

University Hospitals **NHS** Coventry and Warwickshire NHS Trust



Annual Report & Summary Accounts 2007/08

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Principal Photographer: Martin Hewitt

from the Chief Executive and Chairman

Last year was a challenging but successful year for the Trust with some remarkable achievements, once again providing high quality care to our patients whilst redressing a £30 million financial imbalance.



Philip Townshend Chairman



Martin Lee Chief Executive

Our maternity services received national recognition for the high standard of care given to women and babies; we launched a 'gold standard' programme for specialist emergency treatment of hyperacute stroke patients across Coventry and Warwickshire and we saw major reductions in our rates of Healthcare Associated Infections.

Our hospitals continue to remain at the forefront of modern technology and innovation. During the reporting period the Trust took delivery of some of the most impressive scanners available anywhere in the NHS and in some cases the very best in Europe. State of the art facilities attract top calibre staff and this year has been no exception.

Thanks to the hard work and dedication of our staff, we achieved a significant turnaround, treating more patients than ever before whilst dramatically reducing our financial deficit. As the second highest employer within the local area we remain committed to the personal development of our staff and to enhancing our reputation for excellence in education and research.

Despite making such advances, and achieving most of our key targets, we experienced difficulties with the four hour emergency wait and the 18 week referral to treatment trajectory. We remain confident that measures introduced for more efficient care will secure these important national standards for our patients. In order to remain sensitive to the needs of those that we serve, last year we launched an online satisfaction survey to obtain timely feedback from our patients, visitors and GPs. Engagement with key stakeholders and members of the local community remains vital as we prepare ourselves for Foundation Trust status in 2009/10.

The environment in which we provide healthcare continues to change and the Trust recognises that 2008/09 will bring further challenges. The continued demand to reduce waiting times, the evolution of patient choice and payment by results will require strong, effective clinical and managerial leadership.

We are confident that we have the right team and essential support from the local communities to ensure we remain a recognised leading provider of high quality care.

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Philip Townshend Chairman

Martin Lee Chief Executive

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Performance Review

We provide district general hospital services to 500,000 people and tertiary services to over 1 million. The Trust aims to continue to balance the importance of its specialised services and that of providing local acute services to the populations of Coventry and Rugby. Our revenue budget was £410 million in 2007/08, with approximately 5,500 staff, 1,200 beds and 27 operating theatres and serving patients at the following two sites:

- University Hospital, Walsgrave, Coventry.
- Hospital of St Cross, Rugby.

In July 2006 the Trust took delivery of the £400 million Public Finance Initiative (PFI) University Hospital and subsequently demolished the old Walsgrave Hospital building. The new University Hospital is one of the most modern healthcare facilities in Western Europe. It signifies a new chapter in healthcare for the health economy with our communities benefiting from £200 million of new medical and research equipment and a hospital that is at the forefront of digital imaging technology.

Finance: The Trust entered 2007/08 with a £15 million deficit in its financial plan, on top of a £15 million savings programme already in existence. The savings agenda has been one of the key themes at the Trust throughout the financial year and the Trust has been successful not only in delivering its original Cost Improvement Programme but also in bridging the further £15 million requirement. The Trust achieved a small surplus of £201,000 at the year end. Further details of the Trust's financial performance are provided later in this report.

Services provided at Ambulatory Care	Hospital of St Cross Urgent Care Centre
Day Surgery Overnight stay/23 hour Surgery Outpatient Services	A&E Department GP (out of hours service) Walk In centre
Magnetic Resonance Imaging (MRI) Scanning	Acute Medicine
X-ray including Ultrasound Scanning Bone Density Laboratory Services	Inpatient Medical Services Intermediate Care Inpatient Rehabilitation Service
Endoscopy Satellite Renal Dialysis Unit	Acute Surgery
, ,	Inpatient Elective Surgery
	Rehabilitation
Screening	Services based on St Cross site, but
Retinal Screening Centre	provided by other organisations
Colorectal Cancer Screening Centre Breast Screening	Myton Hospice Mental Health Unit Social Services

	ces provided at University He ute Services	ospital Specialised Services
Accident & Emergency Acute Medicine Age Related Medicine and Rehabilitation Anaesthetics Assisted Conception Audiology Cardiology Cardiology Critical Care Dermatology Diabetes & Endocrinology Ear, Nose and Throat Gastroenterology General Medicine General Surgery Breast Surgery Upper Gastrointestinal Surgery Hepatobiliary and Pancreatic Surgery Colorectal Surgery Gynaecology	Haematology Maxillo Facial Surgery Neurology and Neurophysiology Obstetrics Ophthalmology Optometry Orthodontics Orthoptics Paediatrics Pain Management Plastic Surgery Renal Medicine Reproductive Medicine Respiratory Medicine Rheumatology Orthopaedics and Trauma Urology Vascular Surgery	Bone Marrow Transplantation Invasive Cardiology Cardiothoracic Surgery Clinical Physics Haemophilia Neonatal Intensive Care & Special Care Neuro Imaging Neurosurgery Oncology & Radiotherapy Renal Dialysis and Transplantation Plastic Surgery
Di	agnostic and Clinical Support Serv	ices

Biochemistry Dietetics Echo Cardiography Endoscopy Haematology Histopathology Medical Physics/Nuclear Medicine. Microbiology Occupational Therapy

Pharmacy Physiotherapy Radiology Respiratory Function Testing Ultrasound Vascular Investigation

Statistics for 2007/08

Number of people attending an outpatient appointment	492,785
The number of people attended Accident & Emergency (A&E) including those in specialist children's A&E	144,577
The number of inpatients and day cases	105,699
Patients operated on in our theatres	69,871
Babies delivered	5,416
Pathology tests	2,966,541
Number of staff working at our hospitals	c5,500





Activity: The comparison of actual activity for 2007/08 with 2007/08 contracted activity is given below:

Category	2007/08 Contract Target Activity	2007/08 Actual Outturn Activity	Variance Number	%
Non-Elective Spells	50,372	46,907	-3,465	-7%
Elective/Day Case Spells	48,154	51,638	3,484	7%
Total Outpatients [New and review; consultant and non-consultant and outpatients with procedure]	427,730	439,250	11,520	3%

Clinical Quality: A Patient Confidence and Safety Report has been produced quarterly for the Trust Board since July 2007. It incorporates indicators on patient safety (clinical risk), mortality, complaints and patient perception. The report is discussed within the public session of Trust Board. The indicators will be further refined and developed during 2008/09. Notable achievements in 2007/08 are the continued reduction of Healthcare Acquired Infections (MRSA and CDiff) and the continued reduction in hospital mortality.

Healthcare Commission Annual Health Check Rating: For the 2006/07 Annual Health Check (published in October 2007) University Hospitals Coventry and Warwickshire NHS Trust (UHCW) received the following overall rating for the two components:

	2006/07 (Actual)
Quality of Services	Level 3 (Good)
Use of Resources	* Level 1 (Weak)

* The national scoring methodology applied by the Audit Commission states that the overall score (up to level 3) is limited to the lowest score achieved in either Financial Management, Financial Standing or Value for Money and hence, the score achieved in Financial Standing automatically resulted in an overall score of Level 1 (weak) for the 2006/07 reporting period. However the Trust is most optimistic that the score will be improved for the period 2007/08.

• Quality of Services:

In terms of national results, 36% of Trusts achieved a rating of 'Good', whilst almost 45% of Trusts scored a rating lower than this, placing UHCW's 2006/07 Trust performance amongst the better performing of acute trusts.

The UHCW score for each of the Quality of Services component is outlined in the table below:

	Core Standards	Existing National Targets	New National Targets
UHCW Rating confirmed by the Healthcare Commission	Fully Met	Fully Met	Good

• Use of Resources:

There are five components to the Use of Resources assessment and these together with the score achieved in each area is outlined in the table below:

Resources component:	2006/07 (Actual)
Financial Reporting	Level 2 (Fair)
Financial Management	Level 2 (Fair)
Financial Standing	Level 1 (Weak)
Internal Control	Level 3 (Good)
Value for Money	Level 2 (Fair)
Overall Rating	Level 1 (Weak)

The **2007/08** Annual Health Check Rating will be published in **October 2008**. The current forecast for the Quality of Services component, based on available national guidance to date, suggests that the Trust will achieve an overall rating of 'Good' maintaining last year's assessment. The forecast for the 3 individual component areas regarding the Quality of Services to this assessment is outlined below:

- Core Standards for Better Health The Trust Board has declared compliance against 42 out of 43 part standards. A more limited declaration of compliance and supporting action plan for 'environment and cleanliness' was also submitted before 31st March 2008.
- Existing National Targets The Trust is optimistic that all major targets will be met in 2008/09. Whilst the Trust did not achieve the national 98% standard for the 4 hour A&E target last year, considerable improvement has been achieved in the new year with the implementation of agreed rectification plans.
- New National Targets The Trust is forecasting to achieve a rating of 'Good' in 2007/08 subject to national thresholds for the 10 national targets which have yet to be confirmed. This rating would maintain the performance achieved in 2006/07.

With regard to the milestone delivery of the national waiting times target of 18 weeks from 'Referral to Treatment Time', the Trust achieved the 90% target for non-admitted patients being seen within 18 weeks of referral, but underachieved on the percentage of admitted patients seen within 18 weeks. This remains a key priority for the Trust with plans in place to achieve the national targets for admitted and non admitted patients by December 2008 at the latest.

Clinical Developments

We continued to develop specialised services including treatments for cancer, kidney disease, heart disease and neurological disease.

For every minute that treatment for a stroke is delayed as many as 2 million neurones which are crucial for brain function can be destroyed. At UHCW we know the difference that prompt care can make to a stroke patient which is why we have launched one of the country's first 'gold standard' stroke service for people suspected of suffering from a stroke. As soon as these patients are brought into hospital they are treated as an emergency and are given a CT brain scan and clotbusting drugs when needed.

