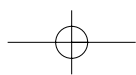
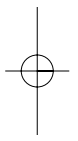
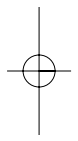


Maidstone and Tunbridge Wells **NHS**
NHS Trust

ANNUAL REPORT 2001-2002

PATIENTS ARE THE
CENTRAL FOCUS OF ALL WE DO





CHAIRMAN'S REPORT 3

I have great pleasure in introducing the Annual Report of 2001/2002 for the Maidstone and Tunbridge Wells NHS Trust. At the end of 2000/2001 our Trust received one star status in the Government's performance ratings, which was no mean feat considering the major change agenda which we implemented following the merger of the two previous Trusts. This year we have improved on our performance rating to two stars and I believe that this is a tremendous achievement.

In addition last year we were awarded five stars in the Good Hospital Guide and on top of that, for the second year running, our Trust was voted one of the top 40 acute hospital trusts in the Country by CHKS, a leading benchmarking company. This is particularly gratifying because the Good Hospital Guide and Top 40 Hospitals Award are based on clinical indicators.

We could not have achieved these magnificent results without the hard work and dedication of everyone who works for the Trust. I would like to pay tribute to all our staff who put patients at the centre of everything that they do.

Our biggest disappointment was that we were unable to balance our books, which means we started the new financial year with a deficit, which we will have to pay back. Each Care Group has drawn up its Performance Improvement Plans but we know that this is going to be a tough year.

In other areas, however, we have excelled. We have been working hard to reduce our waiting times and achieve our 'must do' targets set by the Government. I am delighted to say that by the end of the year we had no patients waiting over 15 months for elective admission; no GP referred patients waiting over 26 weeks for a first outpatient appointment; a total waiting list no greater than 9,450; all urgent GP referrals for suspected breast cancer seen within two weeks and no patients waiting over 12 hours on trolleys in A&E in the last quarter. All of these achievements have contributed to our two star rating.

We also made good progress in reducing the number of patients waiting over 12 months for elective admission and the number of operations cancelled on the day of admission or operation. Where we did underachieve and where we know we have to do more work is to reduce the number of patients waiting 13-25 weeks for a first outpatient appointment.

In the last quarter of the year we were responding to 86 percent of all complaints within 20 working days which equates to a four star rating.

Less than a year after being branded as having some of the dirtiest hospitals, both Pembury and Kent & Sussex Hospitals were given a clean bill of health. In less than a year both sites saw their PEAT (Patient Environment Action Team) score take them to a three rating (four being the highest score).

They now rank alongside Maidstone Hospital whilst the Trust's Ophthalmic and Aural Hospital in Maidstone town centre scored top marks.

However, as well as obtaining excellent results in terms of scores and ratings, I am also aware that our staff continuously strive to provide excellent quality of care in everything they do. During the past year, I have had the opportunity of 'shadowing' both patients and staff and I have seen for myself the strong teamwork and commitment of everyone in the delivery of healthcare to our local populations.

We have also seen several capital developments progress through the year.

The new Eye, Ear and Mouth Unit at Maidstone Hospital is nearing completion and we were delighted that the Secretary of State, Alan Milburn, agreed to perform our topping out ceremony. Before leaving he also spent some time with a number of front-line staff who were able to give him a picture of life at the Trust.

Our PFI (Private Finance Initiative) to build a new hospital to replace buildings at Pembury and Kent & Sussex Hospitals and to expand Maidstone Hospital progressed well through the year. I would like to thank the PFI team and all of the Care Groups for their input and long hours of hard work. We have worked closely with our local health partners in taking forward this important and essential scheme and I appreciate their support in developing long overdue healthcare facilities for all of our patients.

The Outline Business Case (OBC) is now with the Regional Office of the NHS Executive and we hope to be able to go to the market place and choose our private partners in the near future.

Throughout the year we have received a number of gifts and donations from the Leagues of Friends, WRVS and many outside organisations such as the Kent Leukaemia and Cancer Equipment Fund, the Lions and Rotary organisations. We greatly appreciate these gifts and the support of our local communities. In addition, I would like to extend my appreciation to the Community Health Councils for their continuing support and participation in the work of our hospitals.

In conclusion, I believe that we have much to be proud of within our organisation and it is a huge privilege for me to be the Chairman of our Trust. Together with all members of our Trust Board I shall work with enthusiasm and dedication to secure a strong future for our Trust.

 Anne Chapman
Chairman



CHIEF EXECUTIVE'S REPORT

5

You will see from this year's report that we have achieved a great deal during the past 12 months. I believe we have now in place a framework, which will allow us to build on what we have achieved already. The enthusiasm of staff and support of our patients have helped us make great strides in improving services for the benefit of all.

A significant change followed the review of therapy services 'Towards one Service' which we undertook with our colleagues in Primary Care and the therapists. As a result therapy services transferred to the management of the Primary Care Trust on 1 April 2002. At the same time we, our colleagues at the former Maidstone and Malling PCT and staff from the Women's and Children's Care Group considered the best way forward for child health services which transferred to Maidstone Weald PCT on 1 April. I would like to pay tribute to all those staff who have transferred to the PCT and thank them for their dedication and continued work with this Trust.

In April 2001 we were given the go ahead to build the replacement unit of Kent County Ophthalmic and Aural Hospital at the rear of Maidstone Hospital. Work is well underway and should be completed in the New Year 2003. In June our youngest diabetes patient officially opened the Paula Carr Diabetes Centre at Maidstone Hospital and Viscountess Lady De L'Isle who is Chairman of the Pembury Hospital League of Friends opened the Rheumatology and Dermatology centre.

Winter was a difficult time for the Trust with bed occupancy running at 99 percent and delayed transfers of care peaking at 94 patients blocked in acute beds. It is a tribute to all staff that our winter planning worked so well and we were able to maintain such high standards of care.

Looking ahead to this current financial year we have a number of key targets to meet while we tackle our financial difficulties.

Many of the targets relate to the NHS Plan but others will help us move forward the local plans that we have in place with our partners. Whether the targets are nationally or locally set our direction remains fixed and ultimately benefits patients. At the heart of every target lies a patient and it is my expectation as Chief Executive that in moving our plans forward we will in turn help patients improve their access to our services and provide them with a higher quality service.

Restoring financial balance is a critical objective for us this current financial year. We have in place Performance Improvement Plans, which we believe will improve our efficiency and reduce expenditure.

Looking to this year we plan to

- Move to admitting more patients with appropriate assessment on the day of their operation.
- Move to nurse-led discharging with agreed clinical protocols
- Improve the specialist role of nursing and professional staff
- Move to routine seven-day support from diagnostic services and therapies
- Run our Medical Assessment Units as efficient and effective wards to speed up admission and discharge
- Work to best practice comparing and benchmarking ourselves against our peers, and use process redesign techniques to help meet National Service Framework standards and clinical excellence targets
- Improve our capacity and work with our partners in the Strategic Health Authority, networks and PCTs to deliver co-ordinated care for patients
- Move to centralised scheduling and booking arrangements for in and outpatient appointments
- Improve communication routes for patients to make and change their appointments through booked and partial admissions
- Plan our workforce to meet the NHS Plan and expectations of local demand, using amongst other methods NHS Professionals to reduce our reliance on agency staff.
- Develop specialist services where needed while maintaining acute service access at both Maidstone and Kent and Sussex Hospitals. We will also be developing oncology capacity at Maidstone Hospital to support the Kent Cancer Network
- Continue our commitment to provide a new hospital for Tunbridge Wells and to expand Maidstone Hospital
- Use our discretionary capital to manage risk and achieve statutory compliance and continue to bid for central or external funding
- Improve our communications with patients and staff through investment in information and technology

It remains our intention to see real change and improvement and to invest in that opportunity over the next year, while managing our finances effectively. We will not be funding more of the same, or provide money to stand still. We expect to see service, quality and volume increase as we increase the rate of resource allocation.

This will be delivered through devolved arrangements to Care Groups and within a framework of performance agreed between the Executive Directors of the Trust and the Care Group Management teams.

This is going to be a tough year for everyone working in the Trust but I believe that we have the commitment and determination to meet all the targets we have been set.

