

# **SWINDON AND MARLBOROUGH NHS TRUST**

## **Report and Accounts**

**1<sup>st</sup> APRIL 2008 – 30<sup>th</sup> NOVEMBER 2008**



**Chairman's Statement**

This is my second report as Chair of Swindon and Marlborough NHS Trust; it will also be my final one as I'm proud to say that we became a Foundation Trust on 1<sup>st</sup> December 2008. Future reports will come from the Great Western Hospitals NHS Foundation Trust which is our new name.

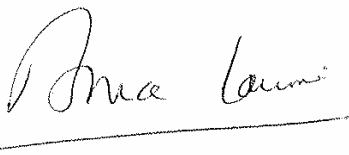
This report covers the period from 1<sup>st</sup> April 2008 to 30<sup>th</sup> November 2008. While this is a relatively short period we have accomplished improved finances, improved patient care and commitment to our patients, staff and commissioners.

As the Trust moves to an NHS Foundation Trust I should like to reflect on the work of our staff since 1994 when the Swindon & Marlborough NHS Trust was formed from the acute hospital services of the former Swindon Health Authority. Improvements in treatment, waiting lists, finances and the move to the Great Western Hospital from the much loved Princess Margaret Hospital have been managed only through the dedication of many people and I pay tribute to them all. On a less positive note, health care acquired infections increased during the period from 1994. However, in the last year the numbers of hospital acquired cases have fallen dramatically and the trend downward continues from a peak in around 2007.

I was delighted to meet many volunteers and staff at our Advent Service in Swindon and to have the opportunity to publicly thank them for all their hard work. I should also like to acknowledge the work done by the staff employed by Carillion, our PFI partner, who dedicate themselves to providing many a range of services which support the clinical staff; they are valued and appreciated and regarded as important members of the health care team.

While staff, from front line workers to back office and managers have been focused on patient care, I should also like to acknowledge the work of the Non-Executive Directors of the Board who over the period of this report have committed their experience to help steer us towards Foundation Trust status.

The fourteen years of Swindon and Marlborough NHS Trust brought challenges. During the period of this report from April 2008, the economic outlook has changed dramatically. Changes in the economy will impact and challenge the Foundation Trust and the communities which we serve. As a Foundation Trust, our communities have the ability to influence our work; I do hope you will become a member of the Trust and perhaps seek to become a Governor in the future.



**Bruce Laurie**  
Chair

**Chief Executive's Report**

This report provides details for the period from 1<sup>st</sup> April 2008 to 30<sup>th</sup> November 2008. It demonstrates that Swindon and Marlborough NHS Trust exceeded our financial obligations and successfully met our performance targets. As the Trust became a Foundation Trust on 1<sup>st</sup> December 2008 there will be a further annual report for the period from 1<sup>st</sup> December 2008 to 31<sup>st</sup> March 2009, this will describe the forward looking strategy for the Great Western Hospitals NHS Foundation Trust (the new name for Swindon and Marlborough NHS Trust).

In October 2008 the Healthcare Commission published their national ratings for Trusts for 2007/08. This Trust was, like others nationally, assessed on its performance during the previous financial year. I am delighted to report improved performance.

Year	Quality of Services Score	Use of Resources Score
2005/06	Good	Weak
2006/07	Fair	Good
2007/08	Good	Good

The scores range from weak, fair, good to excellent.

Meeting national standards and targets tells only part of the story. Looking back at achievements in clinical services over the year there have been many examples of innovation and new ways of delivering care, making real improvements for patients.

As a Board we have taken a zero tolerance approach to health care acquired infections and we have reduced the number of hospital acquired MRSA bacteraemia and improved our national position for bacteraemia per bed day. From the 1<sup>st</sup> April to the 30<sup>th</sup> November we had 3 hospital acquired MRSA bacteraemia, compared to 11 in the same period the year before. We have seen a similar reduction for clostridium difficile infections and during the same period we reported 98 hospital and community compared to 272 for the same period in the previous year. We have also improved our national ranking to 20<sup>th</sup> for the period July to September from 48<sup>th</sup> the previous year (within our peer group of 52 other medium sized acute Trusts).

We have significantly reduced waiting times:

- For cancer patients
- For patients waiting less than 4 hours for treatment, admission or discharge from our Accident and Emergency department
- We have ensured that the majority of our patients now only wait a maximum of 18 weeks from referral from their GP to their treatment.

Our score of "Good" for use of resources illustrates our financial achievements. To 30<sup>th</sup> November 2008 we achieved a surplus of £1,274,000 of income over expenditure compared with £557,000 for the same period during the previous year.

As a Board we are committed to working with our local communities so that we can provide the best services within the resources available, suited to the patient's and carers' needs. This is one important reason why we welcome being authorised as an NHS Foundation Trust, as it offers us the opportunity to work with our Governors and members.

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It is because of the work of our staff and volunteers, many of whom work over and above the call of duty, that we have achieved real improvements for our patients and I would like to express my appreciation, gratitude and pride for the work they do. As we move into 2009 and the new challenges and opportunities that the future holds we should take a moment to reflect on the improvements in health care and the contribution that Swindon and Marlborough NHS Trust staff have made. We are not complacent, however we should be proud that the progress we have made provides excellent foundations on which we can further build.

A handwritten signature in black ink that reads "Lyn Hill-Tout". The signature is written in a cursive style with a long, sweeping underline.

**Lyn Hill-Tout**  
Chief Executive

## Directors' Report

### Political and Charitable Donations

The Trust has not made any political or charitable donations as NHS bodies do not have the power to make such donations, though we manage the Swindon and Marlborough NHS Trust Charitable Fund and the Swindon and Wiltshire PCTs charitable funds in accordance with their Charitable Trust Deeds.

## Operating and Financial Review

### Nature of our business

The Trust provides general acute and emergency services to the local populations of Swindon and to parts of Wiltshire, Gloucestershire, Oxfordshire and West Berkshire, primarily from the Great Western Hospital located near to junction 15 of the M4. In addition to the Great Western Hospital, the Trust provides outpatient clinics at:

- Chippenham Hospital
- Fairford Hospital
- Malmesbury Hospital
- Melksham Hospital, and
- Savernake Hospital.

The Trust forms part of the health service community in the South West of England which is performance managed by South West Strategic Health Authority (the SHA); our lead commissioner is Swindon PCT and we work closely with NHS Wiltshire. Together these two commissioners account for over 90% of patients treated by the Trust. We have small contracts with Berkshire, Gloucestershire and Oxfordshire Primary Care Trusts primarily covering a small number of residents living in areas of these counties close to Swindon. We also collaborate closely with local authorities in the area, the two most prominent being Swindon Borough Council and Wiltshire County Council.

Our catchment area within north Wiltshire adjoins that of the Royal United Hospital Bath NHS Trust. Salisbury NHS Foundation Trust, University Hospitals Bristol NHS Foundation Trust and the Basingstoke and North Hampshire NHS Foundation Trust are the next closest acute hospitals.

Our catchment area incorporates areas of Berkshire, Gloucestershire and Oxfordshire, adjacent to areas served by:

- Gloucestershire Hospitals NHS Foundation Trust
- Royal Berkshire NHS Foundation Trust
- Oxford Radcliffe Hospital NHS Trust.

Also situated in Oxford is the specialist Nuffield Orthopaedic Centre NHS Trust.

