Ealing Hospital NHS
NHS Trust

30 Years of Serving Our Community

Annual Report 2009-2010

NEXT

Foreword by Chairman and Chief Executive

Welcome to Ealing Hospital NHS Trust – we hope that you will enjoy reading this Annual Report.

We are proud to have served the local community for the past 30 years and the cover of this report shows some of our dedicated staff who have worked in this hospital since the beginning.

One important aspect of providing healthcare is to ensure that we use the resources we have both effectively and efficiently. This report shows our financial performance.

As part of the changing London NHS landscape, we are moving forward to create an integrated care organisation (ICO) to bring together the expertise of staff from your local hospital and community services.

Thank you

Ian Green
Chairman

Julie Lowe
Chief Executive

Proud of our Staff

As part of our 30th birthday celebrations, we asked our staff to nominate colleagues for their service to the community. Here are the list of winners, to whom we offer our congratulations and thanks.

The winners were as follows:
Doctor of the Year: Dr Margaret Stanford, Associate Specialist in Anaesthetics.

Nurse of the Year: Noreen Nolan, Ward Sister of 3 North.

Clinician of the Year: Joan Thomas, Labour Ward Co-Ordinator *[pictured left with Steve Pound MP].*

Commitment to Care [three awards were presented in this category]: Hilda Griffiths, Dietetic Assistant; Paul Gomez, Clinical Charge Nurse, 8 North; and Eila Mohey, Moving and Handling Facilitator from the Education, Learning & Development Team.

Top Team: The Diabetes Multidisciplinary Team.

Top Mentor: Mike McWha, RIS/PACS Manager, Radiology.

Special Achievement: Andy Eales, Gardener, from Estates & Facilities.

Special Thank You: Costa Coffee Team from Medirest.

Our Chairman, Ian Green, and Steve Pound, MP for Ealing North, presented the awards at a special ceremony last September.

Operating and Financial Review

1. Introduction

1.1 The Operating and Financial Review (OFR) is a formally required element of the Annual Report.

1.2 It is an analysis of the business from the perspective of the Board of Directors. Whilst it has a forward-looking orientation, it also refers to current performance and key issues which will have an effect on future years.

1.3 During the past year, Ealing Hospital NHS Trust had 94,046 visits to its Emergency Department. The hospital's Maternity department delivered 3,065 babies. More than 194,451 attendances were made to the Outpatients department. The hospital treated 43,464 inpatient and day case patients.

1.4 In recent years the Trust has maintained improvements in performance on a steadily upward curve. Whilst most national targets for the year have been met, our performance highlights for 2009/10 include meeting the 98% A&E four-hour wait target, reduced levels of MRSA and Clostridium difficile infection, and ensuring more than 90% of admitted and 95% non-admitted patients are treated within 18 weeks of referral.

1.5 In the 2009 Care Quality Commission performance ratings, the Trust achieved a "Good" rating for the quality of its services – an improvement from "Fair" in 2008 - and maintained its rating of "Good" for use of resources.

2. Catchment and Demographics

2.1 The Trust provides a broad range of elective and emergency services to a population of approximately 330,000 people. Patients attending the Trust come from a multicultural, relatively young population with a considerable spectrum of social and economic status. This has important implications for the type of healthcare that the Trust provides, in addition to indicating trends for the future.

2.2 Analysis from the 2001 Census shows the following population breakdown: -

Caucasian	59%
Asian (Indian, Pakistani)	21%
Afro-Caribbean	10%
Chinese	1%
Others (includes Somali, Middle East, Armenia)	9%

2.3 The urban population is very mixed and a variety of ethnic origins are represented: in particular, a large Polish community in central Ealing, a community with links to East Africa mainly living in the Greenford area, and a community in Southall emanating from northern India. Newer immigrant groups include Somalians and Sri Lankans, and people from the EU accession states. There are places of worship for many faiths.

2.4 Although some parts of the borough are wealthy, others are more deprived, with nearly one in five households living in overcrowded conditions, which is slightly higher than average for London.

2.5 Some of the key health issues in the borough are diseases of the heart and blood vessels, which are the most common causes of death, followed by cancer and respiratory diseases, then injuries and infectious diseases such as TB.

2.6 In terms of the impact on the Trust, this means that we can expect:

- a growing population given the continued influx into the local community;
- more people suffering from chronic diseases; and
- a young population creating an increased demand for healthcare services.

3. Workforce, Education & Staff Development

3.1 The Trust employed an average of 1,642 members of staff in 2009/10. It has an Education, Learning & Development department that supplies development programmes in a range of managerial, clinical, developmental and mandatory subjects. The Postgraduate Centre supports doctors in training and has a multi-disciplinary skills laboratory.

3.2 The Education, Learning & Development department works in partnership with local colleges to support staff with basic skills, as required, ensuring the Trust supports the development of 'Skills for Life' for our local community.

3.3 The Trust has a diverse workforce and is committed to equal opportunities within the workplace and in relation to the recruitment and retention of staff.

3.4 The Trust has a good record on approaches to flexible working and there are no outstanding legal claims under equality legislation for the period covered by this report.

3.5 The Trust will be focusing efforts to recruit to vacancies and reduce reliance on agency staff in 2010/11. One of the circumstances in which agency staff are used is in relation to sickness absence, the level of which for 2009/10 was 3.6%.

4. Mission Statement and Core Values

Our values underpin our high expectations for service delivery. We are a people-centred service and aim to make our patients, their families and visitors, as well as our own staff, feel important in everything we do. Our values are:

- That the healthcare and well-being of our patients come first.
- To communicate effectively and inform our patients and their carers, making clear what they can expect when visiting and working with us.
- To engage and actively involve patients, carers and the public in how we deliver care and service development.
- To be honest, open, responsive, innovative and efficient in everything that we do.
- To be an active partner in the local health and social care economy of Ealing, north west London and London generally and with voluntary and community organisations.
- To support our staff as an excellent employer, through staff development and life-long learning.
- To be an organisation that integrates and embeds quality and fairness into the core of all decision-making and planning processes and one that values the diversity of all its staff, patients and the local community.

5. The Trust Board

5.1 The Trust Board is responsible for:

- managing the hospital;
- establishing the future direction;
- monitoring performance; and
- ensuring effective management and high standards of conduct throughout the organisation.

5.2 The Trust Board comprises a chairman and five non-executive directors, appointed by the Secretary of State, and six executive directors:

- Chief Executive;
- Director of Finance;
- Medical Director;
- Director of Nursing and Clinical Practice;
- Director of Operations (from April 2010 renamed Director of Clinical Operations); and

- Director of Human Resources. (These are two separate posts, but for the purpose of voting these count as one director).

5.3 Non-executive directors bring independent judgment, expertise and a community perspective to issues facing the Board. Non-executive directors are members of, or chair the following committees: Audit; Clinical Governance and Strategic Risk Management; and Remuneration.

5.4 The Trust has one ex-officio member of the Trust Board, the Director of Information and Communications Technology (ICT) and the Board's work is supported by a Trust Board Secretary.

5.5 All members of the Trust Board have adopted the Nolan Committee's Seven Principles of Public Life – selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

5.6 During 2009/10, The Trust had four operational clinical directorates:

- Medicine;
- Surgery;
- Clinical Support Services; and
- Women and Children's Services.