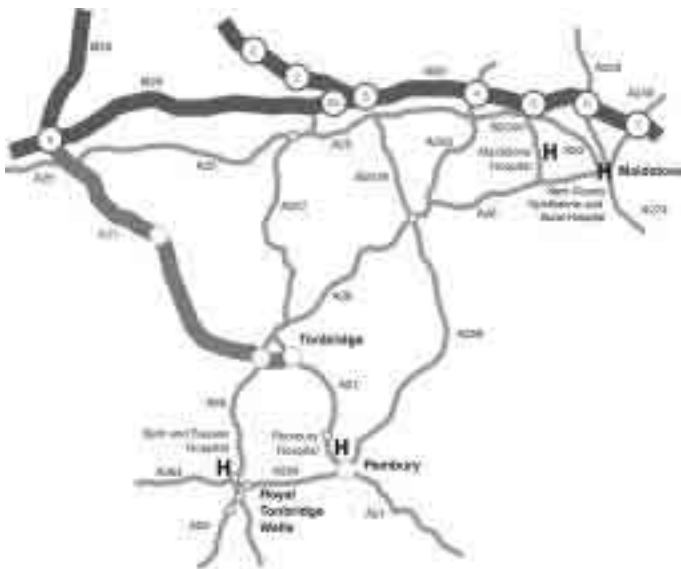


Stephen Collinson
Chief Executive

6 INTRODUCTION

We provide a comprehensive range of acute health services for the half a million residents of Maidstone and Tunbridge Wells and the surrounding areas including Sevenoaks, Tonbridge and parts of north east Sussex. In addition to this we provide ophthalmology services to the people of Medway and cancer services for the whole of Kent and Hastings and Rother from our two bases at Maidstone and Kent & Canterbury Hospitals.

MAP OF AREA



OUR STAFF

- Our team of around 4,225 staff (excluding bank staff) includes approximately
- 410 doctors
 - 1,700 nurses (including healthcare assistants).
 - 950 administration and clerical staff
 - 430 ancillary staff
 - 60 maintenance staff
 - 500 professional and technical staff (e.g. radiographers, lab technicians and pathology staff)
 - 165 senior managers (including senior laboratory staff, IT managers, HR staff, lead nurses, general managers and executive directors)

OUR BUDGET

Our annual budget last year was £156.6 million. This year 2002/3 it is £169.9 million. Our staff treated more than 71,000 patients who were referred to us by their GPs and 26,600 who were treated as emergency cases.

At the beginning of the year we submitted outline planning applications to Tunbridge Wells Borough Council to build a new hospital on the Pembury Hospital site and Maidstone Borough Council to expand Maidstone Hospital. We expect to go out to the private market in Autumn 2002 to select our private partners who will help us build our new hospital for the people of Tunbridge Wells and surrounding areas.

In Spring 2003 the Kent County Ophthalmic and Aural Hospital in Church Street, Maidstone will be closing its doors for the last time as staff move to the new Eye, Ear and Mouth Unit.

OUR BOARD

The Trust is led by a board of directors:

- Chairman**
- Non-executive Director**
- Non-executive Director**
- Non-executive Director**
- Non-executive Director**
- Non-executive Director**
- Chief Executive**
- Medical Director**
- Director of Finance and IM & T**
- Director of Service Development**
- Director of Nursing**
- Director of Operations**
- Director of Human Resources**

- Anne Chapman
- Peter Cox
- Ian Nash
- John Cartwright
- Dr Gillian Bullock
- Winston Tayler (joined in April 2002)
- Stephen Collinson
- Dr Charles Unter
- Paul Darling
- Lynne Clemence
- Dr Bernard Place
- Val Thompson
- Chris Wilson

Details of the Directors' remuneration can be found on page 28. The salaries of the Directors are determined by the Remuneration Committee.

The Board meets in public each month. Dates of meetings are available by telephoning Head of Corporate Services Judith Clabby on 01892 823535 ext. 3095. You can also call this number for a copy of the agenda for the next meeting or for minutes of previous meetings.

A Register of Board Members' Interests is kept by the Head of Corporate Services, and can be inspected on request.

The Trust Board has established a number of Board sub-committees to ensure that its stewardship of public funds is properly regulated and staff appropriately paid.



8 OUR SERVICES

OUR COMMITTEES

- Anne Chapman is Chairman of the Remuneration Committee, Private Finance Initiative (PFI) Project Board, Modernisation Board, Governance and Risk Sub Committee, Charitable Funds Committee, and Emergency Redesign Project.
- Ian Nash is Chairman of the Audit Committee and a member of the Governance and Risk Sub Committee and Remuneration Committee.
- John Cartwright is Chairman of the Performance Committee and a member of the Winter Planning Committee, Audit Committee, Remuneration Committee and Eye Ear Mouth Unit Project Board.
- Peter Cox is Chairman of the Human Resources Sub Committee and a member of the Audit Committee, Improving Working Lives Committee, and Remuneration Committee.
- Gillian Bullock is a member of the Charitable Funds Committee, Remuneration Committee, Clinical Governance Committee, Human Resources Sub Committee, Research Committee, Moderation Steering Committee.
- Winston Tayler is a member of the Performance Sub Committee, Patient and Public Involvement Sub Committee and Remuneration Committee.
- Peter Cox, John Cartwright, Peter Cox, Dr Gillian Bullock and Winston Tayler are Convenors under the NHS Complaints Procedure.

The Trust Board is also in the process of agreeing a statement of values and intentions.

OUR HOSPITALS

The Trust runs four hospitals and our headquarters are based at Pembury Hospital. We also run services from Kent & Canterbury Hospital at Canterbury, the Homeopathic Hospital in Tunbridge Wells and Preston Hall in Aylesford, near Maidstone.

Kent and Sussex Hospital

Mount Ephraim, Tunbridge Wells, Kent TN4 8AT
Telephone: 01892 526111

Pembury Hospital, Tonbridge Road, Pembury

Tunbridge Wells, Kent TN2 4QJ
Telephone: 01892 823535

Kent and Sussex Hospital is in the centre of Tunbridge Wells. It is a district general hospital with an A&E Department, which opened in 1935. Pembury Hospital is on the outskirts of the town centre and provides women's and children's services, medical and rehabilitation wards for the elderly, dermatology, ophthalmology, rheumatology and diagnostic services. Previously a Victorian workhouse, some of its buildings date from the mid 19th Century.

Maidstone Hospital, Hermitage Lane, Maidstone,
Kent ME16 9QQ
Telephone: 01622 729000

Maidstone Hospital is just a few miles outside the town centre. A district general hospital with an A&E Department it opened in 1983. Since then, additional wings have been added and the specialist Kent Oncology Centre opened in 1993. It provides very similar services to the Kent and Sussex and Pembury Hospitals.

Kent County Ophthalmic & Aural Hospital (KCOAH)*

Church Street, Maidstone, Kent ME14 1DT
Telephone: 01622 673444

The Kent County Ophthalmic and Aural Hospital (KCOAH) provides ophthalmic, ear, nose and throat (ENT), oral surgery and orthodontic services. These services will transfer to a new unit at Maidstone Hospital in spring 2003.

OUR SERVICES ARE PROVIDED BY SEVEN CLINICAL CARE GROUPS

- surgical services
- critical care
- women's and children's services
- emergency services
- diagnostic and clinical services
- cancer services
- clinical governance

Non clinical services are provided by the Finance and IM&T, Human Resources, Estates and Facilities and Corporate Services Departments.