Our tertiary service links are to Oxford (oncology and neurosciences) and Bristol (cardiology and urology). We have formed clinical links for maxillo-facial services with Salisbury, vascular on-call arrangements with Oxford, cancer surgery with mainly Oxford and on-call agreements for ophthalmology with Gloucestershire hospitals.

Two independent sector treatment centres (ISTCs) are due to be opened in 2009 at Cirencester and Devizes. Both are likely to result in some loss of elective activity from the Trust.

Within the immediate vicinity there is currently just one private hospital, the BMI Ridgeway hospital, Swindon. This hospital provides the only local direct competition to our private patient suite. There are also private hospitals in Oxford, Cheltenham, Gloucester and Bristol.

## **Vision and Strategy**

The Trust's vision is to be:

“The provider of choice, by delivering high quality specialist services, within the resources available, which delight our patients and commissioners and to establish sound, viable business partnerships by forming strategic alliances with our primary care trusts and other key partners”.

This vision is linked to 5 key strategies which are:

- To provide safe, high quality care which patients are satisfied with and staff are proud to provide and maximise the value of being a Foundation Trust by ensuring our services are embedded in and valued by our communities;
- To continue to be the local healthcare provider of choice for Swindon residents;
- To increase numbers of patients from Wiltshire, Oxfordshire, Berkshire and Gloucestershire;
- To play a key part in the network of care for patients, providing clinically appropriate and safe outreach services in the community which meet commissioners and patients needs;
- To support our commissioners in improving health and reducing health inequalities.

## **Business Objectives**

From our 5 key strategies we have developed 9 business objectives for the next 5 years. Each of these has specific actions and measures for success. The 9 objectives are:

1. To provide safe healthcare of the highest quality.
2. To continually improve patients' experience of our care.
3. To provide better access to healthcare services.
4. To become the provider of choice for patients and commissioners
5. To maximise the contribution and potential of our staff.
6. To improve the cost effectiveness of our services.
7. To become a beacon of excellence in leadership, governance and financial management.
8. To work in partnership to provide an effective network of care that improves health and reduces health inequalities.
9. To play a leading role in our community.

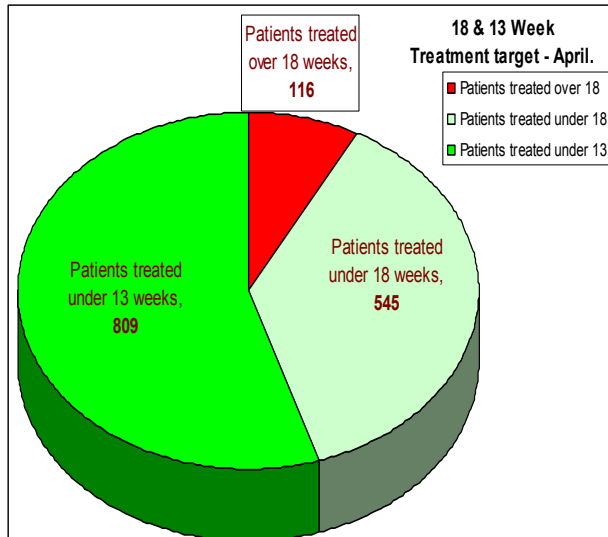
## **Non Financial Performance Information**

### *Accident and Emergency*

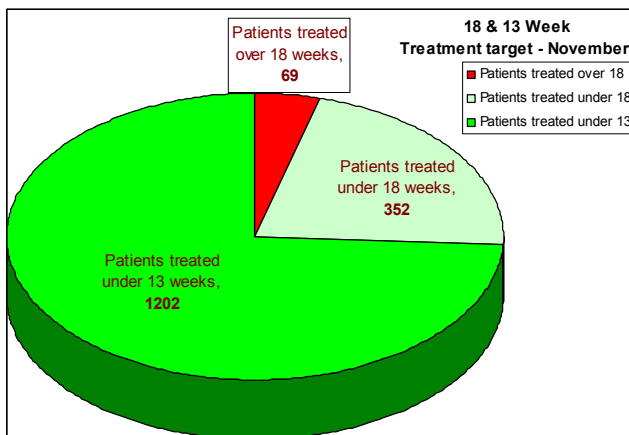
The Accident and Emergency target for the Trust is the percentage of patients who are treated and discharged or admitted to the hospital within 4 hours of arriving in the department. The national target for this is 98% and includes performance of local Minor Injuries Units in Swindon. The performance from April to November 2008 was 99.5% for the local health community, with our A&E department performing at 99.2%. Our A&E department saw 42,169 patients in this period.

### *Referral to treatment*

Targets for length of referral to treatment time set by the Department of Health were 85% admitted and 90% non-admitted in 18 weeks by December 2008. The Trust achieved this target in April 2008, 10 months early, and set its sights on 90% admitted and 95% non-admitted in 18 weeks by December 2008. By March 2009 the Trust will deliver 90% admitted and 95% non-admitted in 13 weeks.



During November, the average wait from referral to elective treatment was under 12 weeks, and we had reached 18 weeks performance of 99.2% for non-admitted patients and 95.7% for admitted patients. Our 13 weeks referral-to-treatment performance was poised to achieve the NHS SouthWest March 2009 targets with 97.8% of non-admitted and 74.1% of admitted patients being treated within 13 weeks.



**Cancer Targets**

National cancer targets are for patients with a suspected cancer referral to be seen for the first time within 14 days, and treated within 62 days of that referral, and all patients with cancer to be treated within 31 days of agreeing a treatment.

For the year to November 2008, 3,608 patients were referred with suspected cancer and the Trust saw all of them within 14 days. Of these patients, 322 were diagnosed with cancer and the Trust treated 320 of them within 62 days (99.4%).

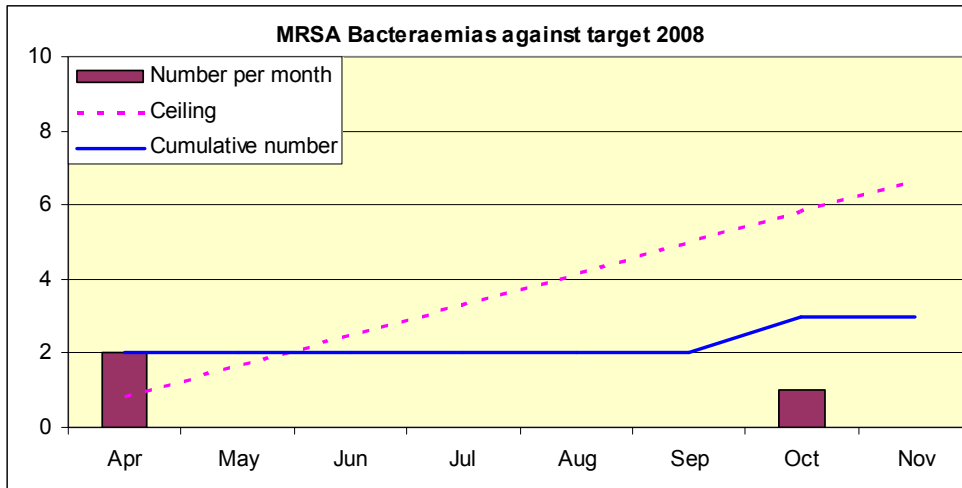
A total of 752 patients were diagnosed with cancer in this period and the Trust treated 748 of them within 31 days of agreeing a treatment with the patient (99.5%).