Patients who need inpatient care are admitted to one of the most well equipped dedicated stroke units in the country, providing care to more than 700 patients a year. Our Unit boasts an acute stroke ward, purpose-built rehabilitation facilities specially for stroke victims as well as having a team of specialist doctors, nurses and therapists on hand to care for patients who suffer from a condition known to be a silent killer.

We are also one of the few hospitals to have neurovascular imaging equipment that provides 3D images of a stroke patient's soft tissue, bone and vascular system which enables the specialist team to diagnose a stroke quicker than ever before helping to save more lives each year.

The Stroke Association, Coventry and Warwickshire Patient and Public Involvement Forums and local stroke support groups have all been actively involved in shaping the new plans for stroke services and support for the work carried out at UHCW.



Winning the war on hospital infections At our hospitals we have stringent infection control measures in place and are winning the war in eradicating hospital bugs like MRSA. We have 8,000 wash basins, and gel dispensers at the entrance to every ward for staff and visitors to clean their hands. Our wards are cleaned several times a day and staff are required to be 'bare below the elbows' for better hand washing. We have a large number of single rooms for isolation of patients known to have, or suspected of having, an infection.

In 2007/08 the total number of MRSA bacteraemia cases acquired was 38, representing a significant reduction on previous years, 27% reduction on 2006/07 and 52% reduction since 2003/04 which is in line with the national policy objective to have cut the number of MRSA cases by half. CDiff also decreased by 43% from 2006/07 to 2007/08.

Information & Communication Technology

2007/08 was a challenging year in ICT terms both in terms of delivery expectations and resources available. The ICT Services delivered a number of key projects including the new National Programme for Information Technology, Patient Administration System (NPfIT PAS), further enhancements to the Clinical Results Reporting Service and the first stage of the VitalPac clinical application as well as a number of local speciality solutions. The new VitalPac solution is at the forefront of using ICT to care for patients and enables safer and more effective treatment for patients. UHCW is currently leading the way in the deployment of this technology.

Health informatics

Staff at our hospitals have some of the most advanced technology at their fingertips. At the bedside hand-held computers (VitalPac) are being used by our ward staff to record and score patients' vital signs. The system enables doctors and nurses to easily and effectively identify deteriorating patients by allowing real-time monitoring of a patient's condition.

The new system not only identifies the sickest patients, it also indicates which patients may be well enough to be discharged or whose condition suggests they do not need a hospital bed in the first place. By helping doctors know which patients may be well enough to leave hospital and which patients are deteriorating and need attention before their condition becomes more serious, the system both improves patient care, and saves precious hospital resources.

At the cutting edge of diagnostics

Scanners so new and advanced that they are rarely found anywhere else in the NHS have been installed at University Hospital during the last year. Patients with a wide range of conditions and illnesses are now benefiting from some of the most sophisticated equipment found anywhere else right on their doorstep in Coventry and Rugby.

A one touch machine that provides doctors with incredibly precise images of a patient's body is being used by the team who remove blood clots from patients' brains. The biplane cardiac and vascular imaging system is one of few available in Europe and can also be used for examining the heart.

Digital Revolution

Over one million images are now available at the touch of a button thanks to the sophisticated electronic picture archiving system - Picture Archiving and Communications System (PACS) that is installed at both of our hospitals. PACS enables images like x-rays and scans to be stored and mailed electronically like digital photos, rather than printed on film and filed manually.

Over one million x-rays and scans are stored digitally at our hospitals which in turn means that the time that patients spend waiting for their x-rays to be passed from one department to another has practically disappeared. Rather than having to physically transfer an x-ray or scan by hand from one hospital department to another, doctors and nurses now access the information at the touch of a button in less than 3 seconds, anywhere in the hospital where there is a computer, providing a much faster diagnosis.

The system also gives clinicians instant access to old x-rays and scans, enabling the comparison of old images with new. This is especially useful when treating long-term conditions. Images, which can be in colour or black and white can be rotated, enlarged and manipulated in other ways, helping clinicians diagnose conditions more quickly and accurately.

Academic excellence

We were involved in world class research, education and teaching which will benefit patients now and in the future. We continued to maintain an environment where innovation and creativity are encouraged to flourish for the benefit of patients across Coventry and Warwickshire, nationally and internationally.

The Trust and Warwick Medical School are working in partnership to develop joint research programmes focussed in areas that will benefit local patients and will have national and international significance. The Clinical Sciences Research Institute is located in the Clinical Sciences Building and provides a base for our joint research teams. The Director of Research and Development at the Trust, Professor Steven Thornton, is also the Associate Dean (Research) in the Medical School and our Associate Medical Director for Research and Development. He is also the clinical lead for the West Midlands (South) Comprehensive Local Research Network.

Research Developments

Researchers at UHCW and Warwick Medical School are investigating links between giving a type of medication called progesterone to women at high risk of having a premature baby and the likelihood of them going to full term. The study aims to reduce the number of babies born before 37 weeks gestation which accounts for around 125 per day in the UK alone. Preterm babies have less time in the uterus to mature and develop, as a result they are often at increased risk of medical and developmental problems.

Teams have also secured £2 million to establish a study using the Trust's state of the art PET scanner to monitor head and neck cancer without using surgery. This important research could mean that patients no longer need to undergo surgery which is very complex and expensive. As one of the largest and busiest NHS university teaching trusts in the country we have an exciting partnerships with local universities to train medical, nursing and allied health professionals of the future.





Governance and Healthcare Standards

The Trust is committed to ensuring high quality patient care and has a track record of success in terms of governance, meeting national standards as demonstrated by the ratings awarded in September 2007 by the Healthcare Commission during its Annual Health Check. With regard to the Healthcare Standards year end declaration for 2007/2008, the Trust's declaration is looking to achieve an optimum score of "Fully Met". This is however subject to further review and scrutiny by the Healthcare Commission.

For 2007/2008 the Trust declared "Compliant" for 42 out of 43 Part Standards (relevant to acute trusts) with no significant lapses against any of those standards during the period. For the remaining part standard (environment and cleanliness) the Trust Board made a more limited declaration of compliance with a supporting action plan that achieved compliance by 31st March 2008.

We are ensuring that the Trust has systems and processes in place to identify and deal with risks to patient safety and well-being. Through audit and review we are able to make sure we continue to provide high standards of quality care.

Medicines Management: We have a Medicines Safety Committee which ensures that the benefits and potential risks of unlicensed drugs and drugs licensed to treat some illnesses but not others are fully considered before being used on patients.

The Trust also performed well in other areas:

- Introducing effective safety practises to prevent prescribing or administration errors related to patients with allergies to certain medicines
- Providing training opportunities for pharmacy staff to ensure they are able to maintain current competencies and learn new skills to reflect changing roles
- Fully informing patients of the medicines they are being given, the reasons for being given the drugs and their side effects. The Trust also scored highly in the patient focus category for "making progress towards self-administration in hospitals". Many patients who are used to administering their own medicines at home can find it stressful and disempowering to have their medication managed by staff while they are in hospital. Through supporting patients to self-administer some medicines in hospital, the Trust aims to empower patients and improve their confidence in self-administering in preparation for their discharge from hospital.

The Trust successfully maintained its level 1 accreditation against the new NHSLA Risk Management Standards in September 2007 and is working towards a level 2 assessment in 2009. The Trust's Maternity Unit has been successful in its application to become a pilot site for the new Maternity Risk Standards, which will take place in October 2008. As the format of all of the standards and criteria will change, Maternity will have to be re-assessed at its existing level (level 2) before being eligible for a level 3 assessment. For each level of compliance the Trust receives a 10% discount in its contributions to the scheme (the current contribution is in excess of £4 million per annum).

Staff – our greatest asset

We are committed to recruiting and retaining the highest calibre of staff. We also value and support all of our staff through education, training and the annual appraisal process. We have built on the achievement of the national Improving Working Lives initiatives by developing a strong emphasis on worklife balance and investment in training and development initiatives.

In the most recent NHS National Staff Survey a higher percentage of staff working at University Hospital and the Hospital of St Cross felt that they have a good work/life balance, job satisfaction and support from managers compared to the previous year. The key areas the 2007 National Staff Survey focused on were such things as worklife balance, flexible working, training, safety at work and communication.

The Trust encourages staff to learn new skills and develop their careers. This can also provide more efficient support for clinical teams and a better service for patients by freeing up specialist clinical staff to focus on patients' needs. During 2007/2008 we rolled out 'Lean' methodology across the Trust. A number of events were held in Radiology, Theatres and the Emergency Department that resulted in tangible improvements in service. We continued to develop assistant practitioner roles and to provide highlevel support to registered practitioners such as nurses, radiographers and biomedical scientists by undertaking a range of delegated tasks under supervision. As part of this initiative, Radiology and Pathology staff are undertaking foundation degrees – a national qualification funded by the Higher Education Funding Council for England – which develops careers, improves efficiency and allows registered practitioners to become more expert and specialist.

In addition the Trust remains committed to ensuring that current and potential employees are not disadvantaged by their ethnic origin, gender, age, sexual orientation or disability and has robust Equality and Diversity policies in place.





Equal opportunities for all: The Trust has identified as a clear priority the elimination of any form of discrimination in the workplace by accelerating the provision of Equality and Diversity training. We have also spent time both within the Trust and across the health community talking about, and developing our Single Equality Scheme to raise awareness of the diverse needs of patients, staff and visitors.

Our commitment to promoting equality of opportunity at the Trust is detailed within our three year single equality scheme. Equalities work is led by a special steering group, which reports to the Trust Board.

> **Improving efficiency:** We are constantly looking at different ways to ensure that our staff are able to work as efficiently as possible. Building strong leadership and management skills is critical to our success and we need good managers and leaders to sustain the high performance of our teams and individuals.