SURGICAL SERVICES CARE GROUP

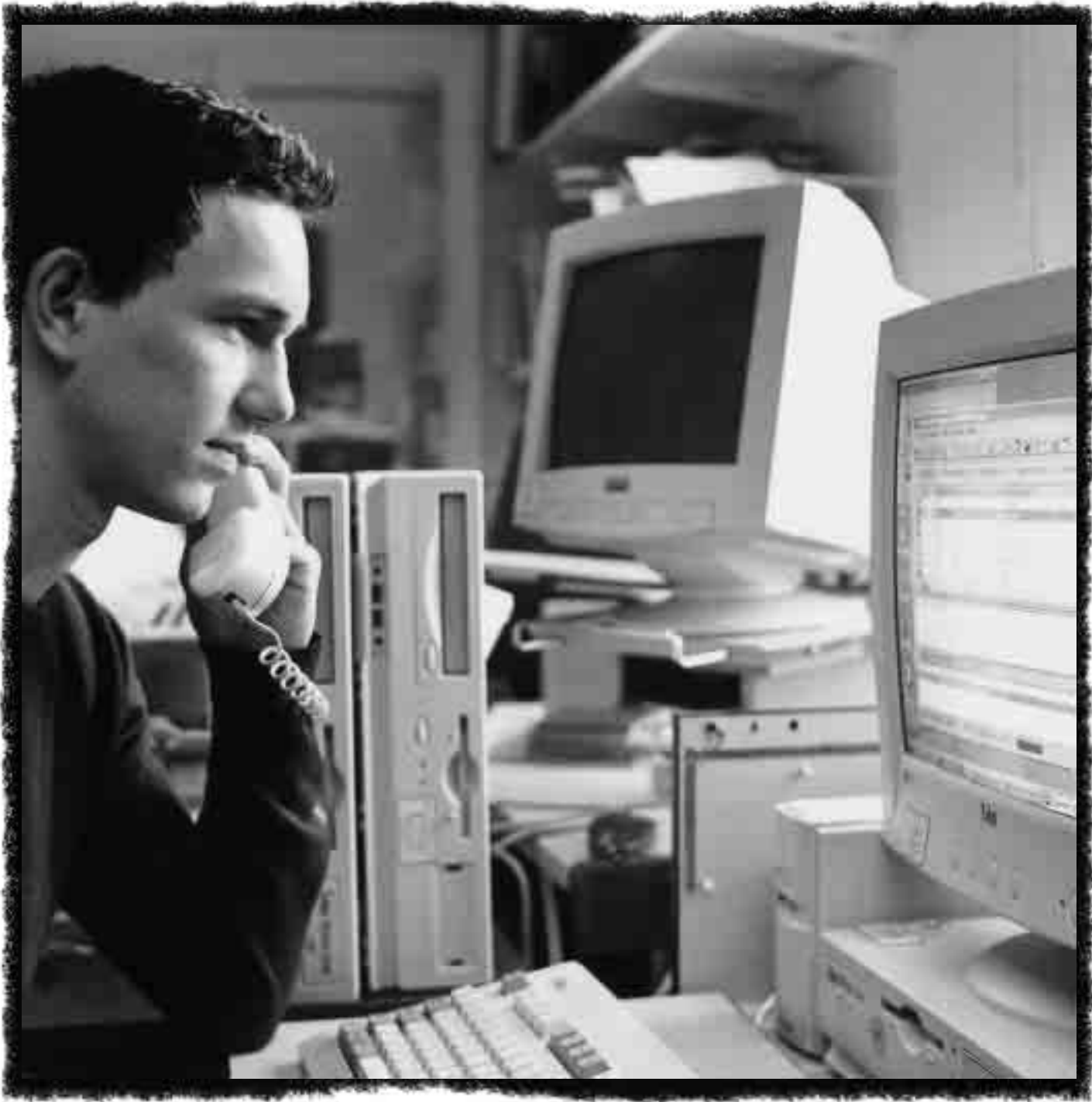
This care group is responsible for the management of in-patient, out-patient and day case services in the specialties of general surgery, vascular, urology, ear, nose and throat (ENT), ophthalmology and trauma and orthopaedics.

CONTACTS

Associate Medical Director
General Manager (Acting)

Mr Kenneth Tuson
Mavis Williams

Main telephone contact for Surgical Services Care Group -
01622 224227 (Maidstone Hospital)





OUR SERVICES 11

CRITICAL CARE CARE GROUP

This care group is responsible for the Trust's operating theatres, day surgery (including endoscopy), intensive therapy units (ITU), high dependency units (HDU), coronary care unit (CCU) and pain control.

The Trust has 16 operating theatres: 6 at Kent and Sussex Hospital, 3 at Pembury Hospital, 4 at Maidstone Hospital and 3 at Kent County Ophthalmic and Aural Hospital.

There is also a day theatre at Maidstone Hospital and labour ward theatres at Pembury and Maidstone Hospitals. ITU and HDU are run at Kent and Sussex and Maidstone Hospitals providing a total of 13 beds.

CONTACTS

Associate Medical Director Dr Andy Pyne
General Manager Vacancy

Main telephone contact for Critical Care Group -
01892 526111 (Kent & Sussex Hospital)

WOMEN'S AND CHILDREN'S SERVICES CARE GROUP

This care group provides an integrated maternity service, with a fully developed community element, to ensure as much patient choice as possible regarding location and type of ante-natal care and birth. The gynaecology services include in-patient and day case surgery, outpatient care, colposcopy and laser treatment. It also includes paediatrics and the special care baby unit (SCBU).

Services are based at Pembury Hospital and Maidstone Hospital and provide high quality obstetric, midwifery and gynaecology services.

CONTACTS

Associate Medical Director Dr Tony Hulse
General Manager Pat Graves

Main telephone number for Women's and Children's Care Group -
01622 224246 (Maidstone Hospital)

EMERGENCY SERVICES CARE GROUP

This care group provides 24 hour, 7-days-a-week accident and emergency services at the Kent and Sussex and Maidstone Hospitals. Immediate assessment and care is provided for patients suffering from recent injuries and sudden illness.

The care group also provides care of elderly and rehabilitation services.

The accident and emergency departments at Kent & Sussex and Maidstone Hospitals are designated major injury centres prepared to cope with major incidents. There is a helipad at Maidstone Hospital next to the accident and emergency department, which is often used by the Kent Air Ambulance.

The directorate also runs a minor injuries unit at the Kent and Sussex Hospital.

CONTACTS

Associate Medical Director Dr Paul Reynolds
General Manager Karen Deacon

The main telephone contact number for the Emergency Care Group -
01892 823535 (Pembury Hospital)

DIAGNOSTIC AND CLINICAL SERVICES CARE GROUP

This care group provides radiology, pathology and pharmaceutical services for the Trust.

A comprehensive diagnostic radiology service for the Trust's hospital-based services as well as local GPs is provided. This includes:

- CT (Computerised Tomography) scanning
- Ultrasound
- MRI (Magnetic Resonance Imaging)
- Digital subtraction angiography
- Mammography
- Interventional techniques

There are X-ray departments at the Kent & Sussex, Maidstone and Pembury Hospitals.

The pathology service provides a high quality, comprehensive analytical and advice service within the Trust, to our local GPs and local independent hospitals.

CONTACTS

Associate Medical Director Dr Carol Brunell and
General Manager Dr John Schofield
Graham West

The main telephone contact number for Diagnostic and Clinical Services Care Group - **01622 224332 (Maidstone Hospital)**.

12 OUR SERVICES

CANCER CARE GROUP

This care group provides highly specialised cancer services for the residents of Kent and parts of east Sussex. These services are based at two dedicated cancer centres - Maidstone Hospital in the west and the Kent & Canterbury Hospital in the east of the county.

Five other hospitals in Kent - Darent Valley, Medway, Kent & Sussex, Ashford and Margate - offer initial assessment and early treatment. Only the cancer centres provide specialised treatment such as radiotherapy and complex chemotherapy.

Considerable work is underway in Kent to meet new national standards for cancer patients and to improve the quality of their care.

CONTACTS

Associate Medical Director Prof Roger James
General Manager Jo Yardley

The main telephone contact number for the Cancer Care Group -
01622 225011 (Maidstone Hospital)

CLINICAL GOVERNANCE CARE GROUP

Clinical Governance is the term adopted by the NHS to cover systems and processes for monitoring and improving clinical services. The purpose of clinical governance is to ensure that patients receive the highest quality of NHS care possible. It makes clear that the Trust and its entire staff are accountable for the quality of care.

For clinical governance to be effective we must accept that it is an ongoing process of improvement, that we learn from our mistakes and clinical errors. We must adopt a patient-centred approach that includes treating patients courteously, involving them in decisions about their care and keeping them informed.

The Clinical Governance Care Group provides leadership and direction for the clinical governance agenda of the Trust. It guides and supports the other Care Groups in the development of their programmes. Clinical Audit, Infection Control and Library and Information Services are managed within the Care Group, which also provides the lead for research, clinical risk and patient information.

CONTACTS

Associate Medical Director Dr Wilson Bolsover
General Manager Lynne Clumpus

The main telephone contact number for the Clinical Governance Care Group -
01622 224816 (Maidstone Hospital)





CHANGING THE WAY WE WORK

There is only one group of people who can transform the way we work and thereby ensure that we improve patient care and access to our services and that is the people who work in the organisation. It is frontline staff who are key to delivering change and it is the responsibility of managers who lead change to engage and enthuse those staff. We have made a good start but we need to deliver service improvement, not only faster and in more areas, but with greater focus and co-ordination throughout the Trust.

MODERNISATION STEERING COMMITTEE

The Trust Modernisation Steering Committee is a sub-committee of the Trust Board and has responsibility for monitoring Trust lead schemes for service improvement and ensure that these projects are delivered expected outcomes, on time and in the context of national and local priorities. The Steering Committee should foster new opportunities for service improvement and should also forge close modernisation and service improvement links with other organisations in the local health economy through the Local Modernisation Review.