**Healthcare Acquired Infections**

The ceiling we were given for MRSA Bacteraemias was to report no more than 10 hospital acquired MRSA Bacteraemias in the twelve months ending March 2009. By the end of November 2008 we had reported a total of 3 hospital acquired MRSA Bacteraemias (4 below our predicted trajectory) which meant we were ranked joint 4<sup>th</sup> out of 52 medium acute trusts in England.

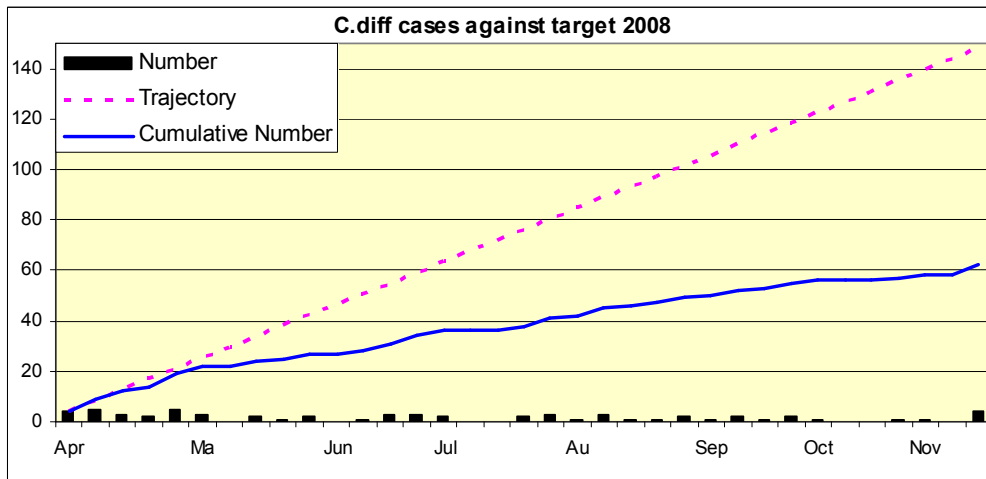


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Regular audits of clinical practice are carried out on the wards to ensure staff are adhering to best practice for care of invasive devices. Results are monitored and reported monthly via the Infection Control Forum. The number of sessions provided by The Academy for clinical staff to receive infection control education and updates has also been increased.

The ceiling we were given for *Clostridium difficile* was to report no more than 220 hospital acquired cases of *Clostridium difficile* in the twelve months ending March 2009. By the end of November we had reported 61 hospital acquired cases against a trajectory ceiling of 145 cases. Measures taken to reduce the incidence of these infections included continued reviews of antibiotic policies to ensure appropriate prescribing of antibiotics and audits to monitor the prescribing of antibiotics on the wards with the audit results being sent to the clinical teams.



**Activity Performance**

At 30<sup>th</sup> November 2008 performance against contracts was as below.

	Plan as at 30/11/2008	Actual as at 30/11/2008
Day case spells	16,360	18,785
Inpatient Spells	5,021	4,388
Emergency Spells	24,321	22,416
A&E attendances	42,170	40,960
New Outpatients attendances	58,163	56,471
Follow-up OP attendances	99,281	98,151.

**Summary of Contractual Relationships which are essential to the business of the entity**

**Main Commissioners of Trust Services 2007/08 (full year) and 2008/09 (estimated)**

Commissioner	2007/08 £	2008/09 £ (actual for 8 month period)
Swindon PCT	89,930,000	61,720,000
Wiltshire PCT	39,416,000	33,526,000
Gloucestershire PCT	3,092,000	3,282,000
West Berkshire PCT	3,488,744	2,703,000
Oxfordshire PCT	1,991,737	1,711,000

In October 1999, The Hospital Company (THC) entered into a 30 year Private Finance Initiative (PFI) concession with the Trust, expiring in October 2029. This agreement was to build the £100m. Great Western Hospital and to operate and maintain it. Construction of the hospital was completed in November 2002. The new hospital provides a first class environment in which to deliver health care, with 30% of our beds in single rooms with ensuite facilities. It also enables us to provide single sex accommodation in four bedded bays, so we can ensure privacy and dignity.

In October 2003, a variation to this agreement was executed for building the £25m Diagnostic and Treatment Centre (DTC) adjacent and physically connected to the Hospital. The DTC is ring fenced for planned operations and accommodates our private patient unit.

Services provided by *The Hospital Company* include:

- Catering
- Estates management
- Portering
- Housekeeping
- Site services including:
  - Security
  - Switchboard
  - Service centre.

Site and portering services are also provided at Marlborough House, an inpatient facility for adolescents with psychiatric needs which is owned by the Trust.

The facilities provided through the PFI arrangement are of extremely high quality and provide an attractive environment for staff and patients. Performance of the contract is generally felt to be satisfactory with the Trust and THC working in partnership to develop and modify services provided in support of the Trust's changing requirements. We pay £29.5million annually to THC for the buildings and facilities management.

**Overview of Other Procurement Arrangement**

The Trust makes full use of national purchasing initiatives, through both PaSA (Purchasing and Supplies Agency) and the NHS Supply chain (for all materials management), to ensure our procurement arrangements offer best value for money. The Trust has no shared services arrangements.

**The Academy**

The Academy is an integral part of the hospital, conducting over 8,000 episodes of training activity in the 12 months to September 2008. The Academy Strategic Board, Chaired by Angela Gillibrand, Trust Non Executive Director, meets regularly to oversee strategic direction, financial vision and the delivery of quality training and education. Courses are offered in:

- Clinical Skills
- Staying Safe
- Professional and Personal Development

- Leadership and Management
- Work and Life Skills programme
- National Vocations Qualifications
- Medical Education and Learning
- Courses in Resuscitation and Advanced Life Support.

During the last academic year there were 14 external users of the Academy. We welcomed Bath University and Great Western Ambulance Service who commenced education delivery from the Academy. Of 22,846 events hosted in the Academy, 11,267 were for internal users, 156 were for external users, 7368 were for our medical staff and 4,055 were for our non medical users.

The quality of the courses is constantly reviewed by The Academy and external audit through and a series of internal audits and evaluations.

### **Joint Ventures and Partnership Arrangements**

The Trust operates the Charitable Funds for Swindon and Wiltshire PCTs. In addition there is an agreement with Swindon PCT and Swindon Borough Council for an integrated community equipment service.

### **Sustainability**

The Trust recognises its major contribution to the local community and economy and we take great care in the impact that we have on our environment. We carefully monitor our consumption of energy and water and we also monitor how much waste the Trust produces. We aim to reduce the amount of carbon we are responsible for producing while recognising the need to provide services to patients to meet their needs. The Trust regularly meets with public transport operators to ensure that the services available to access the hospital are as user friendly as possible.

The site was recently short listed for the Better Healthcare Sustainability Awards in recognition of the hard work that has gone into driving improvements in environmental performance.

### **Emergency Preparedness**

We have in place a Major Incident Plan that is fully compliant with the requirements of the NHS Emergency Planning Guidance 2005 and all associated guidance and with any subsequent or revised guidance. During the period of this report one major incident was declared when there was a chemical incident at a local school. The response was managed well. However, as with all major incidents our Integrated Governance and Risk Committee reviewed our response and updated our major incident plans in light of lessons learned.

### **Business Continuity Planning**

#### **Business Continuity Management**

The Trust has started a comprehensive review of our business continuity management arrangements. Considerable work has been undertaken in the past to ensure that the hospital has the ability to continue to function in the event that challenging incidents or circumstances arise. These arrangements are still in place and provide the guidance and instructions necessary to continue to provide healthcare services when events make normal functioning more challenging.