The Director of Operations was the director responsible for the clinical directorates, all of which had one or more Clinical Directors and an Assistant Director of Operations, or equivalent, at their head.

5.7 The operational directorates are supported and complemented by corporate directorates, namely:

- Chief Executive's Office;
- Finance, Information and Estates;
- Human Resources;
- ICT;
- Medical Director; and
- Nursing and Clinical Practice.

5.8 Directors and assistant directors from both the operational and corporate directorates are part of the Executive Committee (renamed and restructured as the Care Programme Committee from April 2010), which is the main decision-making body, below the Trust Board.

6. Political and Charitable Donations

6.1 As an NHS body, the Trust does not make political or charitable donations.

7. Preparedness for Emergencies

7.1 The Trust has a Major Incident Plan which is fully compliant with *Handling Major Incidents* as required by the Department of Health.

7.2 The Trust had cause to test its business continuity planning in June, when the World Health Organisation declared an influenza pandemic in response to the surge in cases of 'swine flu'. Staff coped well during the pandemic and the lessons learned during the first wave of cases informed our response to a second wave of flu cases in September. A full review of the Trust's response to the pandemic was considered at the April 2010 Trust Board meeting.

7.3 The Trust's emergency planning systems were also tested during May when there was a public order disturbance at the hospital following a local murder. The incident was managed in conjunction with the Metropolitan Police and London Ambulance Service and is being shared as an example of hospital 'lock down' across London.

7.4 The Trust's Major Incident Policy was updated and revised in September 2009.

8. Policies and Compliance with Legislation

8.1 The following committees have powers delegated by the Trust Board to ratify policies and procedures:

- Audit;
- Clinical Governance and Strategic Risk Management;
- Executive/Care Programme Committee;
- Remuneration; and
- Charitable Trust Funds.

8.2 As a public body the Trust has in place mechanisms to ensure that all of its policies and procedures comply with the following legislation:

- Data Protection Act 1998;
- Diversity & Equality Policies (including the Disability Discrimination Act 1985 & 2006);
- Freedom of Information Act 2000;
- Health and Safety Act 1974;
- Human Rights Act 1998;
- Race Relations Amendment Act 2000;
- The Employment Equality (Age) Regulations 2006;
- Corporate Manslaughter and Corporate Homicide Act 2007;
- Mental Capacity Act 2005; and
- The Equality Act (Sexual Orientation) Regulations 2007.

8.3 Processes are also in place to ensure that all new legislative requirements are duly considered by the Trust and that, where relevant, the Trust and its employees comply fully with the law.

9. Relationships and Partnerships

9.1 During 2009/10, the Trust has continued to work with a wide range of partners to further improve the quality of care, patient experience and to ensure value for money. Our relationships and joint work have been undertaken via a range of partnership forums and committees such as the Health and Wellbeing Board, the Local Strategic Partnership and a range of client-based partnership boards.

9.2 Our main local health and social care partners include:

- Ealing Primary Care Trust (NHS Ealing);
- General Practitioners (Practice Based Commissioning groups);
- West London Mental Health NHS Trust;
- Other healthcare providers within north west London; and
- Ealing Council.

9.3 During the year the Trust has made significant contributions to the development and subsequent ongoing implementation of a number of joint strategies with our partners.

9.4 Voluntary and community sector organisations continue to make a positive and effective contribution in Ealing, both in service provision and in representing and advocating for the needs of service users. Ealing Community Network has been the main vehicle for working with voluntary and community organisations and currently supports more than 300 organisations both small and large.

9.5 During the year the Trust has worked in collaboration with a range of voluntary and community sector organisations and forums.

9.6 In addition to voluntary sector organisations, the Trust has continued to work in partnership with patients and the public. Underpinned by the duties of Section 11 of the Health and Social Care Act, the Trust has gained much by working with patients and the public. This is in terms of receiving feedback about our services and having representatives as members of working groups and committees who have been involved in the design, development and review of our services. These have included:

- the Improving Patient Experience Group (IPEG);
- the Ealing Local Involvement Network [LINk];
- individual patient representatives;
- volunteers, including the League of Friends;
- Heartlink; and a
- range of patient support groups.

9.7 The Trust has also developed effective partnerships with a number of other organisations including Ealing Police, our staff partners, and Ealing Black and Minority Ethnic (BME) NHS Staff Network, in addition to local educational institutions. These alliances will continue to be developed and strengthened during the coming year.

9.8 The role of effective partnerships and their contribution to shaping our future, as well as maintaining good day-to-day performance, is given great importance by the Trust, as is the input from the public in general.

10. Healthcare Policy and Market Analysis

10.1 The Trust aims to be the hospital of choice for local people and is looking to develop both its service provision and physical infrastructure to that end. However, the Trust is part of both the national and local NHS and is subject to policy and other influences from both.

10.2 National and local health community plans relating to the reconfiguration of services will impact upon us, particularly Healthcare for London and work on the North West London Provider Landscape.

10.3 Healthcare for London is a modernisation process which includes examination of a range of acute hospital services, seeking to ensure that these are provided in a way that obtains the best balance of quality, safety and accessibility for patients across the city.

10.4 Areas of focus for Healthcare for London have been around trauma and stroke services. Following the completion of a public consultation, the PCTs in north west London agreed a network for these services. The Trust Board agreed to decommission its stroke unit in April 2010. However, it remains open until July 2010 to coincide with the opening of the network of Hyper Acute Stroke Units.

10.5 Healthcare for London undertook further work through 2009/10 with diabetes; children's; and maternity services forming part of their programme, along with Unscheduled (i.e. emergency) Care.

10.6 The Trust has always approached both the national and London-wide policy development and local implementation as opportunities. We are working closely with our partners to ensure that mutual goals are achieved to the benefit of healthcare in the communities we serve.

10.7 In this context, the Trust Board has recently approved a business case to form an integrated care organisation (ICO) with the community services of NHS Ealing and NHS Harrow. Similar approvals were received from the two PCT Boards and the ICO (formed from the legal shell of EHT) was originally due to be effective from 1 April 2010.

10.8 The establishment of the ICO has been delayed because NHS London has requested more time to consider the business case, to incorporate Brent community services. The Trust remains committed to pursuing the formation of the ICO.

11. Organisational Objectives

11.1 At its meeting in April 2009, the Trust Board approved the following corporate objectives for 2009/10:

- Providing high quality, safe care for patients.
- Providing local hospital services for the people of Ealing.
- Creation of an Integrated Care Organisation capable of achieving Foundation Trust status, whilst maintaining performance against statutory financial duties and national operating requirements.

The first two of these ensure the focus is on providing the best possible care for the population which uses Ealing Hospital, whilst the third reflects the need to work through the current strategic uncertainty. One of the anticipated benefits of the ICO is that it will meet the third objective.

