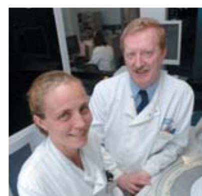
Barnsley Hospital NHS

NHS Foundation Trust



Annual Report & Accounts

2007-2008

Barnsley Hospital **NHS**

NHS Foundation Trust

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Barnsley Hospital NHS Foundation Trust

Annual Report and Accounts 2007/08

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Chairman's Statement

This has been a productive and successful year for the Trust despite the many challenges that District General Hospitals face in responding to the demands for ever better patient services that are rightly deserved by the public we serve. To respond to these demands we continue to reposition the organisation and review the management capacity of the hospital. The restructuring of the senior management, both administratively and clinically, has been advanced through the year and is nearing completion. This has included the appointment of two new executive directors and I have been very pleased to welcome Sandra Taylor and Dawn Hanwell to Barnsley Hospital as chief executive and director of finance & information respectively. I believe that ensuring that we continue to build upon the existing leadership skills of the Trust will significantly benefit our patients in terms of improved experience and strengthen our financial position to enable increased investment in service development.

" External assessment across 2007/08 provided further assurance that we continue to deliver the high standards that have been set. "

We have seen our partner relationships continue to grow especially with NHS Barnsley (formerly known as Barnsley Primary Care Trust), our lead PCT. This has helped us to continue to improve the quality of the services we offer. It is particularly pleasing to note that waiting time to access care has rapidly fallen as a result of providing additional clinics and revision to established methods of working. This has resulted in the majority of patients choosing Barnsley Hospital as their provider of choice with the expectation that hospital treatment will be available well within 18 weeks of their GP's referral.

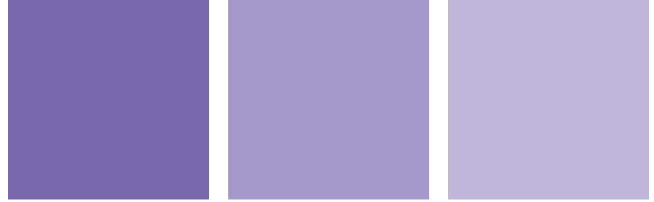
The fundamental ethos of Barnsley Hospital NHS Foundation Trust is to provide high quality, flexible and responsive services that show "we care". Nearly 24,000 people received elective surgery at the hospital in 2007/08, almost 29,000 people came to the hospital in an emergency and over 243,000 people attended an outpatient appointment in the year. Many of these patients received a range of diagnostic and investigative tests through our excellent clinical support service departments. The Trust achieved national and local targets for access and delivery of services with one exception. Genito Urinary Medicine achieved 85% against target and action has taken place to ensure that we now deliver the required target of 100%.

A significant challenge in 2007/08 has been our determination to reduce the level of MRSA and Clostridium difficile infections compared with the levels experienced in 2006/07. Significant progress has been made and the Trust has reduced the level of Clostridium difficile infection to 177 cases against a target of 279. With respect to MRSA there have been 12 cases, consistent with the annual target that we set to achieve year on year reduction of this infection.

External assessment across 2007/08 provided further assurance that we continue to deliver the high standards that have been set. In their annual assessment of all trusts' performance in 2006/07 published in October 2007, the Healthcare Commission rated our services as "good" and our financial management as "excellent".

Achievement in the following service specific areas has been recognised:

- We have acted as a national demonstration site for the "Productive Ward" initiative, reducing unnecessary administration and enabling clinical staff to provide improved levels of care through patient contact.
- We achieved the required Level 1 standard to be accredited by the NHS Litigation Authority and Level 2 accreditation for the Clinical Negligence Scheme for maternity services.
- We were rated as a "better performing" trust in the national audit of maternity services.
- The Clinical Pathology Authority reviewed our microbiology and pathology services in December 2007 and we expect full accreditation to be awarded imminently.
- Our breast cancer screening services are rated amongst the best in the country and we continue to achieve professional accreditation.



- We are a national leader in implementing Choose and Book systems.
- Peer review of our cancer services resulted in high level accreditation.
- The Sheffield Dean of Medicine continues to recognise the high standard of medical teaching provided at Barnsley hospital.

The introduction of bowel screening for patients over 60 years of age has been supported by the hospital becoming accredited to perform bowel colonoscopy screening.

We developed our new pathology laboratory in conjunction with Siemens and I was very pleased to attend the formal opening ceremony in January 2008. Our highly skilled pathology team can now provide test results for patients in 30 minutes. The innovation and success of our pathology team in developing systems that are leading edge across the UK was recognised by them being awarded the Chairman's Award for their outstanding commitment.

Our financial performance in 2007/08 improved considerably against that programmed within our business plan. The accounts show a net surplus of £1.1 million. This is a significant improvement of £1.9 million against an original planned deficit of £0.8 million. This improved position is primarily due to effective senior management intervention, in year contract enhancement with NHS Barnsley (PCT) to achieve additional activity for 18 week referral to treatment targets and the attraction of new patients from surrounding geographical areas.

In this annual report we detail how we have achieved and exceeded the goals we set for 2007/08. This was made possible by the considerable commitment of our staff, our volunteers and our directors. Our governors have served the people of Barnsley well over the past year and have provided valuable support and guidance to the hospital. Their involvement with inspections, consultations, appointments, strategic planning and support to the Board of Directors has contributed to a more effective and successful hospital. I would like to take this opportunity to formally recognise the contribution of all connected with the hospital to our success throughout the year.

Whilst 2007/2008 was successful we are far from complacent in developing our plans for the future. The year ahead will be challenging with ambitious plans to improve patient service against a changing landscape. We are confident that the Trust will meet the 18 weeks target, will rise to the challenges of Lord Darzi's 'Next Stage Review' and compete as an excellent provider of quality services under patient choice. We will continue our focus on infection prevention, financial control, improved patient dignity and respect and becoming accessible to a wider health community that is able to benefit from our services and expertise. We intend that the 60th year of the NHS will be a further year of opportunity for our hospital, our staff and our patients who choose Barnsley Hospital as their health care provider of choice.

Gordon Firth
Chairman........ Gordon Firth.

Date........ 11th June 2008

" We intend that the 60th year of the NHS will be a further year of opportunity for our hospital, our staff and our patients"

Directors' Report

Introduction

Barnsley Hospital NHS Foundation Trust was founded on January 1 2005 under the Health and Social Care (Community Health and Standards) Act 2003, as re-enacted in the National Health Service Act 2006 (the 2006 Act).

As an associate teaching and research hospital affiliated to the University of Sheffield, we provide a range of acute hospital services to a population of around 220,000. Services range from accident and emergency, maternity, general and specialist surgery to critical care, medicine, elderly people's services and medical imaging.

This, our fourth annual report as a Foundation Trust, looks at our performance throughout 2007/08, how we have delivered improved services for patients and met the challenges throughout the year.

The Board of Directors

The following were the executive and non-executive directors for the year 2007/08:

Chief executive	**David Hicks (Acting)**	To	21/10/07
	Sandra Taylor	From	22/10/07
Medical director	**Cris Swinhoe**	To	30/09/07
	David Hicks	From	01/10/07
Director of finance	**Jeremy Loeb**	01/01/07 - 18/11/07	
	Keely Firth (Acting)	19/11/07 - 31/12/07	
Director of finance and information	**Dawn Hanwell**	From	01/01/08
Director of nursing	**Juliette Greenwood**		
Chairman	**Gordon Firth**		
Non executive Directors	**Anne Arnold**		
	Frank Johnston	To	31/12/07*
	Pat Newman	*	
	Francis Patton	From	01/01/08
	Sarah Wildon		
	Paul Spinks		

* Mr Johnston served as deputy chair until December 2007, following which Mrs Newman was appointed as deputy chair in January 2008 for 12 months. Within this Trust, the of role senior independent director is an integral part of the remit of the deputy chair.

Through the actions of the Board, its Committees and the Trust's Standing Orders, policies and procedures, the Trust complies with Monitor's Code of Governance with the exception of the requirement that executive directors (including the chief executive) should be subject to re-appointment at intervals of no more than five years. The Board does not believe that the re-appointment of directors at no more than five years is required as all directors are subject to robust annual appraisal.

"Specialised services (notably cancer and surgical services) are provided locally in conjunction with the main tertiary service provider (Sheffield Teaching Hospitals)."

"The Trust has delivered on all its key operational and financial performance targets during 2007/08."

Principal Activities of the Trust

The Trust provides a full range of district general hospital services to its local population and surrounding health districts, notably the Wakefield area. These services include emergency services, outpatients services, inpatients and day case services.

Specialised services (notably cancer and surgical services) are provided locally in conjunction with the main tertiary service provider (Sheffield Teaching Hospitals).

The Trust works closely with a wide range of health care providers including NHS Barnsley (PCT), the Local Authority and private sector. We have close collaboration in assessment and discharge of patients with the social services department and also joint service provision in the emergency department with Primecare the out of hours GP service.

Barnsley Hospital operates in an area of multiple deprivation with a significant number of challenging public health indicators. The area has also witnessed an influx of asylum seekers in recent years and as a result the Trust's emergency department, in conjunction with NHS Barnsley (PCT) Director of Public Health, has improved the service provision of the Trust to enable appropriate response.

Review of Business

The Trust has delivered on all its key operational and financial performance targets during 2007/08.

The Trust ended the financial year with an income and expenditure surplus of £1.1 million, being a significant improvement on its planned deficit position. The improved performance is explained in more detail in the Financial Review section of this report. Predominantly this improved position reflects an in year change in the commissioning stance and the agreement of contracts and activity volumes at a level significantly above the original planned position. In addition, NHS Barnsley (PCT) invested a further £4 million non recurrently in the patient safety agenda and quality initiatives. Moving into 2008/09 the Trust will be planning to make a surplus of £1 million to ensure we have a stable financial platform and to generate additional cash from reinvestment in improving patient services.

Contracts for 2008/09 have been signed with our main commissioners for activity levels which will ensure delivery of the national patient access target of 18 weeks from GP referral to treatment, and a sustainable level of activity in secondary care. Commissioners have agreed a "steady state" approach in their contracting intentions for the next two years, which gives a degree of certainty to financial plans.

Directors' Report

Addressing the risks and challenges

In 2006 the Trust started a detailed examination of the implications of a number of national policy drivers by undertaking an analysis of financial and operational risks and uncertainties. This "Strategic Option Appraisal" undertaken with the advice of Professor Chris Ham, from Birmingham University, looked at the possible loss of activity as services potentially moved into primary care in line with "Our Health, Our Care, Our Say".

The result of this work, together with the firm belief that NHS Barnsley was intent on moving substantial activity from the acute sector into the community between 2007/08 and 2010/11 led the Trust to submit a deficit Annual Plan to Monitor in 2007/08.

As events have unfolded across the year, and as detailed in this report, additional activity both from NHS Barnsley (PCT) and from surrounding PCTs has led the Trust to be in a surplus financial position, and this is envisaged to be the case over the coming three years. This will be dependent on the Trust's ability to deliver the additional commissioned activity which will require speedy action to increase theatre, bed and staff resource capacity.

To ensure an effective response to the continued risks that national policies might pose to all small and medium sized hospitals, a local Strategic Steering Group has been established: "Hospital Fit for the 21st century". This is chaired by the chief executive of the NHS Barnsley (PCT), and comprises the hospital's chief executive, medical director, chief operating officer and senior representatives from the local authority and from the PCT. There is collective commitment to redesign care pathways to provide care closer to home whilst ensuring the future viability of vibrant secondary acute care services in Barnsley. There is an overriding commitment to maintain a local high quality hospital service in Barnsley.

> "The Trust has identified a number of opportunities to develop its business and grow its customer base, and part of this will be to target the regular commuters who use the M1 daily."

Likely Future Development

The strategic intent of the Trust is two fold; to 'cement the foundations', and build on the successes of the past, and at the same time, 'grow the business'.

The Trust has identified a number of opportunities to develop its business and grow its customer base, and part of this will be to target the regular commuters who use the M1 daily. Figures from Barnsley council show that at peak times, on weekdays, 8000 vehicles pass by junction 38 of the M1 in each direction. The Trust also has plans to provide a further 300 parking spaces which are likely to come on line in November 2008.

Developments at the Trust in 2008/9 are likely to include:

- The emergency department; where the Trust is working in partnership with NHS Barnsley (PCT) and the out of hours GP provider (Primecare) to create an integrated service, which will improve the environment, shorten waiting times and provide a separate children's emergency department
- The relocation of women's services to create additional space and enhanced facilities and meet the growing demand for these services from customers in Barnsley and outside the area
- Ophthalmology services that are currently provided by another organisation: the Trust will explore the viability of this activity being repatriated
- Continuing to work in partnership with Rotherham Hospital Foundation Trust to deliver a combined pathology service and there is potential during 2008/09 to expand this joint venture further to offer pathology services to other organisations
- Assess the viability of establishing an orthopaedic village where all aspects of the orthopaedic service are co-located to improve the patient experience

The Trust occupies a site of 8.2 hectares, and was built in the 1970s. During 2008/9 there will be a review of the estate, with a view to exploring further developments and changes to the way that the Trust uses its buildings.

“ It is anticipated that as the programme develops, significant additional work will come to the Trust requiring an expansion in services as uptake in bowel screening increases.”

External Assessment

External assessment during 2007/08 provided assurance for patients and the community that the Trust continues to focus on delivering high quality, safe care. Amongst the accreditations and inspections were:

- **The Annual Health Check**
  for 2006/07 published in October 2007 (run by the Healthcare Commission) rated the Trust's services as 'good' and financial management as 'excellent'.
- **Joint Advisory Group (JAG) Bowel Cancer screening programme**
  The endoscopy unit and one of its physicians were successfully accredited as part of the new national bowel cancer-screening programme. The Trust was only one of three units in South Yorkshire to be successful. The service commenced in March 2008 and will operate a clinical network. It is anticipated that as the programme develops, significant additional work will come to the Trust requiring an expansion in services as uptake in bowel screening increases.
- **Breast Screening**
  The breast screening service was visited by the Regional Quality Assurance Team and the unit passed all quality standards and achieved the highest ratings for attaining the required screening targets (targets 90% - achievement rates range 94% - 100%). This meant every eligible woman who wanted to be screened was seen within a 36 months cycle. In addition where abnormalities were detected almost all women received their results within two weeks with many only having to wait one week.
- **Cancer Peer Review**
  The head and neck cancer service underwent a peer review of service standards. A positive report was received with a number of commendations regarding clinical leadership, the integrated nature of service provision and the inclusion of patients in service planning.

- **NHS Litigation Authority (NHSLA) Standards**
  During 2007/08, the Trust was successful in meeting the requirements of the NHSLA's new Risk Management Standards at Level 1 for General Services, and the Clinical Negligence Scheme for Trusts Level 2 for maternity services. Together these provide a strong framework on which to move forward and, for maternity services, provides a distinct advantage over the Trust's near competitors.
- **Charter Mark Award**
  The day case unit was successful in being awarded the prestigious national Charter Mark award for the third successive time. This government initiative recognises excellent customer care systems and gives patients added confidence in the service.
- **Healthcare Commission (HCC) – Maternity Survey**
  In January 2008 following an in depth national review of maternity services by the HCC, the Trust was found to be a 'better performing' maternity unit.

  Many parts of the service came in for praise including the "home from home" delivery suite and the hospital and community based midwives' attention to patient care. There were areas to improve on including, ensuring all women had a midwife present all the time they wanted and improving levels of breastfeeding.
- **Breastfeeding Joint Policy**
  Even before the Healthcare Commission survey was published the Trust was fully committed to offering the best start in life for newborn babies. The work by the Trust, NHS Barnsley (PCT) and children's centres led to the adoption and implementation of a breastfeeding policy borough wide. This is the first step in meeting requirements for the prestigious Unicef Baby Friendly award and it is anticipated the Trust and NHS Barnsley (PCT) will receive the Certificate of Commitment for Baby Friendly.

Directors' Report

Service Improvements

National Choose and Book Programme

The Trust is a national leader for the electronic patient Choose and Book programme with 98% of patients booking electronically. This has been a significant assistance in achieving the 18 weeks milestones and is very popular with patients and GPs.

Reflexology in ante natal clinic

Women's views and opinions of the type of maternity service they require in Barnsley has led to the development of a new reflexology service for pregnant women held on Friday mornings in the hospital's ante natal clinic. Reflexology in pregnancy has led to improved care for women who have suffered from for example back pain, musculoskeletal pain, nausea all exacerbated by pregnancy. A midwife who has undertaken further training and competencies in this skill has led the initiative and its successful uptake by women who are offered more choices of care. Further midwives have now been trained to offer reflexology in a wider setting. All care given is fully evaluated and reviewed to ensure high standards of care are maintained.

Partnership working – children's centres

The maternity unit continues to work towards meeting the Government's manifesto commitment "Maternity Matters" giving increased choice for women by offering and providing maternity care in children's centres and other more accessible community venues. A number of maternity services such as special support for pregnant teenagers are now provided through sixteen children's centres in Barnsley. Plans for the next financial year are to move more services into different community locations.

Closer working relationships now exist with the Local Authority and the local PCT, NHS Barnsley (PCT), to deliver the maternity agenda. In April 2007 the Maternity Service Liaison Committee was successfully re-launched with service users working with the Trust, NHS Barnsley (PCT) and the Local Authority to inform and comment on current maternity services available in Barnsley.

Stroke

The hospital has agreed a fast track direct referral for acute stroke patients presenting in the emergency department to be admitted to the acute stroke unit on Ward 20. In addition the imaging department ensures that stroke patients have their CT scan undertaken on route from the emergency department to ensure that there is less disruption to the patient and the appropriate treatment is started earlier. The Trust has agreed to invest in a full time stroke occupational therapist, which has resulted in a shorter length of stay and more patients being discharged to home from the stroke unit. The stroke coordinator has started a weekly relatives' clinic, which has been very successful in involving family in the planning of stroke patients' care.

Emergency department

The emergency department has been externally reviewed by Warwick University Medical School. The feedback from the review was positive but also identified several key areas that could further improve the standard of patient care. The Trust has now developed an action plan that will improve the flow of patients through the department, develop the number of emergency nurse practitioners and result in better facilities. We are now developing a business case for the establishment of a separate emergency paediatric area for assessment and stabilisation of short stay patients. The service has started to collaborate with the out of hours care provider (Primecare) to develop an integrated model of care with the emergency department.

Long term oxygen therapy

In 2007/08 NHS Barnsley (PCT) funded an assessment clinic for patients who need to be assessed for oxygen therapy at home. We now have a nurse led oxygen assessment clinic run by three respiratory specialist nurses in chest clinic. This clinic runs once a week where a staff grade doctor will see new referrals prior to assessment for home oxygen.

As well as assessment for long term oxygen therapy we also work alongside a cardiology technician who carries out six-minute walk tests to assess patients' suitability for ambulatory oxygen. These tests are done at the same time as the oxygen assessment clinic so patients can be seen by the nurse with their results straight after the test. This saves patients coming back for a second appointment with the nurse.

Infection prevention and control

During the year the roles of matrons have been redefined and more have been appointed All clinical areas have been deep cleaned and a new antimicrobial policy has been developed in partnership with Rotherham Hospital NHS Foundation Trust. The awareness of staff, patients and visitors of infection prevention and control issues has been raised through training, events and publicity. This activity has contributed to the significant reduction in healthcare acquired infections reported by the trust in 2007/08.

> “The quality of our maternity, breast screening and gastroenterology / endoscopy services (all externally accredited as top performers) already evidence the Trust’s ability to “pull” patients from surrounding areas.”

Main trends and factors likely to affect the future

The South Yorkshire region comprises five Foundation Trusts (FTs) that are ambitious for their individual and collective NHS future. In this context, the full extent of the government’s “choice” policy for elective patients, and how far this will impact on patients’ decisions about the hospital they wish to attend for treatment, is as yet unknown. National, regional and local surveys all evidence a strong loyalty factor to the local hospital, but free patient choice and changing social expectations may weaken this loyalty base. Examining the factors most likely to impact on patient decisions – waiting times, infection rates, accessibility, quality of service – the Trust aims to address each of these determinedly to ensure the hospital is “first choice provider”. The quality of our maternity, breast screening and gastroenterology / endoscopy services (all externally accredited as top performers) already evidence the Trust’s ability to “pull” patients from surrounding areas.

The Trust continues to develop its concordat with Rotherham NHS Foundation Trust and has further developed its plans for an integrated pathology service. With Sheffield Teaching Hospitals, the Trust has been examining opportunities for further integration of services building on the already excellent partnerships which sees many outreach clinics in Barnsley, and Barnsley consultant staff offering their services at Sheffield.

National policy for the NHS is a strong driver of change. In the coming period the impact of drives to further centralise services, whilst at the same time providing more local accessibility, will place pressure on all local district general hospitals. It is not envisaged that this will threaten the existence of the hospital but it will require changes in the way we provide services and the partnerships we develop with other providers. The Yorkshire and Humber element of the NHS Review co-ordinated by Lord Ara Darzi, proposes ambitions that reflect those of the Trust, notably the development of better organisation of healthcare services that are co-ordinated and delivered seamlessly across GP, general hospital and specialist sectors. It also suggests the further expansion of clinical networks, and this will enable the Trust to strengthen its partnerships with other hospitals in the region.