The Trust's Modernisation Steering Committee oversees the totality of the NHS Modernisation Plan and monitors progress on a range of Trust projects and initiatives that are linked to this plan:

- Booked Admissions
- Cancer Collaborative
- CHD Collaborative
- Actions on Cataracts and Orthopaedics
- Theatre Utilisation
- Emergency and Elective Services Redesign
- Outpatient Process Improvements
- Access improvement service redesign projects

These projects include staff involved at all stages of the patient journey through a particular specialty or area. The major aim of all of these initiatives is to speed patient access to the service and to make the patient journey easier, more convenient and designed around the needs of the patient.

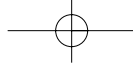
The Modernisation Steering Committee includes senior clinicians and managers from the Trust as well as a Union representative and the local Community Health Council (the independent watchdogs for NHS care). There is a strong Trust wide commitment to constantly improve services and many staff are working on a wide range of projects and initiatives to improve patient care, not just in clinical practice but also in the administrative and information systems that support them.

Such staff, wherever they work and whatever their skills, together with patients and carers, are the experts on what needs to change. Everyone in the Trust has a part to play in improvement, in delivering better services to patients, to ensuring that links with other organisations such as GPs are maintained effectively and in promoting education, training and research, all of which help to underpin successful change.









PUTTING IDEAS INTO PRACTICE 17

To make sure that we capture ideas from staff and patients we have introduced a scheme called Putting Ideas into Practice (PIP) which has been running now since March 2001. Staff and patients can complete a PIP postcard with their suggestions about what works well and how we could improve that part of the hospital or service in which they work or are treated.

Ideas are grouped as follows:

- An idea that could be implemented in a single department or professional group - would typically have impact on others in the hospital
- Ideas for improvements which link departments and would need ideas from others as well
- Ideas that cross boundaries between the Trust and other agencies, e.g. GP Surgeries or Social Services and which could be more complex

Since we launched the scheme we have had 246 ideas and each one has been individually acknowledged. Most if not all have been acted upon in one way or another and some have been converted into pieces of work to improve a service or a department and the way it works.

We know that if we are to change the way we work we have to use the good ideas put forward by our own people as they are the frontline of the NHS and are nearest to patients and services. It is their commitment to change which the Trust regards as important.

Not all improvement is achieved with pumping more money in to a problem - often it is the way in which we work and which we don't always see, which can release more capacity in the system. That, coupled with the talent of our workforce, is the key reason why the Trust is committed to changing the way in which we work.

PUTTING THINGS RIGHT

We know that sometimes, for a few patients, their care does not go as planned or the service we offer does not reach their expectations.

During the year we responded to 755 formal complaints by a variety of means, including meeting with the patient and/or their relatives or carers, writing letters of explanation and involving complainants in making improvements in services.

Ninety eight percent of these complainants were resolved within the Trust, with only 17 complainants requesting an independent review of which 13 were turned down, three sent back to the Trust for further attempts at resolution and three cases proceeding to independent review.

Changes in the management of complaints and staffing meant that our response times for complaints for the year were longer than we would have wished with 54 percent responded to within four weeks.

However, through the efforts of the customer services team and hospital managers this improved dramatically in the last quarter of the year to over 86 percent, which we hope to maintain and build upon in the coming year.

There have been many important issues highlighted through complaints on which the Trust has responded positively to improve services, these include:

- New protocols and audits for quality of nursing care in one of the care groups
- Efforts to reduce radiotherapy waiting times through active recruitment drives
- The establishment of a nutrition steering group
- Additional car parking
- Improvements in the appointments system for the chronic pain clinic
- Review of theatre procedures and production of new information sheets for patients.

Continuing our theme of putting patients first, the Trust won its bid for pathfinder funding to establish a patient advice and liaison service (PALS) in two of its main hospitals.

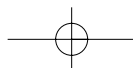
Working closely with its local partners in the NHS and Social Services, PALS officers were appointed to provide a focal point for patients, relatives and carers needing general information about the NHS and Social Services, specific information about their own condition or assistance in dealing with problems with their care.

The PALS officers are supported by a dedicated team of knowledgeable volunteers who maintain the information provided for patients from our wards. The service uses up-to-the-minute information sources, including the Internet to help people find the information they required.

The service has already proved to be popular with patients and relatives and of value in providing a welcoming point of contact for hospital users. We hope to extend the service to other hospitals and in other areas over the coming year.

Also during the year the Trust surveyed a sample of adult inpatients to assess their views on all aspects of the service.

The results of the survey are due for publication in the summer of 2002 and will be used by the Trust to prioritise a number of areas of work in the coming year to further improve the services we offer.



RESEARCH AND DEVELOPMENT

The year 2001-2002 has been one of important structural change for the management of research and development.

As a result, the Trust is now considerably better placed to address the challenges of the NHS Research & Development agenda. Major challenges have been the implementation of the Research Governance Framework for Health and Social Care, published by the DoH in Spring 2001. For this Trust, making sure we have the highest possible standards of research governance is absolutely essential.

Patient involvement is equally important in the field of research as in clinical care. It is with this belief that the Research Department organised patient representation on the Research & Development Committee and also created a consumer involvement Sub-Committee. This Sub-Committee will increase the focus on consumer involvement by linking with patient focus groups and CHCs. The dissemination of research to the wider public is a major goal for this sub-committee and will be achieved by publishing a newsletter containing details of current research projects and relevant web sites. The first newsletter is planned for Autumn 2002 and will be circulated to out-patient clinics, GP surgeries and PALS offices.

In December 2001, a research meeting took place which provided a platform for local researchers to present their results. For those new to research, regular training sessions are now organised to offer professional help on a wide range of topics.

The Trust continues to take part in many clinical trials in the fields of Oncology, rheumatology, surgery, cardiology, obstetrics, paediatrics, intensive care and orthopaedics. The Kent Cancer Centre took part in more than 70 clinical trials (2001/02), some of these were in collaboration with leading cancer centres such as the Royal Marsden Hospital.

Approximately 80% of clinical trials are multi-centre and most are sponsored by major research councils or charities. The results of this research will clearly impact on clinical practice throughout the NHS. In addition to the many trials in the field of oncology, there have also been trials into the prevention of pre-term labour; major MRC funded studies into rheumatoid arthritis, venous ulcers and heart disease.

Research is not confined to clinical trials, in addition to these important studies, research into the cellular mechanisms of cancer continues to progress. The results of these laboratory based studies have influenced the clinical management of liquid and solid tumours, both in our own Trust and at other centres.

Other studies are addressing vital issues around improving service delivery to improve clinical outcomes.

This research is based on carefully designed action research methodology and involves a wide range of clinical nursing staff, which will inform important decisions about clinical practice.



PUTTING THE PATIENT FIRST 19

REDUCING WAITING TIMES

Our objectives and priorities for the Trust remain those set out in the NHS Plan. If we are to achieve them then we will need to invest in staff and facilities, which will create new capacity and further improve the quality of services and the way in which they are delivered. We also need to continually examine the way we are working and the way we organise services.

By the end of the financial year we had achieved all of the following 'must do' targets: -

- No patient waiting more than 15 months for an elective operation (We were one of only six Trusts in the south east to reach this target ahead of schedule)
- No GP-referred patients waiting more than 26 weeks for a first outpatient appointment
- The total elective waiting list no greater than 9,450
- All urgent GP referral for suspected breast cancer seen within two weeks
- No 'over 12-hour' trolley waits in A&E in the last quarter.

We made good progress in reducing the number of patients waiting more than 12 months for elective admission and in the number of operations cancelled on the day of admission for the operation. However, we were disappointed that we underachieved on the target to reduce the number of patients waiting 13 –25 weeks for a first out-patient appointment.

Provide emergency services when and where they are needed at our two acute hospitals – Maidstone and Kent and Sussex – remains a key responsibility.

A major challenge facing the Trust this year is that by March 2003, 90 percent of patients will spend no more than four hours in A&E from arriving in the department to being admitted onto a ward, transferred to another hospital or discharged home.

The other major challenge will be to achieve a maximum wait of 12 months for all inpatient waiters and reduce the nine months inpatient waiters, and ensure the overall list size reduces during the year.



RIGHT PEOPLE, RIGHT JOB

OUR STAFF

In our introduction we mentioned that we have in the region of 4,225 staff (excluding our bank staff who are people we can call upon to help provide cover when and where there are staff shortages for whatever reason).

They are a dedicated group of people many of whom have given the whole of their working lives to the NHS and our local hospitals.

We have four members of staff who have spent more than 40 years each working for the NHS. Mireille Marchant a medical secretary at Kent and Sussex Hospital started in March 1959 and telephonist Roger Boorman joined less than a month later.

