St George's Healthcare NHS

NHS Trust

Report and Accounts 2006/07

St George's is the lead centre for the south west London Neonatal Network caring for around 500 newborn babies each year.

"As a neonatal paediatrician I provide intensive care to new-born infants, attend premature deliveries and look after babies that have undergone a surgical procedure."

Dr Kuldeep Singh
Neonatal Paediatrician

Welcome to St George's

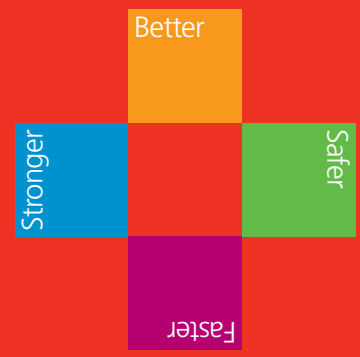
St George's provides world-class care on your doorstep.

Each year we treat over half a million patients across our three hospital sites in south west London.

We provide everything you would expect from your local NHS hospital, including accident and emergency, maternity services and care for the young and elderly, but we are also a national centre of excellence able to treat the most complex of injuries and illnesses.

Our staff are experts in their field allowing us to offer pioneering treatments and therapies in many specialised areas including trauma, neurology, cardiac care, cancer, renal transplantation and stroke.

We share our main hospital site with the equally famous St George's University of London, and together continue to push the boundaries of medical innovation and research to provide healthcare that is second to none.



St George's Healthcare NHS Trust is one of the largest and busiest teaching hospitals in the country with an international reputation for patient care, research and specialist expertise.

This report features just some of the patients we have treated and the staff who have helped deliver better, safer and faster care which in turn has made St George's stronger.

World-class care at a glance

St George's at your service

Our patient care is widely regarded to be amongst the best in the country. A proud reputation St George's is intent to uphold.

This year our objectives have been to boost the quality and quantity of our care, and this we have met with great success.

You can find out more about the services we offer on our website at: www.stgeorges.nhs.uk/ourservices.asp

4,847
Babies delivered +6%

"Leading the labour ward whilst co-ordinating and supporting my team is an exciting and varied role. Our fantastic facilities and flexible services empower expectant mothers giving them real choices about how their babies are delivered."

Sharon Felix-Onanuga
Delivery Suite Sister

28,700
Daycases +14%

"Home can be the best place to recover from minor surgery, depending on your age and circumstances, and advances in surgical and anaesthetic techniques mean day surgery is now a choice for many procedures. Effective pain relief is provided to be used at home avoiding the need for hospital stay."

Sue Hutchinson
Consultant Anaesthetist

63,400
Inpatients admitted +3%

"With this number of patients coming to stay, it is essential to have an effective cleaning service and for patients, visitors and staff to help keep the hospital tidy. We monitor the performance of our two providers carefully as good housekeeping is an important part of our infection control measures."

Jenni Doman
General Manager Hotel Services

88,711
Diagnostic tests (including x-rays, ultrasound, MRI and CT scans) +8%

"As a radiographer, I'm part of a multi-professional team. My job is to obtain high quality images using complex, high technology equipment while providing reassurance and support for the patient. I work all around the hospital in A&E, Theatres, on the wards and the main x-ray dept."

Susan Watts
Radiographer

98,463
A&E attendances +0.5%

"A&E is a very dynamic environment, where no two days or patient injuries are ever the same. But, one of the most satisfying aspects of the job is being able to overcome any of the challenges that come your way."

Stuart Brown
Registered Nurse A&E

425,791
Outpatient appointments +1%

"Our internationally renowned Lymphoedema Service is the country's largest and patients come from across the UK to be diagnosed and treated here, mainly as Outpatients. We also provide the only dedicated Inpatient service for complex cases. Our team of Specialist Therapists run daily clinics for adults and children."

Sandy Ellis
Nurse Consultant
Lymphoedema Service

New leadership, new focus

Trust Chair Naaz Coker and Chief Executive David Astley on the newly-refurbished Gray Ward – the hospital's new short-stay surgical ward.

In October, we welcomed David Astley as our new Chief Executive and alongside Chair Naaz Coker the Trust resolved to further reduce its deficit, improve patient care, and assert itself as one of the leading teaching hospitals in London.

What inspires at St George's is the quality of people who work here. It is their dedication that makes us a leading and caring organisation with a wealth of talent that is truly world-class.

With the drive and ability of our staff, we have been able to achieve so much over the past twelve months. Not only have we improved our performance, but we have also raised the standard for medical research and innovation to enhance the care available for patients throughout the UK.

St George's has long focused on the management of its deficit. Over the past three years, we have generated almost £50 million of savings whilst treating more patients than ever before. We are not in financial balance yet, next year we must save a further £25.7 million, but in the first quarter of 2007 we have made a surplus – the first time in seven years. By 2008, the Trust aims to be in financial balance.

Our challenge has been to deliver a better quality of service for less cost. This we have met and often to national recognition.

This year, the stroke unit at St George's was heralded as one of the best in the country in the National Sentinel Audit and, in autumn 2007, we will become one of the first hospitals to offer 24-hour access to clot-busting drugs which can significantly reduce the risk of paralysis and improve the recovery of stroke patients.

Our care for cancer sufferers continues to be a further example of excellence. Provided in partnership with the Royal Marsden, our cancer services have again been applauded for their short waiting times, innovative care and dedicated support for patients.

Equally our maternity services were awarded the gold-standard for safety in managing risks and protecting the expectant mothers and the 100 babies born on average at St George's every week.

Overall, the Trust was named as one of the country's top five teaching hospitals in the *Good Hospital Guide 2007*. The accolade was given for our excellent performance compared to other hospitals in areas including emergency care, the satisfaction of patients, and our short waiting times.

The *Good Hospital Guide* also underlined that St George's is one of the safest hospitals in which to have an operation. The *Guide* showed that our patient death rates had fallen 13% between 2004/05 and 2005/06; this was one of the highest decreases recorded in this year's edition. Last year, St George's received international recognition by becoming the first hospital to publish its mortality rates online. Our aim was to give an open and honest account of our performance and allow patients to make an informed choice when it comes to their own health.