11.2 The more detailed objectives which the Trust Board will be seeking to meet in 2010/11 build on those which were set in 2009/10:

- Provide accessible, high quality and responsive services to meet the needs and expectations of our diverse population.
- Continually improve patient outcomes benchmarked against national standards.
- Be the main provider of acute medical, surgical, paediatric and obstetric services for the population of the London Borough of Ealing.
- Meet financial plans and duties in order to support investment and remain financially sustainable into the future.
- Have robust governance arrangements underpinned by a strong assurance framework.
- Work closely with our patients, partners and stakeholders in key decision-making.
- Have premises with a safe, attractive and welcoming environment with sufficient flexibility to meet changing needs.
- Deliver our IT strategy to support service delivery, operational efficiency, service development and clinical excellence.
- Ensure that the Trust conforms with all essential information governance requirements.
- Work with partners in the local community to promote public health and reduce inequalities.
- Seek to use and replenish our assets in a sustainable way.

11.3 Good progress on our objectives was made in 2009/10 including improved operational performance, lower rates of hospital acquired infections and the continued development of partnerships and the governance infrastructure of the Trust. This was all within the context of continued achievement of financial duties and investment in our staff and property assets.

12. Operational Performance

12.1 At the time of writing this report, the Trust's operational performance, assessed against a range of national targets and standards, for 2009/10 indicated a likely maintained "Good" rating for quality of services, as assessed under the Care Quality Commission's Annual Health Check.

12.2 The Trust has assessed local evidence, applied national self-assessment tools and utilised the Healthcare Commission Developmental Standards Toolkit to identify progress against developmental standards.

12.3 The Trust Board reviews progress and performance against existing national targets on a monthly basis through the performance report (available on our website, via the Board papers section). Progress against national 'new' and 'existing commitment' performance indicators to March 2010, subject to confirmation, is set out below.

12.4 Of the existing indicators relevant to us, the Trust has assessed the expected outcome as:

- Delayed Transfers of Care – achieved
- A&E Access target (98% of patients spending total time in A&E less than 4 hours) – achieved
- Number of inpatients waiting no longer than the standard 26 weeks – achieved
- Number of outpatients waiting no longer than the standard 13 weeks – achieved
- Cancelled operations – achieved
- Rapid Access Chest Pain Clinic – achieved
- Access to Genito-Urinary Medicine clinics – achieved
- Data Quality on Ethnic Group – achieved.

12.5 Of the other national indicators relevant to us, the Trust has assessed the expected outcome as (some measures still to be confirmed):

- Reduced incidence of MRSA Bacteraemia – achieved
- Reduced incidence of Clostridium difficile – achieved
- 18 week referral to treatment times – achieved
- Participation in heart disease audits – achieved
- Engagement in clinical audits – achieved
- Hospital Episode Statistics Data Quality – achieved
- All cancers: two week maximum wait – achieved
- All cancers: one month diagnosis to treatment – achieved
- All cancers: two month GP urgent referral to treatment – achieved
- Staff satisfaction – underachieved
- Experience of patients – underachieved.

12.6 Other performance measures include the Patient Environment Action Team (PEAT) assessments. For 2010, our results were:

- Environment and Cleanliness – good
- Food – excellent
- Privacy and Dignity – excellent.

12.7 The Trust handled 206 complaints during the year, which were dealt with in the timescale agreed with the complainant.

12.8 The Trust aims to provide individualised complaints handling to ensure from the outset that the issues of the complaint are clear and fully understood. This involves early contact with the complainant, where possible, to discuss and agree an action plan for dealing with the complaint. During this discussion the aims of the complaints procedure and options for resolution are discussed and agreed. This includes a discussion about which remedies the complainant is seeking and whether this can be achieved through the Trust's complaints procedure.

The six principles of remedy are:
Getting it right
Being customer focused
Being open and accountable
Acting fairly and proportionately
Putting things right
Seeking continuous improvement.

13. Financial Performance

13.1 The financial performance of the Trust remained strong in 2009/10, with all key targets being met. The Trust managed cash within its External Financing Limit, managed capital expenditure within its Capital Resource Limit and achieved its target return on capital.

13.2 The Trust also met its principal financial duty of breaking even on income and expenditure for the seventh successive year.

13.3 The income and expenditure result in 2009/10 was net of a £4.7m or 6% increase in salaries and wages, which partly reflected the impact of the European Working Time Directive and other medical staffing pressures. Increased costs of agency cover for vacancies, sickness and other absences across all clinical staff groups were also experienced and impacted on the level of pay expenditure.

13.4 Hence we are making a concerted and re-focused effort to reduce agency staff usage. The increased cost of agency staff meant that although pay costs rose by 6%, numbers of staff employed by the Trust stayed the same as in 2008/09. Recruiting to vacancies and managing unplanned absences better is a priority in 2010/11.

13.5 The Trust's financial record over the last five years is:-

	2005/06 £'000	2006/07 £'000	2007/08 £'000	2008/09 £'000	2009/10 £'000
Income and Expenditure Surplus	1,059	80	1,135	2,125	36
Managing Cashflows within an External Finance Limit	Achieved	Achieved	Achieved	Achieved	Achieved
Managing Capital Expenditure within a Capital Resource Limit	Achieved	Achieved	Achieved	Achieved	Achieved
Return on Assets (Pay a Dividend of 3.5%)	Achieved	Achieved	Achieved	Achieved	Achieved

13.6 Summary financial statements providing more details on the main financial results of the Trust and its worth as at 31 March 2010 are included at **Appendix 1**. The Trust's performance against the Better Payments Policy is included in full as part of those statements.

13.7 The financial statements at **Appendix 1** and the full Annual Accounts for 2009/10 from which they are extracted have been prepared in line with the requirements of International Financial Reporting Standards (IFRS). Prior year comparatives are also in line with IFRS as the Trust went through an exercise in the middle of this year to re-state last year's figures (originally prepared according to UK Generally Accepted Accounting Principles).

13.8 Looking forward, the Trust will need to maintain its financial rigour and develop further approaches to achieving savings whilst at the same time enhancing quality of service. HM Treasury has made it clear that there will be a minimum expected year on year 3.5-4.5% savings requirement for the foreseeable future.

13.9 Among the benefits of the proposed ICO is the potential to make savings via integration of services and eliminating duplication. Given that national and London health policies emphasise the importance of moving services from an acute to a community setting, this will also minimise the potential loss of income to the ICO's constituent elements.

13.10 The Trust/ICO will also need to continue to demonstrate an increasing capacity to both break even and generate sustained contributions to support the servicing of the necessary capital expenditure over the next three to five years. This will underpin a renewed Foundation Trust application.

13.11 To maintain its position as a financially viable organisation the Trust is looking to continue to progress to:

- Develop and implement a medium-term financial plan based around the ICO and the local strategic context.
- Further develop our leading edge costing software and reporting systems and use the information in close conjunction with clinicians and other key resource users to manage out variations in cost for similar activities.
- Embed Service Line Reporting (SLR) under which we are able to understand which of our services generate the highest financial contributions.
- Ensure the establishment of an appropriate skill base in terms of financial and business acumen across the organisation by continuing training activities.
- Manage the level of the Trust's workforce in line with our anticipated income profile.
- Maintain low overheads by careful review of capital investment plans and management costs.
- Seek to maximise income and develop new opportunities and services to this end.
- Work towards top quartile performance in terms of efficiency.
- Develop our approach to managing and maximising working capital, building on some substantial success in 2009/10, when 98% of bills were paid on time.

13.12 Contracts with all PCTs for 2010/11 were signed by the national deadline, which together with internal budget setting and a planned £4.6m (3.5%) savings programme, have again enabled the Trust to set a break even budget for the forthcoming financial year.