> **Developing the clinical workforce:** We work closely with our partners at the University of Warwick and Coventry University to ensure that our hospitals continue to play an important role in teaching and developing the clinicians of the future.

Medical education: We are the main teaching hospital for trainee doctors from Warwick Medical School. All MB ChB students carry out clinical placements at UHCW and many stay on to work here after graduation.

We are reviewing structures and training in readiness for the introduction of Modernising Medical Careers, a new nationwide initiative to improve patient care. Trainees will progress through more formally structured programmes of training, which will result in a workforce of accredited doctors who have credentials in defined competencies. They will also have opportunities to develop experience in a range of specialities, offering them an insight into possible career options or building a wider appreciation of medicine before embarking on specialist training.

During the year, there has also been a steady increase in training offered to all grades of medical staff and more engagement with medical and dental teams, as well as with other clinical staff, to provide good quality teaching within our hospitals.

Nursing and midwifery educational opportunities: UHCW continues to be a popular placement area for preregistration nursing and midwifery students, providing the majority of hospital placements for students enrolled at Coventry University. In 2007/08, we continued to provide inhouse clinical courses, as well as a range of opportunities at Coventry University with many of our nurses on specialist courses which can lead to bachelor or masters degrees.

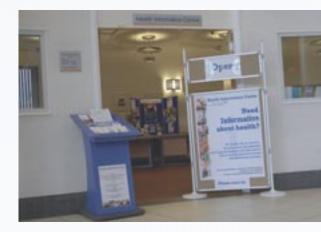
Taking the lead from our patients

Adult Patients' Council: The Trust's Patients' Council, established in 2002 and made up of former patients, currently has 10 members and continues to provide valuable advice from a lay point on a wide variety of issues. During the last year, members have helped us to shape the content of a booklet for patients when they are coming into hospital. Members also undertook visits to the labour ward to discuss the Trust's policy on spouses/partners staying on the ward, visited the Ophthalmology Department to assess facilities and took part in the Patient Environment Action Team (PEAT) inspections. Members also took part in observational audits on the use of hand gel by staff.

Youth Council: The Trust's Youth Council, established in December 2005 and made up of 19 young people aged between 11-17 years of age, continues to advise on service elements of the adolescent unit. Activities include advising the Medicines for Sick Children Research Network on aspects of their work including website design. The Youth Council have also designed colourful and eve catching menus for use on the infants, children's and adolescent wards. Future projects include advising on the content of a general satisfaction questionnaire for young in-patients on the adolescent ward and the content of a sexual health questionnaire.

Patient Forum: During 2007/08, the Trust's Patients' Forum continued to monitor infection control making several announced and unannounced visits to the Trust and producing reports. Forum members also had meetings with Trust management regarding car parking charges. However, in line with Government legislation, on 31st March 2008, the Forums were abolished and replaced by Local Involvement Networks to be known as LINkS. Local authorities have been tasked with setting up the LINkS for their area. The role of LINkS is to find out what citizens want from their local health and social services. As with the Forums, they will monitor the care local services provide and report back to managers of these services.

The Trust looks forward to developing a good working relationship with its LINkS (as it did with its Forum) when it becomes established during 2008. To find out more contact **02476 965171.**



Volunteers

Qualified reflexologists are among an army of volunteers who give up their services free of charge to help improve the quality of life for hospital patients. Other volunteers visit wards to chat with patients, run a tea trolley service and keep hospital radio on the air.

In 2007/08 Hospital Volunteers paid for:

- Activity boxes to all age related wards to help staff and visitors alike engage with patients with dementia on the wards. The boxes contain packs of cards, dominoes, crayons, paints and colouring books and reminiscence cards to help with memory work.
- Calendar clocks to all age related wards, showing the month, day and time to help orientate patients with dementia
- Patient diaries that enables patients to record their experiences and recovery
- Purchase and installation of air ambulance communication system
- Feeding aids for stroke patients



Generous donations builds Rugby Diabetes Services a new home

The Friends of St Cross, the Rugby branch of Diabetes UK and the Trust joined forces to support a scheme to move the Diabetes Services into a new home. In addition to a £20,000 investment by the Trust, The Friends generously contributed £56,000 and Diabetes UK a further £20,000. The new unit is known as the "Joan Cox Diabetes Unit" in memory of the late Joan Cox, a former ward sister at St Cross and a long serving member of The Friends who had long standing connections with the Diabetes Service. Ivor Cox, the widower of Joan, is pictured above at the formal opening of the new service.

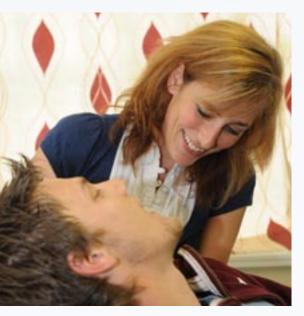
Principles for Remedy

In October 2007, the Parliamentary and Health Service Ombudsman published their document "Principles for Remedy" which sets out the Ombudsman's views on the Principles that should guide how public bodies provide remedies for injustice or hardship resulting from their maladministration or poor service. It sets out for complainants and bodies within the Ombudsman's jurisdiction how the Ombudsman thinks public bodies should put things right when they have gone wrong. It also confirms their approach to recommending remedies.

The document sets out six key principles

- 1. Getting it right
- 2. Being customer focused
- 3. Being open and accountable
- 4. Acting fairly and proportionately
- 5. Putting things right
- 6. Seeking continuous improvement

The Trust fully supports these key principles and this is evidenced in its mission/vision statement, corporate objectives and in its policies and procedures for dealing with complaints.



In its mission/vision statement and corporate objectives, the Trust aims to "Deliver safe, clinically effective services that minimise all avoidable harm to patients and reduce hospital acquired infection. Ensure compliance with national healthcare standards and delivery of all performance targets" - this underpins all of the work undertaken by the Trust.

In addition, the Trust actively seeks feedback from patients and uses this feedback to improve its services. When complaints do arise, they are handled in line with the Trust's complaints policy which is compliant with the NHS Complaints Regulations 2004 (and amended 2006). The key principle underpinning this policy is "that all complaints are dealt with quickly, fairly, impartially and that the subsequent investigation will be honest and thorough with the prime aim being to satisfy the complainant".

Learning from our patients

The Trust has in place a comprehensive, easy to access online feedback system ("Impressions") which enables patients, their families or carers to tell us about their experiences and provide comments and suggestions. The feedback we receive is then used to make important improvements to the services we provide.

This year, the Trust received 519 complaints 100% of which were resolved within our target of 25 working days. Twenty requests for independent review were received this year from the Healthcare Commission, but none progressed to full independent review. From these complaints, a number of improvements have been made to ensure future patients receive the highest quality of care. Some of these changes include:

- Review of our protocol for patients attending the LUTS (Lower Urinary Tract Symptoms) clinic.
- A pre-screening for miscarriage patients opting for surgical intervention.

The Trust also receives a great many compliments (75%) from patients that have undergone a wide variety of treatment. Many patients at UHCW are under the Trust's care for many years and continue to be satisfied with their care.

"My wife was apprehensive about her visit for her treatment but all the staff she had contact with put her at ease. If my wife was happy they must be very good, she is a stickler for public service." Relative, Willow Day Unit, Hospital of St Cross, July 2007







Environmental Impact

The Trust continues to contribute to the local economy as a significant employer, and where possible we use local contractors and suppliers. We have introduced environmental and energy policies during the year, particularly focusing on our commitment to reduction of pollution and use of fossil fuels. **Our Environmental Policy includes:**

- Sustainable Development: Sustainable development means meeting our present needs and progressing without compromising our ability to meet the needs of future generations. It is at the heart of the UHCW Environmental Policy. To that end the overarching view environmentally is to constantly monitor and review our policies and processes to ensure sustainability whilst steadily striving to improve.
- Environmental Management: The Trust is laying the groundwork for meeting ISO 14001 to look towards full implementation in late 2009. Due to the complex nature of interactions between PFI partners much work has been done to improve the communication between environmental partners and staff through the Environment Committee and the Environment web site.
- Waste Management: Waste management policy and procedures have been updated again in line with the Safe Management of Healthcare Waste (HTM 07-01) and relevant legislation. The 2007/08 waste management Strategy made segregation a priority and that has been taken forward into training and information supplied at the point of waste production. This work continues to improve segregation, especially important when recycling comes fully online in 2008. The Trust recycles cardboard only at present; however work has been undertaken with PFI partners to introduce further recycling in 2008/2009 for glass, paper, metal and plastic.
- **Procurement:** Discussions have taken place with Procurement and Supplies on reducing the amount of packaging and exploring whether suppliers can provide reusable packaging.



- Energy and Water: Energy and water usage has been highlighted as an area that needs improvement to save money and resource. To this end an Energy and Water group has been set up with PFI partners to set strategies for 2008/2009 to reduce water use and our carbon footprint.
- Ecology/Biodiversity: The ecology and biodiversity of the sites we occupy must be part of our thinking when developing the service, especially where we are considering new builds, renovation works or improved access facilities. The University Hospital site has been designed to enhance and work with the local flora and fauna and the use of emerging techniques. As an example, green roofs reduce the flow of roof water entering the drains and river thereby reducing the impact on the flood plain and providing visually attractive areas for patients and new habitats for insects and birds. The Swales, which are the pools to the rear of the site, use plants to slow the speed of water entering the river and naturally remove hydrocarbons (from oil and petrol etc) washed into the drains. The work in this area has been to examine new ways to improve and enhance the estate for staff and patients and the natural flora and fauna.

Good Corporate Citizen (GCC): Good Corporate Citizen is a Department of Health and Sustainable Development Commission programme which the Trust has been a part of since its inception. Trusts involved in the West Midlands group, of which we are one, have recently completed a self assessment tool. This placed the Trust in the top four performers regionally and above the national average. Since the audit each of six areas is discussed in turn at the Environment Committee to ensure that there is continual improvement and any shortfall in compliance is addressed.