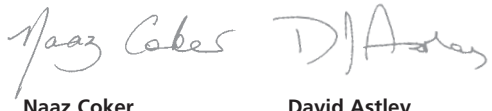
But there are areas where St George's must still do better. In Accident & Emergency, we met the waiting time in all but one quarter of the year, missing this target by just 0.3%. The cause of this was an unprecedented number of attendances and an increase in cases of *Norovirus* in our community. St George's sees on average 300 patients a day in A&E and we are now back above target, treating all patients as quickly as possible within four hours.

Infection control is another area where our focus must not falter. Over the past five years we have made real progress in cutting our rates of hospital-acquired infections, but towards the end of the year we saw a small increase in cases. There is no room for complacency. Infection control is one of our highest priorities and it will always remain so. We have strengthened our protocols and introduced new initiatives to shield patients from infection. As a result the number of cases has begun to fall. Our staff understand the absolute importance of infection control and we will continue to encourage the public to be equally as vigilant to help us drive down infections.

St George's has undeniably grown in strength over the past year and there is now a clear path ahead of us.

In 2008, we aim to apply to become a Foundation Trust. This is essential to secure our future and give us the freedom and control to focus on, and invest in, the needs of our patients to provide a better service.

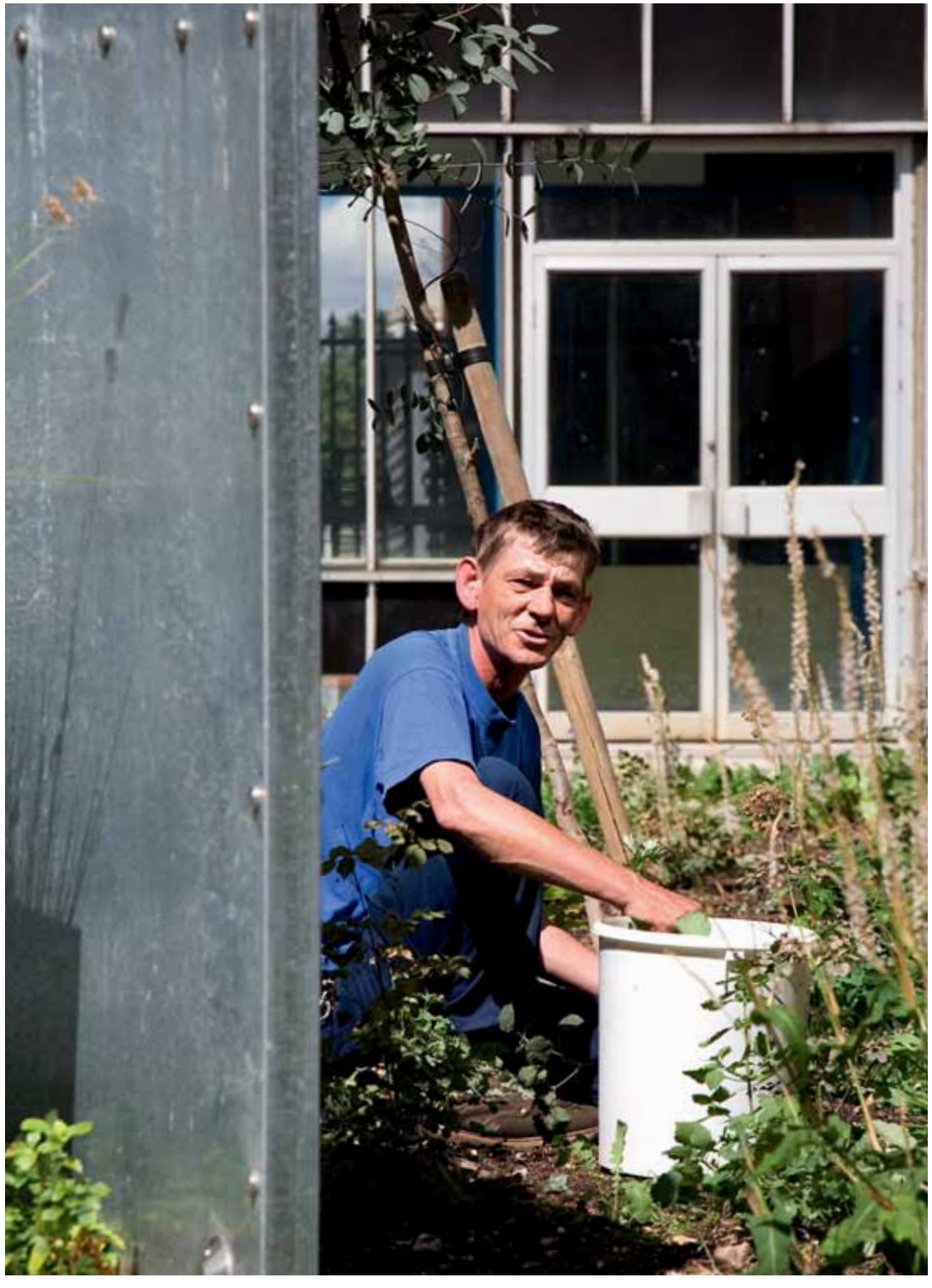
Elsewhere in the NHS, Health Minister Lord Darzi proposes many changes to improve the standard of healthcare in the capital. His proposals focus on improvements in trauma, stroke, paediatric and maternity care. As you will read throughout this report, the care and expertise we provide in all of these areas perfectly places St George's as one of the trusts able to provide a solution to this model of care for London.



Naaz Coker
Chair

David Astley
Chief Executive

We are transforming St George's



"With 275 years to our name St George's is one of London's oldest teaching hospitals with a bright future," says Trust Chief Executive, David Astley."Our finances are stabilising, our reputation being restored, and we now provide most of the specialist hospital services for south west London. But, for all these services, we know that sometimes we need to get the basics right. To fix this, we must transform St George's to make every aspect of our care fit for the 21st century."