The Trust recognises that it has legal obligations to comply with the Civil Contingencies Act 2004 and we shall continue to monitor our arrangements and amend when appropriate to suit changes as they arise.

## **Employees**

### *Action taken to maintain provision of information to employees*

The Trust communicates policy changes, news and developments to employees using a variety of approaches. These include the staff newsletter Connections, intranet, special briefings and open meetings as appropriate. New and amended policies are published on the Trust intranet and communicated to managers by the HR team.

### *The Policy in relation to disabled employees*

The Trust has a Disability Equality Scheme and is working in 2009 towards the development of a Single Equality Scheme. A training programme is available for staff and both staff and managers are supported through our Occupational Health Service, as appropriate. Monitoring is conducted by the Workforce Strategy Committee.

### *The Policy on equal opportunities*

The Trust is committed to equal opportunities and has an agreed Equality and Diversity Policy. Compliance with the policy is monitored by the Workforce Strategy Committee which is a sub-committee of the Trust Board. The training sessions in place increase awareness on diversity issues with learning being transferred to daily work practices. A BME network is in operation and is supported by senior management in the Trust.

### *Data on sickness absence*

Average year to date for 2008/09 is 4.29%. Sickness absence is monitored according to our agreed Sickness Absence Management Policy. Absence data is reported to the Trust Board on a monthly basis and discussed in detail by the Workforce Strategy Committee and appropriate actions are taken.

**Statement of Serious Untoward Incidents involving Data Loss or Confidentiality Breach**

During 2008/09 there were no serious untoward incidents involving data loss or confidentiality breach classified at a severity rating of 3-5. Accordingly, no Incidents required reporting to the Information Commissioner.

Four incidents of severity rating 1-2 are aggregated and reported below in the specified format:

SUMMARY OF OTHER PERSONAL DATA RELATED INCIDENTS IN 2008-09		
Category	Nature of incident	Total
I	Loss of inadequately protected electronic equipment, devices or paper documents from secured NHS premises	0
II	Loss of inadequately protected electronic equipment, devices or paper documents from outside secured NHS premises	1
III	Insecure disposal of inadequately protected electronic equipment, devices or paper documents	0
IV	Unauthorised disclosure	3
V	Other	0

**Adherence to Principles of Remedy**

The Trust aims in all cases to adhere to good practice with regards to remedies. The principles of remedy are incorporated into the Complaints Policy. Good practice with regard to remedies means:

*Getting it right*

- Quickly acknowledging and putting right cases of maladministration or poor service that have led to injustice or hardship.
- Considering all relevant factors when deciding the appropriate remedy, ensuring fairness for the complainant and, where appropriate, for others who have suffered injustice or hardship as a result of the same maladministration or poor service.

*Being customer focused*

- Apologising for and explaining the maladministration or poor service.
- Understanding and managing people’s expectations and needs.
- Dealing with people professionally and sensitively.
- Providing remedies that take account of people’s individual circumstances.

*Being open and accountable*

- Being open and clear about how we decide remedies.
- Operating a proper system of accountability and delegation in providing remedies.
- Keeping a clear record of what we have decided on remedies and why.

*Acting fairly and proportionately*

- Offering remedies that are fair and proportionate to the complainant’s injustice or hardship.
- Providing remedies to others who have suffered injustice or hardship as a result of the same maladministration or poor service, where appropriate.
- Treating people without bias, unlawful discrimination or prejudice.

*Putting things right*

- If possible, returning the complainant and, where appropriate, others who have suffered similar injustice or hardship, to the position they would have been in if the maladministration or poor service had not occurred.
- If that is not possible, compensating the complainant and such others appropriately.

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- Considering fully and seriously all forms of remedy (such as an apology, an explanation, remedial action, or financial compensation).
- Providing the appropriate remedy in each case.

*Seeking continuous improvement*

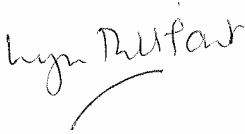
- Using the lessons learned from complaints to ensure that maladministration or poor service is not repeated.
- Recording and using information on the outcome of complaints to improve services.

**STATEMENT OF THE CHIEF EXECUTIVE'S RESPONSIBILITIES AS THE CHIEF ACCOUNTABLE OFFICER OF THE TRUST**

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

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

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



**Lyn Hill-Tout**  
Chief Executive

Date: 4<sup>th</sup> June 2009

## STATEMENT ON INTERNAL CONTROL TO 30<sup>TH</sup> NOVEMBER 2008

### SWINDON AND MARLBOROUGH 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 organisation's assets for which I am personally responsible as set out in the Accountable Officer Memorandum.

This statement is for Swindon and Marlborough NHS Trust for the period to 30<sup>th</sup> November 2008. On the 1<sup>st</sup> December 2008 the Trust was incorporated as a Foundation Trust, The Great Western Hospitals NHS Foundation Trust. A further Statement of Internal Control will be provided for this corporation for the remaining period and on an ongoing basis.

The Board delegated authority, on its behalf to the following committees:

- Audit Committee
- Integrated Governance and Risk Committee
- Finance Committee
- Remuneration Committee
- Charitable Funds Committee
- Mental Health Act Committee
- Workforce Strategy Committee.

Scrutiny by the Non Executive Directors within these committees provided assurance of internal control, including probity, in the application of public funds and in the conduct of the organisation's responsibilities. The Board reviewed minutes and reports from these groups to ensure that an integrated approach is taken to governance and risk management. Both internal and external audit were represented on the Audit Committee.

As an organisation we worked closely with NHS South West and Primary Care Trusts, particularly Swindon and Wiltshire Primary Care Trusts. We reported our financial position each month to NHS Southwest, including the year-to-date actual and year-end forecast. We formally agreed the Operating Framework (OF), which included finance, activity and workforce targets and quality standards with our Commissioners on a 3 year rolling basis. We were required to submit to NHS South West a balanced financial plan each year, with a cost improvement savings programme. The Operating Framework and cost improvement savings programme were both approved by our Board. Monthly financial reports were submitted to our Board together with progress on savings and also remedial actions, when required. There were a number of regular forums between ourselves and our lead commissioner where the OF is monitored.

#### 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 was in place in Swindon and Marlborough NHS Trust for the 8 months ended 30<sup>th</sup> November 2008 and continued thereafter for The Great Western Hospitals NHS Foundation Trust up to the date of approval of the annual report and accounts.

### **3. Capacity to handle risk**

Leadership is given to the risk management process by ensuring clarity within each Executive Director's job description and annual appraisals with personal development plans. Staff training on risk management is commensurate with their roles. All new employees receive induction, which includes risk management and incident reporting, together with health and safety, manual handling and infection control training appropriate to their duties. Learning from incidents and good practice is encouraged within departments and directorates by means of specific incident reports, root causes analysis and trend analysis and these are shared widely. External and internal good practice is shared throughout the organisation and we have mechanisms in place to promote a culture encouraging staff to come forward with concerns.

### **4. The risk and control framework**

To ensure that risk is identified, evaluated and controlled there are formal structures within the Trust. Whilst the Board has overall responsibility, it delegates the work to the Integrated Governance & Risk Committee, which is chaired by a Non Executive Director and has additional Non-Executive and Executive Director membership. The Clinical Governance and Risk Committee supports the Integrated Governance & Risk Committee, which regularly reviews the Trust's risk register, which is used to inform priorities. Risks are also identified at Directorate level and each Directorate inputs to the risk register. The Clinical Governance team and the Occupational Health & Safety Department support staff in the identification and management of risk.