Green Travel: The Trust has a green transport advisor and much work has been done with local transport providers and the council to improve options for greener travel. The bus services have improved and members of staff are encouraged to car share, walk or cycle to work.





The Trust Board

Led by the Chairman and Chief Executive, the Trust Board is the principal decision making body for the Trust. The Trust Board is made up of Executive Directors and Directors in attendance who are paid by the Trust for particular roles within the organisation, and Non-Executive Directors who are members of the community appointed by the independent NHS Appointments Commission. The primary role of the Trust Board is to:

- Set the strategic direction and key corporate objectives of the Trust
- Monitor the Trust's performance against those objectives
- Be responsive to the local community and accountable to the Secretary of State for the services provided by the Trust
- Ensure that the Trust fully complies with its statutory duties and the Code of Conduct and Code of Accountability for NHS Boards issued by the Secretary of State for Health in April 1994 (revised 2004)

Board Meetings

As part of the Trust's commitment to openness and accountability, you are invited to attend any public Trust Board meetings. All public Trust Board papers are published on the Trust's website www.uhcw.nhs.uk

Information about public meetings for University Hospitals Coventry and Warwickshire NHS Trust is available from:

Jenny Cole

Board Secretary University Hospitals Coventry & Warwickshire NHS Trust Clifford Bridge Road, Coventry, CV2 2DX Tel: 024 7696 7621 email: jenny.cole@uhcw.nhs.uk

Sub Committees

The Trust Board has established a number of Sub Committees to support the Trust Board in setting and monitoring the overall strategic direction, and ensuring that appropriate performance management and assurance mechanisms are in place throughout the organisation.

The principal Board Sub Committees are:

Audit Committee: The Audit

Committee is responsible for reviewing the Trust's governance, risk management and internal control systems. It also receives reports from the Trust's internal and external auditors.

Finance and Performance Committee:

The role of the Finance and Performance Committee is to review the Trust's financial management arrangements and advise the Trust Board on the adequacy of those arrangements required to meet its statutory financial duties and its aspiration to become an NHS Foundation Trust.

Remuneration Committee:

The Remuneration Committee is responsible for determining the remuneration and terms of service of the Trust's Executive Directors that report to the Chief Executive.

Development and Private Finance Initiative (PFI) Performance

Committee: The Development and PFI Performance Committee is responsible for providing effective oversight of all major construction, development and capital projects within the Trust including PFI support services.

Human Resources and

Communications Committee: The Human Resources (HR) and Communications Committee undertakes a key role in overseeing the Trust's productivity and efficiency agenda, monitors key HR performance indicators and reviews key HR policies and procedures.

Patient Confidence and Safety

Committee: This committee's role is to provide the Board with assurance about the effectiveness of the Trust's arrangements for clinical governance and risk management, ensuring that there is increasing integration of clinical and nonclinical issues. This committee replaces the Health Standards Board which was disbanded in March 2008.

Charitable Funds Committee: This committee oversees the management, investment and disbursement of charitable and other funds held on trust. This committee only became operational in April 2008.

University Hospitals Coventry and Warwickshire NHS Trust Charitable Funds

The Trust Board is the corporate Trustee of the University Hospitals Coventry and Warwickshire NHS Trust Charity (Charity Commission registration number 1058516). This charity supports the work of the Trust (and the work of Coventry PCT) in providing NHS services to the people of Coventry, Warwickshire and other neighbouring areas. The main types of support provided by the charity to the Trust included the provision of additional equipment/facilities and the funding of training and research. The charity produces a separate annual report and accounts and the latest document is available upon request from the Trust's Chief Finance Officer.

In addition, the Trust works closely with another charity, Health Link Malawi (Charity Commission registration number 1117624) whose aim is to improve health care in Malawi by providing skills, training and assistance to frontline health workers. Although this is totally independent of the Trust, a number of our staff act as trustees and we actively encourage our staff to participate.

Chief Executive's responsibilities as the accountable officer of the Trust

The Secretary of State has directed that the Chief Executive should be the Accountable Officer to the Trust. The relevant responsibilities of Accountable Officers, including their responsibility for the propriety and regularity of the public finance for which they are answerable, and for keeping of proper records, are set out in the Accountable Officer's Memorandum issued by the NHS Executive.

To the best of my knowledge and belief, I have properly discharged the responsibilities that are required of an accountable officer.

Martin Lee Chief Executive

The Trust Board (Executive Team) as at 31 March 2008



*Martin Lee Chief Executive



*Andrew Hardy Chief Finance Officer



*Charles Richard Kennedy Medical Director



*Ann Marie Cannaby Director of Nursing



Jackie Daniel Interim Transition Director



John Amphlett Director of Corporate Plannir



Julie Phelan Director of Communications



Nick Elliott Thief Technology Officer



Steven Thornton Associate Medical Director for Research and Development

* Indicates voting Trust Board member



Paul Martin Director of Governance



Kate Bradley Director of Human Resources

The Trust Board (Non-Executive Team) as at 31 March 2008



*Philip Townshend Chair Non Executive Director



*Yvonne Carter OBE Vice Chair Non Executive Director



*Tim Sawdon Ion Executive Director



*Roman McAlindon Non Executive Director



*Jack Harrison MBE Non Executive Director



*Brendan Connor Non Executive Director



*Nicholas Stokes Non Executive Director



Rita Stewart Associate Non Executive Dire



Ash Panchal Associate Non Executive Direct

* Indicates voting Trust Board member

Public Meetings - Trust Board meetings are open to the public and held on a monthly basis. Times and details of meetings are published on the Trust website - www.uhcw.nhs.uk The Board's Annual General Meeting is also open to the public.

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	Patient Confidence and Safety	Finance and Performance Committee	Audit Committee	Remuneration Committee	Development and PFI Performance Committee	HR & Communications Committee	Charitable Funds Committee
	NED/Execs	NED/Execs	NED/Execs	NED/Execs	NED/Execs	NED/Execs	NED/Execs
Executive Lead Other Director attendees	Medical Director Director of Nursing Chief Operating Officer Director of Governance	Chief Finance Officer Chief Chief Executive Chief Operating Officer	Chief Finance Officer	Director HR	Chief Technology Officer Chief Executive Chief Finance Officer	Director HR Chief Executive Director of Communications Chief Technology Officer	Chief Finance Officer Chief Executive Medical Director Director of Nursing
Philip Townshend	×	×		Chair	×	×	Chair
Jack Harrison		×		×		Chair	
Yvonne Carter	×	×	×	×	×	×	×
Roman McAlindon		×	×	×			
Brendan Connor		Chair		×			×
Tim Sawdon		×	Chair	×	×		
Nicholas Stokes			×	×	Chair	×	
Rita Stewart	×		×		×	×	

ed interests 2007/08	ting members of Trust Board denoted by * are Trustees to the UHCW Charitable Fund
Declared int	NB All voting men

Name	Declared interests
John Amphlett Director of Planning	None declared
Kate Bradley Director of HR	None declared
Ann-Marie Cannaby* Director of Nursing	Remunerated employment - Company Secretary of Artpoint (Leicester) Ltd Appointments - Trustee Healthlink Malawi
Yvonne Carter* Non Executive	Directorships - Governor, The Health Foundation Charity, Remunerated employment - Dean, Warwick Medical School; Pro-Vice-Chancellor (Regional Engagement) The University of Warwick; Academic Honorary GP Coventry PCT, Appointments - Elected member of Council, Academy of Medical Sciences, Membership – Member Council of Heads of Medical Schools; Fellow RCGP; Fellow of the RSA; Royal Society of Medical Sciences, Membership – Member of BMA
Alice Casey* Chief Operating Officer	Remunerated employment / Appointments - Member of the Employer's Panel for the Employment Tribunals for England Membership - Chartered Fellow of the Chartered Institute for Personnel and Development, Other - Member of the Coventry City Council Standards Committee
Brendan Connor* Non Executive Director	Directorships - Director Beechwood Consultancy Services Ltd; Director CENEX Ltd Appointments - Trustee RAF Museum; Trustee Coventry Schools Foundation; Independent Member West Midlands Police Authority; Member Advantage West Midlands
Paul Crofton New Hospital Project Director	Membership - Associate Member of the Chartered Institute of Building
Jackie Daniel Interim Transition Director	None declared
Nick Elliott Chief Technology Officer	None declared
Andrew Hardy* Chief Finance Officer	Appointments - Trustee UHCW Charitable Fund; Trustee Healthlink Malawi; Trustee of Healthcare Financial Management Association (HFMA) Membership - Chartered Institute of Public Finance and Accountancy (CIPFA); Healthcare Financial Management Association (HFMA)
Jack Harrison* Non Executive Director	Appointments - Councillor, Coventry City Council; Trustee, Tom Mann Trust; Chair Governing Body Caludon Castle Community College; Chair of Trustees Amicus Charity Foundation; Justice of the Peace
Charles Richard Kennedy* Interim Medical Director	Directorships - Secretary General and Executive Officer International Federation of Fertility Societies, Remunerated employment - Inspector, Human Fertilisation and Embryology Authority (HFEA) Appointments - Trustee, Gift of Life Appeal; Trustee Healthlink Malawi, Membership - British Fertility Society; American Society Reproductive Medicine; European Society Human Reproduction and Embryology, Other - Medical Advisor (non salaried) Ferring Pharmaceuticals
Martin Lee* Chief Executive	Remunerated employment - Occasional work in Private Medical Practice, Appointments - President Elect, Association of Breast Surgery (President from Jan 08) Membership - Specialist Advisory Committee in General Surgery; Association of Surgeons of Great Britain and Ireland; Royal Society of Medicine; Society of Academic and Research Surgeons
Paul Martin Director of Governance	
Roman McAlindon* Non Executive Director	Directorships - McAlindon Associates Limited; REAMM Properties Investment Company Limited; Fund Distribution Limited; Opus Restaurant Limited; ISEEU Global Limited; Neutrino Concepts Limited Remunerated employment -McAlindon Associates Limited; REAMM Properties Investment Company Limited; Arthur Andersen-partner (in voluntary dissolution); Consultant to various companies Membership - ICAEW, Ownership - McAlindon Associates Limited 100%; ISEEU GLOBAL Limited 10%, Share holdings - McAlindon Associates Limited to various companies
Mark Newbold Managing Director, St Cross Hospital	Remunerated employment - Practice nights at BMI Hospital, Walsgrave site Membership - British Medical Association; British Society of Gastroenterology
Moosa Patel FT Director / Company Secretary	Remunerated employment - seconded to UHCW from the Department of Health until 01/06/07 Membership - Institute of Chartered Secretaries and Administrators
Julie Phelan Communications Director	Appointments - Trustee of Healthlink Malawi; Trustee of ASSIST
David Roberts* Chief Executive	Appointments - Trustee Healthlink Malawi Membership - Health Service Management; Council Member AUKUH; Member West Midland RDA; Associate Kings Fund Fellow NIII; Visiting Fellow Warwick University
Eleanor Rollason Business Development Director	None declared
Tim Sawdon* Non Executive Director	Directorships - Mastgrove Ltd, Director, Remunerated employment – Optician, Appointments - Member, Coventry City Council, Membership - Various Optical Professional Bodies Ownership - Mastgrove Ltd
Rita Stewart Non Executive Director	Membership - Member of SENSE; (National Deaf, Blind and Rubella Association); Member Coventry Society for the Blind Steering Group Other – Chair, Hospital School Education Service (until 01/02/08)
Nicholas Stokes* Non Executive Director	Directorships - Director of Marketing and Communications, Coventry University, Remunerated employment - Currently employed by Coventry University, Appointments - From Jan 08, Director/Trustee of Coventry Heritage and Arts Trust; Member of CV One Image Working Group, Membership - Market Research Society, Marketing Society, Member of Coventry Ambassadors Group
Steven Thornton Director of Research	Remunerated employment - Consultancy advisor to GSK; Ferring Pharmaceuticals Membership - Society for Endocrinology; the Physiological Society; Blair Bell Research Society; West Midlands Obstetrical and Gynaecological Society; Elected to membership of the Society for Gynaecologic Investigation: USA (1999) Gynaecological Travellers; British Maternal and Fetal Medicine Society
Philip Townshend* Trust Board Chairman	Directorships - Warwickshire Law Society Ltd; Member Townshend solicitors LLP, Appointments – Councillor, Coventry City Council; Trustee of the Norton HS Cyrenians, Membership - Member of Law Society, Ownership - Senior Partner Townshends Solicitors, Other - Member-Shareholders Panel, Coventry and Warwickshire Waste Disposal Co Ltd; Unpaid political advisor to Rt Hon Harriet Harman QC MP
Gary Ward* Interim Medical Director	None declared