"To transform we must fine-tune how we deliver our care to make St George's the hospital of choice for both patients and staff," says David."For our patients this means delivering the care they want and expect in ways that are organised for their convenience." An example of this are the changes the Trust has introduced in Audiology:

"Nationally, patients are waiting longer than they should to swap an old-fashioned analogue hearing aid for a better quality digital model," explains Shoba Gowinath, Senior Chief Audiologist."Using new technology we now offer some patients a one-stop service to assess and fit their hearing aids on the same day, rather than over separate appointments." In March, St George's was chosen as a national example of how Audiology care can be improved when Ivan Lewis, the Minister for Care Services, visited the hospital to launch a new NHS target to bring waiting times down.

But it is not just fast service our patients want."Transforming is about making sure

Both patients and staff appreciate an environment which is softened and made more colourful by planting and works of art. The 'Walk on the Wild Side' garden, tended by Deputy Head Gardener Robin Fryer (facing page) was designed to be a peaceful refuge, with its gleaming metal walls creating shelter and privacy. The St George's Hospital Charity funded the re-design of the garden, which opened in spring 2007, and much of the artwork and sculpture that has enhanced exterior and interior spaces.

We are transforming St George's

"The ultimate transformation is to make our care excellent. Our patients deserve nothing less."

Marie Grant
Director of Operations and Performance

The sculpture signalling the entrance to the new Dragon Children's Centre (left). Pharmacists prepare medication (right). Senior staff nurse Mel Mcube with patient Massimo Lallai (far right).

the quality of our service gets even better," adds Marie Grant, Director of Operations.

"To achieve this, we need an environment that is designed to follow the needs of the services it contains, and so we have re-arranged the location of our beds to bring them together within surgery, medicine, cardiac and neurosciences. This has allowed us to improve our efficiency, and strengthen knowledge and resource sharing. It has also given us the opportunity to invest £3.5 million to refurbish many of our wards."

"Improving our estate is integral to our transformation," echoes Neal Deans, Director of Estates and Facilities. "Everything from our use of art in hospital to our wonderfully-kept gardens, create a healing environment that aids our patients' recovery and gives our staff a vibrant place in which to work.

"We are immensely grateful for the continuing support of the St George's Hospital Charity which is funding a £2 million project to revamp the St George's main entrance and make it worthy of a flagship hospital. Once complete, our patients, visitors and staff will truly begin to see our transformation take shape."

With over 5,000 staff, St George's is one of the largest employers in south west London. The Trust understands that to deliver world-class clinical care our staff must be well led and motivated. In the Healthcare Commission's annual survey, the Trust was in the top 20% of all acute trusts in England for our staffs positive views on the quality of their work-life balance, and on average staff were satisfied in their jobs. But there are areas where we must do better. We must improve how to appraise our staff, find ways to help reduce work pressure and improve access to health and safety training.

"To do this we must listen to our staff and take note," says David. "We understand that our staff often have the best ideas. It is their initiative and ability that will lead our transformation and, through their input, we aim to cut through the 'grey goo' of bureaucracy that can be stereotypical of the NHS, to change even the most fundamental of processes for the better."

"Take our procurement system, for example," continues Deirdre Baker, General Manager for Turnaround. "The old paper-based system would annoy and hinder staff, so we've introduced a new online system that will make life simpler and reduce delays in ordering supplies. Not only is this easier for staff, but it will also save the Trust an estimated £3 million a year through cutting back on unnecessary paperwork and administration."

However, our focus is not just within the Trust but also around it. This year, we took increasing ownership of our responsibilities as a corporate citizen. The Trust joined the Carbon Trust management programme in 2002, and thanks to engineer Shane King, the estates team has since won an award by cutting its CO_2 emissions by 2,230 tonnes a year. "By 2012 we will have reduced our carbon footprint by 10%, saving the Trust £350,000 a year," says Andrew Beattie, the Trust's Waste Advisory Manager. "Since we launched our 'Think Green' campaign in 2006, we have recycled at least 45 tonnes of paper, cans, plastic and glass – roughly the weight of five and a half double-decker buses."

We are also strengthening our links with the St George's University of London – a partnership which began back in the 1970s. The Trust and the University are now finalising a joint strategy to launch an Academic Health Science Centre. Both organisations have a long tradition of being at the fore-front of medical innovation and research to benefit wider healthcare. Of course, much of this is reliant upon the Trust having the freedom to use its resources to better meet the needs of its patients and local community. This freedom comes with becoming a Foundation Trust.

As a Foundation Trust, St George's would be accountable to the same principles and high standards of the NHS, but the Trust would have greater power and autonomy to invest in the services patients want.

"The ultimate transformation is to make our care excellent," concludes Marie. "Our patients deserve nothing less."

Better

To provide a better service we listen to our patients and learn from their experiences, so that we can continually improve our care.

Patient Valerie Brown with nurse Sharon Abdulla (main picture) on Grey Ward, a newly refurbished ward which provides care for elective surgery patients whose stay is expected to be less than three days.

"Since I was diagnosed with cancer, my treatment has moved so quickly that I cannot fault it. Staff have been so kind and informative. They were brilliant."

Valerie Brown
Patient

"Working on A&E reception can be challenging, it is a very busy department and patients can be distressed when they first arrive here. But the team of people here is so fantastic, it is great to be part of such a good team."

Jacinta Okoye
A&E receptionist
(inset picture)

Emergency care

During the past twelve months, 98,500 patients have come to the hospital for emergency treatment – 2,500 more patients than two years ago. The Trust has consistently met the national target to treat 98% of these patients within four hours but, for the last quarter of the year, we missed this target by just 0.3%.

Heather Jarman, Consultant Nurse in Emergency Care (above left) exchanges information with Nicola Shopland, A&E Matron in St George's busy A&E department, which provides 24-hour care, 365 days a year. More than 90 nurses work in A&E including specialist resuscitation room nurses.

Emergency service staff (lower left) often bring the most complex and serious of trauma injuries to St George's. Our reputation for emergency care plus our ability to treat illnesses affecting the brain, chest and heart ensure our patients get fast access to the expert care they need.

Nicola Shopland, Matron for A&E explains: "We care for over 300 patients every day, and staff work tirelessly to make sure every one of them is seen as quickly as possible. Although we normally exceed the Government's target, this year we saw 97.7% of patients within four hours. This dip was due to a variety of factors.