Close on their heels are health and safety advisor Dave Shiells and histopathology medical laboratory scientific officer John Baggesson who are both based at Pembury started working for the NHS in 1961.

People like Mireille, Roger, Dave and John are the very backbone of the NHS and it is their commitment to caring for patients that has made us one of the top 40 acute hospitals in the UK for clinical care.

In return for their support and loyalty we have introduced a number of measures which we hope will help them in their work and at home.

CARING FOR OUR STAFF

It can be difficult coping with the stresses and strains of hospital life with the many pressures that are associated with caring for patients. This is one reason why we introduced a new advisory and counselling service called 'Confidential Care' for all our staff and their immediate dependants.

The service is completely confidential and is contacted by a freephone number 24 hours a day. It will cover a wide range of issues ranging from Marital, family and relationship difficulties; work performance; bullying or harassment; coping with change; legal and financial matters, stress, anxiety or depression; alcohol or substance misuse and addictive behaviour, health and psychological problems and bereavement.

IMPROVING WORKING LIVES

Improving Working Lives is much more than kettles and microwaves. The NHS Plan announced the government's commitment to deliver improvements in the working lives of all staff. Under the umbrella of Improving Working Lives we have been able to demonstrate that we are making real progress by:

- supporting and promoting a range of flexible working practices
- promoting NHS pensions and pensions planning in support of flexible careers and enabling flexible retirement
- improving childcare provision
- investing more in the training & development of staff
- making the working lives of staff safer, by protecting staff from violence, harassment and bullying.

We recognise that IWL contributes directly to patient care through improved recruitment & retention and patients wanting to be treated by well-motivated fairly rewarded staff.

We have much of which to be proud and a lot of good work is already happening throughout the Trust.

- we have a range of flexible working policies and encourage staff to explore the options
- we have conducted a comprehensive staff opinion survey and have committed to act on the key messages
- plans for the crèche at Pembury have been agreed
- as a result of the survey crèche facilities have also now been given the go-ahead for the Maidstone site
- new policies on harassment & bullying, management of stress and whistle blowing have been introduced and summaries published in the staff newsletter Link to raise awareness
- we will be introducing a zero-tolerance policy to protect staff
- a Trust-wide appraisal scheme is to be introduced in 2002.

RIGHT PEOPLE, RIGHT JOB

21

STAFF OPINION SURVEY

Almost 30 percent of staff took part in a confidential staff opinion survey. This return rate gave us an extremely representative picture of how staff feel and what they think about working for the Trust. A Trust-wide action plan was put together and a number of committees were asked to take forward the actions identified.

The actions included: -

- a review of pay differences resulting from merger
- training for managers based on the trust's bullying and harassment policy
- the introduction of a trust-wide appraisal scheme
- a review of the Staff Involvement policy
- the introduction of a Zero Tolerance Policy
- the introduction of a structured approach to career planning and an internal promotion process

The staff opinion survey will be repeated again in the autumn and we will be able to see whether or not staff opinions have changed.

CRECHE

Planning for a nursery at Pembury Hospital was approved by Tunbridge Wells Borough Council and will be available by the end of the summer. The nursery will be run by Academy Childcare and it will take up to 55 children from three months to five years.

EQUAL OPPORTUNITIES

The Trust is committed to equal opportunities and managing diversity at work.

It has recently reviewed its Managing Diversity policy to ensure awareness and effectiveness and this is widely publicised to staff and managers via policy books, training, summaries of policies and Induction. The Trust also has an operational policy specifically for disabilities and has recently put together a three year plan for managing diversity. This links with our ongoing work towards full Improving Working Lives accreditation.

The Trust is keen to work closely with staff and their recognised representatives. A Joint Consultative Forum meets regularly and is a productive group tackling issues such as policy reviews, Improving Working Lives and pay and terms and conditions. Staff involvement is recognised as critical to our success as an organisation and is encouraged through many forums and our communication routes.

The Trust has a local HR Strategy, which outlines our approach to issues such as training and development and investing in our staff. This also addresses the continued need to monitor staffing issues such as turnover, sickness absence levels, risk management in the workplace and continually improve upon staff employment matters.



RIGHT PEOPLE, RIGHT JOB

EMPLOYEE AND TEAM OF THE MONTH ROLL OF HONOUR

We think it is important to recognise and reward staff who not only do their job well but also go that extra mile.

We have dedicated staff who contribute over and above the requirements of their job to help improve the patient experience or to help colleagues. Most are unsung heroes and heroines whose extra contribution could otherwise go unnoticed to all but those directly affected by their actions.

That is why we introduced an employee and team of the month award. Colleagues and members of the public can nominate those members of staff who they feel deserve praise.

EMPLOYEE OF THE MONTH

Linda Robinson and Linda Bromilow, Receptionists, Maidstone Hospital

Hilary Joy, Complaints Department, Pembury Hospital

Angela Craig, Ward Clerk, Kent and Sussex Hospital

Anne Brindle, Senior Clinical Audit Facilitator

Anthony Collis, Trust Ambulance Driver

Tim Coomber, Pathology Services

Victor Nebbiolo, Senior Resuscitation Officer

John Weeks, Resus Officer/Emergency Planning Officer

Tony Clarke, Ward Clerk

Dee Court, Postgraduate Centre, Kent & Sussex Hospital

Dr Julian Webb and Miss Louise Roberts, Kent & Sussex A&E Consultants

Rosemary Greenacre, Catering Assistant

TEAM OF THE MONTH

A&E Department, Kent and Sussex

Kent Oncology Research Team

Catering Team, Maidstone Hospital

Main Outpatient Nursing Staff, Kent & Sussex, Pembury and Maidstone

Ward 6 staff, Kent and Sussex Hospital

X-ray Department at Kent & Sussex

Nursery Staff at Maidstone Children's Centre

Medical Assessment Unit, Maidstone Hospital

Staff on Howell Ward

Domestic Staff, KCOAH

Cytology Staff

Oncology Staff, Maidstone and Canterbury

VOLUNTEERS

Our hospitals could not run without them. They are of course the army of about 1,000 volunteers who help provide services to patients and staff in all our hospitals.

The work they do ranges from providing a library service to the wards to helping with administration tasks. They even run a beauty care service for patients who might want to have a manicure, facial and hand massage.

They run the hospital shops, tea bars and hospital radio and provide transport to and from hospital. To them all, we would like to say a very big thank you.



NEWS REVIEW

The Trust continued to achieve a great deal during 2001/2 and once again kept patients, staff and the public up-to-date with the latest developments.

We work hard on maintaining good working relationships with the local national media and at all times are open and honest with them while respecting patient confidentiality at all times.

We are very proud of our achievements and through the local media in the form of press releases and interviews try to keep the public informed of what we are doing.

Hitting the headlines for the right reasons is important and below are just some of the good news articles which have been written about us:

“Hospitals get a clean bill of health”

KENT MESSENGER

“New ward will reduce patient waiting time”

TUNBRIDGE WELLS COURIER

“Hospitals were superb”

SEVENOAKS CHRONICLE

“Art encouraged in health recovery”

KENT MESSENGER

“Hospital give £61,000 for maternity unit”

TUNBRIDGE WELLS COURIER

“Hospital Pals to help staff and patients”

KENT MESSENGER

“Health advice shop opens at hospital”

KENT MESSENGER

“Hospital lab is an example to others”

KENT MESSENGER



BUILDING ON SURE FOUNDATIONS

NEW HOSPITAL FOR TUNBRIDGE WELLS

In March an application for out line planning permission to build a new hospital worth more than £250 million on the Pembury site was lodged with Tunbridge Wells Borough Council. This was followed in April with plans being submitted to Maidstone Borough Council to build a new one-stop diagnostic and treatment centre and proposed £3 million breast care unit at the rear of Maidstone Hospital.

If approved the new hospital for Tunbridge Wells will provide a new 599 bed acute hospital and 40 additional bed at Maidstone Hospital for day patients.

Both hospitals would continue to have a full range of services including A&E departments and services for women and children. Tunbridge Wells would become the hub centre for elective orthopaedics, vascular surgery, dermatology and rheumatology with spoke services at Maidstone. Maidstone would become the hub centre for urology and gynae-oncology. The Trust is currently exploring the possibility of having angiography at both Tunbridge Wells and Maidstone.

The proposed expansion at Maidstone for a Diagnostic and Treatment Centre will include day surgery, endoscopy, outpatients, imaging and pharmacy and will provide a one-stop-shop approach to diagnostic services in the community.

Full environmental impact and traffic studies have been completed and submitted to the local planning authorities.

We expect to be able to go out to the market for our private partners in the summer/autumn of 2002.