13.13 The Trust was judged as "3" or "Good" for its overall use of resources as part of the Annual Health Check in 2009 and predicts that it will retain that score, or equivalent, in 2010.

13.14 We thus enter 2010/11 with a continuation of our enviable record on financial performance and in a reasonably sound financial position, albeit one to which the national and local context will present significant challenges.

14. Capital Investment

14.1 Following a further year of substantial expenditure in 2009/10, capital investment is planned to be maintained at a similar level in 2010/11. Expenditure in excess of £6m is planned in total.

14.2 Major elements of the £7.8m expenditure in the last year included the introduction of a state of the art 128-slice CT scanner, digital general x-ray facilities, refurbishment of the Endoscopy department, a new Acute Medical Unit and completion of fire safety work throughout the Trust.

14.3 For the forthcoming year, the Trust is looking to invest in the following:

Planned Expenditure	£'000
Improvements to Maternity Facilities	1,400
Replacement and Upgrades of Radiology Equipment	790
Estate Improvements	740
Information Systems and Technology	600
Ward Refurbishments	400
Theatre Enhancements	425

14.4 The investment programme contains further work to ensure compliance with the Disability Discrimination Act requirements, as the Trust is committed to ensuring appropriate access for all patients and staff.

14.5 The 2010/11 capital expenditure plan also includes provision for modernising the Trust's heating and power systems to reduce energy consumption in line with our Carbon Reduction Commitment.

15. Sustainability

15.1 The Trust takes sustainability and environmental impact seriously and implemented a new policy on minimising waste for the 2008/09 financial year, which was fully implemented in 2009/10.

15.2 We are committed to investing in carbon reduction strategies in 2010/11, with the view that any such investment will be rewarded with lower operating costs in the future. Specifically, we will reduce our 2007 carbon footprint by 10% by 2015. The Trust's current CO_2 fuel emissions are as follows:

- Electricity – 11,238 tonnes
- Gas – 6,453 tonnes.

15.3 Apart from the capital investment in our heating and power systems, outlined above, other actions planned to achieve this include:

- Promotion of better energy use awareness for all staff;
- Campaigns to encourage better energy 'house-keeping' (switching off lights, PCs etc);
- Ensuring that we include low energy consumption in equipment business cases and tender/purchase specifications;
- Ensuring our engineering plant is configured in the most energy efficient way; and
- Ensuring building work is to the latest energy efficiency standards.

15.4 During 2008/09 we also approved a new procurement strategy for the Trust, which includes a commitment to sustainable procurement and minimising the impact of our procurement activities on the environment. This began to see tangible benefits in 2009/10.

15.5 Not only are these schemes important for us to fulfill our obligations as a socially responsible organisation, they are also having a positive impact on our bottom line. 2009/10 saw a 10% reduction in premises costs, with further benefits anticipated as we fully implement our carbon reduction strategies.

15.6 These developments, together with a range of smaller building schemes and medical equipment replacements, are in line with our objectives to improve the suitability of the hospital environment as a modern healthcare setting and providing high quality facilities accessible locally to users.

Appendix 1: Summary Financial Statements

2009/10 Summary Financial Statements

These financial statements for the year ended 31 March 2010 have been prepared by Ealing Hospital NHS Trust under section 98(2) of the National Health Service Act 1977 (as amended by section 24(2), schedule 2 of the National Health Service and Community Care Act 1990) in the form which the Secretary of State has, with the full approval of the Treasury, directed.

Accounting Policies

The Secretary of State for Health has directed that the financial statements of NHS Trusts shall meet the accounting requirements of the NHS Trusts Manual for Accounts, which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2009/10 NHS Trusts Manual for Accounts issued by the Department of Health. The accounting policies contained in that manual follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the NHS Trusts Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. They have been applied consistently in dealing with items considered material in relation to the accounts.

Statement of Comprehensive Income for the year ended 31 March 2010

	2009/10 £000	2008/09 £000
Income from activities	117,287	114,821
Other operating income	13,669	15,080
Operating expenses	(127,888)	(124,945)
OPERATING SURPLUS	3,068	4,956
(Loss) on disposal of non current assets	(110)	0
SURPLUS BEFORE INTEREST	2,958	4,956
Net interest receivable (payable) and finance costs	(48)	338
SURPLUS FOR THE FINANCIAL YEAR	2,910	5,294
Public Dividend Capital dividends payable	(2,874)	(3,132)
RETAINED SURPLUS FOR THE YEAR	**36**	**2,162**

Statement of Financial Position as at 31 March 2010

	31 March 2010 £000	31 March 2009 £000
NON CURRENT ASSETS		
Intangible assets	1,084	1,025
Tangible assets	82,706	86,635
Trade and other receivables	945	480
	84,735	**88,140**
CURRENT ASSETS		
Stocks and work-in-progress	1,419	1,158
Trade and other receivables	6,144	6,979
Cash at bank and in hand	4,030	5,575
	11,593	**13,712**
CURRENT LIABILITIES		
Trade and other liabilities	(8,530)	(7,134)
Borrowings	(78)	(149)
Provisions	(1,408)	(1,121)
NET CURRENT ASSETS	**1,577**	**5,308**
TOTAL ASSETS LESS CURRENT LIABILITIES	86,312	93,448
Borrowings greater than one year	(142)	(220)
Provisions greater than one year	(1,745)	(1,768)
TOTAL ASSETS EMPLOYED	**84,425**	**91,460**
Financed by:		
CAPITAL AND RESERVES		
Public dividend capital	50,783	50,358
Revaluation reserve	24,306	32,029
Donated asset reserve	991	1,125
Retained earnings	8,345	7,948
TOTAL CAPITAL AND RESERVES	**84,425**	**91,460**

Cash Flow Statement for the year ended 31 March 2010

	2009/10 £000	2008/09 £000
OPERATING ACTIVITIES		
Net cash inflow from operating activities	8,897	10,120
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE:		
Interest received	27	392
Interest paid	0	0
Net cash inflow from returns on investments and servicing of finance	27	392
CAPITAL EXPENDITURE		
(Payments) to acquire tangible fixed assets	(6,999)	(5,632)
(Payments) to acquire intangible assets	(764)	(571)
Net cash (outflow) from capital expenditure	(7,763)	(6,203)
DIVIDENDS PAID	(2,981)	(3,132)
Net cash inflow / (outflow) before management of liquid resources and financing	**(1,820)**	**1,177**
Management of liquid resources	0	0
Purchase of investments	0	0
Sale of investments	0	0
Net cash inflow / (outflow) before financing	(1,820)	1,177
FINANCING		
Public dividend capital received	425	148
Public dividend capital repaid (not previously accrued)	0	0
Capital element of finance leases	(150)	0
Net cash inflow from financing	275	148
Increase / (decrease) in cash	**(1,545)**	**1,325**

Better Payments Practice Code

NHS Trusts are required to pay their creditors in accordance with the CBI 'Prompt Payment Code' and Government accounting rules. The target is to pay all creditors within 30 days of receipt of goods or a valid invoice (whichever is later) unless other payment terms have been agreed with the supplier. The measure of compliance is:

	2009/10 Number	£000	2008/09 Number	£000s
Non NHS Creditors				
Total bills paid in the year	44,133	71,014	39,727	67,850
Total bills paid within target	43,434	69,789	39,176	67,303
Percentage of bills paid within target	98%	98%	99%	99%
NHS Creditors				
Total bills paid in the year	984	20,182	1,196	19,903
Total bills paid within target	972	20,121	1,181	19,823
Percentage of bills paid within target	99%	100%	99%	100%

Management Costs

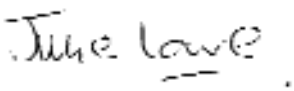
	2009/10 £000	2008/09 £000
Management costs	6,643	6,379
Income	130,956	130,293
Management costs as % of income	5.07%	4.90%

Management costs are those defined as such by the Department of Health. The definitions can be found on the following website:
www.dh.gov.uk/PolicyAndGuidance/OrganisationPolicy/FinanceAndPlanning/NHSManagementCosts/fs/en

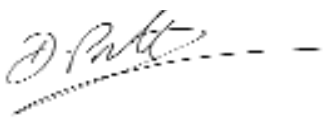
External Audit

The Audit Commission are the Trust's External Auditors. Total audit fees for 2009/10 (exclusive of VAT) were £149k for their statutory audit.

The Summary Financial Statements presented above may not contain sufficient information for a full understanding of the Trust's financial position and performance. Therefore, a full version of the Trust's 2009/10 Annual Accounts is also available and can be obtained by contacting us to request a copy. Please contact Irfan Mundiya, Financial Controller, on 0208 967 5509 or Irfan.mundiya@eht.nhs.uk



Julie Lowe, Chief Executive



David Pratt, Director of Finance

Independent auditor's report to the Board of Directors of Ealing Hospital NHS Trust

I have examined the summary financial statement for the year ended 31 March 2010 which comprises the Statement of Comprehensive Income, Statement of Financial Position, Cash Flow Statement, Better Payment Practice Code note, Management Costs note and External Audit note.

This report is made solely to the Board of Directors of Ealing Hospital NHS Trust in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 49 of the Statement of Responsibilities of Auditors and of Audited Bodies prepared by the Audit Commission.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the Annual Report.

My responsibility is to report to you my opinion on the consistency of the summary financial statement within the Annual Report with the statutory financial statements. I also read the other information contained in the Annual Report and consider the implications for my report if I become aware of any misstatements or material inconsistencies with the summary financial statement. This other information comprises the Foreword, the unaudited part of the Remuneration Report and the Proud of Our Staff: Staff Awards 2009 sections of the Annual Report.

I conducted my work in accordance with Bulletin 2008/03 "The auditor's statement on the summary financial statement in the United Kingdom" issued by the Auditing Practices Board. My report on the statutory financial statements describes the basis of my opinion on those financial statements.

Opinion

In my opinion the summary financial statement is consistent with the statutory financial statements of the Ealing Hospital NHS Trust for the year ended 31 March 2010.

Andrea White
District Auditor
Audit Commission
1st Floor Millbank Tower
Millbank
London
SW1P 4HQ
10 June 2010

Appendix 2: Corporate Governance Information and Remuneration Report

Remuneration Report for the period 1 April 2009 to 31 March 2010

This report contains details of the salary and pension entitlements of senior managers.

The Remuneration Committee

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

- Chairman of the Trust;
- Two Non-Executive Directors; and the
- Chief Executive and Director of Human Resources attend, as required.

The decisions and deliberations of the Committee regarding individuals remains confidential, but otherwise, the work of the Committee is open to scrutiny and publicly defensible. The Committee is authorised by the Trust Board to seek independent advice as it considers necessary to fulfil its functions.

The Board Secretary acts as Secretary to the Remuneration Committee and the Chief Executive and Director of Human Resources attend its meetings, except when their remuneration, conditions or performance is under discussion.

The Remuneration Committee meets at least twice a year, and additionally as necessary at the discretion of the Committee chair to agree Executive Directors' remuneration recommendations. During 2009/10, the Committee met on the following dates:

30 April 2009

30 July 2009

24 September 2009

28 January 2010.

The Committee is non-quorate if there are fewer than two members present. The Committee reports to the Trust Board after each meeting.

The minutes of the Committee are distributed routinely to members of the Trust Board in two parts.

- Part I:
  General Decisions and Deliberations – all Trust Board members.
- Part II:
  Decisions and deliberations about individuals – Non-Executives, Chief Executive and HR Director only.

The Remuneration Committee's role is to:

- Determine the remuneration and conditions of service for the Executive Directors of the Trust and those senior managers of the Trust not covered by national terms and conditions (including those relating to severance or termination payments).
- Decide on appropriate remuneration and conditions of service for individual Executive Directors of the Trust, ensuring that they are fairly rewarded and having proper regard to the Trust's circumstances and the provisions of any national arrangements for such staff.

Senior Manager Remuneration Policy

Senior manager pay is benchmarked against comparable roles in Trusts of comparable size and complexity to ensure that rates of pay are competitive, represent value for money and provide stability in senior manager posts. Remuneration and conditions of service for Executive Directors and senior managers will be established in line with:

- Evidence about market conditions
- The need to recruit and retain high quality staff to the Trust
- The circumstances (including financial) of the Trust
- Relevant national pay and contractual arrangements.

Methods to Assess Performance Conditions

All senior managers are appraised regularly and their performance is assessed against personal and corporate objectives, long and short term, based on the principles

within the Appraisal, Knowledge and Skills Framework Review Policy. The Trust does not, however, operate a performance-related pay system.

Policy on Duration of Contracts, Notice Periods and Termination Payments

Contracts of employment do not have predetermined end dates. The notice period for senior managers is not greater than six months. Termination payments to senior managers are not made unless for exceptional factors at the discretion of the Remuneration Committee and with the approval of NHS London or the Department of Health, as appropriate.

Non-Executive Directors

The remuneration of the Trust Chairman and the Non-Executive Directors was increased on 1 April 2009 by 1.5% in line with Department of Health recommendations.

Pension Liabilities

The provisions of the NHS Pensions Scheme cover past and present employees of the Trust. The Scheme is an unfunded, defined benefits scheme allowed under the direction of the Secretary of State, in England and Wales. Notes 1.7 and 11 in the full annual accounts give an expanded explanation of how pension liabilities are treated.

Salary and allowances of senior managers

Name and Title	2009-10 Salary (bands of £5000) £000	Other Remuneration (bands of £5000) £000	Benefits in Kind Rounded to the nearest £100	2008-09 Salary (bands of £5000) £000	Other Remuneration (bands of £5000) £000	Benefits in Kind Rounded to the nearest £100
Ian Green, Chairman	20 - 25	0	0	20 - 25	0	0
Keith Harlow, Non-Executive Director	5 - 10	0	0	5 - 10	0	0
Sue Phillips, Non-Executive Director	5 - 10	0	0	5 - 10	0	0
Lynn Chandler, Non-Executive Director**				0 - 5	0	0
Kevin Belton, Non-Executive Director	5 - 10	0	0	0 - 5	0	0
Marie Li Mow Ching, Non-Executive Director	5 - 10	0	0	5 - 10	0	0
Patricia Williamson, Non-Executive Director	5 - 10	0	0	5 - 10	0	0
Julie Lowe, Chief Executive	125 - 130	0	0	115 - 120	0	0
Dr William Lynn, Medical Director	25 - 30	130 - 135	0	20 - 25	130 - 135	0
David Pratt, Director of Finance	100 - 105	0	0	95 - 100	0	0
Paul Reeves, Director of Nursing and Clinical Practice	85 – 90	0	0	80 - 85	0	0
Julia Whitehouse, Director of Human Resources**				5 - 10	0	0
Paul Stanton, Director of Human Resources	85 – 90	0	0	70 - 75	0	0
Jane Farrell, Director of Operations**				20 - 25	0	0
Philippa Graves, Director of Operations*	50 – 55	0	0	30 - 35	0	0
Kevin Connolly, Director of Information and Communication Technology	80 - 85	0	0	75 - 80	0	0
Gillian Francis-Musanu, Director of Corporate Affairs**				10 - 15	115 - 120	0

* On secondment for part of the year.