Salary and Pension Tables		2007/08			2006/07	
A) Salaries and allowances	Basic Salary	Other	Benefits in Kind	Basic Salary	Other	Benefits in Kind
	•	Remuneration		•	Remuneration	
Name and Title	(bands of £5000) £000	(bands of £5000) £000	(Rounded to the nearest £100) £	(bands of £5000) £000	(bands of £5000) £000	(Rounded to the nearest £100) £
David Roberts - Chief Executive (to 31/7/07)***	65-70	195-200	2,800	165-170	5-10	3,000
Andrew Hardy - Chief Finance Officer	130-135	0	3,400	130-135	0	2,300
Alice Casey - Chief Operating Officer (to 31/12/07) ***	110-115	145-150	11,500	135-140	0-5	3,900
Martin Lee - Interim Chief Executive (from June 2007) and Medical Director (to August 2007) *	205-210	0	400	175-180	0	5,300
Ann Marie Cannaby - Director of Nursing	85-90	0	0	85-90	0	0
John Amphlett - Director of Planning	100-105	0	0	65-70	0	0
Nick Elliott – Chief Technology Officer	105-110	0	0	100-105	0	0
Eleanor Rollason - Business Development Director (to 30/11/07)	30-35	0	0	10-15	0	0
Paul Crofton - New Hospital - Project Director	130-135	0	0	155-160	0	0
Paul Martin - Director of Governance	65-70	0	500	50-55	0	600
Kenneth Mark Newbold - Managing Director, Hospital of St. Cross (to 31/8/07) *	55-60	0	2,200	150-155	0	5,000
Julie Phelan - Director of Communications	85-90	0	3,200	80-85	0	3,200
Philip Townshend - Chairman	20-25	0	0	10-15	0	0
Moosa Patel - NHS Foundation Trust Director/Company Secretary (to 18/11/07)	55-60	0	0	* *	* *	* *
Kate Bradley - Director of Human Resources	90-95	0	0	40-45	0	0
Tim Sawdon - Non Executive Director	5-10	0	0	5-10	0	0
Yvonne Carter - Non Executive Director	5-10	0-5	0	5-10	0	0
Nicholas Stokes - Non Executive Director	5-10	0	0	5-10	0	0
Rita Stewart - Associate Non Executive Director	0-5	0	0	0-5	0	0
Charles Richard Kennedy - Interim Medical Director (from 12/9/07) *	95-100	0	0	0	0	0
Gary Ward - Medical Director (from July 2007 to August 2007) *	25-30	0	0	0	0	0
Jackie Daniel - Interim Transition Director (from June 2007)	125-130	0	0	0	0	0
Steven Thornton - Associate Medical Director for Research and Development	180-185	0	100	* *	* *	**
Brendan Connor - Non Executive Director (from 14/6/07)	0-5	0	0	0	0	0
Roman McAlindon - Non Executive Director (from 1/10/07) and Trust Advisor (25/6/07 to 30/9/07)	0-5	0	0	0	0	0
Jack Harrison - Non Executive Director(from 1/10/07) and Trust Advisor (1/4/07 to 30/9/07)	0-5	0	0	0	0	0
Ash Panchal - Associate Non Executive Director (from 28/1/08)	0-5	0	0	0	0	0

Benefits in kind are in relation to lease cars.

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

* These senior managers are practising medical consultants.

** Denotes employee was not classified as a senior manager during 2006-07.
*** Other remuneration for 2006/07 relates to additional work undertaken at George Eliot Hospital NHS Trust.

Total directors' emoluments in 2007/08 were £1,135,003 (£758,262 2006/07).

A payment for compensation for loss of office is due to be made for Alice Casey under the terms of an approved Compensation Scheme, these

costs have been accrued for in the Trust's 2007/08 financial position.

Salary and Pension Tables B) Pension Benefits	Real increase in Real increase in pension at age pension lump 60 sum at age 60	Real increase in pension lump sum at age 60	Total accrued pension at age 60 at 31 March 2008	Lump sum at age 60 related to accrued pension at 31 March 2008	Cash Equivalent Transfer Value at 31 March 2008	Cash Equivalent Transfer ValueCash Equivalent Cash Equivalent at 31 MarchReal Increase in Cash Equivalent at at 31 March20082007	Real Increase in Cash Equivalent Transfer Value	Employers Contribution to Stakeholder Pension
Name and title	(bands of £2500) £000	(bands of £2500) (bands of £2500) £000 £000	(bands of £5000) (bands of £5000) £000	(bands of £5000) £000	£000	£000	£000	(To the nearest £100) £000
David Roberts - Chief Executive (to 31/7/07)	0-2.5	2.5-5.0	20-25	60-65	273	248	19	0
Andrew Hardy - Director of Finance	0-2.5	5-7.5	20-25	70-75	264	232	27	0
Alice Casey - Chief Operating Officer (to 31/12/07)	0-2.5	2.5-5.0	20-25	70-75	431	391	30	0
Martin Lee - Interim Chief Executive (from June 2007) and Medical Director (to August 2007)	5-7.5	17.5-20.0	75-80	235-240	1,442	1,273	137	0
Ann Marie Cannaby - Director of Nursing	0-2.5	2.5-5.0	20-25	60-65	242	210	27	0
John Amphlett - Director of Planning	0-2.5	2.5-5.0	40-45	120-125	618	569	35	0
Nick Elliott – Chief Technology Officer	0-2.5	0-2.5	20-25	60-65	245	226	14	0
Eleanor Rollason - Business Development Director (to 30/11/07)	0-2.5	0-2.5	10-15	30-35	103	95	9	0
Paul Crofton - New Hospital - Project Director	0-2.5	0-2.5	0-5	10-15	66	56	6	0
Paul Martin - Director of Governance	0-2.5	2.5-5.0	25-30	85-90	475	431	34	0
Kenneth Mark Newbold - Managing Director, Hospital of St. Cross (to 31/8/07)	(0-2.5)	(0-2.5)	40-45	120-125	597	555	28	0
Julie Phelan - Director of Communications	0-2.5	2.5-5.0	10-15	40-45	174	155	16	0
Kate Bradley - Director of Human Resources	2.5-5.0	12.5-15.0	20-25	65-70	308	230	72	0
Charles Richard Kennedy - Interim Medical Director (from 12/9/07) *	5.0-7.5	15.0-17.5	60-65	190-195	1,124	989	110	0
Gary Ward - Medical Director (from July 2007 to August 2007) *	0-2.5	2.5-5.0	45-50	145-150	828	760	49	0
Moosa Patel - NHS Foundation Trust Director/Company Secretary (to 18/11/07)	**	**	**	**	**	* *	**	0

* The pension information for these senior managers relates to the whole year not just the period they held office as a deemed senior manager. ** Pensions Agency are unable to provide figures 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 eaves the scheme and chooses to transfer the benefits accrued in their former scheme.

value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include 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 from 2004/05 the other pension details, include the 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.

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

Year at a Glance

The Trust has experienced many achievements over the last 12 months. Much of this work goes on behind the scenes and is the result of the dedication and hard work of front-line staff.

