks in the Trust during 2005 and 2006, the implementation of the Hygiene Code and improvement notices served by the Health & Safety Executive. The Trust declared 37 Serious Untoward Incidents in the period.

Following the final review of the core standards for 08/09 nine standards have been declared as ‘Not Met’. Of these, seven standards were compliant by the end of the year enabling the Trust to be well placed for a more positive declaration in 2009/10.

Policies and procedures have been tightened to enable the Trust to address weaknesses and ensure improvements continue.

A copy of the full Statement of Internal Control can be obtained by contacting my office at Trust Management, Maidstone Hospital, Hermitage Lane, Maidstone, Kent ME16 9QQ Telephone: 01622 729000

Glenn Douglas
Chief Executive
5 June 2009
### Income and Expenditure Account for the year ended 31 March 2009

<table>
<thead>
<tr>
<th></th>
<th>2008/09 £000s</th>
<th>2007/08 £000s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from Activities</td>
<td>246,354</td>
<td>226,709</td>
</tr>
<tr>
<td>Other Operating Income</td>
<td>51,534</td>
<td>46,230</td>
</tr>
<tr>
<td><strong>TOTAL INCOME</strong></td>
<td>297,888</td>
<td>272,939</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>(289,003)</td>
<td>(266,294)*</td>
</tr>
<tr>
<td><strong>OPERATING SURPLUS</strong></td>
<td>8,885</td>
<td>6,645</td>
</tr>
<tr>
<td>Loss on disposal of fixed assets</td>
<td>(15)</td>
<td>(481)</td>
</tr>
<tr>
<td><strong>SURPLUS BEFORE INTEREST</strong></td>
<td>8,870</td>
<td>6,164</td>
</tr>
<tr>
<td>Interest Receivable</td>
<td>473</td>
<td>498</td>
</tr>
<tr>
<td>Interest Payable - Finance Lease</td>
<td>(18)</td>
<td>0</td>
</tr>
<tr>
<td>Other finance Costs - unwinding of discount</td>
<td>(19)</td>
<td>(30)</td>
</tr>
<tr>
<td><strong>SURPLUS FOR THE FINANCIAL YEAR</strong></td>
<td>9,306</td>
<td>6,632</td>
</tr>
<tr>
<td>Public Dividend Capital - dividends payable</td>
<td>(9,163)</td>
<td>(8,529)</td>
</tr>
<tr>
<td><strong>RETAINED SURPLUS/(DEFICIT) FOR THE YEAR</strong></td>
<td>143</td>
<td>(1,897)*</td>
</tr>
</tbody>
</table>

* 2007/08 balances have changed as a result of prior period adjustments, relating to: Change in Department of Health Policy resulting in re-classification of digital hearing aids as stock instead of Fixed Assets and inclusion of a provision for dilapidations in respect of leased facilities.

#### Notes

All income and expenditure is derived from continuing operations, therefore these accounts have been prepared using the "going concern" concept. This means the Trust is expected to continue in its current format for the foreseeable future.

The Income and Expenditure Account, Balance Sheet, Statement of Total recognised Gains and Losses and Cashflow Statement have been summarised from the Trust full Accounts which can be obtained from the Director of Finance, Trust Management, Maidstone Hospital, Hermitage Lane, Maidstone, Kent, ME16 9QQ Telephone: 01622 729000