The Trust's Risk Management Strategy describes the Trust's approach to risk management and outlines the formal structures in place to support this approach. The Strategy has been reviewed and updated in April 2008.

The Trust's Assurance Framework is built around the Trust's objectives and covers all of the organisation's main activities it identifies:

- the Trust strategic objectives;
- the strategic risks
- the controls in place;
- the assurances in place and;
- records the actions to be taken to strengthen both controls and assurances.

The Trust is assured that it was compliant with all the Standards for Better Health as at 30<sup>th</sup> November 2008, and has been compliant throughout the year with these standards.

The Trust shares with patients and families outcomes and lessons from our investigations and complaints. This work will be strengthened as we enhance our compliance with the Standards for Better Health core standards and through consultation with our partner organisations including Swindon and Wiltshire Overview and Scrutiny Committees and the newly established Local Involvement Networks (LINKs)

Key risks highlighted through the Business Plan included:

- Failure to provide joined up patient care in a complex system
- Failure to meet and understand our Commissioner's needs and our patient's requirements
- Transfer of service and income to other providers.

Where appropriate, plans are in place to address these risks.

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 in to 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.

Risks to information are being managed and controlled. This has been particularly relevant from December 2007 as part of the work we have been doing on person identifiable data flows which underpin our information governance Assurance Statements. Actions have been taken in accordance with the Department of Health guidance and advice provided in the NHS Chief Executives letter dated 4<sup>th</sup> December 2007. As Accountable Officer I am committed to ensuring that immediate actions are taken where significant risks have been highlighted. A system of monitoring information governance risks is established and monitored through the Information Governance Steering Group.

I have received confirmation from NHS Connecting for Health that the Trust has completed its declaration of the version 4 information governance statement of compliance. An action plan has been developed to address progress in our compliance of the information governance toolkit standards and to monitor further enhancements to our information governance systems.

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

## **5. Review of effectiveness**

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed in a number of ways. The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of the internal audit work. Executive managers 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 the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by:

- External and Internal Audit Reports
- CNST Assessment and report
- NHSLA Assessment and report
- Department of Health and Healthcare Commission inspections and reports
- SHA opinion on the Assurance Framework
- Clinical audit and governance reports
- Health and Safety Executive Reports
- Ongoing self-assessment against the Standards for Better Health with the development/monitoring of the action plans to address identified gaps, including comments from the our partner organisations
- Ongoing development of the risk register linking it into the assurance framework whilst maintaining the operations process
- Feedback from staff during regular open sessions and weekly walkabouts
- Performance, finance and workforce reports.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Audit, Clinical Governance and Integrated Governance & Risk Committees. Plans to address weaknesses and ensure continuous improvement of systems are in place and are regularly monitored by these groups. The Trust has in place arrangements to monitor, as part of its risk identification and management processes, compliance with other key standards, including Standards for Better Health covering areas of potentially significant organisation risk. The report from the Head of Internal Audit on the effectiveness of the system of

internal control stated that “the Board has significant assurance that there is a generally sound system of control designed to meet the organisation’s objectives”.

While I am confident that controls are in place, I acknowledge that these can be further improved. Part of the improvement has been informed by our preparation for Foundation Trust status. We have also reviewed our governance and committee structures to ensure integrated governance, overview and greater scrutiny and ensure compliance with the new Audit Committee Handbook and Integrated Governance framework. These proposals, approved by the Trust Board at the start of the year, have been implemented successfully. As part of the Audit Plan, Internal Audit will continue to review the effectiveness of these arrangements.

In addition to the actions outlined above, the Statement on Internal Control for the Great Western Hospitals NHS Foundation Trust will address our internal control plans.



**Lyn Hill-Tout**  
Chief Executive  
(On behalf of the Board)

Date: 4<sup>th</sup> June 2009

<b>Financial Review and Summary Financial Statement</b>
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**SWINDON AND MARLBOROUGH NHS TRUST  
ANNUAL REPORT  
1 APRIL 2008 – 30 NOVEMBER 2008**

**Financial Review and Summary Financial Statement**

The financial information set out below is a summary of the full accounts for the 8 month period April to November 2008. References to notes in the summary financial statements relate to the full set of accounts which are available on request from:

**Copies of the full accounts are available from:**

Maria Moore  
Director of Finance  
The Great Western Hospital  
Marlborough Road  
Swindon, Wiltshire  
SN3 6BB  
Email: maria.moore@gwh.nhs.uk

**Financial Performance**

The Trust has three key financial duties all of which were all achieved in 2008/09:

- To breakeven on income and expenditure taking one year with another.
- Not to overspend its Capital Resource Limit.
- To achieve it's External Financing Limit (a cash limit set by the Department of Health).

The table below sets out the performance of the Trust against these targets in 2008/09 and the previous eleven years.

	<b>Total Income £000's</b>	<b>Surplus (Deficit) in the year £000's</b>	<b>Cumulative Surplus (Deficit) since 1997/8 £000's</b>	<b>External Financing Limit</b>	<b>Capital Resource Limit</b>
1997/98	71,583	(3,564)	(3,564)	Achieved	N/A
1998/99	80,348	813	(2,751)	Achieved	N/A
1999/00	103,180	1,268	(1,483)	Achieved	N/A
2000/01	91,032	1,496	13	Achieved	N/A
2001/02	100,314	16	29	Achieved	Achieved
2002/03	121,695	13	42	Achieved	Achieved
2003/04	126,978	11	53	Achieved	Achieved
2004/05	138,249	4	57	Achieved	Achieved
2005/06	157,556	(835)	(778)	Achieved	Achieved
2006/07	160,740	837	59	Achieved	Achieved
2007/08	178,623	835	894	Achieved	Achieved
2008/09	125,282	1,274	2,168	Achieved	Achieved

## **Commentary on the Year**

### **The Trust's financial position for 2008/09**

The Trust made a surplus of £1,274,000 for the 8 months to November 2008. The Foundation Trust has achieved a further surplus of £665,000 for the remainder of the financial year to March 2009.

The Trust successfully delivered its saving programme of £3,965,000 (to November) whilst managing all of its other risks. The Foundation Trust is expecting to deliver further savings of £1,970,000 to the end of March 2009.

The Trust did not receive any financial support from the NHS Bank or South West SHA during 2008/09.

### **The Foundation Trust's Financial Position for 2009/10**

The Foundation Trust is planning to achieve a surplus of £1,800,000 in 2009/10. No financial support from the NHS Bank or South West SHA is planned.

In order to achieve a surplus in 2009/10, the Trust must achieve the following:

- i) Deliver a savings programme of £6,192,000.
- ii) Manage known risks such as Primary Care Trust Commissioning activity changes.
- iii) Deliver additional activity to achieve the 16 weeks from referral to treatment target within funding received.

The risks associated with the plan have been identified and are being managed by the Trust.