Highlights of the year....

April 2007: State-of-the-art scanners delivered

The Trust took delivery of two cutting edge scanners that have been used to diagnose hundreds of patients suffering from cancer or strokes. The multi million pound PET CT scanner (Positron Emission Tomography) and the 3T MRI are the first of their kind outside of London and means that patients in Coventry and Warwickshire have some of the finest diagnostic equipment on their doorstep.

May 2007: Giving hope back to lung cancer patients

UHCW was rated as being one of the top UK centres for giving hope back to lung cancer patients who were previously thought to be inoperable. Eminent Surgeon Joseph Marzouk and his team provided complex surgical treatment for a higher proportion of patients, 15% at University Hospital compared to just 9% nationally, removing a diseased part or in some cases the entire lung.

June 2007: Our Doc is Top

The renal transplantation team led by Dr Rob Higgins, the doctor who pioneered 'living donor' transplants scooped a top national award for his work. Dr Higgins and his team were commended for their work on devising a new technique that could lead to a 20% increase in 'living donor' transplants in the UK – helping people who would not be able to have a kidney transplant because their antibodies would reject a donor's organ.

July 2007: New ambulance saving lives in Malawi, Africa

A new ambulance paid for by the Health Link Malawi charity is saving lives in Africa. The new ambulance, a converted Landrover, arrived at St Anne's Hospital and was welcomed by staff at the hospital. Previously mums and their babies had to travel to the hospital on the back of a pick up truck, which was not only uncomfortable but also dangerous for many of the mums who may have been in labour. But thanks to the generosity of the staff at the hospitals and Coventry and Rugby people, they now have a fully equipped ambulance. (See bottom right)

August 2007: Cell Salvage

Women using UHCW were offered a new alternative to a traditional blood transfusion with the introduction of cell salvage technology. The Trust is one of the country's first to offer the technology that recycles a patient's own blood for Caesarean section, giving those who would refuse a traditional blood transfusion another option. Not only does cell salvage offer an alternative to women but also provides additional benefits as it preserves donated blood stocks and reduces the risk of infection.

September 2007: Rating of Good for Hospital Services

The Trust was awarded a rating of 'Good' for the quality of its services in the Healthcare Commission's Annual Health Check.



October 2007: Andrea is delighted that she has to learn to walk again

Andea Ford is learning to walk again thanks to specialist computer navigation used during a replacement hip operation at UHCW. Andrea, who works as a nurse at the hospital, was born with a dislocated hip joint on her left side, which had left her with one leg much shorter than the other. She had multiple operations as a child but these only eased her condition for a short period and could not prevent the onset of severe arthritis.

Andrea's scans were sent to a company in London, who helped to plan and perform the hip resurfacing operation 'virtually' on a computer. The operation took about 6 hours and successfully used the computer navigation to accurately position the hip resurfacing components into the bone. Her leg is now the same length as the other for the first time in her life. Andrea will now have extensive physiotherapy for 12 months before she appreciates the full benefits from her operation but she is looking forward to learning to walk properly for the first time in her life.

November 2007: Mums tell Health Watchdog that the Trust's maternity services are excellent

Maternity services at UHCW were rated as excellent by the Healthcare Commission after mums were surveyed and asked their views on the full range of services offered. The Unit was praised for its whole range of services from antenatal screening, appropriate use of Caesareans, choice and continuity of care. Mothers have echoed the Health Watchdog's view because the Unit has also seen a 20% increase in the number of parents choosing to have their babies at the hospital.



December 2007: New research could provide startling results for patients who suffer from Chronic Obstructive Pulmonary Lung Disease (COPD) The Trust was chosen as the only UK hospital and one of only 70 centres worldwide, to take part in groundbreaking new research into the causes and treatment of the debilitating lung disease, COPD. People with the disease are being asked to take part in the trial of a potential new drug which could repair lung damage in patients with emphysema.

January 2008: Rugby Diabetes Services are given new year boost

The Diabetes service at the Hospital of St Cross was given a new-year boost when funding was identified to deliver a newly refurbished diabetes suite. The new Unit to be known as the "Joan Cox Diabetes Unit" is featured on page 14.

February 2008: Vital research that uses a simple light probe is launched that could identify undiagnosed congenital heart disease in new born babies. A study to detect babies who have been born after 35 weeks with potential congenital heart disease that may not have been picked up during routine newborn baby examinations was launched. By using a simple pulse oximeter machine midwives can measure the amount of oxygen in the baby's blood which will indicate if further testing is required to determine any potential problems. It is a simple noninvasive test carried out with a light probe attached to the baby's foot and hand within 24 hours of delivery, but preferably within 3-6 hours of the delivery. It takes about three minutes and is totally painless.

March 2008: 20,000 babies benefit from National Newborn Hearing Screening Programme

Nearly 20,000 babies living in the area served by the Trust have benefited since the introduction of the National Newborn Hearing Screening Programme was introduced three years ago. Early diagnosis of hearing loss in the first few weeks means that most babies have had intervention and hearing aids within the first six months. The Programme has been up and running since 1st June 2004 with over 2 million babies having been screened in the UK.



Information Governance

Information Governance in the Trust is co-ordinated by the Information Governance Board (IGB) who report to the Patient Confidence & Safety Committee. The Trust has undertaken a significant work programme over the past year to further enhance its Information Governance arrangements.

The Information Governance (IG) Toolkit encompasses 60 separate initiatives which NHS organisations are required to assess themselves against. Each initiative can have a rating between 0 and 3, with 0 representing no compliance. Version 5 (2007/08) of the IG Toolkit was submitted to Connecting for Health on 31st March 2008. The Trust achieved a rating of 2 or above in 54 of the initiatives. The overall score attained was 74% (green status), with the 'Clinical Information Assurance' initiative achieving 79%.

In December 2007, the Department of Health and Connecting for Health set out a detailed IG Assurance programme to be implemented by NHS organisations. The Trust carried out major exercises, overseen by the IGB, to ensure that transfers of data were made secure so that patient information was appropriately protected. Where there were potential risks these were identified and actions put in place to ensure confidentiality. The SHA accepted assurance of the Trust's commitment in continuing to take forward the Information Governance Assurance programme.

Reporting of the Trust's Personal Data Related Incidents

EMERGENCY AMBULANCE

National guidance has been issued on Serious Untoward Incidents involving data, classifying incidents in terms of severity on a scale of 0-5 in terms of either/ both risk to reputation and risk to individuals. Figure 1 shows the risk matrix as used by all NHS organisations.

Figure 1.

0	1	2	3	4	5
No significant reflection on any individual or body Media interest very unlikely	Damage to an individuals reputation Possible media interest e.g. celebrity involved	Damage to a team's reputation. Some local media interest that may not go public	Damage to services / reputation. Low key local media coverage	Damage to an organisation's reputation Local media coverage	Damage to NHS reputation National media coverage
Minor breach of confidentiality Only a single individual affected	Potentially serious breach Less than 5 people affected or risk assessed as low e.g. files were encrypted	Serious potential breach and risk assessed high e.g. unencrypted clinical records lost Up to 20 people affected	Serious breach of confidentiality e.g. up to 100 people affected	Serious breach with either particular sensitivity e.g. sexual health details, or up to 1000 people affected	Serious breach with potential for ID theft or over 1000 people affected

Incidents Classified as 3-5 Severity Rating

The Trust had one incident classified as a severity rating of 3 - 5 during 2007/08, see figure 2.

Figure 2.

Date of incident (month)	Nature of incident	Nature of data involved	Number of people potentially affected	Notification steps
November	Loss of secure back-up tape in transit to safe. Tape handed in with no loss of data or breach of confidentiality. Classified as near miss but SHA informed.	Patient identifiable	+1,000	Strategic Health Authority
Further action on information risk		nvestigation carried d. Action plan in pl		

Incidents Classified at a 1-2 Severity Rating

Figure 3 (below) records the aggregated incidents classified at a severity rating of 1-2 that occurred during 2007/08.

Figure 3.

SUMMARY	OF OTHER PERSONAL DATA RELATED INCIDENTS	5 IN 2007/08
Serial	Nature of incident	Nature of data involved
1	Loss of inadequately protected electronic equipment, devices or paper documents from secured NHS premises	0
2	Loss of inadequately protected electronic equipment, devices or paper documents from outside secured NHS premises	1
3	Insecure disposal of inadequately protected equipment, devices or paper documents	0
4	Unauthorised disclosure	2
5	Other/near miss	4

These incidents did not lead to any formal disciplinary action being taken, however all were investigated and appropriate actions put in place where necessary.



Market and Competitive Environment

The hospital's business is to provide hospital based care including preventative care for the population it serves. The Trust has contract agreements with Coventry and Warwickshire Local Collaborative Commissioning Board (LCCB), Hereford and Worcester LCCB, Pan Birmingham LCCB, Black Country LCCB, Shropshire and Staffordshire LCCB, West Midlands Specialised Services Agency, Coventry PCT, Warwickshire PCT, Leicestershire County and Rutland PCT, Leicester City PCT, Northampton PCT, South Staffordshire PCT, Shropshire PCT, Telford and Wrekin PCT, Birmingham East and North PCT, South Birmingham PCT, Heart of Birmingham PCT, Solihull Care Trust, Sandwell PCT, Dudley Walsall PCT, Wolverhampton City PCT, Worcester PCT.

Emergency Preparedness

NHS organisations should ensure that they have in place a Major Incident Plan that fully complies with the requirements of the NHS Emergency Planning Guidance. The Trust fully complies with this and has an emergency plan in place.



Andrew Hardy Chief Finance Officer

Financial Review 2007/08

2007/08 financial performance overview

I am extremely pleased to be able to report that the year ended 31st March 2008 has been a particularly successful year for the Trust in financial terms and it has met its key financial duty to break-even on its income and expenditure account, delivering a small surplus of £201,000.