EYE, EAR AND MOUTH UNIT

Eight months after Chairman Anne Chapman turned the first turf Health Secretary Alan Milburn performed the official topping out ceremony of the new £11.3m Eye, Ear and Mouth Unit at Maidstone Hospital.

The unit is due to be completed in January 2003 and will be opening its doors to patients in the Spring.

The new 40,000 sq. ft unit will be built on two floors and will link into the main building. It will contain two theatres plus recovery area and support suite, a 12 bed ward, specialist clinic for laser treatment, 16-place day care unit with examination rooms, main clinic and waiting area, pharmacy, optometry, artificial eye unit, orthoptics, some ENT outpatients as well as audiology and audiometry, hearing therapy, maxillofacial and orthodontics plus offices and seminar rooms.



BUILDING ON SURE FOUNDATIONS 27

UPGRADING OUR BUILDINGS AND EQUIPMENT

The Trust spent £10.5 million of capital – the biggest capital programme ever run, and the results are visible across the Trust.

WE SPENT

- More than £2million on major upgrading schemes
- £3.5 million on the Kent County Ophthalmic and Aural Hospital relocation scheme
- More than £3 million on medical equipment
- £500,000 on Information, Management and Technology (IM&T)
- £300,000 on progressing the Private Finance Initiative (PFI) for the new hospital in Tunbridge Wells and expansion at Maidstone Hospital

WE BOUGHT

- Ultrasound probe, operating equipment, three cystoscopes, colonoscope, a gastroscope and endoscopy support equipment, blood gas analyser for A&E, replacement X-ray processing equipment, laryngoscope, four defibrillators (total £516,000)
- A new spiral CT scanner (£650,000)
- Gamma camera (£250,000)
- New equipment for the High Dependency Unit (£50,000)
- Portal Imaging in Oncology (£184,000)
- Installation of linear accelerator plus treatment planning system for Kent & Canterbury (£1,170,000)

KEEPING OUR HOSPITALS CLEAN

In less than a year both Pembury and Kent and Sussex Hospitals saw their PEAT (Patient Environment Action Team) status rise from red (poor) to amber (acceptable). They now rank alongside Maidstone Hospital which successfully retained its score of three just behind Kent County Ophthalmic and Aural Hospital which once again scored top marks.

Our domestic staff played a key role in turning around the results and we are very proud to have them working for us. PEAT inspections are based on 18 criteria which includes internal and external cleanliness.



28 FINANCIAL REPORT

FINANCIAL OVERVIEW

The financial year 2001/02 proved to be very challenging with the Trust coming under financial pressure, particularly in response to staffing shortages and the need to deliver against a wide range of non-financial targets. Against this difficult background, the Trust successfully achieved two out of its three main financial targets and reduced its Management Costs. The Trust has put in place a robust Performance Improvement Plan in 2002/03 to ensure that it achieves its financial targets during the year.

The Trust has three statutory financial duties and two key financial performance targets set by the NHS Executive. Performance in each of these areas is described below.

BREAK-EVEN DUTY

The Trust is required to break-even on Income and Expenditure Account taking one year with another. This duty is usually measured by assessing performance over a three-year period. The Trust had an Operating Deficit in 2001/02 of £4,153,000 (2.59%) giving a cumulative deficit at the 31st of March of £4,049,000 (2.53%). This compares with a cumulative surplus of £104,000 at the end of 2000/01.

CAPITAL ABSORPTION DUTY

The Trust is required to absorb the cost of capital at a rate of 6% on average net assets for the year. This is calculated as the percentage of dividends paid on Public Dividend Capital, £5,751,000 in relation to the average net relevant assets of £87,476,000. The Trust exceeded this target. The Capital Absorption rate for 2001/02 of 6.6% is marginally above the normal range of 5.5% - 6.5% expected and similar to that achieved in 2000/01. This was due to lower than planned depreciation in the year.

EXTERNAL FINANCING LIMIT DUTY

The External Financing Limit set by the NHS Executive for the year was £1,291,000 negative. The Trust undershot the target by £1,000, which is well within the acceptable tolerance.

The Trust also had a Capital Resource Limit of £7,705,000 for the year, which it achieved exactly.

MANAGEMENT COST TARGET

The Trust reduced its Management Costs in year from £6,169,000 (4.2%) in 2000/01 to £6,076,000 (4.0%).

The Trust complied with the requirements of the letter from the Parliament Under Secretary at the Department of Health on Senior Managers Pay and issued on the 11th March 2002 restricting pay awards to 0% for the year ended 31st March 2002.

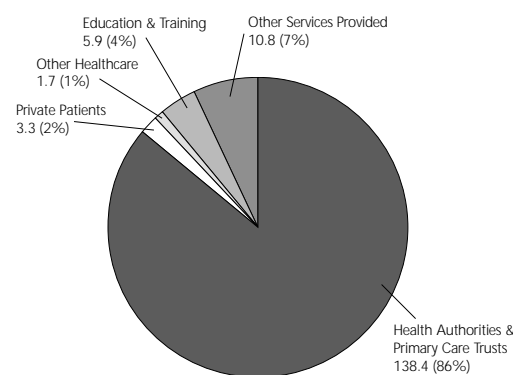
PUBLIC SECTOR PAYMENT POLICY TARGET

The Trust should pay all invoices from non-NHS Trade Creditors within 30 days of receipt of the goods or the invoice, whichever is the latter.

	Number 2001/02	£000's 2001/02	Number 2000/01	£000's 2000/01
Total Bills Paid in the Year	92,245	84,419	87,048	71,389
Total Invoices Paid within Target	50,456	55,276	59,186	51,690
%age of Bills Paid within Target	54.7%	65.5%	68.0%	72.4%
Average Value		£915,00		£820,00

The Trust did not make any payments to Trade Creditors under the Late Payment of Commercial Debts (Interest) Act 1998 (2000/01 £160).

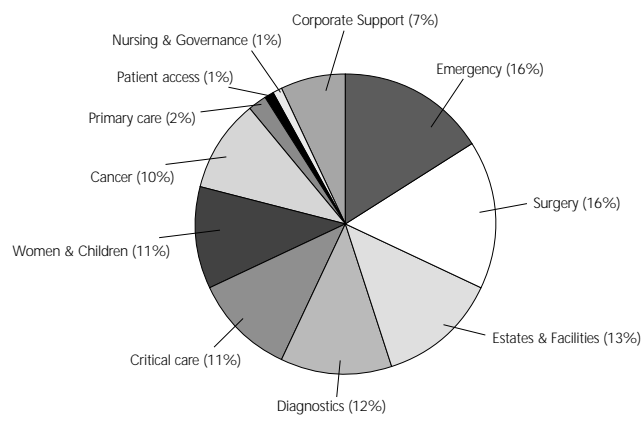
ANALYSIS OF TRUST INCOME FOR 2001/02



The majority of the Trust's income, almost 90%, comes from the provision of direct patient care. However, the Trust also receives income for Education and for the provision of services to other NHS organisations in the locality.

FINANCIAL REPORT 29

EXPENDITURE ANALYSIS BY CARE GROUP (PATIENT SERVICE) 2001/02

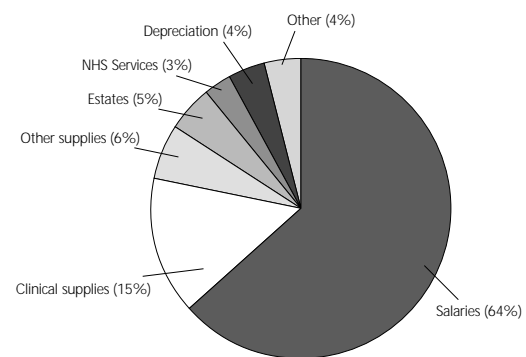


Clinical Care Groups manage over 90% over the Trust's resources. This ensures that decisions are made by the Clinician's, Managers and other frontlife staff who are responsible for delivering care to patients on a day basis. Please note that a number of Primary Care services transferred to Maidstone Weald PCT at the beginning of the year hence the reduction in the %age spend on Primary Care services.

FINANCIAL OUTLOOK FOR 2002/03

The Trust has put in place and Performance Improvement Plan to ensure that it returns to financial balance by the end 2002/03. This will be very challenging in the context of also delivering patient access targets. However, the Trust is working very closely with its partners in Primary Care Trusts and the Strategic Health Authority to ensure that these targets are achieved.

ANALYSIS OF OPERATING EXPENDITURE BY EXPENSE TYPE FOR 2001/02



Staff are the key to delivering high quality healthcare to patients. The Trust employs 3600 whole time equivalent staff including 360 doctors, 1400 nurses and midwives and 600 therapeutic, scientific and technical staff.