Our Environment

Considerable work has gone on throughout 2007/08 to redesign the main entrance to the outpatients department. This is due to open in July 2008 and provides the first step towards improvements in the outpatients department, improved patient flow and a more pleasant environment.

The Trust continues to tackle climate change and energy efficiency through its capital programme. Work such as improved roof and wall insulation, replacement windows, improved waste management and even local purchasing have all helped the Trust save money and cut its carbon footprint.

The Trust fully complies with recent changes in national legislation in the area of waste management with only limited changes to the Trust’s management processes. Opportunities now exist to increase the numbers of clinical waste streams and reduce the disposal costs. Investigations between the infection control and estates teams are being carried out to take advantage of these regulations.

The Trust undertook a security survey and detailed risk assessments in response to a heightened national concern over loss of information and data by public and private bodies. The survey concluded that whilst the risk of information loss was low and well managed there were opportunities for improvements and, in consequence, the Board requested a programme of improvements to be implemented.

Significant national focus has been given to the cleanliness of hospitals and the reduction of healthcare acquired infections that cumulated in the government requiring all hospitals to be deep cleaned in the year. As a result the Trust extended its own extensive programme of improvements and deep cleaning of clinical areas to meet this target with the employment of a specialist cleaning team. The Trust has also developed a rolling programme of environment inspections, the results of which are reported directly to the director of estates and facilities and the director of nursing.

The Trust has contracted out a significant proportion of its hotel services activity; these contracts are managed by the Trust’s estates and facilities department and the following changes were approved in year.

- The contract for security services was tendered and Chubb Security Personnel Ltd was awarded a five year contract in May 2007.
- The Board approved a year’s extension until November 2008 to the existing domestic services contractor, ISS Mediclean, whilst preparation of a new specification was developed.

The Trust’s catering services continue to be provided by Initial.

Directors' Report

Key performance indicators and activity levels

The Trust performance on the key national performance targets during 2007/08 is as follows:

- Target - 98% of patients to be seen within four hour maximum wait in the emergency department from arrival to admission, transfer or discharge. Achieved 98.16%
- Target - no patient to wait more than 13 weeks for an outpatient appointment. Achieved
- Target - no patient to wait longer than the maximum wait of 26 weeks for an inpatient appointment. Achieved
- Target – patients to be seen within a maximum two week wait standard for Rapid Access Chest Pain clinics. 100% achieved
- Target – patients suspected of heart attack were treated with thrombolysis "call to needle" within 60 minutes. Achieved 69% exceeding the target of 68%
- Target – 100% guaranteed access to a genito-urinary medicine clinic within 48 hours of contacting a service. The Trust missed the full year target achieving 85% but narrowly missed the final year end position – 96%
- Target - all patients who have operations cancelled for non clinical reasons to be offered another binding date within 28 days, or the patient's treatment to be funded at the time and hospital of the patient's choice. 100% achieved
- Target - delayed transfers of care at a minimum level – attainment 0.32%
- Target – 98% of patients to be seen within a maximum two week wait from urgent GP referral to first outpatient appointment for all urgent suspected cancer referrals. Achieved 100%
- Target – 98% of patients to have a maximum waiting time of one month from diagnosis to treatment for all cancers. Achieved 100%
- Target – 95% of all patients to have a maximum waiting time of two months from urgent referral to treatment of all cancers. Achieved 98%
- Target – 100% of registered patients with diabetes to be offered screening for the early detection (and treatment if needed) of diabetic retinopathy. Achieved 100%

There have been significant reductions in the levels of healthcare associated infection such as MRSA and Clostridium difficile (C. diff) compared to the levels experienced in 2006/07. Last year the Trust reduced the level of C. diff infections to 177, a 36% reduction against the 2006/07 out-turn and reduced MRSA bacteraemias to 12 from 17 in 2006/07.

The table below summarises the Trust's activity in 2007/08 in comparison with the previous year.

The table shows that whilst some activity plans have not been achieved as expected there has been an overall reflecting changes in service provision, notably the increase in day case activity and "other treatments" that include a wide range of diagnostic tests and treatments.

During the year the Trust also undertook additional activity commissioned by NHS Barnsley (PCT) to assist with achieving the 18 weeks access target ensuring that the momentum to reduce patient waiting times was further increased. Some of the additional activity required could not be achieved in year but has been rolled forward to 2008/09.

	2007/08 target	2007/08 actual	2006/07 actual
Inpatients	6867	6219	6628
Day cases	17631	17522	16899
Non elective (unscheduled)	28044	28723	28054
A&E attendances	70900	70075	70949
Outpatient appts	259588	243938	227909
Other treatments	1813631	1985000	954504

" There have been significant reductions in the levels of healthcare associated infection such as MRSA and Clostridium difficile (C. diff) compared to the levels experienced in 2006/07. "

Key financial performance indicators

The Trust is subject to independent regulation by Monitor, which oversees and assesses financial performance using a set of financial metrics. An overall risk rating is given to trusts ranging from 1 to 5 (5 being top performance). The Trust achieved an overall performance of 3 for the financial year, maintaining its performance from the previous year.

The performance against the 2007/08 risk rating metrics as at quarter 4 is shown below:

Metric	2007/08				
	Weight	Ratio Plan	Rating	Ratio Actual	Rating
EBITDA Margin (%)	25%	5.8	3	8.1	3
EBITDA achieved (% of plan)	10%	100.0	5	149.8	5
Return on Assets (%)	20%	2.3	3	6.2	5
I & E Surplus margin (%)	20%	-0.6	2	1.7	3
Liquidity ratio (days)	25%	18.0	3	39.2	5
Weighted average rating			**3**		**4**
Overriding Rules rating			**3**		**3**

The actual in year performance was significantly better than plan, with a calculated rating of 4. However, in accordance with the Monitor compliance framework and the overriding rules that apply, the overall risk rating score for the year is 3. This is because the 2007/08 Annual Plan submission included a deficit plan for year two (2008/09) which caps the maximum rating at 3, irrespective of in year performance.

The anticipated position in 2008/09 will be a risk rating of 4.

Income

The accounts show a net surplus for the financial year of £1.1 million. This position is a significant improvement of £1.9 million against an original planned deficit of £0.8 million. Total planned income was £125.35 million with £134.47 million being achieved.

Performance against original planned contract income has been significantly better than plan. This is primarily due to:

- In year contract enhancement with NHS Barnsley (PCT) to deliver additional activity for 18 weeks, accounting for £1.4 million extra income earned
- Non recurrent investment from NHS Barnsley (PCT) to fund one off quality initiatives and cost pressures linked largely to the patient safety agenda. This has accounted for £4 million additional income in 2007/08
- Over performance against non-Barnsley contracts, as part of a deliberate plan to attract new business. This has generated net additional income of £0.8 million
- Removal of £1 million planned income risk linked to potential reclassifications under tariff from day case to outpatients
- Increased payments linked to increased activity volumes of £0.4 million

Expenditure

All areas of expenditure are above the plan. This is primarily linked to the revenue spend consequences of additional income, both for volume (activity) increases and non recurrent spend on quality initiatives. The unachieved CIPs which were assumed in the original plan also account for a proportion of the variance. £1.1 million of expenditure was incurred on impairments of fixed assets that have no further use to the Trust.

Directors' Report

Cost improvement programme (CIP) achievement

Against a plan of £5.7 million for the year, the Trust achieved £4.1 million. The main areas of under achievement and our proposals to mitigate these in 2008/09 are:

1) Medicine (£734,000); Length of Stay project on medical wards is now actively being pursued in 2008/09

2) Emergency department (£94,000); an external review demonstrated a requirement for a significant redesign of the department and a project has been set up to implement the changes between 2008/9 and 2009/10

3) Estates and facilities (£320,000); redesign works required and now rolled forward into 2008/09 with an external expert interim manager appointed to help drive this change

4) Children's (£160,000): a work stream is being developed with the NHS Barnsley (PCT) to review paediatrics

Cost improvement programmes (CIPs) have been monitored throughout the year and mitigated non recurrently through general underspends and significant over recovery on income.

Going forward strong performance management through a newly established efficiency monitoring group will ensure schemes within the CIP are delivered and corrective actions taken if required.

Capital Investment

The Trust earmarked just over £8 million for capital investment during 2007/08. Just under £5 million was spent in the year and the balance was deferred to 2008/09 as agreed by the Board.

The main areas of spend were as follows:

- £1.4 million has been spent on creating a new outpatients entrance
- £1 million has been spent on medical and surgical equipment equipment
- £0.3 million has been spent on upgrading the GUM department
- £0.6 million on deep cleaning initiatives
- £0.5 million on information technology developments

Forward Look

The Trust enters 2008/09 with a positive outlook regarding its future business prospects. Contracts have been signed with the host and associate PCTs for commissioned activity at levels aimed at meeting the 18 weeks target and largely retaining the market share acquired from non NHS Barnsley (PCT), mainly in obstetrics and gynaecology.

NHS Barnsley (PCT) intends to use its positive financial position to further improve the patient experience. They have indicated that they wish to see the 18 weeks referral to treatment pathway achieved as early as possible across all specialities.

The Trust is responding to this by developing the required physical and staff capacity as quickly as possible, recognising that a proportion of the activity will be non recurrent and that it will be necessary to adjust accordingly. The Trust is planning to increase activity in the first part of the 2008/09 financial year to reduce waits and put itself in a good position to attract further business.

In service terms, as described elsewhere in this report, 2008/09 is a year of consolidation linked to the future growth potential of the business. During 2008/09 the Trust will be embarking on a capital investment programme with key developments which are aimed both at improving the general facilities and physical environment for the benefit of patients, but also linked to clear business strategies. The major areas of investment will be:

- £0.7 million on orthopaedic ward improvements
- £0.5 million on extra car parking provision
- £2.2 million on medical and surgical equipment
- £0.9 million on emergency department improvements
- £1.4 million on theatre improvements

Financial declarations

So far as the directors are aware, there is no relevant audit information of which the auditors are unaware and the directors have taken all of the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

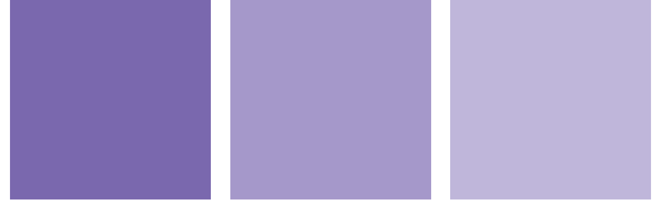
There are no significant differences in market values of fixed assets, compared to the values at which assets are held in the Trust's financial statements as an interim revaluation was undertaken by the District Valuer in 2007/08.

There were no political or charitable donations in the year.

In assessing the financial position of the Trust the Board does not consider there is exposure to any significant financial risk with regard to financial instruments.

There have been no post balance sheet events that would affect the Trust.

“ With respect to the standard Flexibility and Sustainability allocation, Barnsley Hospital NHS Foundation Trust is the highest ranking district general hospital in England. ”



Research & Development (R&D)

The Trust has developed a strong reputation in R&D and has actively pursued this to ensure benefits for patients, commercial return, and the positive effect a strong R&D culture can bring to consultant recruitment.

The 2008 allocation round for Flexibility and Sustainability funding from the National Institute for Health Research (NIHR) identifies Barnsley's research and development (R&D) department as one of the most successful in the country. With respect to the standard Flexibility and Sustainability allocation, Barnsley Hospital NHS Foundation Trust is the highest ranking district general hospital in England.

The Trust's ambition is to be financially sustainable and grow Barnsley's contribution to local, regional and national NHS R&D. This has been given a substantial boost by the award and match funding totalling £20 million to the South Yorkshire NIHR Collaboration for Leadership in Applied Health Research and Care (CLAHRC). The directorship of this exciting new research and knowledge transfer programme is shared between Sheffield Teaching Hospitals NHSFT/Sheffield Hallam University (Professor S Mawson) and Barnsley Hospital NHSFT/University of Sheffield (Professor S G Parker).

The Trust plans to use the opportunity that the successful CLAHRC bid and our Flexibility and Sustainability funding stream represents to further enhance the capacity for research, grant capture and knowledge transfer. This will be achieved through the development of local and regional research partnerships, with the aim of creating a virtuous cycle of research success and support, so that funding can be maintained and grown.

With the success of the CLAHRC bid this activity will be embedded in a new knowledge transfer environment which is structured and will be managed to ensure the translation of research benefits into clinical practice, improved standards of patient care and best practice at local and regional levels.

The Trust's workforce

As at 31 March 2008 the Trust employed 2,788 employees. A breakdown of the Trust's workforce is below. The Trust also has contracts with ISS mediclean for the cleaning arrangements; with Initial for the provision of catering services; and the Trust's security contract is provided by Chubb Security Personnel.

Employee Profile

Age profile by Staff Group (Headcount) of Barnsley Hospital NHS Foundation Trust as at 31 March 2008

Staff Group	16 - 20	21 - 25	26 - 30	31 - 35	36 - 40	41 - 45	46 - 50	51 - 55	56 - 60	61 - 65	66 - 70	Total
Additional Professional Scientific and Technical	0	10	27	25	14	31	14	18	11	1	1	**152**
Additional Clinical Services	58	84	71	66	93	97	70	49	34	15	0	**637**
Administrative and Clerical	48	57	63	59	76	75	94	76	45	22	2	**617**
Allied Health Professionals	0	7	7	4	8	11	11	9	9	0	0	**66**
Estates and Ancillary	1	1	4	3	8	9	19	11	13	6	0	**75**
Healthcare Scientists	0	3	9	7	9	11	10	11	7	0	0	**67**
Medical and Dental	0	30	39	32	48	34	33	26	17	9	2	**270**
Nursing and Midwifery Registered	0	82	114	122	152	167	121	82	46	12	0	**896**
Students	0	3	0	1	0	2	0	0	0	0	0	**6**
Total	**107**	**277**	**334**	**319**	**408**	**437**	**372**	**282**	**182**	**65**	**5**	**2,788**

Gender profile by Staff Group (Headcount) of Barnsley Hospital NHS Foundation Trust as at 31 March 2008

Staff Group	Male	Female
Additional Professional Scientific and Technical	85	67
Additional Clinical Services	578	59
Administrative and Clerical	526	91
Allied Health Professionals	55	11
Estates and Ancillary	35	40
Healthcare Scientists	39	28
Medical and Dental	102	168
Nursing and Midwifery Registered	819	77
Students	6	0
Total	**2,246**	**542**

" The Trust has been re-approved for the disability 'two-ticks' symbol, following an inspection by the DWP (Department of Work and Pensions). "

Employee Policies

Staff sickness

The Trust recognised it had high levels of staff sickness and has worked positively with managers and the staff side unions to address the causes, including better use of occupational health services and the introduction of reduced cost alternative therapies for staff. The occupational health service has developed during 2007/08 to provide counselling services and support for staff in the management of stress and associated conditions.

Staff survey

The annual NHS staff survey highlighted where the Trust's employees felt performance was good and where management needed to concentrate efforts. This included valuing staff more and improving their work life balance. An action plan was developed involving the trade unions and the Improving Working Lives group and the indications are that improvements are being made.

Staff nursery

The Trust had supported a commercial operation, 'Buffer Bear', to run an on site staff nursery. However, during the year, use fell and following a consultation with staff on the service, the decision was made to close the nursery due to insufficient demand.Human resources supported remaining staff by helping them to find new childcare arrangements.

Training

The hospital continues to have a good reputation as a training provider with junior doctors, student nurses and front line staff. A detailed corporate curriculum has been developed to improve skills and deliver mandatory training in areas such as fire safety and infection control. The training staff have also developed their skills with one employee reaching the regional finals for clinical skills training.

Staff involvement

The Trust has built on its long-standing commitment to staff involvement and engagement, publishing information regularly to staff using the staff magazine "Bdi" and using the intranet. A weekly e-bulletin is sent out to all staff.

In the last year, the Trust has established a partnership framework with recognised trade unions. The framework includes a Joint Partnership Forum, that meets bi-monthly and a smaller Joint Partnership Executive, which meets every month. This new structure has enhanced the well-established consultative process that ensures a transparent and open exchange of views with employee representatives.

All employees and their representatives receive information on a regular basis and are made aware of the Trust's performance and financial situation as well as economic and environmental factions affecting performance. This is achieved through team meetings, trade union consultation, corporate communications and cross Trust groups. These channels encourage feedback and input to improve performance. Individual's personal development review These channels encourage feedback and input to improve performance. Individual's personal development review encourages individual, team and organisational performance improvement.

The Constitution of the Governing Council was amended to allow the Joint Trade Union Committee (JTUC) a 'Partners' seat on the Governing Council.

Equality and diversity

The Trust continues to take a positive and proactive approach to the recruitment and employment of people with disabilities. This includes support for existing employees who have become disabled in the course of their employment. The Trust has been re-approved for the disability 'two-ticks' symbol, following an inspection by the DWP (Department of Work and Pensions).Employees with disabilities are supported in their access to training promotion, and development opportunities. This is achieved through the individual's personal development review with their manager. This review is used to create a personal development plan which includes disability issues when appropriate.

The Board of Directors receives quarterly reports on equality and diversity in employment and this includes a detailed report on the recruitment, employment, training and development of people with disabilities.

Background Information

Barnsley Hospital NHS Foundation Trust was founded on January 1 2005 under the Health and Social Care (Community Health and Standards) Act 2003, as re-enacted in the National Health Service Act 2006 (the 2006 Act).

As an associate teaching and research hospital affiliated to the University of Sheffield, we provide a range of acute hospital services to a population of around 220,000. Services range from accident and emergency, maternity, general and specialist surgery to critical care, medicine, elderly people's services and medical imaging.

The accounting policy for pensions and other retirement benefits are set out in note 29 to the accounts and details of senior managers' remuneration can be found in the Remuneration Report.

The Trust's auditors are PricewaterhouseCoopers who where appointed on 1 April 2006. During 2007/08 PricewaterhouseCoopers did not provide any non audit services.

Management Commentary / Operating & Financial Review

Introduction

Barnsley Hospital NHS Foundation Trust serves a population of approximately 220,000, and is co-terminus with the local Primary Care Trust (NHS Barnsley), and Barnsley Metropolitan Borough Council (BMBC).

Barnsley is in the top 12% of English 'hot spots' for multiple deprivation, and has a significant number of public health indicators which reflect this as reported in the Barnsley 'Joint Strategic Needs Assessment':

- 32.5% of children overweight or obese
- 13.2% of the population are 'workless'
- Over 25% of the population are smokers

Other indicators, which reflect the health challenges facing the community, include;

- Median household income of £24, 570
- 32% of households across Barnsley have no access to a car or van (5.4% lower than English average)
- 12.9% (in 2006) of working age population were claiming Incapacity Benefit/Severe Disablement allowance

The Hospital

Barnsley Hospital was built in two phases in 1973 and 1978, and covers a site of 8.2 hectares. It has 450 beds, and employs 2,788 staff (at 31 March 2008). A wide range of services are offered from the hospital including general medical, surgical, maternity, cancer services and accident and emergency. The Trust's annual budget is £137 million in 2008/09.

The Trust is an associate teaching hospital in conjunction with Sheffield University.

The Trust was rated as 'excellent' for use of resources in the Health Care Commission's Annual Health check published in 2007 and 'good' for quality of services.

Summary of the Year

The Trust started the year 2007/08 in the belief that NHS Barnsley (PCT) was intent on moving substantial activity from the acute sector to the community between 2007/08 and 2010/11, and the content of the last Annual Plan for the Trust reflected the implications of the PCT's ambition.

However, during 2007/08 the Trust and NHS Barnsley (PCT) reached agreement about additional funding for extra activity to deliver the 18 weeks referral to treatment target. This led to an increase in activity rather than a planned reduction.

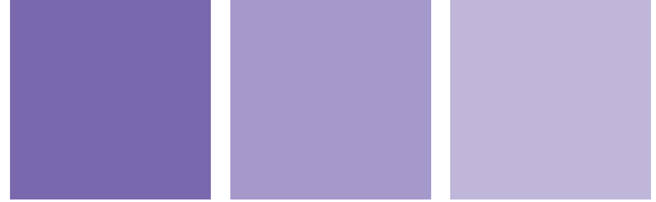
Across the year the relationship with NHS Barnsley (PCT) moved into a new and more positive phase, evidenced by a wide range of joint working, examples of which are the successful signing of the 2008/09 contract for services by February 2008; establishment of a steering group focused on the redesign of sustainable local acute services 'Hospital fit for the 21st century'; and a formal Service Level Agreement with NHS Barnsley (PCT) to enable the Trust to co-locate Primecare, the GP out of hours service, at the front-end of our emergency department. This last example, aligned with a major action plan to improve patient flow in emergency adopted in December 2007, is offering significant improvements for patients.