** 2008/09 figures included for comparative purposes only

Salary and allowances of senior managers

Name and Title	Real increase in pension at age 60 (bands of £2500) £000	Real increase in pension lump sum at age 60 (bands of £2500) £000	Total accrued pension at age 60 at 31 March 2010 (bands of £5000) £000	Lump sum at age 60 related to accrued pension at 31 March 2010 (bands of £5000) £000	Cash Equivalent Transfer Value at 31 March 2010	Cash Equivalent Transfer Value at 31 March 2009	Real increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
Ian Green, Chairman	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Keith Harlow, Non-Executive Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Sue Phillips, Non-Executive Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Kevin Belton, Non-Executive Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Marie Li Mow Ching, Non-Executive Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Patricia Williamson, Non-Executive Director	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Julie Lowe, Chief Executive	0 - 2.5	5 - 7.5	25 - 30	80 - 85	369	318	43	0
Dr William Lynn, Medical Director	2.5 - 5	10 - 12.5	35 - 40	110 - 115	748	617	115	0
David Pratt, Director of Finance	0 - 2.5	5 - 7.5	10 - 15	35 - 40	201	162	35	0
Paul Reeves, Director of Nursing & Clinical Practice	0 - 2.5	2.5 - 5	30 - 35	95 - 100	583	514	56	0
Paul Stanton, Director of Human Resources	0 - 2.5	5 - 7.5	20 - 25	65 - 70	346	295	43	0
Philippa Graves, Director of Operations	0 - 2.5	2.5 - 5	20 - 25	70 - 75	403	351	26	0
Kevin Connolly, Director of Information & Communication Technology	0 - 2.5	2.5 - 5	5 - 10	25 - 30	119	93	23	0

As Non-Executive members do not receive pensionable remuneration, there are no entries in respect of pensions benefits for Non-Executive members.

Real Increase in CETV 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 scheme or arrangement) and uses common market valuation factors for the start and end of the period.

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.

Register of Interests of Non-Executive Directors

Name	Title	Appointment	Interests	Chair/Member of Committee
Ian Green	Chairman	April 2008 - present (Previously Deputy Chairman)	Chief Executive and National Secretary of the National Council of YMCAs (YMCA England) Director George Williams College Director YMCA Pension and Assurance Scheme Elected Member, London Borough of Ealing (to May 2010) Justice of the Peace, Middlesex Commission - - Assistant Bench Chairman, Hounslow Petty Sessions Deputy Chairman, Hounslow Family Proceedings Court	Trust Board Remuneration Committee Serious Untoward Incidents panels
Keith Harlow	Non-Executive Director	May 2003 - present	Director of Green Park, Manor Road, Freehold Ltd Director, Private Property Management Group Lay Chair, London Deanery	Deputy Chairman of Trust Board Chairman of Clinical Governance and Risk Management Committee Charitable Funds Committee Audit Committee Specific NED oversight for ICT issues Infection Control Champion Serious Untoward Incidents panels
Sue Phillips	Non-Executive Director	January 2006 - present	None declared	Chair of Improving the Patient Experience Group Liaison with LINkS Liaison with League of Friends Remuneration Committee Serious Untoward Incidents panels
Kevin Belton	Non-Executive Director	March 2009 - present	None declared	Chair of Audit Committee
Marie Li Mow Ching	Non-Executive Director	January 2008 - present	None declared	Chair of Charitable Funds Committee Audit Committee Serious Untoward Incidents panels
Patricia Williamson	Non-Executive Director	January 2008 - present	Group HR Director Southern Cross Healthcare Group PLC	Non-executive lead on HR and OD issues Non-executive lead on Equalities and Diversity Remuneration Committee

Executive Directors (In post in 2009/10)

Name	Title	Appointment
Julie Lowe	Chief Executive	May 2007 - present
Dr William Lynn	Medical Director and Deputy Chief Executive	December 2003 - present
David Pratt	Director of Finance	June 2003 - present
Paul Reeves	Director of Nursing and Clinical Practice	May 2007 - present
Paul Stanton	Director of Human Resources	May 2008 - present
Philippa Graves	Director of Operations	October 2008 – September 2010
Kevin Connolly	Director of Information and Communication Technology	May 2005 – present

The Trust Board Register of Interests is available at every public Board meeting. A copy can be obtained from the Chief Executive's Office.

Appendix 3: Statement of Internal Control 2009/10

EALING HOSPITAL NHS TRUST

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 organisations' assets for which I am personally responsible as set out in the Accountable Officer Memorandum.

The Trust is also accountable:

- to the Strategic Health Authority for organisational, e.g. clinical and financial, performance;
- for delivery of local services under defined Service Level Agreements with PCT and north west London sector commissioning partners.

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 is based on an ongoing process designed to:

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

The system of internal control has been in place in Ealing Hospital NHS Trust for the year ended 31 March 2010 and up to the date of approval of the annual report and accounts.

3. CAPACITY TO HANDLE RISK

Leadership and Accountability

The organisational management structure clearly illustrates the Trust's commitment to effective governance including risk management processes. The structure possesses unambiguous lines of accountability of appropriate levels with clear clinical and managerial leadership roles being defined.

Support and Advice

Supporting the structure are the central directorates of Nursing and Clinical Practice, Finance and Information, Operations and Human Resources. They support the organisation specifically in relation to governance, including risk management and continuous quality improvement.

Training

Through a range of training programmes and by individual personal development, staff are trained and developed to identify and manage risk in a manner appropriate to their authority and duties.

Control Mechanisms Including 'Learning Lessons'

Each Clinical Directorate has responsibilities in respect of governance and risk management. Key post holders are responsible for compiling comprehensive directorate risk registers and these are drawn together to facilitate sharing of good practice and learning lessons collectively. A single corporate risk register is in place which links all key risk elements (including incident reporting, complaints and claims management).

Review and Assurance Mechanisms

Successful accreditation at CNST (Level 2) in Maternity and RMST (Level 1) general acts as a vehicle for further training and equipping of staff to effectively manage risk and indeed to review the arrangements already in place. Likewise, successful delivery of specific action plans following external reviews or benchmarking good practice have a similar effect.

The above measures serve to provide ongoing assurance to the Executive Team and the Trust Board. The Trust also actively engages in networking within the Strategic Health Authority and beyond and has good links with relevant central bodies e.g. National Patient Safety Agency, National Health Service Litigation Authority (NHSLA) and Health and Safety Executive (HSE).