SUMMARY FINANCIAL STATEMENTS

The following Summary Financial Statements are extracted from the audited Annual Accounts of the Trust. Copies of the full Annual Accounts are available from Paul Darling, Director of Finance and Information, Trust HQ, Pembury Hospital, Tonbridge Road, Pembury, Tunbridge Wells, Kent, TN2 4QJ Tel: 01892 823535 ext: 3800

ACCOUNTING POLICIES

The Trust has prepared accounts under the historical costs convention, modified by the application of current cost principles to tangible fixed assets and in accordance with the directions issued by the Secretary of State for Health and approved by the Treasury.

30 FINANCIAL REPORT

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2002

	NOTE	£000's 2001/02	£000's 2000/01
Income from activities:			
Continuing operations	2	143,407	139,148
Other operating income	3	16,702	16,202
Operating expenses			
Continuing operations	4-6	(158,686)	(149,672)
OPERATING SURPLUS (DEFICIT)			
Continuing operations		1,423	5,678
Exceptional gain: on write-out of clinical negligence provisions	1.9	7,662	
Exceptional loss: on write-out of clinical negligence debtors	1.9	(7,662)	
Profit (loss) on disposal of fixed assets	7	18	3
SURPLUS (DEFICIT) BEFORE INTEREST		1,441	5,681
Interest receivable		283	371
Other finance costs	8	(126)	(57)
SURPLUS (DEFICIT) FOR THE FINANCIAL YEAR		1,598	5,995
Public Dividend Capital dividends payable		(5,751)	(5,891)
RETAINED SURPLUS (DEFICIT) FOR THE YEAR		(4,153)	104

BALANCE SHEET AS AT 31 MARCH 2002 (continued)

	NOTE	£000	31 March 2002 £000	31 March 2001 £000
CREDITORS: amounts falling due within one year	13		(26,722)	(17,742)
NET CURRENT ASSETS (LIABILITIES)			(9,755)	2,692
TOTAL ASSETS LESS CURRENT LIABILITIES			95,588	102,447
PROVISIONS FOR LIABILITIES AND CHARGES	14		(1,762)	(8,665)
TOTAL ASSETS EMPLOYED			93,826	93,782
FINANCED BY:				
CAPITAL AND RESERVES				
Public dividend capital			90,855	90,172
Revaluation reserve	17		3,720	1,032
Donated Asset reserve	17		3,125	2,383
Income and expenditure reserve	17		(3,874)	195
TOTAL CAPITAL AND RESERVES			93,826	93,782

BALANCE SHEET AS AT 31 MARCH 2002

	NOTE	£000	31 March 2002 £000	31 March 2001 £000
FIXED ASSETS				
Intangible assets	9	261		367
Tangible assets	10	105,082		99,388
			105,343	99,755
CURRENT ASSETS				
Stocks and work in progress	11	2,478		2,676
Debtors	12	14,019		16,476
Cash at bank and in hand	16	470		1,282
			16,967	20,434
			16,967	20,434

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, including their responsibility for the propriety and regularity of the public finances for which they are answerable, and for the keeping of proper records, are set out in the Accountable Officers' Memorandum issued by the Department of Health.

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

DATE

CHIEF EXECUTIVE



FINANCIAL REPORT 31

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS


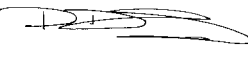
The directors are required under the National Health Services Act 1977 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure of the Trust for that period. In preparing those accounts, the 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 confirm they have complied with the above requirements in preparing 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 and 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.

By order of the Board

DATE CHIEF EXECUTIVE 
 DATE FINANCE DIRECTOR 

MANAGEMENT COSTS

	2001/02 £000	2000/01 £000
Management costs	6,076	6,169
Income	152,144	148,046

BETTER PAYMENT PRACTICE CODE - MEASURE OF COMPLIANCE

	Number	£000
Total bills paid in the year	92,245	84,419
Total bills paid within target	50,456	55,276
Percentage of bills paid within target	54.70%	65.48%

No payments to trade creditors were made under the Late Payment of Commercial Debts Act 1998

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RESPECT OF INTERNAL CONTROL

The Board is accountable for internal control. As Accountable Officer, and Chief Executive Officer of this Board, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisations objectives, and for reviewing its effectiveness. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve these objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing risk management process designed to identify the principal risks to the achievement of the organisation's objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively and economically. The system of internal control is underpinned by compliance with the requirements of the core Controls Assurance standards:

- Governance
- Financial Management
- Risk Management (Risk Management System standard for 2001/2002)

I plan to have the necessary procedures in place by the beginning of the financial year 2003/2004 necessary to meet the Treasury guidance. This takes into account the time needed to fully embed the processes that the Board has agreed should be implemented.

The actions taken so far include:

- The organisation has undertaken a self-assessment exercise against the core Controls Assurance standards (Governance, Financial Management and Risk Management). An action plan has been developed and is being implemented to meet any gaps.
- The organisation has in place arrangements to monitor, as part of its risk identification and management processes, compliance with other key standards, including relevant Controls Assurance standards covering areas of potentially significant organisational risk.

In addition to the actions outlined above, in the coming year it is planned to:

- introduce risk awareness training for key staff
- participate in benchmarking
- establish a comprehensive risk register
- provide the Board with final reports on a range of governance issues

As Accountable Officer, I also have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control has taken account of the work of the executive management team within the organisation who have responsibility for the development and maintenance of the internal control framework, and of the internal auditors. I have also taken account of comments made by external auditors and other review bodies in their reports.

CHIEF EXECUTIVE OFFICER  DATE

32 FINANCIAL REPORT

EMPLOYEE COSTS

	2001/02 £000	2000/01 £000
Salaries and wages	81,021	77,259
Social Security costs	5,845	5,671
Pension costs	4,696	3,230
Other pension costs	47	49
Agency Staff	9,283	6,365
TOTAL	100,892	92,574

AVERAGE NUMBER OF EMPLOYEES

	2001/02 Number	2000/01 Number
Medical and dental	361	346
Ambulance staff	2	2
Administration and estates	879	874
Healthcare assistants & other support staff	406	315
Nursing, midwifery & health visiting staff	1,366	1,525
Scientific, therapeutic and technical staff	580	552
Other	2	9
TOTAL	3,596	3,623

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2002

	2001/02 £000	2000/01 £000
Surplus for the financial year before dividend payments	1,598	5,995
Unrealised surplus on fixed asset indexation	2,811	1,173
Increases in the donated asset reserve due to receipt of donated assets	1,158	235
Reductions in the donated asset reserve due to the depreciation, impairment and disposal of donated assets	(455)	(481)
TOTAL GAINS AND LOSSES RECOGNISED IN THE FINANCIAL YEAR	5,112	6,922

SALARY AND PENSION ENTITLEMENTS OF SENIOR MANAGERS

Name & Title	Age	Salary (bands of £5000) £000	Other Remuneration (bands of £5000) £000	Golden hello/com-pensation for loss of office £000	Benefits in kind £000	Real increase in pension at age 60 (bands of £2500) £000	Total accrued pension at age 60 at 31 2002 (bands of £5000) £000
Non Executive Directors							
Miss A.L. Chapman, Chairman	42	20	0	0	1	0	0
Mr I.E. Nash	49	5	0	0	0	0	0
Mr J.C. Cartwright	68	5	0	0	1	0	0
Dr G. Bullock	66	5	0	0	1	0	0
Mr P.C. Cox	56	5	0	0	1	0	0
Total Non Executive Directors		40	0	0	4	0	0
Non Executive Directors							
Mr S. Collinson, Chief Executive	43	115	0	0	6	2	32
Mr P.G. Darling, Dir. of Finance	42	85	0	0	5	1	24
Mrs M.L. Clemence, Director of Nursing and Development	45	76	0	0	4	2	23
Mr B. Place, Director of Nursing & Quality	45	86	0	0	2	3	15
Dr C.E.M. Unter, Medical Dir.	51	119	0	0	3	1	18
Mr C.M. Wilson, Director of HR	52	75	0	0	5	0	22
Mrs V.A. Thompson, Director of Operations	42	76	0	0		1	2
Total Executive Directors		632	0	0	25	10	136
Total Trust Board		672	0	0	29	10	136