### Balance Sheet as at 31 March 2009

<table>
<thead>
<tr>
<th></th>
<th>31 March £000s</th>
<th>31 March £000s</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FIXED ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>2,269</td>
<td>472</td>
</tr>
<tr>
<td>Tangible assets</td>
<td>229,038</td>
<td>247,020*</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>231,307</td>
<td>247,492</td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks and work in progress</td>
<td>5,369</td>
<td>5,023*</td>
</tr>
<tr>
<td>Debtors</td>
<td>17,944</td>
<td>27,528</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>1,196</td>
<td>769</td>
</tr>
<tr>
<td><strong>NET CURRENT ASSETS/(LIABILITIES)</strong></td>
<td>24,509</td>
<td>33,320</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS LESS CURRENT LIABILITIES</strong></td>
<td>232,631</td>
<td>255,595</td>
</tr>
<tr>
<td><strong>CREDITORS:</strong> Amounts falling due within one year</td>
<td>(23,185)</td>
<td>(25,217)</td>
</tr>
<tr>
<td><strong>NET CURRENT ASSETS/(LIABILITIES)</strong></td>
<td>1,324</td>
<td>8,103</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS EMPLOYED</strong></td>
<td>227,640</td>
<td>252,305</td>
</tr>
<tr>
<td><strong>FINANCED BY:</strong> Taxpayers' EQUITY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public dividend capital</td>
<td>168,023</td>
<td>172,317</td>
</tr>
<tr>
<td>Revaluation reserve</td>
<td>77,196</td>
<td>97,700*</td>
</tr>
<tr>
<td>Donated asset reserve</td>
<td>2,992</td>
<td>3,269</td>
</tr>
<tr>
<td>Income and expenditure reserve</td>
<td>(20,571)</td>
<td>(20,981)*</td>
</tr>
<tr>
<td><strong>TOTAL TAXPAYERS EQUITY</strong></td>
<td>227,640</td>
<td>252,305</td>
</tr>
</tbody>
</table>

* 2007/08 balances have changed as a result of prior period adjustments, see main accounts for detail.

The summarised financial statements were approved by the Board on 5 June 2009 and signed on its behalf by:

5 June 2009... …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …… …...
### Statement of Total Recognised Gains and Losses for the Year Ended 31 March 2009

<table>
<thead>
<tr>
<th>Description</th>
<th>2008/09 £000s</th>
<th>2007/08 £000s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus for the financial year before dividends payments</td>
<td>9,306</td>
<td>6,632*</td>
</tr>
<tr>
<td>Unrealised surplus/(deficit) on fixed asset revaluations/indexation</td>
<td>(20,227)</td>
<td>11,995</td>
</tr>
<tr>
<td>Increases in the donated asset reserve due to receipt of donated assets</td>
<td>174</td>
<td>174</td>
</tr>
<tr>
<td><strong>Total gains and (losses) recognised in the financial year</strong></td>
<td><strong>(10,747)</strong></td>
<td><strong>18,801</strong></td>
</tr>
<tr>
<td>Prior period adjustment</td>
<td><strong>(5,441)</strong></td>
<td><strong>0</strong></td>
</tr>
<tr>
<td><strong>Total gains and (losses) recognised in the financial year</strong></td>
<td><strong>(16,188)</strong></td>
<td><strong>18,801</strong></td>
</tr>
</tbody>
</table>

*2007/08 balances have changed as a result of prior period adjustments, see main accounts for detail.

### Cashflow Statement for the Year Ended 31 March 2009

<table>
<thead>
<tr>
<th>Description</th>
<th>2008/09 £000s</th>
<th>2007/08 £000s</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net cash inflow from operating activities</td>
<td>35,216</td>
<td>23,857*</td>
</tr>
<tr>
<td><strong>Returns on investments and servicing of finance:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest received (Net)</td>
<td>473</td>
<td>498</td>
</tr>
<tr>
<td>Interest element of finance lease</td>
<td>(18)</td>
<td>0</td>
</tr>
<tr>
<td><strong>Net cash inflow from returns on investments and servicing of finance</strong></td>
<td>455</td>
<td>498</td>
</tr>
<tr>
<td><strong>CAPITAL EXPENDITURE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Payments) to acquire tangible fixed assets</td>
<td>(20,977)</td>
<td>(21,033)*</td>
</tr>
<tr>
<td>Receipts from sale of tangible fixed assets</td>
<td>3</td>
<td>1,589</td>
</tr>
<tr>
<td>(Payments) to acquire intangible assets</td>
<td>(813)</td>
<td>(80)</td>
</tr>
<tr>
<td><strong>Net cash inflow/(outflow) from capital expenditure</strong></td>
<td><strong>(21,787)</strong></td>
<td><strong>(19,524)</strong></td>
</tr>
<tr>
<td><strong>DIVIDENDS PAID</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net cash inflow/(outflow) before management of liquid resources and financing</td>
<td>4,721</td>
<td>3,698</td>
</tr>
<tr>
<td><strong>FINANCING</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public dividend capital received</td>
<td>4,131</td>
<td>7,700</td>
</tr>
<tr>
<td>Public dividend repaid</td>
<td>(8,425)</td>
<td>(3,962)</td>
</tr>
<tr>
<td><strong>Net cash inflow/(outflow) from financing</strong></td>
<td><strong>(4,294)</strong></td>
<td><strong>3,738</strong></td>
</tr>
<tr>
<td><strong>Increase in cash</strong></td>
<td>427</td>
<td>40</td>
</tr>
</tbody>
</table>