Our patient activity in 2007/08, compared with 2006/07, reflects a number of strategic intentions. Firstly an increase in planned elective activity to deliver both the required milestones towards the national waiting time target of no patient waiting more than 18 weeks from GP referral to treatment by December 2008 (Barnsley exceeded the target milestones in 2007/08); secondly an increase in the proportion of planned surgery being undertaken as day surgery in line with good clinical standards; and thirdly a reduction in first to follow up outpatient activity in accord with the commissioner's intentions to reduce unnecessary hospital attendance. In line with national trends Barnsley experienced an increase in unscheduled admissions to the hospital, although attendances at the emergency department remained stable.

Activity between 2006/7 and 2007/08

	2006/7	2007/08
Elective (including day cases)	23527	23741
Non Elective (unscheduled)	28054	28723
Outpatient appointments	227909	243938
A&E Attendances	70949	70075
Other Activity * (see below)	954504	1985000

* The increase is partly due to changes in the methodology for recording activity following a review of pathology.



Performance

With the exception of access targets to Genito Urinary Medicine (GUM) services which failed to achieve the national target of providing 100% access in 48 hours during the year (85%) and narrowly missed the March year end position (96%), the Trust achieved all the national and local targets for access to and speed of delivery of services. This has been achieved through a dedicated and committed staff group at all levels within the Trust. A significant challenge in 2007/08 has been the determination to reduce the levels of healthcare associated infection such as MRSA and Clostridium difficile (C. diff) compared to the levels experienced in 2006/07. Significant strides have been made with the Trust reducing the level of C. diff infections by 36% against the 2006/07 out-turn. Whilst this is a positive move and represents significant action by the Trust, there is a considerable way to go in further reducing infection rates and achieving national and local targets over the next three years.

In response to recommendations from the Infection Prevention and Control Committee, the Trust started a programme of 'deep cleans' in advance of the Department of Health's (DoH) instruction. This has become a rolling programme, with a more extensive remit than that specified by the DoH.

Financial Review

Background information

The financial performance of the Trust during 2007/08 has resulted in a net income and expenditure surplus of £1.1 million, just under 1% of total turnover. This positive outcome is a significant improvement on the original planned position. Across all financial performance metrics the overall delivery was well above plan.

At the beginning of the financial year the Trust set a deficit budget of £0.8 million. The main priority for the Trust at that point was to focus on containing expenditure and delivering its contracted levels of activity within an income base which in real terms was broadly similar to that of the previous year. A challenging internal efficiency target was set, comprising a mixture of reductions in operating costs and some income generation from a deliberate strategy of aiming to attract business from outside the Barnsley boundary. The actual income and expenditure position achieved is described in more detail below and in the full accounts provided at the end of this report.

Income

Income from activities

Part way through the financial year, it became clear that the national target for achieving the 18 weeks referral to treatment pathway was having a significant impact on the requirements for hospital activity. The Trust was approached by our host commissioner, NHS Barnsley (PCT), who expressed a desireto move more quickly to achieving this milestone for the patients of Barnsley. An in year contract adjustment was agreed for additional inpatient, day case and outpatient activity. This enabled the Trust to expand its capacity to see more patients and an extra £1.4 million income was earned. In addition NHS Barnsley (PCT) also provided £4 million non recurrent investment (outside of the tariff). This investment was provided as a one off contribution to fund specific quality enhancing initiatives and to support some of the cost pressures being experiencing by the Trust as we began investing heavily in patient safety requirements to improve infection control and enhanced nurse staffing levels.

The non recurrent investment, together with over achievement on contracts with commissioners outside of Barnsley, contributed to the income position of the Trust being well above plan and a significant increase on the previous year. Income from activities, comparing year on year is shown in the graph below. Total income in 2007/08 was £119.24 million, an 11% increase on the previous year of £107.34 million.

Other (non-healthcare) Income

The Trust generates approximately 11% of its total income from activities unrelated to direct patient care. These amounts are relatively stable and do not fluctuate in the same way as patient related income.

Expenditure

As the Trust increased its capacity to meet activity demand, increases in expenditure were agreed during 2007/08. The chart below shows the analysis of expenditure.

Management Commentary / Operating & Financial Review

Efficiencies

A challenging efficiency target of £5.7 million was originally planned for 2007/08. However as the income and activity levels of the Trust changed during the year, it became clear that some of the schemes for delivering cost reducing efficiencies were no longer realistic. For example a medical ward was planned to be closed part way through the year but activity volumes and delays in setting up the length of stay project made this impractical. Over achievement of income targets has more than compensated for unmet cost reductions in 2007/08. Those efficiency schemes that have incurred slippage but which remain a key target for the Trust have been carried forward into plans for 2008/09. These include the project to reduce length of stay, improvements in theatre utilisation, estate reconfiguration and facilities savings, and targeted workforce issues around terms and conditions, sickness absence and use of agency staff. Whilst the Trust has not always had a track record of delivering its full cost improvement programmes the focus in 2008/09 will be strong on deliverability and realism. A multi disciplinary efficiency task group is being set up to monitor and review existing schemes and develop the medium term approach across the organisation.

Capital Investment

The Trust earmarked just over £8 million for capital investment during 2007/08. Just under £5 million was spent in the year and the balance was deferred to 2008/09 as agreed by the Board.The main areas of spend were as follows:

- £1.4 million has been spent on creating a new outpatients entrance
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- £0.3 million has been spent on upgrading the GUM department
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- £0.5 million on information technology developments.

Forward Look

The Trust enters 2008/09 with a positive outlook regarding its future business prospects. Contracts have been signed with the host and associate PCTs for commissioned activity at levels aimed at meeting the 18 weeks target and largely retaining the market share acquired from non NHS Barnsley (PCT), mainly in obstetrics and gynaecology.

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In service terms, as described elsewhere in this report, 2008/09 is a year of consolidation linked to the future growth potential of the business. During 2008/09 the Trust will be embarking on a capital investment programme with key developments which are aimed both at improving the general facilities and physical environment for the benefit of patients, but also linked to clear business strategies. The major areas of investment will be:

- orthopaedic ward improvements
- extra car parking provision
- medical and surgical equipment
- emergency department improvements
- theatre improvements

Future Trends

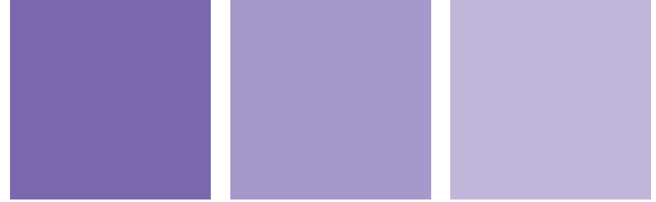
NHS Next Stage Review

The Trust has had clinical representation on the Yorkshire and the Humber Strategic Health Authority's (SHA) working groups and, through the Executive, to the overall regional strategic approach to the NHS review "Our NHS, Our Future" being led by Lord Ara Darzi. The regional report, "Healthy Ambitions", reflects the Trust's contributions.

This work overviewed nine different care pathways and has made a number of key recommendations. None of the recommendations pose any significant risk to the long term stability of Barnsley Hospital, and a separate paper published by the SHA to support "Healthy Ambitions" makes it clear that PCTs, in setting their commissioning intentions, should consider sustainability of the local district general hospitals, taking into account that such hospitals are "generally .... [one] of the largest employers in the locality", and much valued by the local populations.

Recommendations within "Healthy Ambitions" point to the opportunities for Primary Care and providers of Acute Care to look at alternative models of specialist care "aimed at ensuring the ongoing viability of local facilities". These models could include:

- Integration of local hospital, community and potentially elements of primary care services
- Clinical networks



- Specialist services dispersed across a network (not dissimilar to the provision of cancer care across the existing Trent network

These recommendations are very much in line with the plans that Barnsley NHS Foundation Trust, together with its partners NHS Barnsley (PCT) and Barnsley MBC, have set out in its joint strategic working group 'Hospital Fit for the 21st Century'.

Strategic Intention

The strategic intention of the Trust for 2008/09 and the following two years in the above context is to adopt a two fold approach to:

- Cement our Foundations
- Grow the Business

Cement our Foundations

Barnsley Hospital is a high performing trust, however, it is important that we strive to modernise and further develop the organisational infrastructure to support continuously improving services. As part of this approach, the priorities for the organisation in 2008/09, to ensure that we **'cement the foundations'** and build on our success to create the customer base of the future are to:

- Restructure senior management to achieve clearer accountabilities, strong clinical leadership, and robust direction
- Reshape services and patient flows to enable higher performance and better patient centred delivery e.g. Emergency, Outpatients, Critical Care, Imaging etc
- Ensure that the Trust is focused on reaching national top quartile performance in productivity metrics; e.g. length of stay; day surgery; sickness and absence rates etc
- Improve workforce planning and flexibility, and meet agreed staffing standards
- Deliver a stretching Cost Improvement Programme
- Significantly reduce the incidence of Healthcare Associated Infection
- Continue to meet and strive to exceed all national and local waiting time and access targets

At the same time, the Trust needs to develop an outward vision, focusing on business opportunities from surrounding areas. The hospital location – less than one mile from the M1 motorway and almost equidistant between the conurbations of Sheffield and Leeds, makes the hospital site accessible to approximately two million people (Census 2001), all of whom now have a choice about where they choose to access their elective care. There is significant potential to attract passing commuters on the M1 to the site.

Figures from Barnsley MBC show that in their latest survey (October 2007), on an average weekday, at peak times, approximately 8,000 vehicles travel between junction 37 and junction 38 every hour in both directions.

The Trust plans (subject to planning permission which was applied for in April 2008) to add 300 car parking spaces to the site during 2008/09 to support the viability of 'growing the business' and attracting patients from other areas.

Grow the Business

The strategy that the Trust will adopt to **grow the business,** involves consideration and active development of the following:

- Build on the loyalty of the existing customer base, to optimise the number of patients who choose to use Barnsley Hospital
- Pursue opportunities to develop our partnerships with Sheffield Teaching Hospital FT and The Rotherham FT, ensuring optimal patient pathways and sustainable acute services
- Examine and take opportunities to expand vertically along care pathways and provide integrated care through improved partnerships with primary care providers
- Explore the viability of creating an 'orthopaedic village' and expand orthopaedic activity
- Develop a marketing strategy that takes our message to GPs, practice based commissioning consortia, and direct to the public through a number of channels
- Use our Patient and Public Involvement work stream to better understand our patients, take responsive actions to their priorities, and where appropriate, use their influence to get positive messages into the community
- Closer working with Barnsley NHS (PCT) on two initiatives; (a) the development of the out of hours service, and (b) a town centre located 'walk-in' centre; bids for which are expected in quarter 2 or quarter 3 in 2008/09. Both of these are expected to possibly increase secondary care referrals through meeting previously unmet demands.

Management Commentary / Operating & Financial Review

Patient care and stakeholder relations

Membership

As a Foundation Trust, working with the Governors and Members is one of our key approaches to simultaneously improving patient care and developing our services. The Membership Strategy underpins this approach and is an area for continual growth and focus. 2007/08 saw sound work streams being presented from the Governors to the Board of Directors for consideration and to date these have led to;

- changes in visiting hours for patients, involvement with Governors in surveying those attending outpatients
- a re-focused view on how to publicise infection prevention and control to patients and the public within the hospital
- the role of Governors within a number of strategic groups such as the Patient Public Involvement Steering Committee and attendance at the Governance Committee.

Public and Patient Involvement

Further to the project work with the National Centre for Involvement, the Trust continued to actively develop its work on patient and public involvement and a final Public and Patient Involvement (PPI) Strategy was taken to the Board of Directors in October 2007.

This strategy set the scene for the over arching PPI work that is co-ordinated by a PPI Steering Group – chaired by the non executive director champion for PPI. A multi-professional, multi agency PPI delivery group is charged with implementation.

The Trust consistently delivered against the majority of the required key patient targets and declared as such in its quarter 4 return to Monitor and the Healthcare Commission. The exception to this delivery was the GUM target and two of the Healthcare Commission Core Standards C7e and C18 as detailed above. The Trust's performance against key patient targets is detailed in the Directors Report .

Monitoring improvements in quality

The Trust monitors improvements in the quality of healthcare through a variety of means, which include,

- ongoing monitoring of performance against the Healthcare Commission Core Standards through local and corporate assessment
- the use of an internal interim declaration process to mirror the end of year process
- internal audit activity of compliance with standards and also full use of the Essence of Care Benchmarking
- the use of mock unannounced Healthcare Commission inspections supported with external assessors
- structured monthly patient feedback through the use of matron questionnaires and interviews
- a proactive approach to reviewing complaints that includes identifying lessons learnt and improvements made through a corporate review group that supports departmental action focused governance forums
- adopting the lessons learnt following the Trust's involvement in the Healthcare Commission's review into equality and diversity (race relations focus)
- having been one of the initial national pilot sites for the Productive Ward project the patient quality learning and subsequent developments in this area
- its response to the HCC national publication 'Caring for Dignity' whereby the Board identified two non executive directors with a keen interest in this area, who now attend the Trust's Patient and Dignify Steering Group. This is led by the deputy director of nursing. The Trust has developed and adopted a clear strategy and work programme that incorporates feedback from patients and their relatives; the steering group provides regular progress reports to the Board. The Board approved funding to develop a new post dedicated to patient privacy and a 'named nurse' for adult protection
- by re-visiting the role and functions of its matrons and re-focusing these posts on the areas of infection prevention and control, patient experience, privacy and dignity, clinical quality and PPI. In line with this matrons are working closely with service users and have made strong links with the Barnsley Black and Ethnic Minority Initiative and also the Governors. Notably one of the staff governors is also a matron
- the work of the Patient Safety group which was established in 2007 and brings together directors, clinical directors, general managers, matrons and others to receive and act upon information – local and national – pertaining to patient safety. The work streams to support the care of the acutely ill patient are also co-ordinated through this group. A patient safety newsletter, to improve awareness and understanding, was launched in November and two issues have been published
- an external review of infection control services in January 2008, in advance of the more recent announcement of unannounced Healthcare Commission (HCC) inspections against the Hygiene Code. The review looked at how infection control services are set up, co-ordinated, and the degree of cleanliness of ward areas and equipment. The outcome has informed the Trust's component of the district wide C. diff action plan. In addition, the Trust chose to co-ordinate mock

“ The Trust, in partnership with Rotherham NHS Foundation Trust, has secured a separate Passenger Transport Service with Yorkshire Ambulance Service (YAS).”

unannounced HCC visits, again using external resources on the panels to assess compliance

- Throughout the year the Trust has participated in Overview and Scrutiny meetings, held joint Board meetings with NHS Barnsley (PCT) and worked closely with the Strategic Health Authority on a range of issues.

The Trust has a range of regular meetings with NHS Barnsley (PCT) to ensure ongoing compliance with local and national targets, for example the joint Governance Meeting where NHS Barnsley (PCT) oversees key areas of governance including quality improvements.

Improving the quality of healthcare

Infection prevention and control has been a key area of local focus and activity for the Trust and NHS Barnsley (PCT) and has been a top priority area for action in light of an under-reporting of Clostridium difficile (C. diff) specimens to the Health Protection Agency (HPA) at the beginning of 2007. Significant strides have been made in 2007/08 and the incidence of C. diff has fallen dramatically, whilst the Trust reduced the number of MRSA bacteraemia cases to the agreed trajectory. To support further improvements in this area the infection control team has benefited from a significant investment in posts and the director of infection prevention and control now reports to the board every quarter.

Staff, patients and visitors continue to be encouraged to observe good hand hygiene and the promotion of infection prevention has seen high visibility posters at entrances, awareness events in the hospital and the introduction of a ‘bare below the elbow’ dress code in clinical areas.

In the past year the Trust has placed significant focus on the management and care of stroke patients. This has resulted in a redefinition of the stroke patient pathway so that during the hours of 9am to 5pm patients are admitted directly from the emergency department to ward 20 with a CT scan en route. Plans are currently being looked at to expand this service beyond these hours.

In this last year the Trust has undertaken a number of service reviews to improve efficiency and quality of services provided. These include a;

- review of the emergency department
- project to streamline patient admissions procedures to reduce length of stay
- review of the operating theatres

Trust staff endeavour to maintain the highest standards in service delivery and patient care and when mistakes are made, the complaints department has continued to provide a fast response to concerns. The Patient Advice & Liaison Service (PALS) has informally resolved 756 patient concerns and 240 complaints were formally investigated. Five complaints were referred to the Healthcare Commission, of these one was upheld and one is outstanding. The Trust values the views of its patients and welcomes complaints in order that it can put right those things that need addressing.

The Trust, in partnership with Rotherham NHS Foundation Trust, has secured a separate Passenger Transport Service with Yorkshire Ambulance Service (YAS). This is to give dedicated services to the hospital and the emergency department improving response times. The contract has had some teething problems in this first year linked to YAS reorganisation issues. We are continuing to work closely with YAS to improve service levels.

Further to the recent Healthcare Commission Maternity Survey and the Inpatient Survey, the Trust has identified clear areas for action predominately under the direction of the matrons. The matron’s monthly survey activity specifically focuses upon those areas where the national survey feedback has identified the Trust is in the lower quartile or the Trust views itself to be an outlier. Examples of improvements arising from this work includes:

- Establishment of a catering group with matron involvement that responds to patient’s feedback regarding any concerns about patient food
- Production of an ‘analgesia ladder’ to support prescription of appropriate pain relief to patients and audit of this
- Self medication process for patients with Parkinson’s Disease
- Piloting a new role of ‘Environment Co-ordinator’ at ward level
- Regular PEAT and matron checks into environmental cleanliness
- A variety of approaches to the issue of patients reporting the ward areas to be noisy at night

Under the leadership of the deputy director of nursing, significant work has been undertaken to ensure that the current patient information leaflets are up to date and all are logged on a central database. The infection control team has specifically reviewed patient information relating to infections and infectious diseases.

The Trust continues to use Language Line as an external resource to assist where language is a barrier to treatment and understanding. Further work with Barnsley Black and Ethnic Minority Initiative is being undertaken to ensure comprehensive access for all patients and service users to appropriate and accurate patient information.

Management Commentary / Operating & Financial Review

Handling Complaints

This Trust registered 240 formal complaints in the last year. All of the complaints were acknowledged within two working days and 210 complaints were responded to within the 25 working day standard (87.5%). 19 were responded to outside the 25 working days with the agreement of the complainants. Unfortunately, a further 11 were replied to late and we apologised to those affected. We believe that responses at the local resolution stage have been maintained to a high standard throughout the year.

The Healthcare Commission (HCC) undertakes independent reviews of complaints under the second stage of the complaints procedure. The Trust has been notified of five requests for information from the HCC in the past year (compared with ten the previous year). The outcome to the second stage reviews has been that one complaint was upheld and three complaints were not upheld (one remains unresolved at this time). Additional local action was recommended and taken to improve services in the following:

- Continence care
- Medication, including issues over pain relief
- Resuscitation policy provision
- Complaints handling process
- Communication with patients and relatives
- Record keeping
- Cleanliness/hygiene in the emergency department and on wards
- Nutrition and feeding
- Medical/consultant lead care

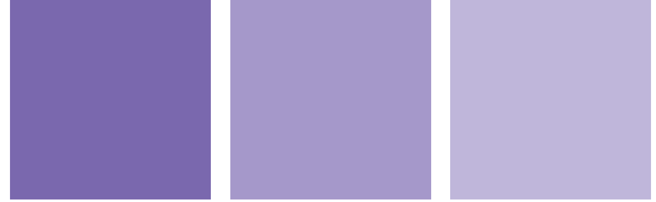
The Trust analyses all its complaints and other comments received to identify trends and seek continuous improvement of services. Detailed below are some of the steps taken:

- £10,000 to be invested to purchase more wheelchairs placed in various locations and a better system of communication implemented between the Patient Advice and Liaison service (PALS) and porters to ensure that patient requests are dealt with promptly
- Correspondence has been improved in diabetes to prevent confusion over appointments and discharge from clinic
- The emergency department has introduced a revised process that more accurately ensures that all direct GP referral patients are logged and seen by the appropriate specialty promptly upon arrival
- The orthopaedic outpatient department is taking steps to eliminate unnecessary delays. If a consultant refers a patient to another colleague within the hospital, the patient will now be asked to go back to the booking desk to make an appointment without waiting for a referral letter to be sent
- The maternity service has introduced an improved checking procedure for when telephone advice is given during labour
- The frequency of cleaning has been improved along with the establishment of a housekeeper in the emergency department. This has improved cleanliness in the waiting areas, cubicles and toilets
- The Trust continues to monitor the management of test results, and to make improvements to ensure results are handled promptly and with appropriate priority. This is part of wider initiatives taking place through the National Patient Safety Agency (NPSA) to improve the way certain investigations are reported and acted upon. It is also an important component of the 18 weeks wait project
- Women's services have put measures in place improving communication about trophoblastic disease and ensuring results from Sheffield are managed in a timely manner. An escalation process is in place to identify late reports. The relevant patient information leaflet has also been reviewed and updated
- The lead nurse for cancer services is now made aware of all suspected "molar pregnancies" and tracks progress to provide support to the patient
- All histology reports are now shown to the urology nurse specialist prior to being passed to the consultant and the urology nurse specialist is to take any abnormal results to the next urology multidisciplinary team for decision on future action

We continue to welcome feedback on our services and use this information to evaluate and improve services. The Board is determined that making a formal complaint will not be detrimental to patients and their families.