This performance is particularly commendable in view of the fact that the Trust had been designated as a financially challenged trust by the Department of Health (along with 16 other NHS trusts) at the beginning of the year and because in order to deliver a break-even position, it had to find efficiency savings of £30 million.

Furthermore, I am delighted to report that this position has been achieved without external income support and whilst a small proportion of the savings made in year have been non-recurrent in nature, the recurrent effect of savings achieved fully meets the £30 million target.

Whilst the Trust is disappointed that it has marginally fallen short against some of its key operational targets such as the A&E four hour wait and its 18 week referral to treatment trajectory, the magnitude of the achievement against its financial targets has set firm foundations upon which to build in future years and should enable the Trust to focus on delivering these key patient focussed targets.

Clearly this position could not have been achieved without the efforts of all staff groups throughout the Trust and on behalf of the Trust Board, I should like to place on record our thanks and appreciation for their hard work.

Key financial challenges

The Trust commenced 2007/08 with two major financial challenges. Firstly the Trust needed to identify £30 million of savings in order to achieve a breakeven position on its income and expenditure account in year, and secondly, the Trust was designated as one of 17 financially challenged trusts by the Department of Health because of an underlying cash shortfall.

£30 million savings target

In July 2006, the Trust opened its new state of the art University Hospital which is funded through the Private Finance Initiative (PFI). At the time of opening this new facility, the Trust forecasted that it would have a significant shortfall between its estimated income for the year and its forecast operating costs caused by changes in the NHS financial regime since the business case for the new hospital was approved. In order to offset these additional costs, the Trust received £27 million of non-recurrent financial support in 2006/07 to ensure it balanced its income and expenditure in that year. For 2007/08, the Trust calculated that even after delivering a £15 million savings plan in year, it would require a further £15 million of non-recurrent support in order to achieve its breakeven duty before finally covering the costs of the new hospital from its own resources from 2008/09 onwards.

However, at the beginning of 2007/08, it became clear that under the Department of Health's new financial regime (designed to promote increased accountability and transparency), NHS bodies would no longer be able to receive financial support to ensure achievement of the breakeven duty and instead would have to take out a working capital loan in the short term which would be repayable through generating surpluses in future years. Consequently, the Trust was left no choice but to submit a deficit plan for year and then seek to develop an action plan to recoup the deficit in future years.

In recognition of the fact that the Trust needed to act swiftly in order to minimise any deficit at the year-end, a small transition team was established with the aim of identifying and delivering a second £15 million tranche of savings. Rapid progress in identifying and implementing these additional savings/income generation initiatives (including a redundancy programme which resulted in the loss of just under 150 posts) was made and, by February 2008, the Trust was able to confidently forecast that it would achieve breakeven at the end of the financial year.

Financially challenged trust status

Although the Trust had historically managed to deliver a breakeven position on its income and expenditure account, in doing so, it had, in common with many other NHS bodies, relied upon a system of cash brokerage to fund an underlying cash shortfall of approximately £50 million. The principal reasons for this shortfall were the need to make cash payments in excess of £20 million into the PFI project to fund variations during the construction stage and the use of non-recurrent solutions to deliver financial balance in earlier years. In 2006/07, the Department of Health replaced the cash brokerage system with a new system of loans and deposits but it was clear that with the challenges already faced by the Trust, it would not be in a position to meet the interest and principal payments if the cash brokerage was converted into a loan. Consequently, the Trust was allowed to retain the temporary cash brokerage at the end of 2006/07 pending agreement of a long term solution. In early 2007/08 the Trust was formally designated as "financially challenged" by the Department of Health, which instigated a review by an independent firm of accountants of the Trust's financial position and options to resolve its underlying cash shortfall.

This review has culminated in a solution which has been agreed by the Department of Health, the Trust, NHS West Midlands and both Coventry and Warwickshire Primary Care Trusts which will see approximately £20 million of brokerage converted into permanent Public Dividend Capital and £16 million converted into a working capital loan repayable over a five year period through planned asset sales. This conversion is expected to take place early in 2008/09. In the meantime, the Trust has been allowed to retain £36 million of brokerage (in the form of temporary Public Dividend Capital) – the Trust has managed to reduce this from £50 million, by generating cash from working capital balances (principally debtor reductions).

Performance against financial duties

The table below summarises the Trust's performance against its key financial duties and shows that the Trust met three of the four key targets. The only failure related to the duty to achieve a capital cost absorption rate of 3.5%. The actual rate achieved was only 2.7% and was caused by a number of factors including delays in the sale of surplus property and the delayed implementation of the Trust's cash solution.

Duty	Target	Performance	Comment
Breakeven on its Income and Expenditure Account - this requires the Trust to ensure that total expenditure does not exceed the total income it receives	Breakeven	£201,000 Surplus Target achieved	
Remain within its approved	-£36,405,000	-£36,405,000	
External Financing Limit – this requires the Trust to remain within the borrowing limits set by the Department of Health	This requires the Trust to repay Public Dividend Capital and/or increase cash balances amounting to at least this sum	Target achieved	
Achieve a capital cost absorption rate of $3.5\% \pm 0.5\%$ - this requires the Trust to pay a dividend to the Department of Health equal to 3.5% of the average value of its net relevant assets	3.5% ± 0.5%	2.7% Target not achieved.	This failure was caused by delayed disposal of the Coventry and Warwickshire Hospital site and delayed implementation of the Trust's cash solution.
Remain within its approved Capital Resource Limit – this requires the Trust to keep its net capital expenditure (after adjusting for asset disposals) within the limits set by the Department of Health	£9,199,000 This requires the Trust to spend no more than this sum after adjusting for asset disposals	£7,824,000 Target achieved - underspend of £1,375,000.	This underspend was partly due to the disposal of assets with a book value of £587,000 and a change in accounting policy under which digital hearing aids (to a value of £569,000) are no longer capitalised.

In addition to the above duties, the Trust is also required to comply with the Better Payment Practice Code. This 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. The Trust's performance against this target has significantly improved over that recorded in 2006/07 and is summarised below:

	2007 Number	7/08 £'000	2006 Number	5/ 07 £'000
Total non-NHS trade invoices paid in year	56,635	225,754	64,286	230,391
Total non-NHS trade invoices paid within target	50,036	214,105	50,744	210,119
% of non-NHS trade invoices paid within target	88%	95%	79%	91%
Total NHS trade invoices paid in year	2,636	55,452	2,469	57,433
Total NHS trade invoices paid within target	1,642	47,744	1,458	49,583
% of NHS trade invoices paid within target	62%	86%	59%	86%

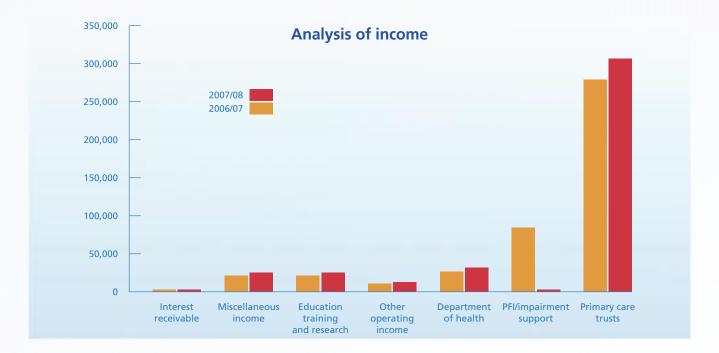
Financial highlights

Revenue income

During 2007/08 the Trust recorded total income (including interest receivable) of £380 million. Whilst this represents a significant reduction when compared with the gross income of £409 million in 2006/07, a more realistic comparison would be to exclude non-recurrent financial support of £27 million and fixed asset impairment funding of £37 million received in 2006/07. After adjusting for these non-recurrent funding streams, underlying income has risen by £35 million or 10% (from £345 million).

This rise in income reflects a number of factors including inflation uplifts, changes to the national Payment by Results (PbR) tariff, increased levels of clinical activity (e.g. 18 week referral to treatment target), increased income for clinical training, education and research and increased charges for services provided to other NHS bodies.

The chart below compares income by category for 2007/08 and 2006/07. This clearly demonstrates that the majority of the Trust's income (almost 80% in 2007/08) is received from Primary Care Trusts for the purchase of healthcare.

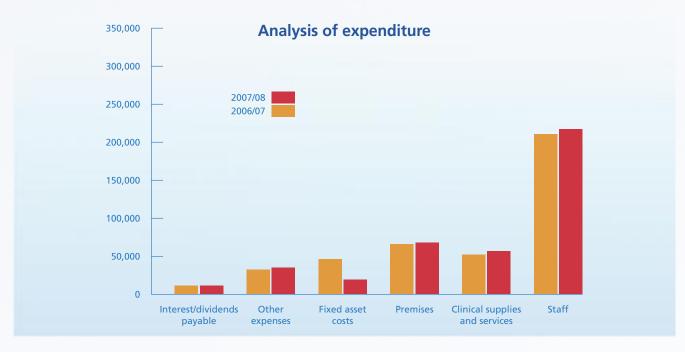


Revenue expenditure

The Trust's total expenditure for 2007/08 also amounted to £380 million. The largest cost element relates to salaries and wages with the average number of people employed during the year being 5,308 whole time equivalents with a total cost of £213 million which equates to 56% of total costs. This compares with 5,540 whole time equivalents and £211 million in 2006/07 and reflects the reduction in workforce during the year as part of the Trust's efficiency savings.

The second largest cost continues to be premises expenses which includes the unitary payment for the University Hospital. These expenses amounted to over £62 million and represent over 16% of total costs. Clinical supplies and services (including drugs and other medical/surgical consumables) are also a significant cost element and amounted to almost £54 million which equates to over 14% of total costs. The most significant change in costs between 2006/07 and 2007/08 relates to fixed asset costs (depreciation and impairments). These costs reduced to £11 million (3% of total costs) from £46 million in 2006/07. This reflects the exceptional costs incurred in 2006/07 associated with writing down redundant hospital buildings and equipment as a result of the move into the new University Hospital in that year.