*2007/08 balances have changed as a result of prior period adjustments, see main accounts for detail.
Independent Auditor’s Report to the Board of Directors of Maidstone and Tunbridge Wells NHS Trust

Opinion on the Financial Statements

I have audited the financial statements of Maidstone and Tunbridge Wells NHS Trust for the year ended 31 March 2009 under the Audit Commission Act 1998. The financial statements comprise the Income and Expenditure Account, the Balance Sheet, the Cashflow Statement, the Statement of Total Recognised Gains and Losses and the related notes. These financial statements have been prepared in accordance with the accounting policies directed by the Secretary of State with the consent of the Treasury as relevant to the National Health Service set out within them. I have also audited the information in the Remuneration Report that is described as having been audited.

This report is made solely to the Board of Directors of Maidstone and Tunbridge Wells NHS Trust in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 36 of the Statement of Responsibilities of Auditors and of Audited Bodies prepared by the Audit Commission.

Respective Responsibilities of Directors and Auditor

The directors’ responsibilities for preparing the financial statements in accordance with directions made by the Secretary of State are set out in the Statement of Directors’ Responsibilities.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view in accordance with the accounting policies directed by the Secretary of State as being relevant to the National Health Service in England. I report whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the accounting policies directed by the Secretary of State as being relevant to the National Health Service in England. I also report to you whether, in my opinion, the information which comprises the commentary on the financial performance included within the Operational and Financial Review and summary financial accounts, included in the Annual Report, is consistent with the financial statements.

I review whether the directors’ Statement on Internal Control reflects compliance with the Department of Health’s requirements, set out in ‘Guidance on Completing the Statement on Internal Control 2008/09’ issued 25 February 2009. I report if it does not meet the requirements specified by the Department of Health or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required to consider, nor have I considered, whether the directors’ Statement on Internal Control covers all risks and controls. Neither am I required to form an opinion on the effectiveness of the Trust’s corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises the Foreword, the unaudited part of the Remuneration Report, the Chairman’s Statement and the remaining elements of the Performance and Financial Review. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of Audit Opinion

I conducted my audit in accordance with the Audit Commission Act 1998, the Code of Audit Practice issued by the Audit Commission and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Trust’s circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that:

- the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error; and
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared.

In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

Opinion

In my opinion:

- the financial statements give a true and fair view, in accordance with the accounting policies directed by the Secretary of State as being relevant to the National Health Service in England, of the state of the Trust’s affairs as at 31 March 2009 and of its income and expenditure for the year then ended;

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the accounting policies directed by the Secretary of State as being relevant to the National Health Service in England; and

- information which comprises the commentary on the financial performance included within the Performance and Financial Review, and Summary Financial Statements, included within the Annual Report, is consistent with the financial statements.