If patients, their carers or visitors, wish to raise a concern they are encouraged to contact the PALS team on 01226 432430 for an informal discussion or the complaints team direct on 01226 432209.

If complainants need support with bringing a concern about the hospital, then we offer to approach an outside organisation that may be able to help them. The Independent Complaints Advisory Service (ICAS) or in the case of complainants for whom English is not their chosen language the Barnsley Black and Ethnic Minority Initiative (BBEMI) are available and very keen to offer support.



Partnerships

The Trust, recognising the value of partnership working, has continued to develop close working relationships with the Safeguarding Children Board; the local authority's adult and children's services; and NHS Barnsley (PCT) mental health service, to improve patient care and provide seamless services.

The Trust has entered into a significant partnership with Rotherham Foundation Trust (December 2007) to progress integrated working of the Trust's two Pathology services. It is anticipated that the new integrated service will commence operating (trading) in 2009/10 with expected benefits including increased efficiencies due to economies of scale and accessing extended pathology service markets beyond those currently served by the two Foundation Trusts. Transport via the M1 is seen as an important enabler. The new partnership will include the joint procurement of further new pathology IT systems, an integrated transport system and sharing the income and risks associated with the partnership.

The Trust's research, development and training links with the Sheffield hospitals and universities have been a vital part in the Trust's success this year. Other clinical networks such as the cancer, stroke and cardiology networks add value through shared learning and resources and continue to be supported.

The Trust is engaged in furthering the public health agenda by having become a partner in the Local Strategic Partnership "One Barnsley" as well as working with key local stakeholders in the cross borough Adult and Communities Well-Being Group and the Fit for the Future initiative.

The Trust also has a representative on the Huddersfield University Healthcare Panel and is working with the Learning and Skills Council to maximise a sustainable healthcare workforce. Negotiations are taking place with the local Chamber of Commerce to establish links with local industry by joining that body.

Barnsley Voice and Influence, the Barnardo's project to enable young people to influence services run by adults, has been working with the Trust to help it understand the needs and fears of young people. Alongside the BBEMI project mentioned previously, these are highly valued partnerships which help the hospital improve patient care and make it more friendly and welcoming. Most recently the Trust has played a key role with the development of the Barnsley approach to Local Involvement Networks (LINks).

Going Concern

In light of the positive financial position achieved in 2007/08, the current plans and the continuing partnership working with NHS Barnsley (PCT) which has expressed its desire to see a thriving local hospital in Barnsley, the Board is confident that the Trust is a viable going concern and can make a disclosure as recommended by the Accounting Standards Board.

After making enquiries, the directors have a reasonable expectation that Barnsley Hospital NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

"The Trust's research, development and training links with the Sheffield hospitals and universities have been a vital part in the Trust's success this year."

Management Commentary / Operating & Financial Review

Governing Council

As a NHS Foundation Trust, Barnsley Hospital is accountable to the Governing Council which represents the views of members.

The Governing Council includes 20 public governors eligible to be elected by members of the Foundation Trust. It also has six staff governors elected by hospital staff. They were supported by nominated representatives from our nine partner organisations.

In 2007, nine of the 20 public and staff seats were eligible for election, including one vacancy arising from a resignation at the time of the elections due to personal commitments. One staff and five public Governor seats were appointed following election; all others were appointed unopposed, although Constituency B has one unfilled seat.

The Board of Directors and Governing Council continue to enjoy a strong and developing, working relationship. Mr Gordon Firth (Trust chairman) chairs both the Board and the Governing Council and acts as a link between the two. Each is kept advised of the other's progress through a number of routes, including informal updates (e.g. via the chairman, ad hoc briefings) and exchange of meeting minutes etc. Additionally a joint business meeting of the Board and the Governing Council takes place at least once annually.

There is an open invitation for governors and directors to attend each other's public meetings and directors are often in attendance at Governing Council meetings and sub-group meetings to provide updates or seek governors' views on specific issues. In turn, any questions or comments from the Governors are relayed to directors both informally via the chairman or secretary to the Board and more formally as proposals to the Board of Directors.

Governors are also invited to attend the Governance Committee and other trust-wide corporate groups. Regular Governor involvement with the Patient Environment Action Team (PEAT) inspections, the development of the revised membership strategy, and contributions to Fti - the members newsletter, which regularly invites feedback from members.

To date, the Governing Council has dealt with a range of issues charged to it under current legislation (e.g. recruitment, appointment and appraisal of non executive directors and auditors) and otherwise supports the Trust in its strategic development (business plans etc), issues such as the recently revised membership strategy and participation in the national forum of governors.

The Board of Directors retains authority for all operational issues, the management of which is delegated to the Trust's operational staff in accord with its standing orders.

The Governing Council also considers the strategic development of the hospital through its work in three sub groups. The progress of each sub-group is highlighted here:

Access and patient interface

In 2007/08 this sub-group continued to focus on patient and public involvement, supporting the Trust's progress on its membership strategy and public & patient involvement strategy and developing links with the Patient Forum.

Staff & environment

More staff governors have become actively involved with this sub-group in 2007/08. The group has tackled this interesting twin-focussed agenda with a keen interest in staff issues, learning and development, the PEAT inspections, and regular discussions with modern matrons on cleanliness and infection prevention & control issues

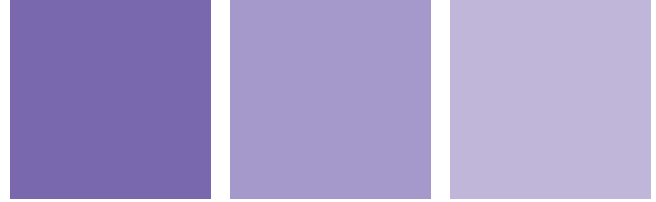
Futures

(Formally known as the hospital's future and healthy lifestyles group) has consolidated its position this year, maintaining its links with the local Youth Council, taking the lead in developing the Governing Council's statement to the Trust's annual healthcheck, and reviewing the work of the external auditors appointed by the governors.

The governors established a fourth, more ad hoc, group in 2007/08 - "Funding & Finance Committee" - to support requests for governor involvement or representation at community events or projects. This group hopes to develop further in 2008/09.

There were five Governing Council meetings held in 2007/08. This includes the annual general meeting of the Trust.

The Governing Council, governors' terms of office and their attendance is as follows:



Constituency A

Covering the electoral wards of Dodworth, Hoyland Milton, Penistone East and Rockingham:

Cecil Horsfield
(4 of a possible 5)
– appointed 1 January 2006 for three years (second term).

Carol Robb
(2 of a possible 5)
– appointed 1 January 2006 for three years

Joseph Unsworth
(3 of a possible 5)
– appointed 1 January 2008 for three years

Bruce Leabeater
(1 of a possible 1)
– appointed 1 January 2008 for three years

Constituency B

Covering the electoral wards of Darton East, Darton West and Old Town:

Sue Carter
(3 of a possible 5)
– appointed 1 January 2007 for three years (second term)

Lesley Cotton
(3 of a possible 5)
– appointed 1 January 2006 for three years (second term)

Sue Mellor
(1 of a possible 4)
– appointed 1 January 2005 until 31 December 2007 - Vacancy as at 1/1/2008

Constituency C

Covering the electoral wards of Stairfoot, Central, Kingstone and Worsbrough:

Sharon Hodgson
(4 of a possible 5)
– appointed 1 January 2007 for three years (second term)

Bob Ramsay
(3 of a possible 5)
- appointed 1 January 2006 for three years (second term)

Kay Thomas
(3 of a possible 5)
– appointed 1 January 2007 for three years

Constituency D

Covering the electoral wards of St Helen's, North East, Cudworth, Monk Bretton and Royston:

(Dr) Sheikh Amin
(0 of a possible 4)
– appointed 1 January 2005 until 31 December 2007

Jan Anderson
(4 of a possible 5)
– appointed 1 January 2007 for three years (second term)

Pauline Brown
(2 of a possible 5)
– appointed 1January 2007 for three years (second term)

Glynn Etherington
(1 of a possible 1)
– appointed 1January 2008 for three years

Mavis Micklethwaite
(3 of a possible 4)
– appointed 1 January 2005 until 31 December 2007

David Thomas
(1 of a possible 5)
– appointed 1 January 2006 for three years (second term)

John Townend
(1 of a possible 1)
– appointed 1January 2008 for three years

Constituency E

Covering the electoral wards of Darfield, Dearne North, Dearne South and Wombwell:

John Cale
(1 of a possible 1)
– appointed 1 January 2008 for three years (second term, non-continuous)

John Davies
(3 of a possible 5)
– appointed 1 January 2007 for three years (second term, non-continuous)

Denis Gent
(5 of a possible 5)
– appointed 1 January 2008 for three years (second term) Wayne Kerr (3 of a possible 5) – appointed 1 January 2007 for three years (second term)

Brian Whitaker
(3 of a possible 3)
– appointed 1 January 2006 for three years, resigned September 2007

Management Commentary / Operating & Financial Review

Out of area Governor

Covering people who live outside the borough across England and Wales:

Bill Joice
(5 of a possible of 5)
– appointed 1 January 2008 for three years (second term)

Staff Governors

Covering all staff groups (clinical support, medical, non clinical support, nursing and volunteers):

Debby Horbury
(1 of a possible 1)
- nursing and midwifery - appointed 1 January 2008 for three years

Andy Mills
(2 of a possible 5)
- nursing and midwifery - appointed 1 January 2006 for three years

Viv Mills
(3 of a possible 5)
- clinical support - appointed 1 January 2006 for three years

(Dr) Jon Maskill
(3 of a possible 5)
- medical and dental - appointed 1 January 2008 for three years (second term)

Jill Marshall
(5 of a possible 5)
- non-clinical support - appointed 1 January 2007 for three years

Vanda Outram
(4 of a possible 5)
- volunteers - appointed 1 January 2007 for three years

Carol Smith
(2 of a possible 4)
- nursing and midwifery - appointed 1 January 2005 until 31 December 2007

Nominated Governors

Pauline Acklam MBE
(3 of a possible 4) nominated from October 2006 and Melvyn Lunn *(1 of a possible 1 - covering for P Acklam)* – NHS Barnsley (PCT)

Clare Archer
(1 of a possible 5)
- nominated January 2008 (second term) Barnsley Youth Council

Professor Nigel Bax
(3 of a possible 5)
- nominated January 2008 (second term) University of Sheffield

Councillor David Bostwick
(3 of a possible 5)
nominated from June 2006 – Barnsley Metropolitan Borough Council

David Brannan
(5 of a possible 5)
– from January 2008 (second term) Voluntary Action Barnsley

Lynne Elliot
(3 of a possible 5)
nominated from February 2006 – Barnsley Participation Process

Mary Fitzpatrick
(3 of a possible 4)
from May 2007 to February 2008 – JTUC (Joint Trade Unions Committee). Sadly Mary died in February 2008.

Kay Philips
(3 of a possible 4)
- nominated from June 2007 took over from Professor Linda Lang (1 of a possible 1) from January 2005 to May 2007 – Sheffield Hallam University

Rosamond Roughton
(0 of a possible 2)
February 2006 to July 2007 Yorkshire and the Humber Strategic Health Authority. Y&H SHA withdrew from all regional Governing bodies in July 2007

Terms of Office

The terms of office of the public and staff governors are staggered, which means that approximately one third of such seats are subject to election each year.

Gordon Firth, as chair of the Governing Council attended 5 meetings and also attended many of the governors' sub-group meetings.

Attendance by Board directors, which is at the invitation of the Governing Council, at the Governing Council or the sub-groups* was:

Anne Arnold:
attended 1 sub-group meeting

Juliette Greenwood:
attended 1 sub-group meeting

Jeremy Loeb:
attended 1 sub-group meeting

Dawn Hanwell:
attended 1sub group meeting

Frank Johnston:
attended 1 meeting

Pat Newman:
attended 2 meetings and 3 sub-group meetings

Sandra Taylor:
attended 1 meeting

Sarah Wildon:
attended 1 meeting

* Governing Council's sub-groups: Access & Patient Interface, Futures, Staff & Environment, Finance & Funding Committee.

Register of Interests

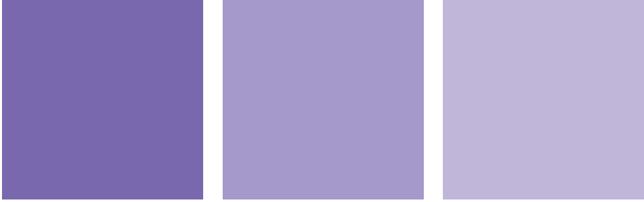
The register of governors' interests is available from Carol Dudley, the secretary to the Board at Barnsley Hospital NHS Foundation Trust, Gawber Road, Barnsley S75 2EP. Tel: 01226 435000.

There are no company directorships held by governors where companies are likely to do business or are seeking to do business with the Trust.

Expenses

Governors may claim expenses at public transport rate for travel at 23p per mile and other reasonable expenses incurred on Trust business. Otherwise they are not remunerated.

"The Board of Directors and Governing Council continue to enjoy a strong and developing, working relationship."



Board of Directors

The Board of Directors

The following were the executive and non-executive directors for the year 2007/08:

Chief executive	**David Hicks (Acting)**	To	21/10/07
	Sandra Taylor	From	22/10/07
Medical director	**Cris Swinhoe**	To	30/09/07
	David Hicks	From	01/10/07
Director of finance	**Jeremy Loeb**	To	18/11/07
	Keely Firth (Acting)	19/11/07 - 31/12/07	
Director of finance and information	**Dawn Hanwell**	From	01/01/08
Director of nursing	**Juliette Greenwood**		
Chairman	**Gordon Firth**		
Non executive Directors	**Anne Arnold**		
	Frank Johnston	To	31/12/07*
	Pat Newman	*	
	Francis Patton	From	01/01/08
	Sarah Wildon		
	Paul Spinks		

* Mr Johnston served as deputy chair until December 2007, following which Mrs Newman was appointed as deputy chair in January 2008 for 12 months. Within this Trust, the of role senior independent director is an integral part of the remit of the deputy chair.

The Trust is managed by executive and non-executive directors. Together they make up the Trust's Board of Directors.

The appointment of non-executive directors is a statutory responsibility of the Governing Council. The removal of a non-executive director requires the approval of three-quarters of the Governing Council. The period of notice for non-executives is one month. Non executive directors are appointed on a staggered basis to ensure continuity of experience. Appointments may be for a term of up to three years of office.

Subsequent appointments (up to a maximum of 10 years collectively) are subject to satisfactory appraisal conducted by the chair and governors as appropriate and/or robust open appointment process.

Our executive directors are appointed through open competition in accordance with the Trust's recruitment and selection policies and procedures. The period of notice for the chief executive is six months and 13 weeks for all other executive directors. All executive directors are subject to annual appraisals.

The Board of Directors is responsible for all operational issues, the management of which is delegated to the Trust's operational staff in accord with its standing orders.

It also, with input from the Governing Council, sets the strategic direction of the Trust.

The effectiveness of the Board committees (Audit, Finance and Governance) is considered on an ongoing basis via the regular reports presented to the Board of Directors at their monthly meetings. They are also monitored through the Trust's audit processes.

The skills and strengths provided by the non executive and executive directors throughout the year continued to ensure that the Trust benefited from a good, well-balanced Board. This has been further strengthened in 2007/08 by the appointment of key individuals with specific experience in, respectively, strategic leadership and performance management, finance, customer service and business planning.

The Board agreed that, based on the register of directors' interests and known circumstances, there was nothing to preclude all of the current non executive directors – with the exception of the chairman (who is exempt from such declaration after appointment) – from being declared as independent. The Board agreed to declare all the current non executive directors, excluding the chairman, as "independent" or to provide explanation for any exceptions and affirm its agreement in principle to future reporting.

“ The skills and strengths provided by the non executive and executive directors throughout the year continued to ensure that the Trust benefited from a good, well-balanced Board.”

There were 14 meetings of the Board of Directors in 2007/08. This includes the annual general meeting. The individual attendance of each Board member is indicated in brackets:

Anne Arnold
(11 of a possible 14)

Gordon Firth (chairman)
(14 of a possible 14)

Keely Firth
(2 of a possible 2)

Juliette Greenwood
(13 of a possible 14)

Dawn Hanwell
(2 of a possible 3)

David Hicks
(14 of a possible 14)

Frank Johnston (deputy chair and senior independent director to 31 December 2007)
(10 of a possible 11)

Jeremy Loeb
(9 of a possible 9)

Pat Newman (deputy chair and senior independent director from 1 January 2008)
(13 of a possible 14)

Francis Patton
(3 of a possible 3)

Paul Spinks
(14 of a possible 14)

Cris Swinhoe
(6 of a possible 8)

Sandra Taylor
(5 of a possible 6)

Sarah Wildon
(13 of a possible 14)

Non Executive Directors

Gordon Firth, Chairman

Gordon joined the Trust as Chairman in November 1998. A Fellow of the Royal Institute of Chartered Surveyors, he is the managing partner of a Barnsley-based construction consultancy firm and a director of a development company. He has also served as a non-executive director of Barnsley Health Authority. Gordon now represents the Trust on One Barnsley, a regeneration board although he did not seek reappointment as a member of the Board of the Foundation Trust Network this year.

Gordon's current appointment is from 1 January 2006 until 31 December 2008.

Ann Arnold

Anne joined the Trust in December 2004. She has extensive experience working with the NHS as a senior manager and more recently as a management consultant. Anne is an MBA graduate and qualified accountant. Anne is Chair of the Trust's Audit Committee.

Anne's current term of office is from 1 November 2006 until 31 October 2009.

Pat Newman

Pat has worked in both private industry and the public sector over her working career specialising in business administration, human resources and quality management, principally in the Housing Service of Barnsley Council.

Pat's interest in health, learning and the environment is evident through her involvement in community projects over many years, including serving as chair of governors in primary and secondary schools and her involvement in the setting up of the Neighbourhood Learning Net that encourages adults into education.

She was elected to serve on Barnsley Council and represented the people of Athersley for a number of years. She is also a Trustee of the Cooper Gallery.

Pat is Deputy Chair of the Board, Senior Independent Director and chairs the Governance Committee and has a special interest in women and children's services, public and patient involvement, and patient dignity. Pat was re-appointed on 1 January 2008 for two years.

Sarah Wildon

Sarah joined the Trust in August 2006. Sarah is a public relations consultant with more than 30 years public and private sector practice. Her public sector experience includes working directly to ministers, policy development, governance and marketing. She runs her own public relations company, based in Huddersfield, and is a member of the Chartered Institute of Public Relations. Sarah is also a Trustee of the Yorkshire Building Society Charitable Foundation. Sarah's term is from 2 August 2006 until 31 December 2008.

Paul Spinks

Paul joined the Trust in January 2007 and chairs the Trust's Finance Committee and the Information Strategy Steering Group. He is a qualified chartered accountant working for a firm of accountants where he specialises in the audits of public sector bodies, particularly in the NHS and local Government.
Paul is a member of the Public Sector Reporting Panel at the ICAEW and the Public Audit Forum Working Group on Whole of Government Accounts.

Paul was appointed on 1 January 2007 for two years.

Board of Directors

Frank Johnston

Frank, a Member of the Institute of Directors, joined the Trust in February 2002 as a non executive director. He is a barrister-at-law, non practising, with a legal, public and voluntary sector background. Locally, Frank is vice chairman of the corporation of Barnsley College, a co-opted member Barnsley Metropolitan Borough Council's audit committee, a member of the Independent Education Appeals Tribunal and Cawthorne Parish Clerk.

Nationally, he is a member of the Monitoring and Verification Board of the government's National Training Strategy for Town and Parish Councils and the Chief Verifier for the Certificate in Local Council Administration, the professional qualification for town and parish clerks.

He was the Deputy Chair and the Trust's Governance Committee chairman. He was appointed as Deputy Chairman on January 1 2007 and acted as senior independent director. Frank's latest term of office was from 1 January 2006 until 31 December 2007.

Francis Patton

Francis joined the Trust in January 2008. He has spent the last 20 years working in the pub retailing sector in areas such as operational management, customer services, marketing, public relations, purchasing, investor relations, communications, human resources, learning and development and recruitment. He holds a number of non-executive roles and teaches part time at Leeds Metropolitan University.

Francis was appointed on the 1 January 2008 until 31 December 2009.