The chart below compares expenditure by category for 2007/08 and 2006/07. This clearly shows that for the majority of expenses headings, cost increases for 2007/08 were generally small and reflect the impact of the Trust's savings programme.



Capital expenditure

In addition to the day to day operating expenses of the Trust, we also spent approximately £8.5 million on purchasing new or replacement capital assets. The single largest item within this sum relates to the capitalisation of £3.5 million of the payment made to the Trust's PFI partner. The capitalisation of part of the unitary payment each year over the life of the PFI contract will eventually create an asset on the Trust's balance sheet equating to the expected residual value of the University Hospital in 2042.

Whilst the Trust's PFI contract includes the initial provision and replacement of the majority of medical and other equipment in the University Hospital, the Trust continues to have responsibility for information technology assets and certain categories of medical equipment. During 2007/08 the Trust invested £1.7 million on IT infrastructure, hardware and software and a further £2.6 million on new medical and other equipment.

Financial outlook

The Trust's underlying financial position for 2008/09 is significantly stronger than the position originally forecast for 2007/08. Although the Trust has forecast that £15 million of additional savings (or income generation) will need to be achieved in 2008/09, the Trust has developed savings plans which it is confident will be delivered. These plans include projects to improve productivity, reduce waste and inefficiency, secure procurement savings and generate additional income. The Trust expects that the robust performance management arrangements put in place during 2007/08 will continue to operate in 2008/09 and ensure that the Trust achieves its financial duty to breakeven on its income and expenditure account.

Summarised Financial Statements

This summary financial statement on pages 35-38 does not contain sufficient information to allow as full an understanding of the results and state of affairs of the Trust and its policies and arrangements concerning directors' remuneration as provided by the full annual accounts. A copy of which is available free of charge by telephoning 024 7696 7606.

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Andrew Hardy Chief Finance Officer

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 March 2008	2007/08 £000	Restated 2006/07 £000
Income from activities	335,931	372,769
Other operating income	42,936	35,692
Operating expenses*	(374,119)	(401,434)
OPERATING SURPLUS/(DEFICIT)	4,748	7,027
Profit/(loss) on disposal of fixed assets	(21)	(2,334)
SURPLUS/(DEFICIT) BEFORE INTEREST	4,727	4,693
Interest receivable Interest payable Other finance costs - unwinding of discount	1,367 0 (43)	775 (3) (44)
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR	6,051	5,421
Public Dividend Capital dividends payable	(5,850)	(5,707)
RETAINED SURPLUS/(DEFICIT) FOR THE YEAR	201	(286)
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Note: All income and expenditure is derived from continuing operations.

* The prior year comparators have been restated following a change in accounting policy in relation to the capitalisation of digital hearing aids.

BALANCE SHEET AS AT 31 March 2008	31st March 2008 £000	Restated 31st March 2007 £000
FIXED ASSETS		
Intangible assets Tangible assets* Investments	375 179,034 0	503 173,233 0
	179,409	173,736
DEBTORS: Amounts falling due after one year	42,954	43,340
CURRENT ASSETS		
Stocks and work in progress Debtors Investments	6,216 12,682 0	5,462 52,344 0
Cash at bank and in hand	925	1,531
CREDITORS: Amounts folling due within one week	19,823	59,337
CREDITORS: Amounts falling due within one year	(36,102)	(42,849)
NET CURRENT ASSETS	(16,279)	16,488
TOTAL ASSETS LESS CURRENT LIABILITIES	206,084	233,564
CREDITORS: Amounts falling due after more than one year	0	0
PROVISIONS FOR LIABILITIES AND CHARGES	(3,168)	(2,973)
TOTAL ASSETS EMPLOYED	202,916	230,591
FINANCED BY:		
TAXPAYERS' EQUITY Public dividend capital Revaluation reserve* Donated asset reserve Government grant reserve Other reserves Income and expenditure reserve*	43,797 117,377 2,350 0 0 39,392	80,602 109,834 2,552 0 0 37,603
TOTAL TAXPAYERS' EQUITY	202,916	230,591

* The prior year comparators have been restated following a change in accounting policy in relation to the capitalisation of digital hearing aids.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 March 2008	2007/08 £000	Restated 2006/07 £000
OPERATING ACTIVITIES		
Net cash inflow from operating activities*	52,588	36,411
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE: Interest received Interest paid Interest element of finance leases	1,367 0 0	775 (3) 0
Net cash inflow from returns on investments and servicing of finance	1,367	772
CAPITAL EXPENDITURE Payments to acquire tangible fixed assets* Receipts from sale of tangible fixed assets Payments to acquire intangible assets Receipts from sale of intangible assets	(12,266) 566 0 0	(20,904) 123 (350) 0
Net cash outflow from capital expenditure	(11,700)	(21,131)
DIVIDENDS PAID	(5,850)	(5,707)
Net cash inflow/(outflow) before management of liquid resources and financing	36,405	10,345
Net cash inflow before financing	36,405	10,345
FINANCING		
Public dividend capital received Public dividend capital repaid (not previously accrued) Public dividend capital repaid(accrued in prior period)	10,000 (46,805) 0	33,409 (18,484) (24,732)
Net cash outflow from financing	(36,805)	(9,807)
Increase/(decrease) in cash	(400)	538

* The prior year comparators have been restated following a change in accounting policy in relation to the capitalisation of digital hearing aids.

Management costs		Restated
	2007/08	2006/07
	£000	£000
Management costs	14,861	12,665
Income*	378,867	344,656
Management costs as % of income	3.9	3.7
* Income has been restated in 2006/07 to exclude exceptional costs of £63.805m (£36.805m depreciation and losses on disposals and £27m NHS Bank Funding for PFI transitional support he comparison.		

Management costs are defined as those on the management costs website at:

http://www.dh.gov.uk/en/Managingyourorganisation/Financeandplanning/NHSmanagementcosts/index.htm

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 March 2008	2007/08 £000	2006/07 £000
Surplus for the financial year before dividend payments	6,051	5,761
Fixed asset impairment losses	0	0
Unrealised surplus on fixed asset revaluations/indexation	9,210	12,166
Increases in the donated asset and government grant reserve due to receipt of donated and government grant financed assets	84	89
Defined benefit scheme actuarial gains/(losses)	0	0
Additions/(reductions) in "other reserves"	0	0
Total recognised gains and losses for the financial year	15,345	18,016
Prior period adjustment*	(818)	0
Total gains and losses recognised in the financial year	14,527	18,016

* The prior period adjustment has arisen following a change in accounting policy in relation to the capitalisation of digital hearing aids.

Accounting policies

The Trust's accounting policies are in accordance with directions provided by the Secretary of State for Health and follow UK generally accepted accounting practice and HM Treasury's Government Financial Reporting Manual to the extent that they are meaningful and appropriate to the NHS.

The only significant change to accounting policies in year has been the decision to no longer capitalise digital hearing aids. This change has arisen from the withdrawal of the NHS capital accounting manual during the year, and capitalisation of such costs does not meet the requirements of FRS15. This has resulted in a prior period adjustment.

In common with many organisations, some of the Trust's accounting policies require the exercise of judgement in the preparation of the accounts. The only area in which there has been a significant requirement to exercise judgement relates to the valuation of fixed assets. In this case the Trust has relied upon professional external advisors to provide valuations of all land and buildings. The last general revaluation of the Trust's estate was carried out in 2004, although the Coventry and Warwickshire Hospital (which is surplus to requirements) has been subject to more recent revaluations.

Statement of Directors' Responsibility

The Statement of Directors' Responsibility is printed in full in the 2007/08 Annual Accounts for the Trust. A copy is available by contacting the Chief Finance Officer on 02476 96 7606.

Statement on Internal Control

The Statement on Internal Control is also printed in full in the 2007/08 Annual Accounts for the Trust.

Directors' Statement

The Directors of the Trust confirm that as far as they are aware, all relevant audit information has been provided to the auditors and that there is no relevant information of which the auditors are unaware.

Independent auditors' statement to the Directors of the Board of University Hospitals Coventry and Warwickshire NHS Trust

We have examined the summary financial statements for the year ended 31 March 2008 which comprises the Income and Expenditure Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, the Cashflow Statement, the related notes and the information in the Directors' Remuneration Report that is described as having been audited.

This statement, including the opinion, has been prepared for and only for the Board of University Hospitals Coventry and Warwickshire NHS Trust in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 36 of the Statement of Responsibilities of Auditors and of Audited Bodies prepared by the Audit Commission. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this statement is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report and summary financial statement, in accordance with directions issued by the Secretary of State.

Our responsibility is to report to you our opinion on the consistency of the summary financial statement within the Annual Report with the statutory financial statements and the Directors' Remuneration Report and its compliance with the relevant requirements of the directions issued by the Secretary of State.

We also read the other information contained in the Annual Report and consider the implications for our statement if we become aware of any apparent misstatements or material inconsistencies with the summary financial statements.

Basis of opinion

We conducted our work in accordance with Bulletin 1999/6 'The auditors' statement on the summary financial statement' issued by the Auditing Practices Board. Our report on the statutory financial statements describes the basis of our audit opinion on those financial statements and the Directors' Remuneration Report.

Opinion

In our opinion the summary financial statement is consistent with the statutory financial statements and the Directors' Remuneration Report of the Trust for the year ended 31 March 2008 and complies with the relevant requirements of the directions issued by the Secretary of State.

We have not considered the effects of any events between the date on which we signed our report on the statutory financial statements and the date of this statement.

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PricewaterhouseCoopers LLP Cornwall Court, 19 Cornwall Street, Birmingham. B3 2DT. Date: 30 September 2008.

University Hospitals Coventry and Warwickshire NHS Trust

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