"Like many hospitals, St George's was affected by cases of *Clostridium difficle* and *Norovirus*, the sickness bug which is prevalent in our community every year. This reduced the bed space available, as affected wards were closed for cleaning and impacted on the rate at which patients could be transferred from A&E to the medical assessment unit and onto wards."

Our staff took action and established an Urgent Care Group to discuss priority issues and agree a framework with the Tooting Walk-In Centre to redirect patients who did not require A&E back to primary care. As a result, between 10 and 15 patients are returned to primary care services every day, giving A&E staff more time to concentrate on the patients who need their help the most.

"The dip in waiting times was short-lived," adds Nicola. "A&E is now back delivering the same strong performance and treating above 98% of patients in less than four hours."

Because of the breadth of expertise within the Trust patients with some of the most serious conditions will be brought to St George's for treatment, and the Trust is constantly assessing its working practices to make sure it offers the best care possible.

The Department of Health recently outlined the importance of early intervention to improve patient outcomes, "So we have introduced the role of specialist resuscitation room clinical nurses to our A&E team," says Nicola. "Devised and implemented by

Emergency care

Heather Jarman, Consultant Nurse in Emergency Care, this now means that the 7,000 patients resuscitated at St George's every year have 24-hour access to the specialist nursing care they need."

"Even down to emergency planning, the Trust is continually practising the readiness of its response," says Jenny Jones, Assistant Director of Emergency Planning and Site Management."We are regularly testing and refining the speed and alertness of our responses so that the Trust can be confident in its readiness to deal with a major incident under any circumstances."

"These are exciting times for St George's," continues Medical Director, Chris Streather. "Lord Darzi proposes many changes to the way healthcare is delivered. One proposal is that a small number of real centres of excellence become designated trauma centres for the capital. Each would have the clinical ability and expertise to deal with the most complex and urgent emergency cases. While the outcome of these proposals is yet to be seen, St George's is in good stead to become one of these trauma centres to provide around-the-clock expert care."

St George's is one of the UK's leading trauma and orthopaedic centres. The Trust has the largest pelvic and acetabular fracture unit in the south of England, with 55 trauma in-patient beds and a team of 12 specialist consultants, 70 nurses, nine physiotherapists and six occupational therapists, which is able to offer specialist services not available anywhere else in the country.

The Trust performs on average 15 major pelvic operations per month and has moved to increase this further by creating two more specialist surgeon posts, extending the operating day, and opening five more pelvic beds so that we can treat more patients throughout the day and evening.

Gladys Elston, aged 92, from Wandsworth, is one of the patients who experienced our trauma services firsthand:

"Friday's not my usual cleaning day, but I had a bit of spare time so I started on the sitting room. As I got up to put the dustpan and brush away, my left foot caught my right slipper and before I knew it I was crashing backwards onto the ground."

An x-ray in A&E confirmed Gladys had a fractured neck of femur and had badly hurt her wrist. St George's deals with over 200 similar injuries annually."I didn't have a long wait and staff did everything they could to make sure I was comfortable, explaining my treatment to me as they went along," recalls Gladys.

"Everyone was so kind and understanding. I really can't fault the treatment I had at St George's. You just never know what's going to happen, do you? But it's good to know that I live close to a good hospital. That said, I'll be looking for another pair of slippers as soon as I'm back on my feet."

"My treatment has been brilliant. The staff have been absolutely fantastic and my physiotherapist is awesome. They all have very demanding jobs, but they all do them incredibly well."

Gareth Hammett
Patient
(above right)

Equality and patient involvement

St George's has made Patient and Public Involvement (PPI) an integral part of its work. Like any organisation, the hospital understands how important its patients are and how listening to their views can help to redesign services to better meet their needs.

Patient involvement is important to all the Trust's services. In particular, cancer services at St George's were praised in the 2006/07 *Cancer Peer Review* for the Trust's 'considerable efforts to identify what patients feel about its services and act upon this information accordingly.'

"Our patients now have much more of a say in how our cancer services are organised and developed," explains Lead Cancer Nurse, Catherine Oakley.

"There has been a shift in the way clinical teams view patients' comments and feedback and, by making changes based on their suggestions, we have noticed advances in our care.

"Our aim is to find out what patients really think at each stage of the process from referral to treatment, rehabilitation and palliation. There has also been a real push to encourage teams to act on what service users are telling them. This way they not only feel listened to but also, where appropriate, see action taken."

St George's diagnoses and treats over 1,500 cancer patients every year and, together with the Royal Marsden Hospital, forms the Joint Cancer Centre for the South West London Cancer Network, which cares for a population of two million people.

St George's has used focus groups, surveys and patient meetings to assess how patients view its services and identify areas which can be improved. "The feedback has been extremely positive," says Catherine. "Staff, patients and their carers find joint working extremely beneficial, supportive and, in many cases therapeutic. More importantly, as a result of this interaction, patients feel standards of care have been raised and their treatment more personalised. Even just the little things, like someone remembering your name and our staff greeting you with a smile, can mean a lot when you have faced a diagnosis of cancer."

Putting our patients first

There are numerous ways our patients can access our services, ask any questions or tell us what they think of our performance:

- The St George's Patient Advice and Liaison Service (PALS) is there to help answer the concerns of patients, their relatives or carers. PALS can help to find a quick and effective solution to any problems patients may encounter. Last year, the PALS team dealt with over 3,250 enquiries, around 80% of which were resolved within one week on average.
- Over the past twelve months, the Trust's Complaints and Improvements department has received 734 complaints. Each one of them was an opportunity to assess our services and make improvements. The Trust responded to 73% of complaints within 25 days.
- Everyone likes to receive praise and St George's is no exception. The Trust received over 8,800 compliments in 2006/07 – a ratio of 12 compliments to every one complaint.
- In July 2006, Sadiq Khan, MP for Tooting, opened the new Health Information Centre at St George's. The Centre, which looks set to see over 2,000 people within its first year, offers information to patients, relatives and their carers on a host of conditions and health concerns.