4. THE RISK AND CONTROL FRAMEWORK

The Trust has established a Board Assurance Framework (BAF), which has been approved by the Board and is regularly reviewed by it. The Assurance Framework is designed to assist the Trust in the control of risk, specifically by identifying the controls and assurances in place to address risk in relation to the Trust's core objectives. This helps inform the Statement of Internal Control and action plans are in place to address any weaknesses in control or assurance identified.

The Trust Board has a supporting committee structure which includes a Clinical Governance and Strategic Risk Committee. This committee includes within its remit the full review of the Trust Risk Register and also the implementation of the Trust's Risk Management Strategy.

Risks are also identified routinely by workplace risk assessments, analysis of incidents and claims and external safety alerts and these are included on the Trust's Risk Register.

Business planning and service development proposals do not proceed without an appropriate assessment and therefore recognition/acceptance of the risks involved. Fundamental to the Risk Management Strategy is a commitment to the ongoing development of a 'fair blame' culture and a progressively 'risk aware' workforce.

The Trust ensures that public stakeholders are involved in managing risks which impact upon them by a variety of means including bi-monthly public Board meetings, active engagement in the Local Authority Health and Housing Scrutiny Panel, and a good working relationship with the LINKs.

Action plans are in place to reflect the outcome of annual patient and staff surveys. The Trust has established an Improving Patient Experience Group (IPEG), reporting into the Clinical Governance and Strategic Risk Committee which focuses specifically on issues relating to the outcome of the patient survey.

Information Governance

Ensuring that the Trust conforms with all essential Information Governance (IG) requirements is a key objective within the BAF. This area is covered by a robust policy and risk management framework, further supported by a training programme mandated for all new and existing staff. Key controls are monitored by the Information Governance Steering Group and IG risk/incident management processes are fully incorporated into the Trust's wider business risk management framework.

The 2009/10 Information Governance Toolkit self-assessment was approved by the Trust Board in March 2010 and confirms that all mandated 'Statement of Compliance' requirements are being met satisfactorily.

Compliance with NHS Pension Scheme Regulations

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

Equality, Diversity and Human Rights Legislation

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

All business case and policies have a completed Equality Impact Assessment (EIA). The EIA uses a standard assessment proforma. Where the initial assessment suggests the proposed change or policy has no impact on equality, no further action is taken. Where there is an impact, a detailed further assessment is carried out and action taken to mitigate any potential adverse impact on equality.

Carbon Reduction

The Trust has undertaken risk assessments and carbon reduction delivery plans are in place. This is in accordance with emergency preparedness and civil contingency requirements, as based on UKCIP 2009 weather projects, to ensure that the organisation's obligations under the Climate Change Act and the Adaptation Reporting requirements are met.

Standards for Better Health Compliance

The Board is satisfied that all national core standards have been met.

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. Executive Directors within the organisation, who have responsibility for the development and maintenance of the system of internal control, provide me with assurance. The Assurance Framework itself provides me with evidence that the effectiveness of controls that manage risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by the annual External Audit letter, the annual Internal Audit report and the core Standards for Better Health self-assessment declaration.

I have been advised on the implications of the results of my review of the effectiveness of the system of internal control by all Executive Directors and the Chairs of the Clinical Governance and Strategic Risk Committee and the Audit Committee. A plan to address weaknesses and to ensure continuous improvement of the system is in place. Ongoing assurance of this will be provided by the comprehensive mechanisms already referred to in this Statement. These include:

- Quarterly review and update of the Board Assurance Framework and action plans at the Trust Board.
- Discussion of key risk areas at Trust Board in relation to specific risks as they arise.
- Continued review and development of the Trust's Risk Register, via the Clinical Governance and Strategic Risk Committee.
- Increased overview of the Audit Committee in relation to the organisation's processes for management of risk.

During the 2009/10 year, the Trust changed its internal auditors. The Head of Internal Audit's opinion on the System of Internal Control is therefore given in two parts, Parkhill Audit Agency, from April 2009 to December 2009, and KPMG from January 2010 to March 2010. The Head of Internal Audit's opinion for both periods is:-

"significant assurance can be given that there is a generally sound system of internal control, designed to meet the organisation's objectives, and that controls are generally being applied consistently."

The Head of Internal Audit Opinion is given on a basis which includes substantial or adequate assurance for all audit work undertaken during the year with the exception of reviews into Estates and Losses and Compensation, which raised the following two recommendations:

- The Estates Maintenance Management System should be updated and reporting extended, accompanied by better recording of compliance with statutory requirements and staff refresher training.
- The Patients' Property Policy should be updated and communicated to ward staff. Notices explaining to patients and visitors to take care of their personal property should also be displayed.

These recommendations were accepted for implementation during 2010/11.

During the 2009/10 year the Trust continued to update its Board Assurance Framework. A review of the BAF was carried out by KPMG, as incoming internal auditors. The auditor's opinion is one of substantial assurance. The review makes some further improvement recommendations of medium and low priority and these will be implemented in 2010/11.

In terms of control and assurance issues identified through the Board Assurance Framework, the Trust is also continuing to work to identify additional ways to learn from and improve its performance in the National Inpatient Survey, despite these results often being at odds with feedback from other more accessible local surveys. During 2009/10 the Trust was successful in improving the response rate for the staff survey and is again working with Staff Partners to progress the areas for action that were highlighted in the survey results.

The Trust has a complete Business Continuity Plan in place. Aspects of the plan were tested during 2009/10 and it was updated to reflect the particular challenges of the swine flu pandemic.

Significant Control Issues
The Trust has identified the following significant control issues and the actions being taken to address them:

- National Inpatient Survey
  The Trust's performance in the 2008 survey (published in May 2009) was an improvement on 2007 but remains disappointing. Action has been taken to try to improve the situation and the Trust continues to be part of an SHA-wide group looking at the issue.

- Information Governance
  During 2009/10 the Trust reported two information governance issues as Serious Untoward Incidents to the Trust Board, summary details described below. In both instances the Trust's Incident and Near-Miss Reporting Policy was followed. Action plans were developed and agreed by the Trust Board and implementation has been monitored via the relevant clinical and information governance groups.

  - Person identifiable data relating to three clinical records was inadvertently included in an email file attachment and sent to an unintended recipient, who quickly then alerted the Trust to the incident. All data was securely disposed of and the relevant patients were informed.

  - Upon introduction of a new A&E clinical information system, it was identified that a number of paper-based clinical records had not been scanned into the new system, as per the required process. Following investigation it was found that this incident related to 19 A&E records over a two-week period. Risk assessments were completed for each record and confirmed no actual loss of clinical information, nor risk of unauthorised disclosure to any third party.

- National Cancer Targets
  The Trust's reporting of compliance with national cancer performance targets experienced some difficulties during the 2009/10 year. An improved approach involving a combination of new software and data capture and recording systems have been implemented but this will not necessarily guarantee full year compliance with the performance targets.

Moving forward to 2010/11, the Trust plans to evolve into an Integrated Care Organisation (ICO), incorporating the provider arms of NHS Ealing, NHS Harrow and NHS Brent. This is likely to take place from 1 October 2010 with Ealing and Harrow services potentially being hosted from an earlier date.