Conclusion on Arrangements for Securing Economy, Efficiency and Effectiveness in the Use of Resources

Directors’ Responsibilities

The directors are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the Trust’s use of resources, to ensure proper stewardship and governance and regularly to review the adequacy and effectiveness of these arrangements.
Auditor’s Responsibilities
I am required by the Audit Commission Act 1998 to be satisfied that proper arrangements have been made by the Trust for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires me to report to you my conclusion in relation to proper arrangements, having regard to the criteria for NHS bodies specified by the Audit Commission. I report if significant matters have come to my attention which prevent me from concluding that the Trust has made such proper arrangements. I am not required to consider, nor have I considered, whether all aspects of the Trust’s arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Conclusion
I have undertaken my audit in accordance with the Code of Audit Practice and having regard to the criteria for NHS bodies specified by the Audit Commission and published in December 2006, I am satisfied that, in all significant respects, Maidstone and Tunbridge Wells NHS Trust made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2009.

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

Andy Mack
Engagement Lead
Audit Commission
16 South Park
Sevenoaks
Kent
TN13 1AN
5 June 2009

Remuneration report
In accordance, with Section 234b and Schedule 7a of the Companies Act, as required by NHS Bodies. This report includes details regarding “senior managers” remuneration. In the context of the NHS this is defined as: “those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS body”. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments.

The disclosures in the report relating to named individuals can only be made with the prior consent of the individuals concerned. Where consent has been withheld this is indicated in the report.

The Trust has established a Remuneration Committee to advise and assist the Board in meeting its responsibilities to ensure appropriate remuneration, allowances and terms of service for the Chief Executive and Directors and other key senior posts. Membership of the committee consists of Trust Chair and all Non-Executive Directors.

The Chief Executive and Directors remuneration is reviewed annually by the Remuneration Committee and decisions are based on market rates, national pay awards and performance. Reward is primarily through salary adjustment although non-recurrent awards can be used to recognise exceptional achievements. Such payments have been included in the following tables.

Pay rates for the Chair and the Non-executive Directors of the Trust are determined in accordance with national guidelines.

Salaries for other senior managers are determined in accordance with national pay arrangements.

The Directors are normally on permanent contracts and subject to a minimum of 3 months notice period; the Chief Executive's notice period is 12 months. Contract, interim and seconded staff will all have termination clauses built into their letters of engagement which will be broadly in line with the above.

Termination arrangements are applied in accordance with statutory regulations as modified by Trust or National NHS conditions of service agreements, and the NHS pension scheme. The Remuneration Committee will agree any severance arrangements following approval from Strategic Health Authority and Treasury as appropriate.

Tables below show details of salaries, allowances and any other remuneration and pension entitlements of senior managers.
## Salary and Benefits of Senior Managers