"Cancer patients and their families can often have money worries but not the time or energy to access the financial support which is available to them," adds Catherine. In response, the cancer team set up a Citizens Advice Benefits Service, in partnership with Wandsworth Citizens Advice Bureau, to provide patients and their families with free and confidential advice. "This service will enable families to avoid debt and additional anxiety at an already stressful time, and make sure they get access to the benefits they are entitled to. This might include disabled parking, tax credits, school uniform grants, and assistance with prescriptions and travel to hospital."

The Trust is determined that everyone should have equal access to its services. This year, St George's held focus groups for black and minority ethnic cancer patients. The meeting found that this group did not feel disadvantaged in any way. Equally, the Trust carried out an extensive review of its estate and held talks with disabled access group representatives to highlight where improvements to access for people with physical disabilities could be made. These modifications have made a huge difference in ensuring access for everyone in need of hospital services.

Trust Chair Naaz Coker is a champion for patient involvement, equality and diversity:

"St George's is responsible for improving the health and well-being of a diverse local population in Wandsworth and Merton, and from across London and from other parts of the country. We have a duty to all patients and staff to make sure their experience with us is a welcoming and comfortable one."

"We believe in treating everyone with value, dignity and respect, regardless of their race, gender, age or beliefs. This is reflected in our corporate objectives, and in the way we involve and engage with our patients, local communities and with our staff."

"Next year, we plan to become a Foundation Trust and a commitment to human rights, equality and diversity is an absolute must if we are to attract, involve and retain a diverse member base," adds Naaz. "We want to make sure that local people, patients and employees see St George's as part of their community, just as they are part of ours."

Equal Opportunity

We believe in treating everyone who is involved with us, whether staff, patient, visitor or volunteer, with fairness and respect, regardless of their race, gender, age, religion or belief, disability or sexual orientation. Our dedicated Equalities team is currently developing a Single Equality Scheme, which is the Trust's public commitment to our staff, and those who use our services, of how we intend to meet the duties placed on us by the Equality and Human Rights legislation. This will bring together existing Trust policies and guidance into one clear statement of our belief in the importance of equality and diversity, and how that is realised in our practice, our training and education and our decision-making.

Safer

The *Good Hospital Guide* named St George's as one of the safest hospitals in which to have an operation. Promoting patient safety and stringent infection control is vital to all our services.

Senior House Officer Sadi Husain with young patient Kareemah Ogunjimi on Jungle Ward, a dedicated paediatric day ward for children coming for daycase surgery (main picture).

"Play is an important aspect of a child's treatment, working closely with the Play Team I encourage colleagues to use it as a way of preparing them for surgery. Caring for children from their admission to discharge is extremely satisfying. Their resilience, willingness to get involved and learn never ceases to amaze me."

Lamis Korimbocus
Staff Nurse, Nicholls Ward
(inset picture)

Maternity care

Almost 5,000 babies are born at St George's each year. The majority of mothers who give birth at the hospital are local women, but St George's also provides a specialist service for expectant mothers with complicated pregnancies from across south west London, Surrey and Sussex.

The Trust's state-of-the-art Fetal Medicine Unit can perform scans, tests and surgical procedures on the unborn child. St George's also has the lead Neonatal Unit for the region providing intensive care, high dependency care and surgical expertise for premature and low-birth weight babies. Together with the Trust's Maternity Unit, the staff in these services work to ensure mothers and their babies receive the best continuity of care.

Local babies born at St George's are often delivered by the same team of midwives who have provided their mother's antenatal care and our consultant obstetricians and junior doctors may also be involved in caring for both mother and child.

The hospital's delivery suite has 13 beds and can offer a wide range of pain relief, including 24-hour access to epidurals from a dedicated team of anaesthetists. However, from September 2007, an additional new unit will open providing a 'home away from home' for families. Rixa Van Den Bussche, Supervisor of Midwives, has been key in the conception and delivery of the new Carmen Suite.

"The aim of the Carmen Suite is to provide more choice for women who want a natural birth," says Rixa. "Our midwives support home birth, but we also know there are women who want to deliver without drugs or medical intervention, but who don't want to give birth at home."

Named after Carmen Brooks-Johnson, a midwife at St George's for more than 30 years, the Carmen Suite has three delivery rooms equipped with birthing balls and mats to help women stay active during labour. These are furnished and decorated to create a pleasant and comfortable atmosphere with two birthing pools, a comfortable lounge area and kitchenette where drinks and snacks can be made, and the Suite also offers aromatherapy and reflexology.

Rixa adds, "Of course, women can already opt for a natural birth at the hospital but we are really pleased to have this new midwifery-led facility to offer. If women in the Suite find they do need stronger pain relief or medical intervention, then they can be easily transferred to the nearby labour ward."

Maternity services at St George's has grown in strength and number this past year. Two years ago more than a quarter of the Trust's Mid-wifery posts were vacant filled by midwives supplied by an agency. Today, St George's has a full team of permanent midwives and uses agency midwives only when required. "We have also increased the number of hours that our obstetric consultants are on the labour ward," adds Angela Helleur, Director of Midwifery. "This means instead of being just a 9am to 5pm service, there is a consultant available on our wards during the week from 9am to 9pm.

Ultrasound scans provide valuable information about the wellbeing of the unborn child. St George's carried out almost 15,300 ante-natal ultrasound scans in 2006/07.

In March 2007, the Trust's Maternity Unit was given 'Level Three' status in the Clinical Negligence Scheme for Trusts (CNST), one of only 16 maternity services in England at that time to reach this top standard. The award was given in recognition of the robust systems it had in place to manage risks and promote patient safety. All hospitals and primary care trusts can be voluntarily members of the CNST, which is run by the NHS Litigation Authority. Member trusts then pay a contribution to the scheme and in the event of any case of clinical negligence being brought against a trust, the CNST handles the claim.

In order to encourage a proactive approach to risk management, the cost of membership decreases if a trust can demonstrate that it is has effective systems for managing risk, and is constantly striving to improve its patient care and safety.