Executive Directors

Sandra Taylor, Chief Executive

Sandra commenced her role as Chief Executive in October 2007. She joined the Trust after six years working with the NHS in an Executive Director capacity in Surrey and Sussex Strategic Health Authority and East Berkshire health economy (joint PCT, Foundation Trust and Local Authority post). Prior to that she was Executive Director of Health and Social Care consecutively with Nottinghamshire, Leicester and Birmingham Councils. Sandra has extensive academic qualifications having lectured in her early career at both Hull University and University College London. She is a Trustee of Friends of the Elderly, a national charity providing care and support services for elderly people, and has provided advice to a number of Government Departments on issues of social inclusion and care services. She has a special interest in patient centred service redesign and productivity which she led on across Surrey and Sussex, and in ensuring services are responsive to and appropriate to the needs of patients and their carers.

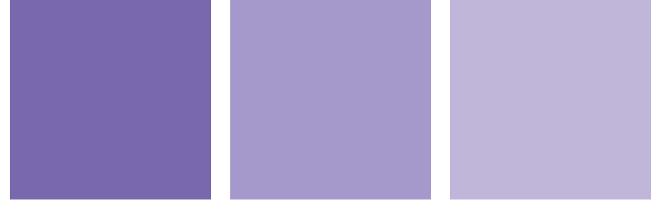
David Hicks, Medical Director and Deputy Chief Executive

David became the Trust's medical director in 2002, having been associate medical director since 1997. He has held positions as a consultant in genito urinary medicine at the Trust and the Royal Hallamshire Hospital since 1983. David is also a Fellow of the Royal College of Obstetricians and Gynaecologists and the Royal College of Physicians. David was acting chief executive from December 2006 until November 2007.

Cris Swinhoe, Acting Medical Director

Cris took up the role as acting medical director on 1 December 2006 until November 2007. He has twice held clinical director posts in critical care and been a consultant anaesthetist at the hospital for ten years.

> “There are no company directorships held by directors where companies are likely to do business or are seeking to do business with the Trust.”



Juliette Greenwood, Nursing Director

Juliette joined the Trust in January 2005 from Great Ormond Street Hospital for Children NHS Trust, London, where she was the deputy chief nurse. Her career in the NHS started in 1980 and she has held a variety of roles in nursing and management. Her specific areas of interest are patient safety, leadership development, improving patient experiences and professional standards. Juliette is a practitioner panellist for the Nursing and Midwifery Council, which is involved with fitness to practice.

Dawn Hanwell, Director of Finance

Dawn was appointed director of finance from 1 January 2008. She started work in the NHS in 1986 as a financial management trainee in Rotherham where she went on to gain her CIPFA qualification in 1990.

Dawn has spent her career in the NHS moving from Sheffield to Wakefield then Derby and Leeds. She has worked predominantly in mental health but has also worked, for short while, in a Primary Care Trust and for the Department of Health. Dawn joined the Board in 2008 having been deputy director of finance at Leeds Partnerships NHS FT, a mental health /learning disability trust, where she was part of a team that successfully achieved Foundation Trust status.

Jeremy Loeb, Director of Finance

Jeremy was appointed director of finance from August 1999 to 18 November 2007.

A chartered accountant, Jeremy has considerable experience in both the public and private sectors.

Keely Firth, acting Director of Finance

Keely was acting director of finance from the 19th November 2007 to 31st December 2007.

Register of Interests

The register of directors' interests is available from Carol Dudley, the Secretary to the Board at Barnsley Hospital NHS Foundation Trust, Gawber Road, Barnsley S75 2EP. Tel: 01226 435000.

There are no company directorships held by directors where companies are likely to do business or are seeking to do business with the Trust.

The Committees - Audit Committee

The audit committee's main duties are to review the Trust's governance, risk management and internal control systems, review the work of the internal and external auditors, review assurance functions, request and review reports and assurance, approve accounting policies and review the draft annual financial statements before submission to the Board of Directors.

There were six audit committee meetings in 2007/08. Members' attendance is indicated in the brackets after their name:

Chairman:

Anne Arnold
(5 out of a possible 6)

Non Executive Directors:

Pat Newman
(5 out of a possible 6)

Paul Spinks
(6 out of a possible 6)

Executive Directors:

Jeremy Loeb
to November 2007
(4 out of a possible 5)

Dawn Hanwell
from January 2008
(1 out of a possible 1)

The Trust's auditors, PricewaterhouseCoopers, were recommended for appointment by the committee. The Governing Council supported the recommendation and they were appointed from 1 April 2006 for a period of three years. A governor was involved throughout the tendering process.

So far as the directors are aware, there is no relevant audit information of which the auditors are unaware and the directors have taken all of the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

During 2007/08 PricewaterhouseCoopers did not provide any non audit services.

The responsibilities of the auditors are contained in the Auditor's Report

“ The Trust's auditors, PricewaterhouseCoopers, were recommended for appointment by the committee. ”

Board of Directors

Finance Committee

The Finance Committee provides assurance to the Board of Directors that Board members have sufficient information to ensure an adequate understanding of key financial issues. In particular it reviews financial plans and issues, approves reports to Monitor, approves the development of financial reporting consistent with the Foundation Trust's financial regime, oversees the development and implementation of the financial information systems strategy and approves financial policies.

There were seven meetings of the Finance Committee in 2007/08. Members' attendance is indicated in brackets after their name:

Chairman:

Paul Spinks,
Non Executive Director
(7 of a possible 7)

Non Executive Directors:

Anne Arnold,
Non Executive Director
(6 of a possible 7)

Gordon Firth,
Trust Chairman
(3 of a possible 7)

Executive Directors:

Sandra Taylor,
Chief Executive
(From October 2007)
(1 of a possible 2)

Dr David Hicks,
Acting Chief Executive/
Medical Director
(5 of a possible 7)

Cris Swinhoe,
Acting Medical Director -
to October 2007
(3 of a possible 5)

Jeremy Loeb,
Director of Finance -
to November 2007
(4 of a possible 5)

Dawn Hanwell,
Director of Finance -
from January 2008
(2 of a possible 2)

Keely Firth,
Acting Director of Finance -
from November to
December 2007
(1 of a possible 1)

Governance Committee

The governance committee assures that the structures, processes and policies and procedures are in place to provide the framework to support an environment in which excellent clinical care flourishes. It also ensures that any issues are managed and escalated appropriately and that actions are taken.

There were eight governance committee meetings held in 2007/08. Board members' attendance at each is indicated in brackets after their name.

Chairman:

Frank Johnston,
to December 2007
(6 of a possible 6)

Chairman:

Pat Newman,
from January 2008
(7 of a possible 8)

Gordon Firth,
Chairman
(2 of a possible 8)

Juliette Greenwood,
Director of Nursing
(7 of a possible 8)

Dr David Hicks,
Acting Chief Executive/
Medical Director -
from December 2006
(6 of a possible 8)

Sandra Taylor,
Chief Executive
from October 2007
(2 of a possible 3)

Jeremy Loeb,
Director of Finance
to November 2007
(5 of a possible 5)

Keely Firth,
Acting Director of Finance
November to December 2007
(1 of a possible 1)

Dawn Hanwell,
Director of Finance
from January 2008
(1 of a possible 2)

Dr Cris Swinhoe, Acting
Medical Director -
to October 2007
(4 of a possible 5)

Susan Tyler,
Director of Human Resources
(5 of a possible 8)

David Peverelle,
Director of Clinical Services
(7 of a possible 8)

“Maintaining and engaging a diverse and representative membership, which reflects the local population, continued to be a focus for the Trust.”

Nomination Committee

The Nomination Committee is responsible to the Governing Council for making recommendations in relation to the appointment and appraisal of the chairman and non executive directors. It also reviews their terms and conditions. In 2007/08 the terms of office of two non executive directors expired at the end of December; both vacancies were subject to appointment by open competition and the process throughout was supported and monitored by the director of human resources.

There were five meetings of the Nominations Committee held in 2007/08. Members' attendance is indicated in brackets after their name.

Chairman:

Gordon Firth (4)

Public Governors:

Jan Anderson (4)

Bob Ramsay (4)

Joseph Unsworth (4)

Staff Governor:

Dr Jon Maskill (5)

Partner Governors:

David Brannan (3)

Professor Lang
(to May 2007)
(1 of possible 1)

Kay Philips
(from June 2007)
(3 of possible 4)

In addition the deputy chair (Mrs Newman) and chief executive (Ms Taylor) were invited to attend one meeting, and all meetings were supported by the director of human resources or her deputy and the secretary to the Board.

Membership

The membership numbers remained steady with 9669 public, staff and volunteer members at the end of then year.

To be eligible for membership, people must either:

- Be employed by the Trust with a permanent contract or have worked at the hospital for at least 12 months or on a series of short-term contracts which total more than 12 months. Becoming a staff member is automatic, with a choice to opt out if they wish. Volunteers are included within the staff constituency and contracted staff have the option to opt in.
- Live within the Barnsley Metropolitan Borough - which is broken into five constituencies.
- Or live in any other area of England and Wales. This element of the constitution was introduced in April 2006. The Trust changed it from 'patient or their carer at the hospital since October 2001' as it was conscious that this debarred a number of applicants from membership.

Anyone at and over the age of 14 is eligible to become a member.

Members can contact governors and Trust representatives through the governors' and members' offices. This information is published in the quarterly members' newsletter FTi and on the website.

Membership at the end of the year breaks down as:

Public	
Constituency A	2187
Constituency B	1535
Constituency C	1818
Constituency D	2215
Constituency E	1403
Constituency O	511
Staff	
Clinical support	433
Medical	290
Non clinical support	797
Nursing	1386
Volunteers	209

Details of the constituency boundaries can be found in the Governing Council section of this report.

Maintaining our membership

Maintaining and engaging a diverse and representative membership, which reflects the local population, continued to be a focus for the Trust.

Members received quarterly editions of FTi, the public members' newsletter, and a summary version of the annual report; and through internal communications staff members were kept informed. The Trust's website continues to be a focus for all members.

Membership is still split evenly across the constituencies, largely mirroring the overall constituency populations. Membership levels are maintained through regular recruitment drives in the hospital, via the governors and through FTi.

Ethnic minority membership is still proportionately slightly lower than the census data and work with Barnsley Black and Ethnic Minority Initiative (BBEMI) continues to help address this. Monitoring of membership activity takes place quarterly. Emerging themes are presented to the Governing Council and Board.

Governors continued to play a lead role in strengthening links with members through their constituencies as well as awareness and recruitment drives throughout the year.

As representatives of the members, they took part in a patient and public involvement events including meetings to form the Local Involvement Networks (LINKs). Governors have been instrumental in setting the Trust's strategic direction and enabling its public patient involvement programme.

Members may contact governors or directors via Carol Dudley, the secretary to the Board at Barnsley Hospital NHS Foundation Trust, Gawber Road, Barnsley S75 2EP by telephoning 01226 435000 or e-mailing *carol.dudley@nhs.net*

Public Interest Disclosures

The Board of Directors have approved revised policies in respect to equality and diversity; this includes Race Equality Scheme, Disability Equality Scheme and a Gender Equality Scheme.

The Board receives quarterly reports on equality and diversity, which covers monitoring information on age, gender, disability, ethnicity and sexual orientation of the workforce.

The Trust's Health and Safety Committee, which involves executive directors and trade union appointed safety representatives receives quarterly reports on health and safety performance and employees' occupational health.

The Trust has an established and agreed policy on reporting concerns about patient care or other activities of the Trust.

As a public benefit corporation, Barnsley Hospital NHS Foundation Trust discloses the following about its activities and policies:

Communicating with staff

Throughout the year we used all our usual channels of communication with staff - intranet, email, newsletters, weekly bulletins, development sessions, appraisals, director walk rounds covering every area and department and chief executive meetings with staff - to inform staff about issues relevant to them and how their work and ideas could have an impact on the Trust's performance.

As well as these regular channels of communication, staff side representatives are also involved in regular meetings with managers and discuss issues that affect staff interests.

Staff have been consulted on the senior management reconfiguration and on the facilities and layout of the new outpatients department. Staff have also been consulted and kept fully informed on the introduction of new technology and updates to software and well as changes to working practices and welfare issues such as car parking and childcare provision.

Disability at work

The Trust follows the Department of Health guidance in relation to the recruitment of staff and this is reflected in our Employment Checks Policy. In 2007 the Trust was successfully reassessed for the disability "two ticks" symbol, which confirms that the Trust positively manages the recruitment and employment of disabled employees.

The Trust's Sickness Absence Policy was applied to staff who have become disabled in the course of their duties and required either adjustments to their existing role or redeployment to enable them to remain in employment with the Trust. Training is provided for all staff regardless of their disability in accordance with the Trust's Corporate Curriculum and Learning and Development Strategy.

Equality and diversity

The Trust's Equality Opportunities Policy and Equality Statement indicates the Trust's commitment to recruitment training, career development and promotion of disabled employees.

The existing suite of equality and diversity policies does not yet address all the issues of access to the hospital and its services for patients, visitors and staff. The Trust was chosen as one of forty trusts at random to participate in a review of equality and diversity linked to five of the Healthcare Commission core standards. This work prompted the Trust to re-examine its policies, and in consequence it has made an end of year declaration of one standard that is non compliant and one where the Trust has declared a lack of assurance. Compliance with the relevant standards C7e and C18 will be achieved the end of June 2008.

Staff Survey

In 2007/08 the Trust took part in the National Staff Survey the results of which show the Trust performing above the national average in many categories.

Incidents of violence and aggression

Nationally reported incidents of violence and aggression against staff have unfortunately increased and we have seen a 27% increase in incidents of physical violence to our staff in the last year. Although a proportion of this increase can be attributable to improved reporting of incidents, the trend is of grave concern and work is ongoing to reduce the number of incidents.

Health and safety

The Trust continues to take a proactive approach to health and safety with the Health and Safety Committee and Health and Safety Governance Steering Group combined with regular staff training and induction sessions.

Regular fire safety, handling and personal safety training sessions are held and health and safety is a regular part of every new starter's induction training.

There were no prohibition or improvement notices served on the Trust during the year.

Occupational health

There were 420 referrals to the occupational health team from Barnsley Hospital - 44 more than the year before. The service added a mental health nurse to the team at the beginning of the year and a counsellor at the end of the year and these posts will have increased the number of referrals received.

“Regular fire safety, handling and personal safety training sessions are held and health and safety is a regular part of every new starter’s induction training.”

The occupational health department has continued to provide a high quality cost effective service and continues to provide service contracts to organisations outside of the Trust.

Countering fraud and corruption

The Trust has a detailed fraud and corruption policy and response plan, covering the Board''D5s policy, the roles and responsibilities of staff at the hospital, how the Trust responds in the event of fraud allegations and guidance for staff. The Trust has a local fraud prevention officer who has been invited to attend a number of team meetings to raise the awareness of fraud, promote its detection and outline means of prevention. A detailed anti fraud communications protocol and plan has been put in place which has already resulted in regular articles in the staff magazine and weekly bulletin.

In the last year there were no reported major cases of fraud at the hospital.

Better Payment Practice Code

The better payment practice code requires the Trust to aim to pay all its invoices by the due date or within 30 days on receipt of goods or a valid invoice whichever is the later.

Our performance in the year is as follows:

Number of bills paid	39,643
Number of bills paid within 30 days	37,853
% of bills paid in 30 days	95.03%

Management costs

The management costs calculated in accordance with the Department of Health''D5s definitions was £6,027,000.

Public consultations

Consultation of members and the public by ward staff and later endorsed by the Governors resulted in the trial to reduce visiting hours on the maternity ward. Parents and staff felt the reduction would allow more time for mothers to rest after a poor night’s sleep and put less pressure on fathers to attend early in the morning. It was also felt it would allow nurses longer to care for patients and complete discharge paperwork.

Consultation also took place on the facilities required in the new outpatients department with feedback shaping the facilities finally provided including a high quality coffee outlet and a shop selling toiletries.

The volunteers were surveyed to identify their communications needs and preferred means of receiving information. As a result a group of volunteers, supported by staff are looking at writing and producing a newsletter to meet their specific needs.

Freedom of information

The Trust continues to discharge its duties under the freedom of information legislation meeting requests for information from the public, politicians and the media. The majority of these requests are now received by email and are responded to electronically within the 21 days target. The Trust continues to provide the information, where it exists, free of charge if the information can be gathered at a reasonable cost.

Remuneration Report

Remuneration and Terms of Service Committee

The Remuneration and Terms of Service Committee is responsible for the appointment of the chief executive and, together with the chief executive, other executive members of the Board of Directors. It also reviews and recommends the terms and conditions of service for the executive directors, and other directors and senior managers not subject to the Agenda for Change conditions, and reviews the performance of these staff annually. The Committee's recommendations are reported to the Board of Directors. The Committee is able to call upon internal and external human resources advice as required.

There were four meetings held in 2007/08. Members' attendance is indicated in brackets after their name:

Anne Arnold (4)

Gordon Firth (3)
Chairman

Frank Johnston
to December 2007
(2 of possible 2)

Pat Newman (4)

Paul Spinks (3)

Sarah Wildon (4)

Francis Patton
from January 2008
(2 of possible 2)

The Committee was supported by the chief executive in attendance by invitation (Dr David Hicks to end September 2007, Ms Sandra Taylor from October 2007) and the secretary to the Board.

The Trust has no policy statement on the remuneration of senior managers but its standing financial instructions state that the Committee will make such recommendations to the Board on the remuneration and terms of service of executive directors (and other senior employees) to ensure that they are fairly rewarded for their individual contribution to the Trust - having proper regard to the Trust's financial circumstances and performance and to the provisions of any national arrangements for such staff, where appropriate.

Executive directors of the Trust have defined annual objectives agreed with the chief executive. The Committee receives a report on their performance annually. The directors do not receive performance related bonuses.

Executive directors are appointed through open competition in accordance with the Trust's recruitment and selection policies and procedures and NHS guidance, including the requirement for external assessors. All executive directors covered by this report hold appointments that are permanent until they reach the normal retiring age. The period of notice for the chief executive is six months and 13 weeks for all other executive directors. Any termination pament would take account of national guidance.

"Executive directors are appointed through open competition in accordance with the Trust's recruitment and selection policies and procedures and NHS guidance, including the requirement for external assessors."

"The committee is supported by appropriate advice and guidance from a human resources specialist. If appropriate, the nomination process may also include the services of an external agency and such other independent expert as may be considered necessary. "

Non executive director appointments

Non executive directors are appointed for a term of up to three years by the Governing Council, based on a recommendation from the nominations committee. The committee is supported by appropriate advice and guidance from a human resources specialist. If appropriate, the nomination process may also include the services of an external agency and such other independent expert as may be considered necessary. The terms of office and conditions of service of the non executive directors is detailed on pages 36 to 38. The notice period for non executive directors is one month.

No significant awards were made to past senior managers during 2007/2008.

The salary and allowances of senior managers are included below:

Salary

Name and Title	Year ended 31st March 2008			Prior Year		
	Salary	Other Remuneration	Benefits in Kind	Salary	Other Remuneration	Benefits in Kind
	(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
Dr. D. Hicks, Acting Chief Executive & Medical Director	110-115	50-55	0	110-115	50-55	0
Ms. S. Taylor, Chief Executive 2	50-55	0	0	0	0	0
Mr. J. Loeb, Director of Finance 3	55-60	0	0	80-85	0	0
Mrs. K. Firth, Acting Director of Finance	45-10	0	0	0	0	0
Ms. D. Hanwell, Director of Finance	20-25	0	0	0	0	0
Mrs. J. Greenwood, Director of Nursing	75-80	0	0	70-75	0	0
Mr. C. Swinhoe, Acting Medical Director	65-70	0	0	45-50	0	0
Mr. G. Firth, Chairman	25-30	0	0	20-25	0	0
Mrs. P. Newman, Non Executive Director	5-10	0	0	5-10	0	0
Mr. F. Johnston, Non Executive Director	75-10	0	0	5-10	0	0
Miss. A. Arnold, Non Executive Director	5-10	0	0	5-10	0	0
Ms. S. Wildon, Non Executive Director	5-10	0	0	5-10	0	0
Mr. P. Spinks, Non Executive Director	5-10	0	0	0-5	0	0
Mr. F. Patton, Non executive Director	0-5	0	0	0	0	0

1. Dr D Hicks was Acting Chief Executive until the 21st October 2007 and then he reverted back to his original post of Medical Director
2. Ms S Taylor commenced as Chief Executive on the 22nd October 2007
3. Mr J Loeb, Director of Finance left the Trust on the 18th November 2007
4. Mrs K Firth was acting Director of Finance from the 19th November 2007 to 31st December 2007
5. Ms D Hanwell commenced as Director of Finance on 1st January 2008
6. Mr C Swinhoe, Acting Medical Director ceased acting up on the 30th September 2007
7. Mr F Johnston, Non Executive Director left the Trust on the 31st December 2007
8. Mr F Patton commenced as a Non Executive Director on 1st January 2008

Sandra Taylor
Chief Executive:... **Date:**.......11th June 2008.......