SWINDON & MARLBOROUGH NHS TRUST

**INCOME AND EXPENDITURE ACCOUNT FOR THE EIGHT MONTH PERIOD ENDED  
30<sup>th</sup> November 2008**

	<b>8 months to 30 Nov 2008</b>	2007/08
	<b>£000</b>	£000
<b>Income from activities</b>	<b>116,512</b>	<b>166,014</b>
<b>Other operating income</b>	<b>8,770</b>	<b>12,609</b>
<b>Operating expenses</b>	<u><b>(123,026)</b></u>	<u><b>(176,390)</b></u>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>2,256</b>	<b>2,233</b>
Cost of fundamental reorganisation/restructuring	<b>0</b>	<b>0</b>
Profit/(loss) on disposal of fixed assets	<u><b>0</b></u>	<u><b>0</b></u>
<b>SURPLUS/(DEFICIT) BEFORE INTEREST</b>	<b>2,256</b>	<b>2,233</b>
Interest receivable	<b>502</b>	<b>585</b>
Interest payable	<b>0</b>	<b>0</b>
Other finance costs - unwinding of discount	<b>(0)</b>	<b>(45)</b>
Other finance costs - change in discount rate on provisions	<u><b>0</b></u>	<u><b>0</b></u>
<b>SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR</b>	<b>2,758</b>	<b>2,773</b>
Public Dividend Capital dividends payable	<u><b>(1,484)</b></u>	<u><b>(1,938)</b></u>
<b>RETAINED SURPLUS/(DEFICIT) FOR THE YEAR</b>	<u><u><b>1,274</b></u></u>	<u><u><b>835</b></u></u>

All income and expenditure is derived from continuing operations.

The Trust achieved the surplus shown above in 2008/09, without receiving any special assistance from the NHS Bank, or financial support from South West Strategic Health Authority.

SWINDON & MARLBOROUGH NHS TRUST

**BALANCE SHEET AS AT  
30<sup>th</sup> November 2008**

	30 November 2008 £000	31 March 2008 £000
<b>FIXED ASSETS</b>		
Intangible assets	165	0
Tangible assets	59,097	71,730
Investments	0	0
	<u>59,262</u>	<u>71,730</u>
<b>CURRENT ASSETS</b>		
Stocks and work in progress	2,553	2,658
Debtors	20,403	22,331
Investments	0	0
Cash at bank and in hand	14,244	2,058
	<u>37,200</u>	<u>27,047</u>
<b>CREDITORS: Amounts falling due within one year</b>	<u>(19,763)</u>	<u>(14,811)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>	17,437	12,236
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<u>76,699</u>	<u>83,966</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	(593)	(593)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	(7,442)	(5,362)
<b>TOTAL ASSETS EMPLOYED</b>	<u><u>68,664</u></u>	<u><u>78,011</u></u>
<b>FINANCED BY:</b>		
<b>TAXPAYERS' EQUITY</b>		
Public dividend capital	27,111	27,111
Revaluation reserve	28,190	40,615
Donated asset reserve	1,175	1,300
Government grant reserve	0	0
Other reserves*	0	0
Income and expenditure reserve	12,189	8,985
<b>TOTAL TAXPAYERS' EQUITY</b>	<u><u>68,664</u></u>	<u><u>78,011</u></u>

*Lyn Duffell*

Signed:

(Chief Executive)

Date: 4th June 2009

SWINDON & MARLBOROUGH NHS TRUST

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE EIGHT MONTH PERIOD ENDED  
30<sup>th</sup> November 2008

	8 months to 30/11/2008 £000	2007/08 £000
Surplus/(deficit) for the financial year before dividend payments	2,758	2,773
Fixed asset impairment losses	(10,802)	0
Unrealised surplus/(deficit) on fixed asset revaluations/indexation	307	6,621
Increases in the donated asset and government grant reserve due to receipt of donated and government grant financed assets	35	134
Defined benefit scheme actuarial gains/(losses)	0	0
Additions/(reductions) in "other reserves"	0	0
<b>Total recognised gains and losses for the financial year</b>	<b>(7,702)</b>	<b>9,528</b>
Prior period adjustment	0	0
<b>Total gains and losses recognised in the financial year</b>	<b>(7,702)</b>	<b>9,528</b>



SWINDON & MARLBOROUGH NHS TRUST

CASH FLOW STATEMENT FOR THE EIGHT MONTH PERIOD ENDED  
30<sup>th</sup> November 2008

	2008/09 £000	2007/08 £000
<b>OPERATING ACTIVITIES</b>		
<b>Net cash inflow/(outflow) from operating activities</b>	<b>13,392</b>	<b>7,227</b>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE:</b>		
Interest received	502	585
Interest paid	0	0
Interest element of finance leases	0	0
<b>Net cash inflow/(outflow) from returns on investments and servicing of finance</b>	<b>502</b>	<b>585</b>
<b>CAPITAL EXPENDITURE</b>		
(Payments) to acquire tangible fixed assets	(595)	(3,746)
Receipts from sale of tangible fixed assets	0	0
(Payments) to acquire intangible assets	0	0
Receipts from sale of intangible assets	0	0
(Payments to acquire)/receipts from sale of fixed asset investments	0	0
<b>Net cash inflow/(outflow) from capital expenditure</b>	<b>(595)</b>	<b>(3,746)</b>
<b>DIVIDENDS PAID</b>	<b>(1,113)</b>	<b>(1,938)</b>
<b>Net cash inflow/(outflow) before management of liquid resources and financing</b>	<b>12,186</b>	<b>2,128</b>
<b>MANAGEMENT OF LIQUID RESOURCES</b>		
(Purchase) of investments with DH	0	0
(Purchase) of other current asset investments	0	0
Sale of investments with DH	0	0
Sale of other current asset investments	0	0
<b>Net cash inflow/(outflow) from management of liquid resources</b>	<b>0</b>	<b>0</b>
<b>Net cash inflow/(outflow) before financing</b>	<b>12,186</b>	<b>2,128</b>
<b>FINANCING</b>		
Public dividend capital received	0	3,780
Public dividend capital repaid (not previously accrued)	0	(3,872)
Public dividend capital repaid (accrued in prior period)	0	0
Loans received from DH	0	0
Other loans received	0	0
Loans repaid to DH	0	0
Other loans repaid	0	0
Other capital receipts	0	0
Capital element of finance lease rental payments	0	0
Cash transferred (to)/from other NHS bodies*	0	0
<b>Net cash inflow/(outflow) from financing</b>	<b>0</b>	<b>(92)</b>
<b>Increase/(decrease) in cash</b>	<b>12,186</b>	<b>2,036</b>

## Management and Administration Costs

Management and administration costs decreased slightly to 3.4% of income in the 8 month period to November of 2008, compared with 3.5% of income in 2007/08, being a decrease of 0.1%. The Trust's target for these costs was 4.0%, for 2008/09.

	8 months to 30/11/2008 £000	2007/08 £000
Management costs	4,224	6,099
Income	125,283	173,319
Percentage	3.4%	3.5%

Management costs are defined as those on the management costs website at [www.dh.gov.uk/PolicyAndGuidance/OrganisationPolicy/FinanceAndPlanning/NHSManagementCosts/fs/en](http://www.dh.gov.uk/PolicyAndGuidance/OrganisationPolicy/FinanceAndPlanning/NHSManagementCosts/fs/en)

## Public Sector Payment Policy - Better Payments Practice Code

In accordance with the CBI prompt payment code and Government accounting rules, the Trust's payment policy is to pay non-NHS creditors within 30 days of receipt of goods or a valid invoice (whichever is later) unless other payment terms have been agreed.

Note 7.1 shows the Trust paid 87% of invoices by number and 89% by value within 30 days for Trade Creditors and 85% by number and 95% by value for Inter NHS Creditors, for the 8 months to 30 November 2008.