In order to move from a 'Level Two' to a 'Level Three', St George's maternity services had to meet a detailed set of criteria set by the CNST. Leading this project were Julia Sutton, Obstetric Risk Manager, Debbie Woods, Clinical Auditor, and Pauline Curran, Ante-natal Screening Co-ordinator. External assessors reviewed a mass of documentary evidence and interviewed staff. The Maternity Unit had to provide proof not only that it has guidelines and policies in place and that these are being monitored for compliance and effectiveness, but that the service is seeking to improve these guidelines by learning from its own experiences and those of other Trusts. The Trust also had to show that it was involving patients and their families in evaluating care and making changes.

Rixa concludes: "At the end of the day, pregnancy and birth will always carry a risk – that is one of the reasons that the safe delivery of a healthy baby is such a cause for celebration – but we are striving to make the process safer all the time."

"Giving birth was a difficult process but the staff were really good, particularly in the Delivery Suite."

Fiona Wood, Matthew Robertson and son Sebastian

In April 2007, the Royal College of Obstetrics and Gynaecologists announced that its next president would be St George's consultant Professor Sarbaratnam Arulkumaran. The appointment is the second of the Trust's links with the Royal Colleges; in 2005 Dr Patricia Hamilton, an expert in neonatal care at St George's, stepped down as the Trust's Medical Director to become the first female president of the Royal College of Paediatrics and Child Health.

Infection control

"Infection control has been a testing time for us this year," says Peter Riley, Consultant Medical Microbiologist. "Over the past five years our ambitious infection control strategy has seen a real reduction in *MRSA* cases, but this winter the number of cases began to rise."

Until this point, St George's was on track to meet its agreed trajectory to reduce the number of *MRSA* bloodstream infections. However, during the last quarter of the year, the Trust's target of no more than 13 patients with *MRSA bacteraemia* was exceeded by one.

"Infection control figures can fluctuate from month to month depending on the mix of patients we treat, but this is no excuse," explains Peter. "Minimising the risk of infection is our highest priority. We have intensified our campaign and seen the number of cases fall as a result."

In October, the Director of Nursing, Geraldine Walters began overseeing the Trust's infection control management and strengthened the Trust's efforts around five key areas:

- compulsory hand hygiene
- stringent hospital cleanliness
- enhanced screening and decolonisation
- the safe care and placing of intravenous lines; and
- the strictest controls on antibiotics.

"We also invited the Department of Health to St George's to look at our infection control practices, and see what we were doing well and what we could do better," says Geraldine. "Initial assessments resulted in some very positive feedback as well as suggestions for improvements and, since the visit we have launched additional infection control initiatives."

"As far as we are concerned, although they happen to a very small minority of patients, every hospital infection is a serious incident. Cases of *MRSA bacteraemia* are now given the same high level priority as any other hospital breach, and consultants must carry out an immediate root cause analysis to identify the source of infection in their patient and present their findings to the Trust's Infection Taskforce so that we can learn and continually improve patient safety."

Today, inpatients coming to St George's are routinely screened for *MRSA* prior to admission from other hospitals or nursing homes, and vulnerable patients are constantly monitored throughout their stay for signs of infection. The Trust is soon to extend this further with the introduction of new technology to diagnose *MRSA* within two hours of testing. Once in place, St George's will be one of only a handful of hospitals in the country to offer this speed of testing.

"The Trust's new Infection Taskforce is the catalyst behind many of these initiatives," adds Geraldine. "The taskforce reports directly to the Trust Board and is responsible for making sure rigorous measures are in place to protect our patients.

"Our next initiative is to work with local primary care trust's and general practitioners with the aim of reducing *MRSA* within the community as well as in hospital."

The positive impact of the taskforce has led to the extension of its remit to include *MRSA* and *Clostridium difficile (C.diff)*.

"*Clostridium difficile* is a growing problem across all hospital trusts," says Peter, "and at St George's we have a lot to do. In March, the Trust made a commitment to cut its *C.diff* rates by 10%.

"In April 2007 the Health Protection Agency reported that *C.diff* rates at St George's had risen by 1% during the year. This was significantly lower than the national average of 8%, but it was a rise nevertheless. We have doubled our efforts, reviewing the Trust's policies, implementing new guidelines and improving hospital cleanliness.

"We have reinforced our campaign to make sure we all understand that controlling infection is everyone's responsibility. All staff, from consultants to cleaners, are constantly reminded of this important fact." To get this message across, the Trust has held a series of publicity campaigns, and in early 2007 Chief Executive David Astley wrote to all staff to emphasise the importance of the role everyone has to play. In his letter, David said:

"No matter how hard our staff work there is one thing that will always undermine the proud reputation of this hospital and that is poor infection control. Our patients quite rightly have a zero tolerance when it comes to their own health; we must adopt a zero tolerance when it comes to infection."

Together these efforts are starting to pay off, and the latest figures from the Health Protection Agency show that between January and March 2007, incidents of *C.diff* at St George's fell 16%, while *MRSA* rates fell by 40%.

"There is still some way to go if we are to reach the Government's target of a 60% reduction in *MRSA* by March 2008," adds Peter, "but we'll keep focusing on it until we get there."

The rules

- **Clean your hands**
  All staff and visitors must clean their hands appropriately before and after entering a ward or treating patients. We actively encourage our patients to ask their doctors or nurses if they have cleaned their hands, so be prepared to ask or be asked.
- **Keep St George's clean**
  The Trust's caries out four twice-weekly on-the-spot inspections across its estate to make sure cleanliness is to the optimum standard. If staff, patients and visitors spot any clean-liness issues they are asked to report them so that these issues can be dealt with promptly.
- **Safe care of intravenous lines**
  Intravenous lines are a known source of infection in patients. The Trust has appointed a specialist team of nurses to supervise the safe placing and care of these lines to monitor and minimise this risk.
- **Strict controls of antibiotics**
  We have imposed the strictest controls on the use of antibiotics which are a known cause for the rise in drug resistant organisms such as *MRSA* and *C.diff.*

Faster

Patients at St George's are waiting less time for treatment than ever before and we are working to reduce this even further. Our operating theatres now run at 83% capacity – up 8% since April 2007, and we are also expanding our heart and stroke services to provide expert care 24-hours a day.