Remuneration Report

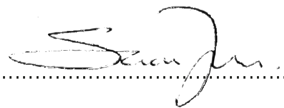
Pension Benefits

	Real increase in pension and related lump sum at age 60 (bands of £2500)	Total accrued pension and relate lump sum at age 60 at 31st March 2008 (bands of £2500)	Cash equivalent transfer value at 31st March 2008 £000	Cash equivalent transfer value at 1st April 2007 £000	Real increase in cash equivalent transfer value £000	Employers contribution to stakeholder pension To nearest £100
Dr. D. Hicks, Acting Chief Executive & Medical Director	6.0-8.5	282.5-285.0	1,294	1,199	65	0
Ms. S. Taylor, Chief Executive 2	0.0-2.5	2.5-5.0	11	0	6	0
Mr. J. Loeb, Director of Finance 3	5.0-7.5	105-107.5	424	330	41	0
Mrs. K. Firth, Acting Director of Finance	0.0-2.5	67.5-70.0	204	182	2	0
Ms. D. Hanwell, Director of Finance	2.5-5.0	72.5-75.0	236	191	10	0
Mr. C. Swinhoe, Acting Medical Director	1.5-2.0	82.5-85.0	335	267	12	0
Mrs. J. Greenwood, Director of Nursing	12.5-15.0	97.5-100.0	331	270	54	0

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

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost.
CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

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.

Sandra Taylor
Chief Executive:  **Date:** 11th June 2008

Statement of Accounting Officer's Responsibilities

The National Health Service Act 2006 (the 2006 Act) states that the chief executive is the accounting officer of the NHS Foundation Trust. The relevant responsibilities of accounting officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the accounting officers' memorandum issued by the Independent Regulator of NHS Foundation Trusts ("Monitor").

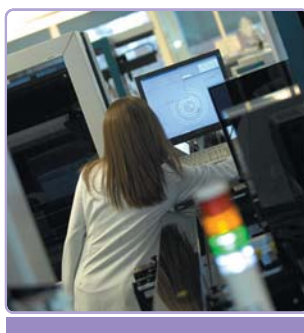
Under the 2006 Act, Monitor has directed Barnsley Hospital NHS Foundation Trust to prepare for each financialyear a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Barnsley Hospital NHS Foundation Trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

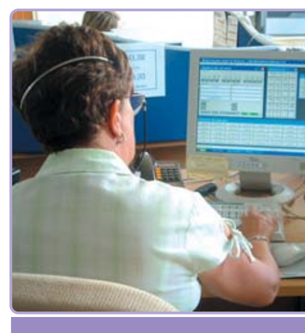
- In preparing the accounts, the accounting officer is required to comply with the requirements of the NHS Foundation Trust Financial Reporting Manual and in particular to:
- observe the Accounts Direction issued by Monitor, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the NHS Foundation Trust Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on a going concern basis.

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and to enable him/her to ensure that the accounts comply with requirements outlined in the above mentioned Act. The accounting officer is also responsible for safeguarding the assets of the NHS Foundation Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in Monitor's NHS Foundation Trust Accounting Officer Memorandum.

Sandra Taylor
Chief Executive:.. **Date:**..........11th June 2008..........





Remuneration Report

Independent Auditors Report

Independent Auditor's Report to the Board of Governors of Barnsley Hospital NHS Foundation Trust.

We have audited the financial statements of Barnsley Hospital NHS Foundation Trust for the year ended 31 March 2008 which comprise the Income and Expenditure Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, the Cashflow Statement and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein. We have also audited the information in the Directors' Remuneration Report that is described as having been audited.

Respective Responsibilities of Directors and Auditors

The Foundation Trust is responsible for preparing the Annual Report, the Directors' Remuneration Report and the financial statements in accordance with the directors issued by the independent Regulator of Foundation Trusts ("Monitor") under the National Health Service Act 2006. Our responsibility is to audit the financial statements and part of the Directors' Remuneration Report to be audited in accordance with relevant statute, the Audit Code for the NHS Foundation Trusts issued by Monitor and International Standards on Auditing (UK and Ireland).

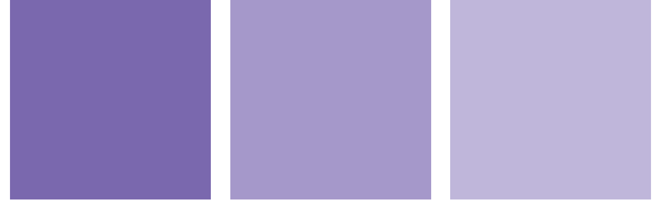
This report, including the opinion, Is made solely to the Board of Governors of Barnsley Hospital NHS Foundation Trust in accordance with paragraph 24(5) of Schedule 7 of the National Health Service Act 2006 (the Act) and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Directors' Remuneration Report to be audited have been properly prepared in accordance with the directions issued by Monitor under the National Health Service Act 2006. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

We review whether the Accounting Officer's statement on internal control is misleading or inconsistent with other information we are aware of from our audit of the financial statements. We are not required to consider, nor have we considered, whether the Accounting Officer's statement of internal control covers all risks and controls. We are also not required to form an opinion on the effectiveness of the NHS Foundation Trusts corporate governance procedures or its risk and control procedures.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only Directors' Report, Operating and Financial Review, Chairman's Statement, the unaudited elements of the Directors' Remuneration Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

In addition we report to you if, in our opinion, the NHS foundation trust has not kept proper accounting records, If we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.



Basis of audit opinion

We conducted our audit in accordance with section 62 and Schedule 10 of the National Health Service Act 2006 and the Audit Code for NHS Foundation Trusts Issued by Monitor, which requires compliance with relevant auditing standards issued by the Auditing Practices Board.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements and the part of the Directors' Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgements made by the NHS Foundation Trust in the preparation of the financial statements, and of whether the accounting policies are appropriate to the NHS Foundation Trust's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements and the part of the Directors' Remuneration Report to be audited are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Directors' Remuneration Report to be audited.

Opinion

- the financial statements give a true and fair view, in accordance with the NHS Foundation Trust Financial Reporting Manual, of the state of affairs of Barnsley Hospital NHS Foundation Trust as at 31 March 2008 and of its income and expenditure for the year ended;
- the financial statements and the part of the Directors' Remuneration Report to be audited have properly prepared in accordance with the National Health Service Act 2006 and the directions made by Monitor; and
- the information given in the Director' Report is consistent with the financial statements.

Certificate

We certify that we have completed the audit of the accounts in accordance with the requirements of Chapter 5 of Part 2 to the National Health Service Act 2006 and the Audit Code for NHS Foundation Trusts issued by Monitor.

Signature: PricewaterhouseCooper

Date: 12th June 2008

PricewaterhouseCoopers LLP

Address: Leeds

Remuneration Report

Statement on Internal Control

1. Scope of responsibility

The Board is accountable for internal control. As Accountable Officer, and Chief Executive of the Board, I have responsibility for maintaining a sound system of internal control that supports the achievements of Barnsley Hospital NHS Foundation Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me.

I am also responsible for ensuring that Barnsley Hospital NHS Foundation Trust is administered prudently and economically and that the resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the Barnsley Hospital's Accounting Officer Memorandum.

The Trust's assurance framework has been informed by partnership working across the healthcare region and locally including:

- Regular reporting to Monitor including governance and risk management submissions as required throughout the year
- Scrutiny by Monitor as part of the authorisation process for Foundation Trust status
- Consulting with the local community and engaging with members of the Foundation Trust
- Membership of the Foundation Trust Network
- Submission of the Final Declaration to the Healthcare Commission in response to its Standards for Better Health Annual Health Check
- Undertaking consultation with the NHS Barnsley (PCT), local Overview and Scrutiny Commission, NHS Yorkshire & Humber, Governing Council and Patient Participation Initiative (PPI) Forum on the Annual Health Check declaration and also on other areas of interest
- Collaborative working between the Governing Council and the Board of Directors
- NHS Yorkshire & Humber Chief Executive forum
- Partnership of Acute Trust Chief Executive meetings (PATCH) from South Yorkshire and North Derbyshire
- Chief Executive membership of North Trent Commissioners (NORCOM) as delegated to the Director of Clinical Services
- Working with other local health and social care service providers, primarily NHS Barnsley (PCT) to develop a strategic vision for services

2. The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risks of failure to achieve polices, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to;

- identify and prioritise the risks to the achievement of the policies, aims and objectives of Barnsley Hospital NHS Foundation Trust,
- evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Barnsley Hospital NHS Foundation Trust for the year to 31st March 2008 and up to the date of approval of the Annual Report and Accounts.

3. Capacity to handle risk

The overall responsibility for the management of risk lies with the Chief Executive as accountable officer.

The Executive Directors are responsible, collectively, for the Trust's system of internal control and management. This responsibility is executed through Committees of the Board of Directors under the Chairmanship of a Non-executive Director, and the Senior Management Team:

- Governance Committee
- Finance Sub-Committee
- Audit Committee

These Committees are required to ensure that whole hospital systems necessary to quality assure clinical care and organisational effectiveness at the Trust are in place and the organisation is developing and delivering its stated goals and agreed action plans.

The risk management policy sets out an effective risk management system and supporting risk management procedures which includes:

- Policy framework
- Organisational management and Committee Structures
- Risk management processes and risk registers
- Learning and Development processes

The Trust has adopted the Risk Management Standard (AS/NZS 4360:1999) and provides a qualitative risk assessment matrix and procedures, with associated prioritisation process for risk treatments and escalation of management action. The procedures also provide for cognisance of relevant legal requirements and definition for acceptable levels of risk.

The Risk Management Strategy is supported by a number of complementary policy documents, in particular:

- Risk Management Training Policy
- Training Needs Analysis
- The Corporate Curriculum

Such processes form an integral part of the systems to ensure the investigation of underlying causes through the use of root cause analysis tools, and to learn from events to assure safe high quality care that is constantly improving.

“ The Risk Management Strategy is supported by a number of complementary policy documents’.”

4. The risk and control framework

Specific responsibilities outlined in the Trust's Risk Management Policy (last reviewed in September 2007) are incorporated into the Trust's committee structures that support the Board of Directors and provide the framework for risk control. Specific responsibility is with the following individuals:

- Patient and Staff Safety Nursing director
- Risk Management and Board Assurance Finance director
- Clinical Performance & Effectiveness Medical director
- Financial Governance Finance director
- Information Governance Medical director

The policy and committee arrangements have been subject to an ongoing review process. Risk Management continues to be embedded into the culture of the Trust’s organisation through its routine clinical management teams and departmental arrangements. Local risk management strategies are developed and supported by local risk groups.

Risks that cannot be effectively controlled at a local management level are escalated in accordance with the process for prioritised management action to the Senior Management Team or individual Directors.

Stakeholders are engaged in the process in a variety of ways:

Patients and Public

- Consultation and election of partnership organisation and constituency representatives to the Governing Council
- Consultation with Barnsley Overview and Scrutiny Committee, PPI Forum and NHS Barnsley (PCT)
- Patient and Public Involvement Steering Committee and Delivery Group
- Wider representation on the Review Group for Complaints and procedures including the Independent Complaints and Advice Service (ICAS); Barnsley PPI Forum, Yorkshire Ambulance Service, Social Services and Public Governor
- PALS Services
- Engagement with Barnsley Black and Ethnic Minority Initiative (BBEMI)
- HCC Patient Survey Report 2007
- Inpatient Survey 2007
- Local Patient satisfaction surveys lead by matrons
- Patient Forums
- Patient representative to the Governance Committee

Staff

- Election of staff representatives to the Governing Council
- Management and staff representation on corporate risk management groups and specialist groups advising on specific areas of risk
- Statutory and mandatory induction and training programmes
- Staff questionnaire 2007/08
- Cultural assessments

Work undertaken to support the risk management process this year has included:

Board of Directors

The Board of Directors has taken direct reporting lines for a number of key areas of risk. This includes specifically:

- Monitoring of the Infection Prevention and Control Strategy & Action Plan
- Board Assurance on the delivery of the Business Plan Objectives
- Privacy and Dignity Steering Group reporting to the Trust Board
- Equality and Diversity monitoring of performance
- Emergency Planning monitoring and review
- Review of Information Governance and ongoing monitoring

Governance

- Review and implementation of 50 risk management policies in line with the requirements of the NHSLA Risk Management Standards and achievement of Level 1 against revised NHSLA Risk Management standards
- Full review of the staff training needs analysis for Statutory and Mandatory Training Programmes, Corporate and Local Induction
- Review of patient safety governance arrangements and establishment of a Patient Safety Board
- Substantive appointment of a Consultant Microbiologist and Director of Infection Prevention and Control, and the establishment of a Trust Infection Prevention and Control Committee
- Establishing local Safeguarding Committees for both Children, and Vulnerable Adults
- Maintaining patient safety incident reporting to the National Patients Safety Agency through the National Reporting and Learning System and benchmarking the results against local trends
- Managing information risks via controls such as the Data Mapping Audit, Statement of Compliance (for Department of Health and Monitor requirements) and Information Governance Toolkit.

Financial Governance

Financial management in the organisation is delegated to the appropriate level. On going training and support is provided to managers to ensure they can fulfil their responsibilities. Monitoring of financial performance is carried out on a monthly basis and controls are in place to ensure overall delivery of the financial objectives, and to manage any risk associated with delivery.

Remuneration Report

Clear lines of accountability and responsibility exist. The board is kept informed and monitors the financial performance including the delivery of the cost improvement on a monthly basis. The Trust is externally regulated on financial risk through a quarterly monitoring process, and internally replicates this risk based assessment on a monthly basis.

Overall during 2007/08 the Trust delivered its financial objectives and achieved a financial risk rating of 3.

Operational Risk Management

- As part of the patient safety arrangements the work streams from the Adult Critical Care Group has been incorporated and delivered by the Clinical Performance and Effectiveness Committee. This work has included the development of an early warning outreach scoring tool to comply with the NPSA's requirements for the sick ward patient.
- Revision of the Prescription chart
- Implementation of a revised organisational structure
- Ongoing rationalisation of bed usage and workforce re-profiling

The Assurance Framework and governance processes, including self assessment against the Healthcare Commission Standards has identified gaps in control and assurance requiring action plans to provide additional control measures:

- There was a lack of assurance reported for Equality of Access to Services (C18). A detailed corporate action plan has been developed and its implementation will be monitored by the Board of Directors during 2008/09. The main components of the action plan are: to continue staff training with particular reference to ethnicity, and to develop additional local codes to better understand the local eastern European population. To review DNA rates by ethnicity, to review the Choose and Book processes and patient information, and to undertake impact assessments against Trust policies on access.
- Initial work to develop a concept around acute access and treatment was undertaken by an external consultancy. In the light of the consultancy's report, as well as the commissioning strategy and other business priorities, this project will be reviewed again in 2008/09.

Confidentiality of person identifiable information has been a major work programme in 2007/08.

The data mapping audit undertaken between December and March did identify a number of risk areas. An action plan has been agreed and is being implemented, There have been no serious untoward incidents involving data loss or breach of confidentiality during the year.

Progress against the prescribed actions will be closely monitored by individual Directors, the Senior Management Team, the Governance Committee and the Board of Directors.

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

5. Review of economy, efficiency and effectiveness of the use of resources

The key processes that have been applied to ensure that resources are used economically, efficiently and effectively include:

Monthly performance management reports are provided to the Board of Directors and to the Finance Committee. These provide information on a range of performance indicators on all aspects of financial and clinical performance, so that assessment of the economy, efficiency and effectiveness in the use of resources can be monitored and any concerns raised can be acted upon.

The Trust undertakes an annual costing exercise which assesses our total costs against the number of patients we treat. This is assessed against a national average and reported to the board of directors. In addition during 2007/08, a detailed review of every service line was undertaken to assess the ongoing efficiency and viability of each clinical speciality. This information has been used to determine differential efficiency targets and to provide business planning information to inform discussions with the lead commissioner on future service options.

In year, an external analysis and review of productivity was undertaken. Following consideration by the Board of Directors, it was felt that sufficient progress had not been demonstrated, with the conclusion that the Board decided only to maintain work on theatres and, separately to that, internally has ensured work has been ongoing through related projects plans on length of stay.

Benchmarking work is undertaken through mechanisms in place with the Foundation Trust Network.

6. Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within Barnsley Hospital NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework, and comments

“The Trust undertakes an annual costing exercise which assesses our total costs against the number of patients we treat.”

made by the external auditors in their management letter and other reports.

My review of the effectiveness of the system of internal control is also informed by external risk management assessments undertaken during the year or within external specified timescales if longer by:

- **NHS Litigation Authority**
  - NHSLA Risk Management Standards compliance (Level 1) General Hospital in December 2007

  - CNST (Clinical Negligence Scheme for Trusts) standards compliance (Level 2) for Maternity Services in July 2007
- **Healthcare Commission (HCC)**
  - Performance rating by the Healthcare Commission of Annual health Check of Good for quality of care and excellent for resource management

  - Substantial compliance with Healthcare Commission Standards for Better Health 2007/08

  - HCC Race Equality review in December 2007

  - HCC have undertaken an exercise to assess emergency services

  - The standard for Equality and Diversity (C7e) was not met. A detailed corporate action plan has been developed and is being monitored by the Board of Directors on a monthly basis. The main components of the action plan are: to develop and publish a Human Rights Policy, to undertake impact assessments against Trust policy, to review the policies in place for the detention of patients, and to commission race equality training to support the implementation of the Race Equality scheme.

  - The genito urinary medicine department had made good steady progress to achieve the required 48 hour access target by end of March 2008. Unanticipated absences of medical staff in the department in the last two weeks of March resulted in the Trust narrowly missing the target. Clear actions have been put in place within the department to ensure the delivery and sustainability of the target going forward. These include increased flexibility around workforce issues and upgrading the information systems to ensure more robust information for monitoring performance and compliance.
- **Internal & External Audit**
  - Internal Audit of Risk Management systems

  - Health & Safety Executive assessments of Slips, Trips and Falls, and Working from Height.

  - The Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed.

  - I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by Board of Directors Governance, Finance and Audit Committees, the Head of Internal Audit Opinion and the Independent Auditor's Report and opinion.

The Board of Directors takes an overarching role in assurance and monitoring of performance and has monitored delivery of the 2007/08 business plan throughout the year. The Board of Directors has approved the Assurance Framework confirming that the risk control measures in place are reasonable; action plans have been developed to improve upon the controls and the assurance processes where appropriate.

The Audit Committee performs the key role of reviewing and monitoring the system of internal control. This committee receives regular reports on the work and findings of the internal and external auditors. This committee is chaired by a Non executive Director and minutes of the Audit Committee are provided to the Board of Directors.

Further assurance is given through on going reviews in relation to financial management and governance, through the assessment process for self certification to Monitor.

The Trusts key information system for paying staff is through an NHS wide nationally developed system, the Electronic Staff Record (ESR). The Trust has gained assurance on the control objectives and control activities of ES through the provision of a Statement of Auditing Standards (SAS) 70. This internationally recognised auditing standard signifies that ESR has been examined by an independent accounting and audit firm. The SAS 70 report does not identify any significant concerns.

The Trust recognises the need for ongoing development of the robustness of its systems of control and assurance and the monitoring of its risk register and assurance framework to ensure they identify the changingimpact and likelihood of risk and better support the achievement of business objectives.

Conclusion

The Trust has identified one significant control issue, which has been identified within the body of the statement of internal control above.

Sandra Taylor
Chief Executive:..

Date:..........................11th June 2008..........................

Accounts

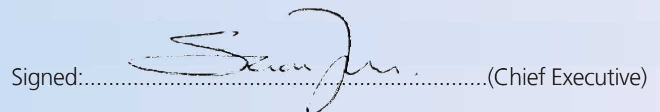
Data entered below will be used throughout the workbook:

Trust name:	Barnsley Hospital NHS Foundation Trust
This year:	2007/08
Last year:	2006/07
This year ended:	31 March 2008
Last year ended:	31 March 2007
This year beginning:	1 April 2007

Foreword to the accounts for the year ended 31 March 2008

Barnsley Hospital NHS Foundation Trust

Barnsley Hospital NHS Foundation Trust ("Trust") is required to "keep accounts in such form as Monitor (The Independent Regulator for NHS Foundation Trusts) may with the approval of Treasury direct" (Paragraph 24 (1) Schedule 7 of the National Health Service Act 2006 ("the 2006 Act")). The Trust is required to "prepare in respect of each financial year annual accounts in such form as Monitor may with the approval of the Treasury direct" (Paragraph 25 (1) Schedule 7 to the 2006 Act). In preparing their annual accounts, the Trust must comply with any directions given by Monitor, with the approval of the Treasury, as to the methods and principles according to which the accounts are to be prepared and the information to be given in the accounts (Paragraph 25 (2) Schedule 7 to the 2006 Act).