This shows an improvement from the 2007/08 figures.

### 7. Better Payment Practice Code

#### 7.1 Better Payment Practice Code - measure of compliance

	2008/09 (8 months)		2007/08	
	Number	£000	Number	£000
Total Non-NHS trade invoices paid in the year	23,331	24,870	35,181	43,861
Total Non NHS trade invoices paid within target	20,331	22,042	30,917	38,713
Percentage of Non-NHS trade invoices paid within target	87%	89%	88%	88%
Total NHS trade invoices paid in the year	1,079	23,714	1,791	47,307
Total NHS trade invoices paid within target	920	22,492	1,386	42,085
Percentage of NHS trade invoices paid within target	85%	95%	77%	89%

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

These numbers include all invoices, some of which related to charges from NHS Bodies that were agreed late in the financial year.

**Late Payment of Commercial Debts (Interest) Act 1998****7.2 The Late Payment of Commercial Debts (Interest) Act 1998**

	2008/09 £000	2007/08 £000
Amounts included within Interest Payable (Note 9) arising from claims made under this legislation	0	0
Compensation paid to cover debt recovery costs under this legislation	0	0

**Other Financial Matters**

No Directors of the Trust hold company directorships where those companies are likely to do business with the NHS.

**Preparedness for IFRS (International Financial Reporting Standards)**

The Trust completed a restatement exercise, for both balance sheet and operating statement, to bring their opening 1<sup>st</sup> April 2008 opening balance sheet onto an IFRS basis. The restated balances at 1<sup>st</sup> April 2008 were submitted to Monitor in December 2008. The Audit Commission has reviewed these restated balances and the audited restated balances for 1<sup>st</sup> April 2008 were submitted to Monitor on 1<sup>st</sup> May 2009. Later in the year the 2008-09 accounts will be re-stated on an IFRS basis.

## STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

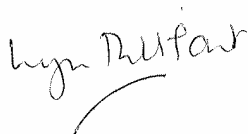
The Directors are required under the National Health Services Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the trust and of the income and expenditure,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

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

By order of the Board



**Lyn Hill-Tout**  
Chief Executive

Date: 4<sup>th</sup> June 2009



**Maria Moore**  
Director of Finance

Date: 4<sup>th</sup> June 2009

**Independent auditor's report to the Council of Governors of Great Western Hospitals NHS Foundation Trust in respect of Swindon & Marlborough NHS Trust**

I have examined the summary financial statements as set out on pages 21 to 28.

This report is made solely to the Council of Governors of Great Western Hospitals NHS Foundation Trust in respect of Swindon and Marlborough NHS Trust in accordance with Part II of the Audit Commission Act 1998, and for no other purpose, as set out in paragraph 36 of the Statement of Responsibilities of Auditors 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 and 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 miss-statements or material inconsistencies with the summary financial statements.

**Basis of opinion**

I conducted my work in accordance with Bulletin 1999/6 'The Auditors' statement on the summary financial statement' issued by the Auditing Practices Board. My report on the statutory financial statements describes the basis of our audit opinion on those statements.

**Opinion**

In my opinion the summary financial statement is consistent with the statutory financial statements of the Trust for the period ended 30 November 2008.

**Richard Lott**

**Date: 4<sup>th</sup> June 2009**

Engagement Lead  
Audit Commission  
Westward House  
Lime Kiln Close  
Stoke Gifford  
Bristol  
BS4 8SR

## Remuneration Report

### Membership of the Remuneration Committee

- Chair of the Trust
- All Non Executive Directors in post at the time of the meetings.

### Membership of the Remuneration and Terms of Service Committee

The committee exists to determine the pay and remuneration of the Chief Executive and Executive Directors. The membership of the committee during for the period April to November 2008 was:

Trust Chair	Bruce Laurie
Non Executive Director	Kevin Small
Non Executive Director	Angela Gillibrand
Non Executive Director	Roger Hill
Non Executive Director	Robert Burns
Non Executive Director	Rowland Cobbold

The members may request the attendance of the Chief Executive and/or any other Directors as required for information and advice.

### Terms of Reference

#### Duties

- Determine the appropriate remuneration, terms of service and contracts of employment for the Chief Executive and other Directors including, but not limited to
  - All aspects of salary, including any performance related elements and bonuses
  - The provision of other benefits, including pensions and cars where relevant
  - The arrangements for the termination of employment.
- Ensure there is effective evaluation and monitoring of the performance of the Chief Executive by the Chair and of other Director by the Chief Executive.
- Determine the terms of any severance agreement between the Trust and the Chief Executive or between the Trust and any other Executive Director, including the calculation of any payment that may be contractually due, and/or any ex-gratia payment which the Committee may believe to be appropriate.
- Set, for new appointments, a salary range for each post prior to recruitment on the understanding that in the event that the Chief Executive advises that to secure the best candidate it may be necessary to offer a higher salary than originally agreed, he/she may seek the agreement of the Chair who in his/her sole discretion may act on this advice or refer it to the Committee for further consideration.
- The responsibility of these actions rests with the Remuneration Committee, the accountability of the actions of the Committee remains with the full Board.

### Policy and Guidance

In exercising all any of its duties, the Committee:

- Shall have regard for each individual's own performance and contribution to the Trust, the performance of the Trust itself and the provisions of any national arrangements for such staff that may be applicable.
- Shall take into account any applicable guidance that may from time to time be issued by the Department of Health, the Chief Executive of the NHS or any other relevant person or body.
- Shall seek professional advice from the Chief Executive, Human Resources Director, Finance Director, and any other Director or other appropriate employee of the Trust.

- May seek external advice from suitably qualified organisations, individuals or professional firms except that any expenditure on such advice must have the prior approval of the Chief Executive which will not be unreasonably withheld.

### **Meetings**

- The Committee will meet at least twice a year but may be required to meet more frequently.
- A quorum will consist of Chair, plus any two Non Executive Directors.
- The Trust Board Secretary will service the Committee.
- The Chief Executive or any other Director in attendance maybe asked to leave at any time and cannot be present whilst their own salary and conditions are being discussed.

### **Reporting and Documentation**

- The Committee will ensure full minutes are maintained/retained and make available to the Trust's internal and external auditors any such papers and documents which may be required for the proper scrutiny of their duties.
- Following each meeting, the Committee will submit to the Board a written report summarising its decisions.

### **Statement of the policy on the remuneration of senior managers for current and future financial years**

The determination of salaries for senior managers is informed by national guidelines regarding Very Senior Managers pay for the Chief Executive and other executive directors.

For executive staff covered by the Very Senior Managers' Pay Framework, the Senior Salaries Review Body recommended, and the Government has accepted:

- An increase to basic pay of 2.2% with effect from 1st April 2008

It is the responsibility of the Remuneration Committee to consider and moderate – ie to make recommendations on the application of the basic uplift (which is dependent on individual and organisational performance).

### **Explanation of methods used to assess whether performance conditions were met and why those methods were chosen**

- Annual appraisal for all Executive Directors against objectives.
- A summary of the appraisal is fed back to the Remuneration Committee.
- Comparison is made with outside organisations.

### **Explanation of relative importance of the relevant proportions of remuneration which are, and which are not subject to performance conditions**

- None subject to performance.

### **Summary and explanation of policy on duration of contracts, and notice periods and termination payments**

- All Executive Directors are permanent staff.
- Notice periods for managers on Very Senior Manager contracts are 6 months.
- Termination payments would be in line with NHS guidance with any payments being approved by the Remuneration Committee.