<table>
<thead>
<tr>
<th>In Post at 31 March 2009</th>
<th>2008/09</th>
<th>2007/08</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Salary (bands of £5000)</td>
<td>Other Remun. (bands of £5000)</td>
</tr>
<tr>
<td></td>
<td>£000s</td>
<td>£000s</td>
</tr>
<tr>
<td><strong>A. Jones - Chairman</strong></td>
<td>a</td>
<td>10-15</td>
</tr>
<tr>
<td><strong>K. Tallet - Non Executive Director</strong></td>
<td>b</td>
<td>0-5</td>
</tr>
<tr>
<td><strong>D. Harker - Non Executive Director</strong></td>
<td>c</td>
<td>0-5</td>
</tr>
<tr>
<td><strong>S. Denton - Non Executive Director</strong></td>
<td>d</td>
<td>5-10</td>
</tr>
<tr>
<td><strong>P. Wynn-Owen - Non Executive Director</strong></td>
<td>d</td>
<td>Waived</td>
</tr>
<tr>
<td><strong>G. Douglas - Chief Executive</strong></td>
<td>d</td>
<td>190-195</td>
</tr>
<tr>
<td><strong>T. Coode - Human Resources Director</strong></td>
<td>d</td>
<td>90-95</td>
</tr>
<tr>
<td><strong>G. Goddard - Estates Development Director</strong></td>
<td>d</td>
<td>90-95</td>
</tr>
<tr>
<td><strong>F. Sims - Corporate Development Director</strong></td>
<td>d</td>
<td>85-90</td>
</tr>
<tr>
<td><strong>J. Lewis - Interim Medical Director</strong></td>
<td>e</td>
<td>95-100</td>
</tr>
<tr>
<td><strong>N. Luffingham - Chief Operating Director</strong></td>
<td>d</td>
<td>155-160</td>
</tr>
<tr>
<td><strong>F. Panel-Coates - Nurse Director</strong></td>
<td>f</td>
<td>55-60</td>
</tr>
<tr>
<td><strong>P. Turner - Finance Director</strong></td>
<td>g</td>
<td>90-95</td>
</tr>
<tr>
<td><strong>Left Post in Year</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>M. Williams - ICT Director</strong></td>
<td>h</td>
<td>30-35</td>
</tr>
<tr>
<td><strong>J. Hope - Acting Finance Director</strong></td>
<td>i</td>
<td>75-80</td>
</tr>
<tr>
<td><strong>G. Jenkins - Interim Chairman</strong></td>
<td>j</td>
<td>15-20</td>
</tr>
<tr>
<td><strong>H. Topiwala - Non Executive Director</strong></td>
<td>k</td>
<td>-</td>
</tr>
<tr>
<td><strong>S. Tinton - Non Executive Director</strong></td>
<td>l</td>
<td>-</td>
</tr>
<tr>
<td><strong>C. Edwards - Interim Chief Nurse</strong></td>
<td>m</td>
<td>Seconded - no cost</td>
</tr>
<tr>
<td><strong>C. M. Stewart - Medical Director</strong></td>
<td>e</td>
<td>-</td>
</tr>
<tr>
<td><strong>Note 1</strong></td>
<td>Benefits in kind consist of Travel and Taxation thereon for Non-Executive Directors, Executive Directors and Senior Managers including Lease cars, travel and relocation costs.</td>
<td></td>
</tr>
<tr>
<td><strong>Note 2 Date post held</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>a</strong></td>
<td>Non Executive Director from 1 April 2008, Chair from Dec 2008</td>
<td></td>
</tr>
<tr>
<td><strong>b</strong></td>
<td>From 9 June 2008</td>
<td></td>
</tr>
<tr>
<td><strong>c</strong></td>
<td>From 23 June 2008</td>
<td></td>
</tr>
<tr>
<td><strong>d</strong></td>
<td>Full year</td>
<td></td>
</tr>
<tr>
<td><strong>e</strong></td>
<td>From 7 April 2008</td>
<td></td>
</tr>
<tr>
<td><strong>f</strong></td>
<td>From 26 August 2008</td>
<td></td>
</tr>
<tr>
<td><strong>g</strong></td>
<td>From 1 July 2008</td>
<td></td>
</tr>
<tr>
<td><strong>h</strong></td>
<td>To 29 August 2008</td>
<td></td>
</tr>
<tr>
<td><strong>i</strong></td>
<td>To 31 August 2008</td>
<td></td>
</tr>
<tr>
<td><strong>j</strong></td>
<td>To 31 December 2008</td>
<td></td>
</tr>
<tr>
<td><strong>k</strong></td>
<td>To 30 June 2008</td>
<td></td>
</tr>
<tr>
<td><strong>l</strong></td>
<td>To 31 May 2008</td>
<td></td>
</tr>
<tr>
<td><strong>m</strong></td>
<td>To 29 August 2008</td>
<td></td>
</tr>
</tbody>
</table>
### Pension Entitlements of Senior Managers