Signed:..........(Chief Executive)

Name..... Sandra Taylor

Date:..... 11th June 2008

Income and Expenditure account for the year ended 31 march 2008

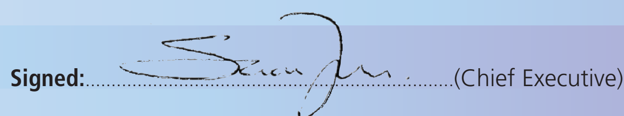
	Note	2007/08 £000	2006/07 £000
Income from activities	3	119,580	107,043
Other operating income	4	15,614	14,863
Operating expenses	5-7	(132,127)	(119,875)
Operating surplus		3,067	2,031
Loss on disposal of fixed assets	8	(33)	(13)
Surplus before net financing costs		3,034	2,018
Finance income		533	320
Finance costs - interest expense	9	0	0
Surplus for the year		3,567	2,338
Public Dividend Capital dividends payable		(2,467)	(2,329)
Retained Surplus for the year		1,100	9

The notes on page 53 to 71 form part of these accounts.

Balance sheet as at 31 march 2008

	Note	2007/08 £000	2006/07 £000
Fixed assets			
Intangible fixed assets	10	1,610	1,798
Tangible fixed assets	11	78,422	66,870
		80,032	68,668
Current assets			
Stocks and work in progress	12	1,194	1,195
Debtors	13	5,026	4,711
Investments	14	7,000	0
Cash at bank and in hand		5,452	4,388
		18,672	10,294
Creditors: amounts falling due within one year	15	(12,640)	(9,147)
Net current assets / (liabilities)		6,032	1,147
Total assets less current liabilities		86,064	69,815
Creditors: amounts falling due after more than one year	15	(720)	(744)
Provisions for liabilities and charges	16	(1,846)	(986)
Total assets employed		83,498	68,085
Financed by:			
Taxpayers' equity			
Public dividend capital		45,855	45,855
Revaluation reserve	17	31,300	18,184
Donated asset reserve	17	727	674
Income and expenditure reserve	17	5,616	3,372
Total taxpayers' equity		83,498	68,085

The financial statements on pages 51 to 71 were approvd by the Board on 11th June 2008 and signed on it's behalf by:



Signed:...(Chief Executive)

Date: 11th June 2008

Accounts

Statement of total recognised gains and losses for the year ended 31 march 2008

	2007/08	2006/07
	£000	£000
Surplus for the financial year before dividend payments	3,567	2,338
Fixed asset revaluation	14,401	110
Increase in the donated asset reserve due to receipt of donated assets	14	9
Reductions in the donated asset reserve due to depreciation, impairment, and /or disposal of donated assets	(102)	(91)
Total recognised gains and (losses) for the financial year	17,880	2,366

Cash flow statement for the year ended 31 March 2008

	Note	2007/08	2006/07
Operating activities	Note	£000	£000
Net cash inflow from operating activities	18.1	**15,044**	**9,556**
Dividends from joint ventures and associates		0	0
Returns on investments and servicing of finance:			
Interest received		533	320
Net cash inflow from returns on investments and servicing of finance		**533**	**320**
Capital expenditure			
Payments to acquire tangible fixed assets		(4,680)	(4,732)
Receipts from sale of tangible fixed assets		0	0
Payments to acquire intangible assets		(366)	(1,296)
Net cash outflow from capital expenditure		**(5,046)**	**(6,028)**
Dividends paid		(2,467)	(2,329)
Net cash inflow/(outflow) before management of liquid resources and financing		**8,064**	**1,519**
Management of liquid resources			
(Purchase) of current asset investments		7,000	0
Net cash inflow / (outflow) before financing		**1,064**	**1,519**
Financing			
Public dividend capital received		0	300
Other capital receipts		0	0
Public Dividend Capital Repaid		0	(255)
Net cash inflow from financing		**0**	**45**
Increase/ (decrease) in cash	18.2	**1,064**	**1,564**

1 Accounting policies and other information

Monitor has directed that the financial statements of NHS foundation trusts shall meet the accounting requirements of the NHS Foundation Trust Financial Reporting Manual which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2007/08 NHS Foundation Trust Financial Reporting Manual issued by Monitor. The accounting policies contained in that manual follow UK generally accepted accounting practice for companies (UK GAAP) and HM Treasury's Financial Reporting Manual to the extent that they are meaningful and appropriate to NHS foundation trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of tangible fixed assets at their value to the business by reference to their current costs. NHS foundation trusts, in compliance with HM Treasury's Financial Reporting Manual, are not required to comply with the FRS 3 requirements to report "earnings per share" or historical profits and losses.

These accounts have been produced using the accruals convention and on a going concern basis.

1.2 Acquisitions and discontinued operations

Activities are considered to be 'discontinued' where they meet all of the following conditions:

a. the sale (this may be at nil consideration for activities transferred to another public sector body) or termination is completed either in the period or before the earlier of three months after the commencement of the subsequent period and the date on which the financial statements are approved;

b. if a termination, the former activities have ceased permanently;

c. the sale or termination has a material effect on the nature and focus of the reporting the trust's operations and represents a material reduction in its operating facilities resulting either from its withdrawal from a particular activity or from a material reduction in income in the trust's continuing operations; and

d. the assets, liabilities, results of operations and activities are clearly distinguishable, physically, operationally and for financial reporting purposes.

Operations not satisfying all these conditions are classified as continuing.

Activities are considered to be 'acquired' whether or not they are acquired from outside the public sector.

1.3 Income and expenditire recognition

The main source of income for the trust is under contracts from commissioners in respect of healthcare services. Income is recognised in the period in which services are provided. Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred.

FRS5 - Reporting the Substance of Transactions, Application note G - Revenue Recognition, requires organisations to recognise income when they obtain the right to consideration in exchange for work carried out. Under the trust's contractual arrangements with commissioners the trust will have earned the right to consideration for treatments that were not complete at the balance sheet date. the trust has accrued for this amount under NHS debtors.

Expenditure is accounted for applying the accruals convention.

1.4 Tangible fixed assets

Capitalisation

Tangible assets are capitalised if they are capable of being used for a period which exceeds one year and they:

* individually have a cost of at least £5,000; or
* form a group of assets which individually have a cost of more than £250, collectively have a cost of at least £5,000 where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
* form part of the initial setting-up cost of a new building or refurbishment of a ward or unit, irrespective of their individual or collective cost.

Accounts

Valuation

Tangible fixed assets are stated at the lower of replacement cost and recoverable amount. On initial recognition they are measured at cost (for leased assets, fair value) including any costs, such as installation, directly attributable to bringing them into working condition. The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable. The costs arising from financing the construction of the fixed asset are not capitalised but are charged to the income and expenditure account in the year to which they relate.

All land and buildings are revalued using professional valuations in accordance with FRS 15 every five years. A three yearly interim valuation is also carried out.

Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. The last full asset valuations were undertaken in 2004 as at the prospective valuation date of 1 April 2005. However, an interim revaluation has been undertaken in 2007/08 and has been accounted for on the 31 March 2008.

The valuations are carried out primarily on the basis of depreciated replacement cost for specialised operational property and existing use value for non-specialised operational property. The value of land for existing use purposes is assessed at existing use value. For non-operational properties including surplus land, the valuations are carried out at open market value.

Additional alternative open market value figures have only been supplied for operational assets scheduled for imminent closure and subsequent disposal.

All impairments resulting from price changes are charged to the Statement of Total Recognised Gains and Losses. If the balance on the revaluation reserve is less than the impairment the difference is taken to the Income and Expenditure Account.

Assets in the course of construction are valued at cost and are valued by professional valuers as part of the five or three-yearly valuation or when they are brought into use.

Operational equipment is valued at net current replacement cost. Equipment is indexed using the indicators provided by the Department of Health. Equipment surplus to requirements is valued at net recoverable amount.

Depreciation, amortisation and impairments

Tangible fixed assets are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. No depreciation is provided on freehold land, and assets surplus to requirements.

Assets in the course of construction and residual interests in off-balance sheet PFI contract assets are not depreciated until the asset is brought into use or reverts to the trust, respectively.

Buildings, installations and fittings are depreciated on their current value over the estimated remaining life of the asset as assessed by the NHS foundation trust's professional valuers. Leaseholds are depreciated over the primary lease term.

Equipment is depreciated on current cost evenly over the estimated life. Asset lives fall into the following ranges:

Plant & Machinery	5 to 15 years
Information Technology	5 to 8 years
Furniture & Fittings	7 to 10 years

Fixed asset impairments resulting from losses of economic benefits are charged to the income and expenditure account. All other impairments are taken to the revaluation reserve and reported in the statement of total recognised gains and losses to the extent that there is a balance on the revaluation reserve in respect of the particular asset.

1.5 Intangible fixed assets

Intangible assets are capitalised when they are capable of being used in a trust's activities for more than one year; they can be valued; and they have a cost of at least £5,000.

Intangible fixed assets held for operational use are valued at historical cost and are amortised over the estimated life of the asset on a straight line basis. The carrying value of intangible assets is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Purchased computer software licences are capitalised as intangible fixed assets where expenditure of at least £5,000 is incurred and amortised over the shorter of the term of the licence and their useful economic lives.

1.6 Donated fixed assets

Donated fixed assets are capitalised at their current value on receipt and this value is credited to the donated asset reserve. Donated fixed assets are valued and depreciated as described above for purchased assets. Gains and losses on revaluations are also taken to the donated asset reserve and, each year, an amount equal to the depreciation charge on the asset is released from the donated asset reserve to the income and expenditure account. Similarly, any impairment on donated assets charged to the income and expenditure account is matched by a transfer from the donated asset reserve. On sale of donated assets, the value of the sale proceeds is transferred from the donated asset reserve to the Income and Expenditure Reserve.

1.7 Government grants

Government grants are grants from Government bodies other than income from primary care trusts or NHS trusts for the provision of services. Grants from the Department of Health, including those for achieving three star status, are accounted for as Government grants as are grants from the Big Lottery Fund. Where the Government grant is used to fund revenue expenditure it is taken to the Income and Expenditure account to match that expenditure. Where the grant is used to fund capital expenditure the grant is held as deferred income and released to the income and expenditure account over the life of the asset on a basis consistent with the depreciation charge for that asset.

1.8 Private Finance Initiative (PFI) transactions

The NHS follows current HM Treasury's Technical Note 1 (Revised) "How to Account for PFI transactions" which provides definitive guidance for the application of application note F to FRS 5.

Where the balance of the risks and rewards of ownership of the PFI property are borne by the PFI operator, the PFI payments are recorded as an operating expense. Where the trust has contributed land or buildings to the PFI provider to be used in the PFI scheme, a prepayment is recognised, valued at the net present value of the resulting reduction in the unitary charge payable under the PFI contract, and amortised over the life of the PFI contract by charge to the Income and Expenditure Account.

Where the balance of risks and rewards of ownership of the PFI property are borne by the trust, it is recognised as a fixed asset along with the liability to pay for it which is accounted for as a finance lease. Contract payments are apportioned between an imputed finance lease charge and a service charge.

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value.

1.10 Cash, bank and overdrafts

Cash, bank and overdraft balances are recorded at the current values of these balances in the trust's cash book. These balances exclude monies held in the trust's bank account belonging to patients (see "third party assets" below). Account balances are only set off where a formal agreement has been made with the bank to do so. In all other cases overdrafts are disclosed within creditors. Interest earned on bank accounts and interest charged on overdrafts is recorded as, respectively, "interest receivable" and "interest payable" in the periods to which they relate. Bank charges are recorded as operating expenditure in the periods to which they relate.

1.11 Research and development

The trust undertakes research and development and the expenditure on the research is not capitalised. Also, the research and development expenditure costs are incurred against the lines in note 5.1 where they are consumed.

1.12 Provisions

The trust provides for legal or constructive obligations that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rate of 2.2% in real terms.

1.13 Contingencies

Contingent liabilities are provided for where a transfer of economic benefits is probable. Otherwise, they are not recognised, but are disclosed in note 21 unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

Possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or

Present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.14 Clinical negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the trust pays an annual contribution to the NHSLA, which, in return, settles all clinical negligence claims. Although the NHSLA is administratively responsible for all clinical negligence cases, the legal liability remains with the trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the trust is disclosed at note 16.

1.15 Non-clinical risk pooling

The trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the trust pays an annual contribution to the NHS Litigation Authority and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.

1.16 Pension costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. As a consequence it is not possible for the trust to identify its share of the underlying scheme liabilities. Therefore, the scheme is accounted for as a defined contribution scheme under FRS 17.

Employers pension cost contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the income and expenditure account at the time the trust commits itself to the retirement, regardless of the method of payment.

1.17 Value Added Tax (VAT)

Most of the activities of the trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.18 Taxation

The trust does not undertake any activities that are subject to taxation. Consequently the trust has had no corporation tax liability in 2007/08 or 2006/07.

1.19 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the trust has no beneficial interest in them. However, they are disclosed in a separate note to the accounts in accordance with the requirements of Monitors Foundation Trust Financial Reporting Manual.

1.20 Leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the trust, the asset is recorded as a tangible fixed asset and a debt is recorded to the lessor of the minimum lease payments discounted by the interest rate implicit in the lease. The interest element of the finance lease payment is charged to the income and expenditure account over the period of the lease at a constant rate in relation to the balance outstanding. Other leases are regarded as operating leases and the rentals are charged to the income and expenditure account on a straight-line basis over the term of the lease.

1.21 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the original NHS trust.

A charge, reflecting the forecast cost of capital utilised by the trust, is paid over as public dividend capital dividend. The charge is calculated at the real rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for donated assets and cash held with the Office of the Paymaster General. Average relevant net assets are calculated as a simple mean of opening and closing relevant net assets.

1.22 Financial instruments and financial liabilities Recognition

Financial assets and financial liabilities which arise from contracts for the purchase or sale of nonfinancial items (such as goods or services), which are entered into in accordance with the trust's normal purchase, sale or usage requirements, are recognised when, and to the extent which, performance occurs i.e. when receipt or delivery of the goods or services is made. Financial assets and financial liabilities are recognised when the trust becomes a party to the contractual provisions of the instrument.

De-recognition

All financial assets are de-recognised when the rights to receive cashflows from the assets have expired or the Trust has transferred substantially all of the risks and rewards of ownership. Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and Measurement

Financial assets are categorised as 'Fair Value through Income and Expenditure', Loans and receivables. Financial liabilities are classified as 'Fair value through Income and Expenditure' or as 'Other Financial liabilities'.

Financial assets and financial liabilities at 'Fair Value through Income and Expenditure'

Financial assets and financial liabilities at 'fair value through income and expenditure' are financial assets or financial liabilities held for trading. A financial asset or financial liability is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets and liabilities in this category are classified as current assets and current liabilities.

These financial assets and financial liabilities are recognised initially at fair value, with transaction costs expensed in the income and expenditure account. Subsequent movements in the fair value are recognised as gains or losses in the income and expenditure account.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments with are not quoted in an active market. They are included in current assets. The Trust's loans and receivables comprise: current investments, cash at bank and in hand, NHS debtors, accrued income and 'other debtors'.

Loans and receivables are recognised initially at fair value, net of transactions costs, and are measured subsequently at amortised cost, using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

Interest on loans and receivables is calculated using the effective interest method and credited to the income and expenditure account.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets which are either designated in this category or not classified in any of the other categories. They are included in long-term assets unless the trust intends to dispose of them within 12 months of the balance sheet date.

Available-for-sale financial assets are recognised initially at fair value, including transaction costs, and measured subsequently at fair value, with gains or losses recognised in reserves. When items classified as 'available-for-sale' are sold or impaired, the accumulated fair value adjustments recognised in reserves are included in the income and expenditure account.

Other financial liabilities

All other financial liabilities are recognised initially at fair value, net of transaction costs incurred, and measured subsequently at amortised cost using the effective interest method. The effective interest rate is the rate that discounts exactly estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

They are included in current liabilities except for amounts payable more than 12 months after the balance sheet date, which are classified as long-term liabilities.

Interest on financial liabilities carried at amortised cost is calculated using the effective interest method and charged to the income and expenditure account.

Impairment of financial assets

At the balance sheet date, the trust assesses whether any financial assets, other than those held at 'fair value through income and expenditure' is impaired. Financial assets are impaired and impairment losses are recognised if, and only if, there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cashflows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the income and expenditure account and the carrying amount of the asset is reduced directly.

Accounts

2. Segmental analysis

Barnsley Hospital NHS Foundation Trust does not act as a lead body for a consortium, all its activity is healthcare, and there is therefore no need to report performance segmentally.

3. Income from activities

3.1 Income from activities comprises

	2007/08	2006/07
	£000	**£000**
NHS Trusts	**133**	238
Primary Care Trusts	**113,839**	101,958
Strategic Health Authority	**0**	0
Local Authorities	**159**	163
Department of Health	**4,624**	3,872
Non NHS:		
- Private Patients	**38**	36
- NHS Injury Scheme*	**689**	695
- Other	**98**	81
	119,580	107,043

* NHS injury scheme income is subject to a provision for doubtful debts of 7.8% to reflect expected rates of collection.

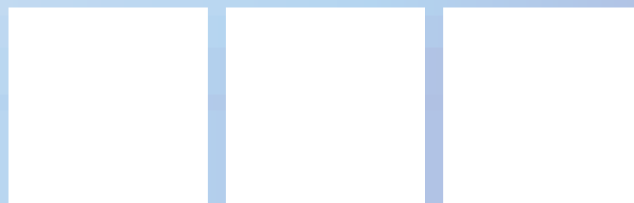
3.2 Analysis of income from activities

	£000	£000
Inpatient - elective	**24,509**	22,713
Inpatient - non elective	**44,548**	42,268
Outpatient income	**23,949**	23,140
Other activity income	**20,539**	13,661
A & E income	**5,997**	5,440
Private Patient Income	**38**	36
Total income	**119,580**	107,258
Payment by results clawback	**0**	(215)
Income from activities	**119,580**	107,043

3.3 Private patient income

	Reporting Period	2002/03 Base Year
	£000	£000
Private patient income	**38**	50
Total patient related income	**119,580**	75,607
Proportion (as a percentage)	**0.032%**	0.1%

Under its terms of authorisation the Trust must ensure that the proportion of patient related income derived from private patients does not exceed the proportion received as an NHS Trust in 2002/03 (the base year). During the year ended 31 March 2008, the Trust received 0.032% of its patient related income from private patients, which is within the limit which Monitor has set at 0.1%.



4. Other Operating Income

	2007/08	2006/07
	£000	£000
Research and Development	**706**	623
Education and Training	**4,149**	3,909
Charitable and other contributions to expenditure	**26**	26
Transfers from donated asset reserve	**102**	91
Amortisation of government grant	**22**	22
Non-patient care services to other bodies	**345**	261
Other income*	**10,264**	9,931
	15,614	14,863

* Further details of 'other income' are as follows:

	2007/08	2006/07
Services provided to Barnsley Primary Care Trust	**4,699**	4,880
The Rotherham NHS Foundation Trust - Ophthalmology service	**1,894**	1,640
Car parking	**528**	545
Residencies	**210**	271
Income - Barnsley MBC	**24**	45
Renal Unit	**137**	132
Telephones	**11**	19
Surestart, Modernisation	**20**	16
Rental to retail units	**126**	92
Miscellaneous	**2,615**	2,291
	10,264	9,931

5. Operating Expenses

5.1 Operating expenses comprise:

	2007/08	2006/07
	£000	£000
Services from Foundation Trusts	**603**	504
Services from other NHS Trusts	**952**	1,233
Services from other NHS bodies	**3,804**	2,801
Purchase of healthcare from non NHS bodies	**521**	48
Executive Directors' costs	**536**	638
Non Executive Directors' costs	**76**	66
Staff costs	**84,970**	78,995
Drugs	**6,627**	5,927
Supplies and services - clinical	**10,207**	8,674
Supplies and services - general	**4,663**	4,886
Establishment	**1,592**	1,279
Transport	**27**	48
Premises	**5,647**	4,483
Bad debts	**87**	68
Doubtful debts	**426**	312
Depreciation and amortisation	**6,624**	5,420
Fixed asset reversal of impairments	**1,166**	0
Audit services - statutory audit	**60**	57
Other auditor's remuneration - all other services	**4**	25
Clinical negligence	**1,682**	1,875
Other *	**1,853**	2,536
	132,127	119,875

* Other - further details:

	2007/08	2006/07
Car parking	**383**	342
Legal fees, insurance and losses	**460**	568
Third party claims for personal injury	**119**	151
Course fees, training and development	**306**	256
Miscellaneous	**585**	1,219
	1,853	2,536

5.2 Operating leases

5.2/1 Operating expenses include:

	2007/08	2006/07
	£000	**£000**
Hire of plant and machinery	**0**	0
Other operating lease rentals	**40**	32
Managed service	**485**	314
	525	346

5.2/2 Annual commitments under non - cancellable operating leases are:

	Other leases	
	2007/08	2006/07
	£000	**£000**
Operating leases which expire:		
Within 1 year	**505**	480
Between 1 and 5 years	**1,947**	1,892
After 5 years	**1,939**	1,100
	4,391	3,472

Please also refer to Note 24.1 PFI schemes deemed to be off-balance sheet for details relating to the PFI operating lease.