**Details of service contract for each senior manager and who has served during the year**

**Date of contract, the unexpired term, details of notice period**

- Chief Executive
- Director of Finance
- Director of Nursing
- Director of Workforce and Education
- Medical Director
- Director of Business Development and Performance

All Directors were in post on permanent contracts.

**Provision for compensation for early termination**

- Not applicable

**Other details sufficient to determine the entity's liability in the event of early termination**

- Not applicable

**Explanation of any significant awards made to past senior managers**

- None.



SWINDON & MARLBOROUGH NHS TRUST

2008/09 (8 months to 30 Nov 2008)

2007/08

Benefits in Kind (Rounded to the nearest £100)

Other Remuneration (bands of £5000)

Salary (bands of £b000)

Benefits in Kind (Rounded to the nearest £100)

Other Remuneration (bands of £5000)

Salary (bands of £5000)

Senior Managers Remuneration

Name	Title	Start Date	Leaving Date	Salary (bands of £5000)	Other Remuneration (bands of £5000)	Benefits in Kind (Rounded to the nearest £100)	Salary (bands of £b000)	Other Remuneration (bands of £5000)	Benefits in Kind (Rounded to the nearest £100)
B Laurie	Chair	1/2/2008		10-15	0	0	0-5	0	0
K Small	Non Executive Director	1/11/2003		0-5	0	0	5-10	0	0
T Jackson (1)	Non Executive Director	1/11/2006	1/6/2008	0-5	0	0	5-10	0	0
R Cobbold	Non Executive Director	1/1/2003		0-5	0	0	5-10	0	0
A Gillibrand	Non Executive Director	1/7/2004		0-5	0	0	5-10	0	0
R Hill (2)	Non Executive Director	1/5/2008		0-5	0	0	-	0	0
R Burns (3)	Non Executive Director	1/8/2008		0-5	0	0	-	0	0
L. Hill-Tout	Chief Executive	17/2/2003		80-85	0	0	115-120	0	0
O Fitzgerald	Director of Workforce and Education	11/2/2008		50-55	0	0	5-10	0	0
C. Moar (4)	Director of Finance	15/12/2003	5/10/2008	45-50	0	0	90-95	0	0
M. Moore (5)	Director of Finance	29/9/2008		15-20	0	0	-	0	0
A. Troughton	Medical Director	1/9/2006		50-55	65-70	0	90-95	75-80	0
S Rowley	Director of Nursing	1/1/2007		50-55	0	0	75-80	0	0
H Bourner (6)	Director of Business Development & Performance	4/8/2008		20-25	0	0	-	0	0

(1) T Jackson non-executive director resigned on 1 June 2008.

(2) R Hill was appointed non-executive director on 1 May 2008.

(3) R Burns commenced as non-executive director on 1 August 2008.

(4) C Moar the Director of Finance left on 5 October 2008.

(5) M Moore commenced as Director of Finance on 29 September 2008.

(6) H Bourner commenced as Director of Business Development & Performance on 4 August 2008.

Senior Managers Pension

2008/09 (as @ 30 Nov 2008)

Name	Title	Real Increase in pension at age 60 (bands of £2500)	Real Increase in related lump sum at age 60 (bands of £2500)	Total accrued pension at age 60 (bands of £5000)	Lump sum at age 60 related to accrued pension (bands of £5000)	Cash Equivalent Transfer Value at 30 Nov 2008	Cash Equivalent Transfer Value at 31 Mar 2008	Real Increase in Cash Equivalent transfer Value
		£000	£000	£000	£000	£000	£000	£000
L. Hill-Tout	Chief Executive	0-2.5	5.0-7.5	40	120	783	603	180
O Fitzgerald	Director of Workforce & Education	0-2.5	0-2.5	10	29	119	99	20
C. Moar	Director of Finance	2.5-5.0	10.0-12.5	18	55	257	175	82
M. Moore	Director of Finance	*	*	37	111	595	*	*
A. Troughton	Medical Director	15.0-17.5	45.0-47.5	54	161	1143	661	482
S Rowley	Director of Nursing & Performance	0-2.5	2.5-5.0	27	80	459	365	94
H Bourner	Director of Business Development & Performance	*	*	8	24	127	*	*

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 the 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 the 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 in the scheme at their own costs. CETV's are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

There may be a significant difference in CETV values since last year. This is due to a change in the factors used to calculate CETV's that came into force on 1<sup>st</sup> October 2008, as a result of the Occupational Pension Scheme (Transfer Value Amendment) regulations. This placed responsibility for the calculation method for CETV's on Scheme Managers or Trustees (following actuarial advice). Further regulations from the Department for Work & Pensions to determine CETV's from Public Sector Pensions Schemes came into force on 13<sup>th</sup> October 2008.

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

SWINDON & MARLBOROUGH NHS TRUST

Trust Board Members' Interests

NAME	INTERESTS
Helen Bourner, Director of Business Development and Performance (from August 2008)	None
Robert Burns, Non-Executive Director (from August 2008)	Independent Board Member of Gloucestershire Probation Service Treasurer of Down Ampney Community Action
Rowland Cobbold, Non-Executive Director	Chairman of Ecco Tours Honorary Treasurer, Ogbourne St George Parochial Church Council
Oonagh Fitzgerald, Director of Workforce & Education (from February 2008)	None
Angela Gillibrand, Non-Executive Director	Directorship of Lotmead Company
Roger Hill, Non-Executive Director (from April 2008)	None
Lyn Hill-Tout, Chief Executive	Trustee, Age Concern, Swindon
Tim Jackson, Non-Executive Director (until June 2008)	Director of Oakus Wiltshire Ltd Governor, Kemble Primary School
Bruce Laurie, Chair (from February 2008)	MD, Changology Ltd (Management Consultancy) Trustee & NED, Connexions, Berkshire Fellow of the Institute of IT, Thames Valley University Trustee, Charity of William Chowles Church Warden, Lambourn Parish Church Member, Lambourn Parish Council (Burial & Open Spaces Committee)
Charlotte Moar, Director of Finance (until September 2008)	Trustee, Bristol Zoo
Maria Moore, Director of Finance (from September 2008)	None
Sue Rowley, Director of Nursing	None
Kevin Small, Non-Executive Director	Director, New Swindon Company Councillor, Swindon Borough Council Member, Even Swindon Working Men's Club Member, Swindon & District Referees Association Shareholder/Member, Mid Counties Co-operative Society Member, Transport & General Workers Union
Alf Troughton, Medical Director	None

**The Trust Auditors**

The Trust's auditors are:

Audit Commission  
Westward House  
Lime Kiln Close  
Stoke Gifford  
Bristol  
BS4 8SR

The Auditors were paid £57,000 in 2008/09 (8 months to 30 November 2008) for audit services of a statutory nature, i.e.; reports to the Department of Health including the audit of the annual accounts.

**Membership of the Audit Committee**

The Audit Committee exists to support the Trust Board in its duty to ensure that the Trust has the systems to effectively manage its affairs. The members of the Committee during 2008/09 were:

Chair	Angela Gillibrand
Non Executive Director	Rowland Cobbold (until 13 <sup>th</sup> June 2008)
Non Executive Director	Roger Hill (from 18 <sup>th</sup> September 2008)
Non Executive Director	Tim Jackson (until 1/6/2008)
Non Executive Director	Robert Burns (from 1/8/2008)