<table>
<thead>
<tr>
<th>Name</th>
<th>Start Date</th>
<th>Real increase in pension and related lump sum at age 60 (£000s)</th>
<th>Total accrued pension and related lump sum at age 60 at 31 March 2009 (£000s)</th>
<th>Cash Equivalent Transfer Value (CETV) at 31 March 2009 (£000s)</th>
<th>CETV at 31 March 2008 Note 1</th>
<th>Real Increase in CETV Note 2</th>
<th>Employers Contribution to Stakeholder Pension</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr G. Goddard - Estates Development Director</td>
<td>1.7.08</td>
<td>7.5-10</td>
<td>155-160</td>
<td>848</td>
<td>616</td>
<td>232</td>
<td>0</td>
</tr>
<tr>
<td>Mr T. Coode - Human Resources Director</td>
<td>26.8.08</td>
<td>5-7.5</td>
<td>25-30</td>
<td>131</td>
<td>82</td>
<td>49</td>
<td>0</td>
</tr>
<tr>
<td>Mr F. Simms - Corporate Development Director</td>
<td>na</td>
<td>5-7.5</td>
<td>85-90</td>
<td>389</td>
<td>271</td>
<td>118</td>
<td>0</td>
</tr>
<tr>
<td>Mr G. Douglas - Chief Executive</td>
<td>na</td>
<td>na</td>
<td>240-245</td>
<td>1120</td>
<td>na</td>
<td>na</td>
<td>0</td>
</tr>
<tr>
<td>Mr P. Turner - Finance Director</td>
<td>1.7.08</td>
<td>na</td>
<td>95-100</td>
<td>562</td>
<td>na</td>
<td>na</td>
<td>0</td>
</tr>
<tr>
<td>Ms F. Panel-Coates</td>
<td>26.8.08</td>
<td>na</td>
<td>50-55</td>
<td>171</td>
<td>na</td>
<td>na</td>
<td>0</td>
</tr>
<tr>
<td>Ms N. Luffingham</td>
<td>25.4.08</td>
<td>na</td>
<td>135-140</td>
<td>644</td>
<td>na</td>
<td>na</td>
<td>0</td>
</tr>
<tr>
<td>Mr J. Hope - Acting Finance Director</td>
<td>31.8.08</td>
<td>7.5-10</td>
<td>135-140</td>
<td>751</td>
<td>546</td>
<td>205</td>
<td>0</td>
</tr>
<tr>
<td>Ms Morfydd Williams - ICT Director</td>
<td>29.8.08</td>
<td>2.5-5</td>
<td>65-70</td>
<td>251</td>
<td>188</td>
<td>63</td>
<td>0</td>
</tr>
</tbody>
</table>

As Non-Executive Directors do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive Directors. Interim Directors will have their pension details recorded in their host organisations.

Please see accounting policy note 1.12 in full set of accounts for further details of the treatment of pension liabilities.