6. Staff costs and numbers

6.1 Staff costs

	Total	Permanently Employed
	£000	**£000**
Salaries and wages	**70,249**	70,249
Social Security Costs	**4,830**	4,830
Employer contributions to NHSPA	**7,759**	7,759
Agency/Contract Staff	**2,668**	0
	85,506	**82,838**

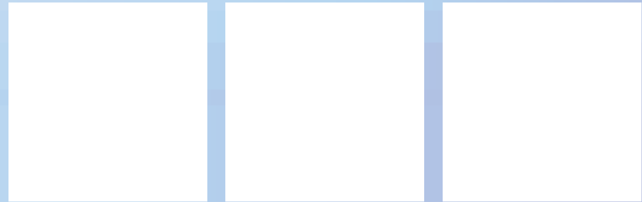
6.2 Average number of persons employed

	Total	Permanently Employed
	Number	Number
Medical and dental	**273**	216
Administration and estates	**525**	525
Healthcare assistants and other support staff	**147**	147
Nursing, midwifery and health visiting staff	**869**	869
Nursing, midwifery and health visiting learners	**6**	6
Scientific, therapeutic and technical staff	**331**	331
Bank and agency staff	**58**	0
Other	**11**	11
Total	**2,220**	**2,105**

The "Other" for Medical and Dental relates to 57 whole time equivalent recharges from other NHS Trusts (45 WTE in 2006/07), which do not appear on the Trust's payroll, but which appear in the total staff costs for the Trust.

Other	2006/07
£000	**£000**
0	65,312
0	4,734
0	7,333
2,668	2,254
2,668	79,633

Other	2006/07
Number	Number
57	271
0	514
0	117
0	835
0	21
0	341
58	51
0	11
115	2,161



6.3 Employee benefits

There were no benefits paid to employees during the year.

6.4 Retirements due to ill-health

During the year there were 7 early retirements (7 in 2006/07) from the Trust agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £331,462 (£572,560 in 2006/07). The cost of these ill-health retirements will be borne by the NHS Pensions Agency.

7. The Late Payment of Commercial Debts (Interest) Act 1998

There was no late payment of commercial debt interest.

8. Profit/(Loss) on Disposal of Fixed Assets

	2007/08	2006/07
	£000	**£000**
Profit/loss in the disposal of fixed assets is made up as follows:		
Loss on disposal of intangible fixed assets	**0**	0
Profit on disposal of plant and equipment	**7**	0
Loss on disposal of plant and equipment	**(40)**	(13)
	(33)	(13)

9. Interest Payable

There was no interest payable in the year ended 31 March 2008.

Accounts

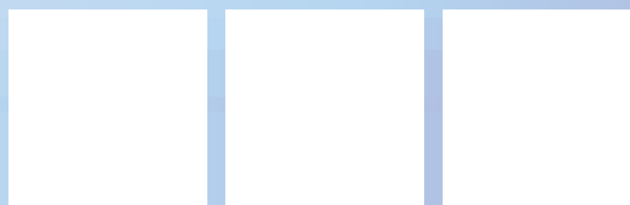
10. Intangible Fixed Assets

	Software Licences	Total
	£000	£000
Gross cost at 1 April 2007	2,588	2,588
Additions purchased	222	222
Disposals	0	0
Gross cost at 31 March 2008	**2,810**	**2,810**
Amortisation at 1 April 2007	790	790
Provided during the year	410	410
Disposals	0	0
Amortisation at 31 March 2008	**1,200**	**1,200**
Net book value		
- Purchased at 1 April 2007	1,798	1,798
- Total at 1 April 2007	**1,798**	**1,798**
- Purchased at 31 March 2008	1,610	1,610
- Total at 31 March 2008	**1,610**	**1,610**

11. Tangible Fixed Assets

11.1 Tangible fixed assets at the balance sheet date comprise the following elements:

	Land	Buildings excluding dwellings
	£000	£000
Cost or valuation at 1 April 2007	6,088	55,993
Additions purchased	0	1,745
Additions donated	0	0
Impairments	0	(352)
Reclassifications	0	1,490
Other revaluations	4,396	725
Disposals	0	0
At 31 March 2008	**10,484**	**59,601**
Depreciation at 1 April 2007	0	5,791
Provided during the year	0	3,871
Impairments	0	(59)
Reversal of impairments	0	0
Reclassifications	0	0
Other revaluations	0	(8,620)
Disposals	0	0
Depreciation at 31 March 2008*	**0**	**983**
Net book value		
- Purchased at 1 April 2007	6,088	49,707
- Donated at 1 April 2007	0	495
Total at 1 April 2007	**6,088**	**50,202**
- Purchased at 31 March 2008	10,484	58,011
- Donated at 31 March 2008	0	607
Total at 31 March 2008	**10,484**	**58,618**
Analysis of tangible fixed assets, net book value		
- Protected assets at 31 March 2008	8,494	55,366
- Unprotected assets at 31 March 2008	1,990	3,252
- Total at 31 March 2008	**10,484**	**58,618**



Dwellings	Assets under construction and payments on account	Plant and Machinery	Information Technology	Furniture & fittings	Total
£000	£000	£000	£000	£000	£000
2,960	276	18,036	3,386	625	87,364
0	1,321	1,308	185	0	4,559
0	0	14	0	0	14
(1,012)	0	0	0	0	(1,364)
0	(1,490)	0	0	0	0
118	0	483	0	17	5,739
0	0	(1,637)	(73)	0	(1,710)
2,066	**107**	**18,204**	**3,498**	**642**	**94,602**
336	0	11,071	2,937	359	20,494
152	0	2,015	138	38	6,214
(139)	0	0	0	0	(198)
0	0	0	0	0	0
0	0	0	0	0	0
(349)	0	297	0	10	(8,662)
0	0	(1,595)	(73)	0	(1,668)
0	**0**	**11,788**	**3,002**	**407**	**16,180**
2,602	276	6,808	449	266	66,196
22	0	157	0	0	674
2,624	**276**	**6,965**	**449**	**266**	**66,870**
2,066	107	6,296	496	235	77,695
0	0	120	0	0	727
2,066	**107**	**6,416**	**496**	**235**	**78,422**
0	0	0	0	0	63,860
2,066	107	6,416	496	235	14,562
2,066	**107**	**6,416**	**496**	**235**	**78,422**

* The £983,000 on the buildings excluding dwellings relates to £70,000 annual depreciation and £913,000 accelerated depreciation on the DPM building which ceases to have any value in use from 30 June 2008.

Accounts

11.1 Tangible Fixed Assets (continued)

Of the totals at 31 March 2008 there were no assets valued at open market value.

There were no assets held under finance leases and hire purchase contracts at the balance sheet date.

11.2 The net book value of land, buildings and dwellings at 31 March 2008 comprises:

	Protected	Unprotected	2007/08 Total	2006/07 Total
	£000	£000	£000	£000
Freehold	**63,860**	**7,308**	**71,168**	58,914
Long leasehold	**0**	**0**	**0**	0
Short leasehold	**0**	**0**	**0**	0
Total	**63,860**	**7,308**	**71,168**	58,914

12. Stocks

	2007/08	2006/07
	£000	£000
Raw materials and consumables	**1,194**	1,195
Total	**1,194**	1,195

13. Debtors

	2007/08	2006/07
Amounts falling due within one year:		
NHS debtors	**2,738**	2,755
Provision for irrecoverable debts	**(426)**	(383)
Other prepayments and accrued income	**943**	1,058
Other debtors	**1,155**	739
Sub Total	**4,410**	4,169
Amounts falling due after more than one year:		
Other debtors	**616**	542
Sub Total	**616**	542
Total	**5,026**	4,711

14. Investments

At 31 March 2008 £7,000,000 was invested with the NHS National Loans Fund. There were no investments as at 31 March 2007.

15. Creditors

15.1 Creditors at the balance sheet date are made up of:

	2007/08	2006/07
	£000	**£000**
Amounts falling due within one year:		
NHS creditors	**3,342**	2,903
Non - NHS trade creditors - revenue - other	**3,563**	2,066
Non - NHS trade creditors - capital	**267**	440
Tax and social security costs	**1,828**	1,638
Accruals and deferred income	**3,640**	2,100
Sub Total	**12,640**	9,147
Amounts falling due after more than one year:		
Deferred income	**720**	744
Sub Total	**720**	744
Total	**13,360**	9,891

NHS creditors include;

Outstanding employers' pensions contributions at 31 March 2008 of £660,000.

Outstanding employees' pensions contributions at 31 March 2008 of £304,000.

15.2 Loans and other long-term financial liabilities

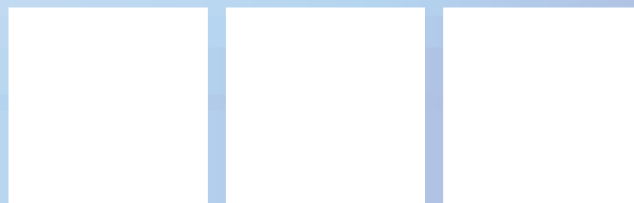
As at 31 March 2008 the Trust had no loans or other long term financial liabilities.

16. Provisions for liabilities and charges

	Pensions relating to other staff	Legal claims	Other	Total
	£000	£000	£000	£000
At 1 April 2007				
Arising during the year	113	284	589	**986**
Utilised during the year	0	224	1,226	**1,450**
Reversed during the year	(19)	(175)	(259)	**(453)**
Unwinding of discount	0	(105)	(32)	**(137)**
At 31 March 2008	0	0	0	**0**
	94	**228**	**1,524**	**1,846**
Expected timing of cashflows:				
Within one year	16	228	1,524	**1,768**
Between one and five years	64	0	0	**64**
After five years	14	0	0	**14**

The legal claims are for claims against the Trust for personal injury e.g. needle stick injuries. The other provisions are made up of accrued annual leave and other pay provisions.

The above provision does not include £9,892,000 (£10,309,000 in 2006/07) included in the accounts of the NHS Litigation Authority as at 31 March 2008 in respect of clinical negligence liabilities of the Trust.



17 Movements on Tax Payers Equity

17.1 Movements on public dividend capital (PDC)

There was no movement on public dividend capital in 2007/08.

17.2 Movements on reserves in the year comprised the following:

	Revaluation Reserve	Donated Asset Reserve	Income and Expenditure Reserve	Total
	£000	**£000**	**£000**	**£000**
At 1 April 2007	18,184	674	3,372	**22,230**
Transfer from the income and expenditure account	0	0	1,100	**1,100**
Fixed asset revaluation	14,260	141	0	**14,401**
Transfer of realised profits to the Income and Expenditure reserve	(1,144)	0	1,144	**0**
Receipt of donated assets	0	14	0	**14**
Transfers to the income and expenditure account for depreciation, impairment, and disposal of donated assets	0	(102)	0	**(102)**
At 31 March 2008	**31,300**	**727**	**5,616**	**37,643**

18. Notes to the cash flow statement

18.1 Reconciliation of operating surplus to net cash flow from operating activities:

	2007/08	2006/07
	£000	£000
Total operating surplus	**3,067**	2,031
Depreciation and amortisation charge	**6,624**	5,420
Fixed asset impairments and reversals	**1,166**	0
Transfer from donated asset reserve	**(102)**	(91)
Amortisation of government grant	**0**	0
Decrease in stocks	**1**	112
Decrease / (increase) in debtors	**(240)**	570
(Decrease) / increase in creditors	**3,668**	2,047
(Decrease) / Increase in provisions	**860**	(533)
Net cash inflow from operating activities	**15,044**	9,556

18.2 Reconciliation of net cash flow to movement in net funds

	£000	£000
Increase / (decrease) in cash in the period	**1,064**	1,564
Change in net funds resulting from cashflows	**1,064**	1,564
Net funds at 1 April 2007	**4,388**	2,824
Net funds at 31 March 2008	**5,452**	4,388

19. Capital Commitments

Commitments under capital expenditure contracts at the balance sheet date were £961,000 (2006/07 £545,728).

The main capital schemes were as follows:

* £542,000 on the Orthopaedic Ward refurbishment

* £124,000 on lift modernisation

* £78,000 on endoscopy disinfectors

20. Post Balance Sheet Events

There have been no post balance sheet events.

21. Contingent Liabilities

	2007/08	2006/07
	£000	£000
Gross value*	**(614)**	(311)
Amounts recoverable	**14**	44
Net contingent liability	**(600)**	(267)

* The contingent liability is for equal pay claims, HR liabilities, personal injury claims, transitional points and perceptorship.

22 Prudential Borrowing Limit

The Trust has a prudential borrowing limit of £13.2 million in 2007/08 (£13.2 million in 2006/07). As the Trust did not require any loans in 2007/08, only the minimum dividend forecast ratio is applicable. This was also the case in 2006/07.

Minimum Dividend cover ratio

Actual ratio	Approved PBL ratio	Actual ratio 2006/07	Approved PBL ratio 2006/07
4.13	>1	3.33	>1

The Trust has a working capital facility of £8 million (£8 million 2006/07). The trust has not had to draw down any of its working capital facility as at 31 March 2008. This was also the case for 2006/07.

23. Related Party Transactions

Barnsley Hospital NHS Foundation Trust is a public benefit corporation which was established by the granting of authorisation by the Independent Regulator for NHS Foundation Trusts, Monitor.

Barnsley Hospital NHS Foundation Trust is inherently still part of the NHS family and 98% of all income is received from Department of Health bodies. Details of this income can be found at notes 3 and 4.

Healthcare related income is received mainly from 6 local primary care trusts: Barnsley PCT; Doncaster PCT; Kirklees PCT; Rotherham PCT; Sheffield PCT and Wakefield District PCT. The total value of this income from activities is £113,839,000 as per note three.

Foundation status Trusts are regarded as related parties. During the year Barnsley Hospital NHS Foundation Trust has had material transactions with the following:

- Sheffield Teaching Hospitals NHS Foundation Trust. The income from the Trust was £732,000 and expenditure with the Trust was £3,982,000.
- The Rotherham NHS Foundation Trust. The income from the Trust £1,941,000 and the expenditure with the Trust was £334,000.

24.1 PFI schemes deemed to be off-balance sheet

	2007/08	2006/07
	£000	**£000**
Amounts included within operating expenses	**1,987**	1,874
Amortisation of PFI deferred asset	**0**	0
Net charge to operating expenses	**1,987**	1,874

The Trust is committed to make the following payments during the next year.

	£000	£000
PFI scheme which expires;		
6th to 10th years (inclusive)	**2,063**	1,953

	£000
Estimated capital value of the PFI scheme	1,698
Contract Start date:	2 January 2002
Contract End date:	1 January 2017

The PFI is the Catering Department scheme for the provision of a kitchen and dining facility for the production of patient, staff and visitors meals.

24.2 'Service' element of PFI schemes deemed to be on-balance sheet

The Trust has no on-balance sheet PFI schemes.

25. Financial Instruments

In accordance with FRS 26, financial assets and liabilities should be recognised on the balance sheet. FRS29, Derivatives and Other Financial Instruments, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. The Trust is not exposed to the degree of financial risk faced by business entities because of the continuing service provider relationship that the Trust has with local Primary Care Trusts and the way those Primary Care Trusts are financed. Also financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which FRS 29 mainly applies. The Trust has powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

Financial assets and liabilities are classified as current assets and current liabilities.

Financial assets and liabilities recognised are measured at fair value. Fair value is the amount at which an asset can be exchanged, or a liability settled, between knowledgeable, willing parties in an arms length transaction.

Liquidity risk

The Trust's net operating costs are incurred under annual service agreements with local Primary Care Trusts, which are financed from resources voted annually by Parliament. The Trust also largely finances its capital expenditure from funds internally generated resources, i.e. deprecation. The Trust is not, therefore, exposed to significant liquidity risks.

Interest-Rate Risk

100% of the Trust's financial assets and 100% of its financial liabilities carry nil or fixed rates of interest. Barnsley Hospital NHS Foundation Trust is not, therefore, exposed to significant interest-rate risk. The following two tables show the interest rate profiles of the Trust's financial assets and liabilities:

Financial assets by category

	2007/08	2006/07
	£000	**£000**
NHS Debtors	**2,738**	2,755
Other Debtors	**1,155**	739
Current Asset investments	**7,000**	0
Cash at bank and in hand	**5,452**	4,388
Total	**16,345**	7,882

Financial liabilities by category

	2007/08	2006/07
NHS creditors	**3,342**	2,903
Other creditors	**5,658**	3,052
Accruals	**1,392**	1,801
Total	**10,392**	7,756

25.3 Foreign Currency Risk

The Trust has nil foreign currency income or expenditure.

26. Third Party Assets

The Trust held £1,000 (£140 in 2006/07) as cash in hand or at bank at 31 March 2008 on behalf of patients.

27. Intra-Government and Other Balances

	Debtors: amounts falling due within one year	Debtors: amounts falling due after more than one year
	£000	**£000**
Balances with other Central Government Bodies	0	0
Balances with NHS Trusts and Foundation Trusts	2,797	0
Balances with bodies external to government	1,613	616
At 31 March 2008	4,410	616

28. Losses and Special Payments

There were 2,714 cases (2,331 in 2006/07) of losses and special payments totalling £257,767 (£251,090 in 2006/07) approved during the financial year. This mainly relates to personal injury claims and stock write offs. Also, 2,509 of the write offs are promissory notes (prescription charges) which are small in value.

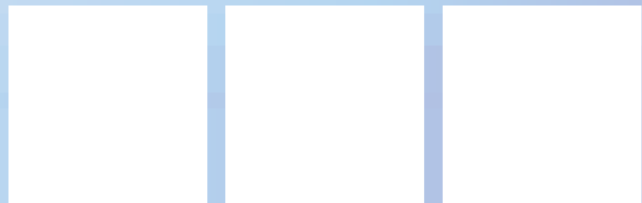
29. Pension Costs

Past and present employees are covered by the provisions of the NHS Pensions scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.pensions.nhsbsa.nhs.uk. The scheme is an unfounded defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying Schemes assets and liabilities. therefore, the Scheme is accounted for as if i.e. were a defined contribution scheme: the cost of the NHS body of participating in the Scheme is taken as equal to the contributions payable to the Scheme for the accounting period.

The check is subject to a full actuarial valuation every four years (until 2004, based on a five year valuation cycle), and a FRS 17 accounting valuation every year. An outline of these follows:

a) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account its recent demographic experience), and to recommend the contribution rates to be paid by employers and scheme members. The last such valuation, which determined current contribution rates was undertaken as at 31 March 2004 and covered the period from 1 April 1999 to that date.



Creditors: amounts falling due within one year	Creditors: amounts falling due after more than one year
£000	£000
2,606	0
3,342	0
6,724	720
12,672	720

The conclusion from the 2004 valuation was that the Scheme had accumulated a notional deficit of £3.3 billion against the notional assets as at 31 March 2004. However, after taking into account the changes in the benefit and contribution structure effective from 1 April 2008, the Scheme actuary reported that employer contributions could continue at the existing rate of 14% of pensionable pay. On advice from the Scheme actuary, scheme contributions may be varied from time to time to reflect changes in the scheme's liabilities. Up to 31 March 2008, the vast majority of employees paid contributions at the rate of 6% of pensionable pay. From 1 April 2008, employees contributions are on a tiered scale from 5% up to 8.5% of their pensionable pay depending on total earnings.

b) FRS 17 Accounting valuation

In accordance with FRS17, a valuation of the Scheme liability is carried out annually by the Scheme Actuary as at the balance sheet date by updating the results of the full actuarial valuation.

Between the full actuarial valuations at a two-year midpoint, a full and detailed member data-set is provided to the Scheme Actuary. At this point the assumptions regarding the composition of the Scheme membership are updated to allow the Scheme liability to be valued.

The valuation of the Scheme liability as at 31 March 2008, is based on detailed membership data as at 31 March 2006 (the latest midpoint) updated to 31 March 2008 with summary global member and accounting data.

The latest assessment of the liabilities of the Scheme is contained in the Scheme Actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Resource Account, published annually. These accounts can be viewed on the NHS Pensions website. Copies can also be obtained from The Stationery Office.

Scheme provisions as at 31 March 2008

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80th of the best of the last 3 years pensionable pay for each year of service. A lump sum normally equivalent to 3 years pension is payable on retirement. Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. On death, a pension of 50% of the member's pension is normally payable to the surviving spouse.

Early payment of a pension, with enhancement, is available to members of the Scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement, less pension already paid, subject to a maximum amount equal to twice the member's final year's pensionable pay less their retirement lump sum for those who die after retirement, is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the income and expenditure account at the time the Trust commits itself to the retirement, regardless of the method of payment.

The Scheme provides the opportunity to members to increase their benefits through money purchase Additional Voluntary Contributions (AVCs) provided by an approved panel of life companies. Under the arrangement the employee/member can make contributions to enhance an employee's pension benefits. The benefits payable relate directly to the value of the investments made.

Scheme provisions from 1 April 2008

From 1 April 2008 changes have been made to NHS pensions Scheme contribution rates and benefits. Further details of these changes can be found on the NHS Pensions website www.pensions.nhsbsa.nhs.uk