"I've worked in orthopaedic theatre for a long time. Every now and then a patient comes in to thank us and it's great to know that you helped put that person back together again."

Fazilla Weeden
Team Leader Orthopaedic Surgery
(main picture)

"I feel privileged to support a team of highly skilled and hugely dedicated trauma surgeons. Investment in additional resources and reorganising the way we work has helped us successfully responded to increased demand. There's still more to do, but I'm confident we are well placed to become known as one of the countries leading trauma centres."

Nicola Grinstead
General Manager for Neurosciences and Orthopaedics
(inset picture)

Stroke care

In a nationwide review of health-care facilities for stroke patients, St George's Acute Stroke Unit was heralded as one of the top ten for its organisation of care.

Stroke is one of the top three causes of death in the UK and a leading cause of disability. All stroke patients who come to St George's are admitted to the Acute Stroke Unit without delay in order to benefit from the expertise of doctors, nurses and therapists who specialise in the care of stroke patients.

"I am very proud of our staff," says lead consultant Professor Hugh Markus. "Our position as one of the best stroke units in the country is due to hard work from many staff across different specialities, and particularly due to close working relationships between different groups including therapists, nurses, medical and administrative staff."

Based within the Trust's Neurology Department and its modern Atkinson Morley Wing, the Stroke team treats more than 400 patients a year who have had or are suspected of having had a stroke. The department provides both inpatient and outpatient services, including a rapid access clinic for people who have had a transient ischemic attack, known as a TIA or 'mini-stroke', and are therefore at risk of having a more serious stroke. In the National Sentinel Stroke Audit carried out by the Royal College of Physicians reviewing nearly 240 hospitals in England, Wales and Northern Ireland, St George's was joint eighth for its provision of care to patients.

In April 2007, a 20-bed Acute Stroke Unit was set up, increasing the number of beds for acute patients as well as for patients in recovery. This means that the majority of our stroke patients can now spend their entire hospital stay being looked after by a dedicated stroke team. Patients with on-going rehabilitation needs may also be referred to the Trust's Wolfson Centre for Neuro-rehabilitation where patients can benefit from a range of therapies to help them recover movement and cognitive function.

In addition to this, in 2007 St George's will become one of the first hospitals in the UK to offer 24-hour access to clot-busting drugs to stroke victims. If stroke patients are given these thrombolytic drugs within three hours of an attack the risks of paralysis can be significantly reduced. This service has been offered at the hospital on a day-time basis since 2005, but this expansion of hours will put St George's on the cutting edge and in a position to be declared a regional stroke centre.

St George's also offers a national referral service for patients with rarer stroke conditions. We see patients from across the UK with a history of stroke in their family in a monthly clinic we hold jointly with a genetic counsellor, Glen Brice. We provide a regional and national service for patients with narrowed arteries in the neck or within the brain. These are treated with operations by the Vascular Surgical Unit or using stents by the Neuroradiology Department.

The Stroke Unit's attitude to innovation can be summed up by the fact that, although nationally only 3% of patients are admitted to a clinical trial, at St George's 90% of stroke patients take part in research. The Trust's Stroke service works closely with the stroke research programme at St George's University of London, which is one of the strongest in the UK. This internationally-recognised research includes work on how the genes we inherit may make us more vulnerable to stroke, how new high-tech imaging techniques can help reveal more about a patient's condition, and trials of new treatments.

Professor Markus says: "Many studies have shown that centres which are active in research tend to have better outcomes for patients, and this was also shown in the National Audit. Not only do good clinical care and good clinical research go hand in hand, but we are also able to rapidly bring the benefits of research to our patients."

"The Stroke service is the lead centre for the South East Stroke Research Network," adds Dr Geoff Cloud, who with Dr Anthony Pereira has also been integral to the transformation of the service. "As part of the national network, we aim to help doctors and patients understand the benefits of research. This means patients across south west London, Surrey, Sussex and Kent are being invited to take part in research which may be looking at acute treatment for stroke, rehabilitation or preventing strokes in people at risk."

St George's leads a number of national and international research projects. One project, sponsored by the Wellcome Trust, is creating a UK wide DNA database from patients with a particular type of stroke called lacunar stroke, caused by blockages in tiny blood vessels in the brain. Many patients at St George's have helped with this project. Another study, CADISS, led by Professor John Norris, is looking at best treatments for carotid dissection. This is one of the most common causes of stroke in the young, caused by a tear of a brain blood vessel. Currently the stroke research programme is funded by over £4 million from external agencies. Chair with the stroke team (right).

In October 2005, St George's launched its 24-hour emergency angioplasty service – a minimally invasive procedure to restore blood flow to the heart after a heart attack because of a blocked coronary artery.

Paul Brown believes he wouldn't be here without this life-saving treatment. This is his story.

A Design and Technology teacher at a south west London secondary school, Paul knew he had high cholesterol and a demanding job. He had given up smoking earlier in the year. However, he had recently been through a very stressful time with two family bereavements.

"I had had some mild chest pains but put it down to stress because of the bereavements," explains Paul, aged 53 (above with Cardiologist Stephen Brecker). "But then in the very early hours of 20 June 2007, just after midnight, I started having more severe pains which woke me up. These did subside briefly but then started up again, so I called an ambulance. I am a first aider and I knew from the chest pains and other symptoms that I was having a heart attack."

Paul, who lives in Carshalton, was initially taken to his nearest hospital, St Helier, but was then transferred to St George's to receive treatment from its 24-hour emergency angioplasty service. The procedure was carried out in one of St George's five catheter laboratories in the hospital's Atkinson Morley Wing in the early hours of the morning and Paul believes it saved his life.

Heart attacks happen when a coronary artery, the blood vessel to the heart, becomes blocked. Coronary artery disease is primarily caused by atherosclerosis or the 'furring up' of the arteries by fatty deposits. Thrombolytic 'clot-busting' drugs can be given to heart attack patients to restore blood flow and limit the damage to the heart, but these don't work in all cases.