FINANCIAL REPORT 33

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2002

	NOTE	£000	£000	2000/2001 £000
OPERATING ACTIVITIES	16.1		15,301	10,747
Net cash inflow from operating activities				
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest received		306		333
Net cash inflow from returns on investments and servicing of finance			306	333
CAPITAL EXPENDITURE				
Payments to acquire tangible fixed assets		(8,658)		(5,039)
Receipts from sale of tangible fixed assets		121		3
Payments to acquire intangible assets		(27)		(7)
Net cash outflow from capital expenditure			(8,564)	(5,043)
DIVIDENDS PAID			(5,751)	(5,891)
Net cash inflow before management of liquid resources and financing			1,292	146
MANAGEMENT OF LIQUID RESOURCES				
Purchase of investments		(40,500)		(58,600)
Sale of investments		40,500		58,600
Net cash inflow (outflow) from management of liquid resources			0	0
Net cash inflow (outflow) before financing			1,292	146
FINANCING				
Public dividend capital received		10,145		3,000
Public dividend capital repaid (not previously accrued)		(9,462)		(3,097)
Public dividend capital repaid (accrued in prior period)		(1,958)		0
Net cash outflow from financing			(1,275)	(97)
Increase in cash			17	49

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF MAIDSTONE & TUNBRIDGE WELLS NHS TRUST ON THE SUMMARY FINANCIAL STATEMENTS

We have examined the financial statements set out on pages xxx and the directors' statement on internal financial control.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Directors are responsible for preparing the Annual Report. Our responsibility is to report to you our opinion on the consistency of the Summary Financial Statements and the directors' statement on internal financial control with the statutory financial statements. We also read the other information contained in the Annual Report and consider the implications for our report if we become aware of any mis-statements or material inconsistencies with the Summary Financial Statements.

BASIS OF OPINION

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

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of Maidstone and Tunbridge Wells NHS Trust as at 31 March 2002 and of its income and expenditure for the year ended in accordance with the accounting policies directed by the Secretary of State as being relevant to the National Health Service in England.

CERTIFICATE

We certify that we 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.

SIGNED *PricewaterhouseCoopers* DATE
PricewaterhouseCoopers No 1 London Bridge, London, SE1 9QL

CONSTITUTION OF THE AUDIT COMMITTEE

The Trust's Audit Committee members during the year were Mr Ian Nash - Non Executive Director (Chair) Mr John Cartwright - Non Executive Director and Mr Peter Cox - Non Executive Director.

S U M M A R Y B U S I N E S S P L A N

MESSAGE FROM THE CHIEF EXECUTIVE

I am pleased to present our third summary Business Plan. It briefly sets out our plans for the coming year. If you would like further information, or a copy of the full-length version of our plan, please contact our Communications Department on 01892 673700.

As you have seen, 2001/2 was a successful year for the Trust. We are particularly pleased to have improved our "star rating" from one to two stars. We must not be complacent, however. During the year 2002/03 we face many challenges. We have a number of key targets to meet, while we tackle financial difficulties.

Many of these targets relate to the NHS Plan whilst a number also help move forward the local plans that we have in place with our partners. We must remember that at the heart of every target lies a patient and it is my expectation as Chief Executive that in moving our plans forward we will in turn help patients improve their access to our services and provide them with a higher quality service.

We cannot move forward, however, while we are overspent. Financial balance is an essential and critical pre-requisite for development in the NHS: without it, we will be subject to scrutiny; with it, we will be rewarded. Restoring financial balance will therefore be a central objective for us all in 2002/3. We will all need to contribute to our Performance Improvement Plan, which aims to improve our efficiency and reduce expenditure. At the same time we will improve our clinical services through many innovative and exciting projects, and through a major programme of capital investment.

I would like to take this opportunity of thanking all our staff for their continued enthusiasm for and commitment to the NHS, this Trust and our patients.

 Stephen Collinson
Chief Executive

Our Objectives for 2002/3 are as follows:

1. To meet performance targets, including: -
 - Financial balance
 - Delivery of our Performance Improvement Plan
 - Reducing waiting times and numbers
 - Admitting emergency patients promptly and appropriately
 - Ensuring that junior doctor posts are compliant with regulations
2. To improve emergency services in terms of their availability, quality, comprehensiveness and speed.
3. To reduce waiting times; specific objectives will include: -
 - Admitting of patients via an admissions lounge, pre-clerked
 - Expanding capacity for elective activity – a new orthopaedic theatre and 22 beds are planned
 - Centralising scheduling and booking arrangements
 - Improved communication routes for patients to make and change appointments
4. To implement National Clinical Service plans and standards for cancer services, coronary heart disease and services for older people.
5. To continue to progress the Private finance Initiative for new Healthcare Facilities in the south of West Kent. Specific objectives include:
 - Approval of the Outline Business Case by the Regional Office
 - Securing outline planning permission for the public sector comparators at Pembury Hospital and Maidstone Hospital
 - Advertisement of PFI in OJEC, and shortlisting of potential partners
6. To strengthen the Trust's Management of the Corporate Governance Agenda. Specific initiatives include:
 - Preparing for the achievement of CNST (Clinical Negligence Scheme for Trusts) level 2
 - Preparing for the planned visit from the Commission for Health Improvement (September 2002)
 - Achieving National Patient Safety Agency targets
7. To improve the healthcare environment for patients, staff and visitors.
8. To establish partnership agreements with the Maidstone Weald Primary Care Trust for the provision of therapy and community child health services
9. To achieve NHS Plan targets for I M & T
10. To support and develop our staff. Specific objectives will include:
 - Introducing of "NHS Professionals" to reduce our reliance on agency staffing
 - Achieving "Improving Working Lives" status two
 - Enhancing the specialist roles of nursing and professional staff.

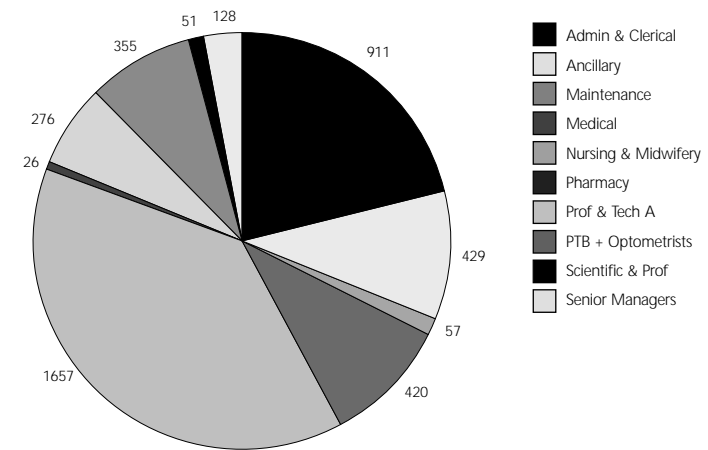
SUMMARY BUSINESS PLAN 35

KEY FACTS AND FIGURES

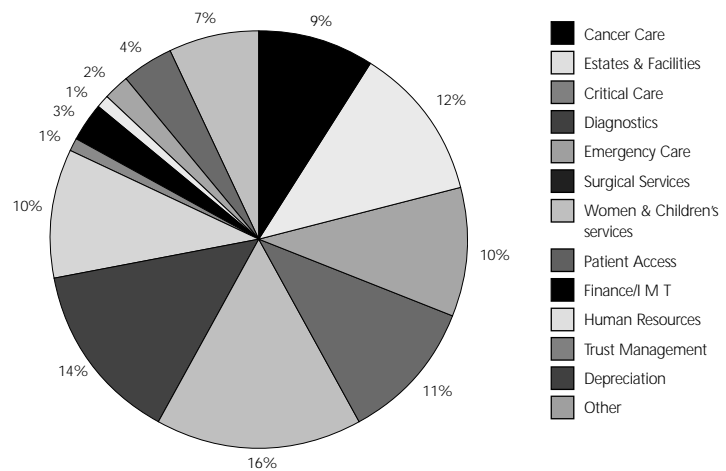
Our key performance targets for 2002/3 are: -

Area	Target
Waiting list	Total number of patients waiting to remain at the same level as 31.3.02 (9447)
Waiting times	No patient to wait longer than 12 months for admission by 31.3.03
Cancelled operations	No more than 1% of planned admissions to be cancelled on the day of admission or surgery and for those cancelled to be readmitted within 28 days.
Outpatient waiting times	No patient to wait longer than 21 weeks for a first consultant outpatient appointment by 31.3.03
Cancer referrals	All urgent GP referrals for suspected cancer to be seen within 14 days of referral
A & E waiting times	90% of A & E attendees to be treated and admitted or discharged within 4 hours, by 31.3.03
A & E admissions	90% of emergency admissions via A & E to be admitted within 4 hours by 31.3.03

STAFF IN POST BY GROUP 31.3.01



BUDGETS 2002/3





Maidstone and Tunbridge Wells **NHS**
NHS Trust