**Note 1**

**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 figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

**Note 2**

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.
<table>
<thead>
<tr>
<th>Technical term</th>
<th>Plain English description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Dividend Capital</td>
<td>The finance made available to the Trust to pay for its assets, including all its buildings.</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>Assets held for use by the Trust rather than for sale or conversion into cash, e.g., buildings, equipment, fixtures and fittings.</td>
</tr>
<tr>
<td>Current Assets</td>
<td>Items such as stock held by the Trust, cash in the bank and in hand and monies owed to the Trust.</td>
</tr>
<tr>
<td>Creditors</td>
<td>Amounts of money that the Trust owes other organisations or individuals at the date of the balance sheet.</td>
</tr>
<tr>
<td>Provisions</td>
<td>Amounts of monies that the Trust has a liability to pay in the future that can be reliably estimated now.</td>
</tr>
<tr>
<td>Capital Resource Limit</td>
<td>A limit that controls the amount of capital expenditure the Trust can incur in a year. The Trust must have a capital resource limit to cover all capital expenditure it incurs and must not incur capital expenditure in excess of the limit.</td>
</tr>
<tr>
<td>External Financing Limit</td>
<td>A limit set by the Department of Health used to control and manage the cash expenditure of the Trust. It covers all sources of finance available to the Trust, internal, external or from the Department of Health.</td>
</tr>
<tr>
<td>Capital Cost Absorption Duty</td>
<td>This duty measures the Trust’s ability to forecast correctly and measures the Trust’s Dividend against actual assets held.</td>
</tr>
<tr>
<td>Management Costs</td>
<td>The total cost of corporate administration plus the cost of management of the operational services of the Trust, including support functions.</td>
</tr>
<tr>
<td>Liquidity</td>
<td>The ability of the Trust to pay all its debts when they fall due.</td>
</tr>
<tr>
<td>Benefits in Kind</td>
<td>Goods or services provided by the Trust to an employee for no cost or a greatly reduced cost.</td>
</tr>
<tr>
<td>Intangible Assets</td>
<td>Assets which have no physical substance e.g., Software licences.</td>
</tr>
<tr>
<td>Tangible Assets</td>
<td>Assets which have physical substance e.g., a building.</td>
</tr>
<tr>
<td>Investments</td>
<td>Money placed to generate a return over a period of time.</td>
</tr>
<tr>
<td>Debtors</td>
<td>The amount of money owed to the Trust by entities or individuals at the balance sheet date.</td>
</tr>
<tr>
<td>Taxpayers’ Equity</td>
<td>Bottom half of the Balance Sheet which shows the taxpayers investment in the Trust.</td>
</tr>
<tr>
<td>Fixed Asset Impairment Losses</td>
<td>Impairment losses arise when there is a loss in value of a fixed asset compared to what is recorded in the balance sheet.</td>
</tr>
<tr>
<td>Material Impact</td>
<td>Item is material if its omission or misstatement would influence or change a decision for the Trust.</td>
</tr>
<tr>
<td>Private Finance Initiative Transactions</td>
<td>Arrangements where the Trust is buying a service e.g., the provision and maintenance of a working hospital rather than purchasing a capital asset.</td>
</tr>
<tr>
<td>Undershoot</td>
<td>Achieve an approved level below the limit set.</td>
</tr>
<tr>
<td>Technical term</td>
<td>Plain English description</td>
</tr>
<tr>
<td>----------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Indexation</td>
<td>Each year asset values are multiplied by published indices to give the new current cost/value.</td>
</tr>
<tr>
<td>Currencies for Mental Health Activities</td>
<td>Price tariffs for certain episodes of treatment.</td>
</tr>
<tr>
<td>Lead Commissioner</td>
<td>The organisation with the authorisation to purchase healthcare from the Trust.</td>
</tr>
<tr>
<td>Fundamental Reorganisation/Restructure</td>
<td>A change to the basic underlying structure/organisation of the Trust.</td>
</tr>
<tr>
<td>Unwinding of Discount</td>
<td>A Financing charge relating to provisions made for future payment reflecting the difference between this years and last years estimates for the current cost of future payments.</td>
</tr>
<tr>
<td>Activity Based Remuneration</td>
<td>Payment based on service usage.</td>
</tr>
<tr>
<td>Historic Due Diligence Assessment</td>
<td>Investigation of the Trusts financial position over previous years.</td>
</tr>
<tr>
<td>Finance Lease</td>
<td>A lease that transfers substantially all the risks and rewards of ownership of an asset to the Trust.</td>
</tr>
<tr>
<td>Servicing of Finance</td>
<td>Payment of debt over a period of time.</td>
</tr>
<tr>
<td>Other Remuneration</td>
<td>Payment for other duties other than duties performed as a director.</td>
</tr>
<tr>
<td>Accrued Pension</td>
<td>Pension benefits which have been earned for a given period but not yet paid.</td>
</tr>
<tr>
<td>Cash Equivalent Transfer Value</td>
<td>Actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. These are the members accrued benefits and any contingent spouse’s pension payable from the scheme.</td>
</tr>
<tr>
<td>Real Increase in Cash Equivalent Transfer Value</td>
<td>This reflects the increase in CETV funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee and uses common market valuation factors for the start and end of the period.</td>
</tr>
<tr>
<td>Contingent</td>
<td>Depending on something else in the future in order to happen.</td>
</tr>
</tbody>
</table>