The Assurance Framework will be updated to reflect the Board's plans to move to an ICO. During this year of transition the Assurance Framework will be used to ensure that performance against key clinical, patient access and business targets is maintained, within an increasingly challenging national financial context.

Julie Lowe
Chief Executive
May 2010

Glossary of Terms

Assets
This is an item that has a value in the future. For example, a debtor (someone who owes money) is an asset, as they will in future pay. A building is an asset, because it houses activity that will provide a future income stream.

Benchmarking
This is the process of comparing performance within an organisation and against similar organisations with a view to identifying areas of potential improvement.

Break even (duty)
This is a financial target. Although the exact definition of the target is relatively complex, in its simplest form the break-even duty requires the NHS organisation to match income and expenditure, i.e. make neither a profit nor a loss.

Business Cases
This is a formal process (in written form) for identifying the financial and qualitative implications of options for changing services and/or investing in capital.

Business Plan
Also known as service plan, the business plan is the written end product of a process to identify the aims and objectives, and the resource requirements of an organisation over the next three to five year period. The business plan should be updated on a regular basis. Generally, the plan covers the forthcoming year in greater detail than those periods further in the future.

Capital
In most businesses, capital refers either to shareholder investment funds, or buildings, land and equipment owned by a business that has the potential to earn income in the future. The NHS uses this second option, but adds a further condition – that the cost of the building/equipment must exceed £5,000. Capital is thus an asset (or group of functionally interdependent assets), with a useful life expectancy of greater than one year, whose cost exceeds £5,000.

Capital Resource Limit (CRL)
An expenditure limit determined by the Department of Health for each NHS organisation limiting the amount that may be expended on capital purchases, as assessed on an accruals basis (i.e. after adjusting debtors and creditors).

Care Quality Commission
The Care Quality Commission (CQC) is the independent regulator of health and social care in England. It regulates care provided by the NHS, local authorities, private companies and voluntary organisations.

Corporate Governance
Corporate governance is the system by which organisations are directed and Governance controlled. It is concerned with how an organisation is run – how it structures itself and how it is led. Corporate governance should underpin all that an organisation does. In the NHS, this means it must encompass clinical, financial and organisational aspects.

Current Assets
Debtors, stocks, cash or similar, whose value is, or can Programme be converted into cash within the next twelve months.

External Financing Limit (EFL)
A cash limit on net external financing set by the Department of Health. The EFL is designed to control the cash expenditure of the NHS as a whole to the level agreed by Parliament in the public expenditure control totals. The EFL determines how much more (or less) cash than is generated from its operations that a trust can spend in a year.

Foundation Trust
NHS foundation trusts are a new type of NHS trust in England and have been created to devolve decision-making from central government control to local organisations and communities so they are more responsive to the needs and wishes of their local people.

Healthcare for London
Healthcare for London is an NHS programme, run on behalf of London's primary care trusts, to improve the capital's health and health services.

IFRS
International Financial Reporting Standards – the standards, interpretations and framework adopted by the International Accounting Standards Board. All UK listed companies have been required to report using IFRS since 2005. This requirement was extended to NHS and local government organisations in 2009/10.

Intangible asset
Goodwill, brand value or some other right, which although invisible is likely to derive financial benefit (income) for its owner in future, and for which you might be willing to pay.

Integrated Care Organisation
The Integrated Care Organisation brings together acute and community services to provide greater choice for patients and allows more care to be delivered closer to home and in the home.

Non Current Assets
Land, buildings, equipment and other long-term assets that are expected to have a life of more than one year.

Primary Care Trust
Primary care organisations that provide and manage services delivered within the primary and community care sector as well as commission acute and other services.

Tangible asset
This is a sub-classification of fixed assets, to exclude invisible items such as goodwill and brand values. Tangible fixed assets include land, buildings, equipment, and fixtures and fittings.

Having Your Say/Make A Donation

- Ealing Local Involvement Network (Ealing LINk) is a network of local people and groups who want to help make a difference to the way health and social care services are planned and run. As LINks have statutory powers to help them operate, all activities undertaken by Ealing LINk are overseen by an elected Advisory Steering Group (ASG). Contact for the Chair of Ealing LINk ASG can be made through the LINk Host Team from Hestia: Suzanne Lyn-Cook, Olasumbo Ajala and Elisabeth Hales. You can contact them at:

  Ealing LINk,
  63 Mattock Lane,
  West Ealing, W13 9LA
  Email: **ealinglink@hestia.org**
  Web: **www.ealinglink.org**
  Telephone: **0800 652 7200, 020 8280 2276**

- The Patient Advice and Liaison Services (PALS) office is situated on Level 2 of the hospital, near the main entrance. The Consumer Affairs team are available to offer advice and support to patients and members of the public between 9.30am and 4.00pm Monday-Friday.

  Freephone: **0800 0641120**
  Email: **PALS@eht.nhs.uk**

- If you want to give us your views, please ask for a comments card at reception in the main entrance or from the wards. You can also complete the comments card online at www.ealinghospital.nhs.uk/patient-information/patient-feedback. We do value your feedback.

- If you would like to give your views about the hospital's performance and compare Ealing Hospital with other hospitals around the country, please go to: **www.nhs.uk**. This is the NHS Choices website.

- If you would like to know more about Ealing Hospital check out our website at: **www.ealinghospital.nhs.uk**

- **Make A Donation**
  Patients and relatives often ask how they can make a donation to a specific ward or towards a particular type of research study. Donations can be made via the Ealing Hospital website homepage – www.ealinghospital.nhs.uk - just click on the Make A Donation quick link. Alternatively, please call the Corporate Communications department on 020 8967 5288/5664.

Gujarati
જો તમને આ માહિતી તમારી બોલાતી ભાષામાં સમજાવી જોઈતી હોય, તો કૃપા કરીને અમારો 020 8967 5772 ઉપર સંપર્ક કરો.

Farsi
اگر شما می خواهید این اطلاعات به زبان فارسی به شما توضیح داده شود لطفا با شماره تلفن ۰۲۰ ۸۹۶۷ ۵۷۷۲ با ما تماس بگیرید.

Hindi
यदि आप यह जानकारी अपनी भाषा में समझना चाहते हैं, तो कृपया हमारे साथ फ़ोन नंबर 020 8967 5772 पर बात करें।

Punjabi
ਜੇ ਤਸੀਂ ਇਹ ਜਾਣਕਾਰੀ ਆਪਣੀ ਭਾਸ਼ਾ ਵਿਚ ਸਮਝਣਾ ਚਾਹੁੰਦੇ ਹੋ, ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਸਾਡੇ ਨਾਲ ਫੋਨ ਨੰਬਰ 020 8967 5772 'ਤੇ ਗੱਲ ਕਰੋ।

Somali
Haddii aad jeceshahay in macluumaadkan lagaguu faahfaahiyo luqadaada tadlan nagala soo xidhiidh telefoonkan 0208 967 5772

Tamil
020 8967 5772 என்ற தொலைபேசி எண்ணில் எங்களுடன் தொடர்பு கொள்ளவும்.

Urdu
020 8967 5772

Ealing Hospital NHS Trust
Uxbridge Road
Southall
Middlesex UB1 3HW
Telephone: **020 8967 5000**
www.ealinghospital.nhs.uk

Produced by the Corporate Communications department.

Artwork by Cherry: www.cherrycommunications.co.uk

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