Angioplasty targets the blocked artery directly using a catheter, a thin flexible tube, inserted via a blood vessel in the groin or arm. A cardiologist will insert and inflate a tiny balloon at the blockage site to re-open the artery. A stent – a wire coil or mesh tube – is then used to hold it open and squash back the fatty deposits, allowing blood to flow more easily. Heart attack patients from across Surrey and south west London are brought to St George's for this emergency treatment. In 2006/07 St George's carried out 250 of these procedures compared to 180 the previous year.

Paul says: "I can remember realising during the night that I might not see the next day. I know without this treatment things could have been completely different."

He adds: "From my own experience, and from what I saw in the Coronary Care Unit and on the ward, I can say the staff were wonderful. They completely understood how patients were feeling and were very reassuring and explained everything. As soon as I arrived at St George's I knew everything was going to be OK. I felt everyone knew what they were doing and it was so efficient."

St George's was pronounced as one of the top four London hospitals for heart surgery in 2006 with one of the highest survival rates. Assessed by the Healthcare Commission, 97.6% of our heart patients survived this major operation.

Paul returned to the hospital in July 2007 to have a second stent put in another artery. He says the experience of having a heart attack has made him change his outlook.

"It was three years ago that I was diagnosed with high cholesterol so I was already trying to change my diet, and I had given up smoking in the New Year. But this has made me value life more and not take it for granted."

John Newberry from Croydon, was brought to St George's in the early hours of the morning on 19 May 2007 after suffering chest pains at home. He had an angiogram to check the condition of his coronary arteries; this is an x-ray during which a dye is injected through a catheter to see how blood is flowing. He is now on medication and undergoing a rehabilitation programme at his local hospital.

"I just wanted to write and thank you for the wonderful support I received as a patient completely out of his depth and out of his comfort zone. From my arrival, I was treated with dignity, helpfulness, care and attention. Before and throughout the diagnostic procedure, I was clearly told what was going on and given reassurance. At every stage, the quality of care was wonderful and the staff I met are all a credit to the hospital. My wife received constant support, kindness and helpful explanations from the nurses."

Stronger

While we are helping patients to recover and grow strong again, we are also strengthening our own performance. Our finances are now gaining in health and we are meeting, if not exceeding many national targets set for NHS hospitals.

Neuro Physiotherapist Isabel Cary with recovering stroke patient Charles Hilton (main picture).

"I am part of a wonderful diagnostic team caring for stroke patients. The ward consists of dedicated nurses, physiotherapists and registrars. It's a very dynamic team which I really enjoy being part of. Once patients start making progress they are transferred to the Wolfson Rehabilitation Centre for further specialist help and rehabilitation."

Aniwinda Yu
Staff Nurse, William Drummond Ward
(inset picture)

St George's has continued to give a strong performance against national standards throughout the year to ensure patients have fast access to the services they need and raise the standard of our care.

Our promise

At St George's, our values underpin everything we do. We promise to:

- Treat all people with respect and dignity
- Deliver care in partnership with others
- Continually strive for excellence
- Ensure probity and transparency in spending public money
- Be an exemplary employer
- Be committed to education, training and research
- Be open and honest with each other

With over 5,000 staff, St George's is working hard to make sure all patients receive the highest quality of care as quickly as possible.

(Clockwise from top left) Paediatric Matron Mary Owusu, winner of the 2007 Ghanaian Professional Awards for nursing excellence with ward receptionist Flavia Douglas-Elliston; staff nurse Kristine Redulla with Neuro intensive care registrar Alison Boyle; and anaesthetist Dominic Spray.

A&E
The national target is to see 98% of A&E patients within four hours. On average this year, we saw 97.7% within that time, narrowly missing our target. This was due to incidences of the sickness virus *Norovirus* within the community which put pressure on the availability of our beds to admit patients quickly.

Inpatients and Outpatients
We have confidently met national waiting times with no Inpatients waiting longer than 26 weeks for surgery and no Outpatient waiting longer than 13 weeks for a first appointment. We have also achieved national milestones which means we are on track to meet a new requirement for 2008 for patients to go from GP referral to first treatment within 18 weeks. In order to be ready for this 18 week patient pathway, St George's has successfully reduced Inpatient waiting times to 20 weeks and Outpatient to 11 weeks. This is good news and means St George's is set to meet the new gold standard when it comes into effect.

Cancer
An average of 99.7% of cancer patients waited no longer than 31 days from diagnosis to the start of treatment. This exceeds the national target of 98%.

We also exceeded the target for the percentage of patients who had started treatment within 62 days of a GP referral. The national target is 95% and the Trust's cancer services achieved an average of 97.2%.

We narrowly missed seeing 100% of urgently referred patients within two weeks, instead seeing 99.9% of patients on average. This was still within the Healthcare Commission's tolerance level and so the Trust met the national target.

Cancelled operations
St George's cancels few operations at short notice, only 1.5% of operations were cancelled in 2006/07.

However, we failed to meet the 100% guarantee to re-admit all patients whose operations are cancelled at short notice within 28 days. 16.8% of patients were not offered a new date within this timeframe. We are confident that existing plans to improve our Inpatient services will address this issue.

Heart revascularisation
As a leading centre in heart care, St George's was the first trust in the country to meet the national heart surgery target in 2005 and reduce the wait for revascularisation to below three months. We have consistently maintained this quality standard. We have also seen 100% of patients referred by GPs to rapid access chest pain clinics within two weeks.

Dr Stephen Brecker, Consultant Cardiologist and Director of Cardiac Catheterisation (top left) at one of St George's five state-of-the-art catheter labs that offer diagnostic and treatment procedures.

In January 2007 the hospital opened a new £3 million pharmacy unit to increase capacity to our patients with fast access to nutritional, antibiotics and cytotoxic medication (lower left). St George's is the first NHS facility to work with hydrogen peroxide gassing technology to make sure all products are free from microbiological contamination, and the Trust is now licensed by the MHRA to manufacture pre-packaged medication for St George's and other NHS Trusts.

MRSA infections
By March 2008, all Trusts are required to make a 60% reduction in the number of *MRSA* bloodstream infection compared to 2003/04. During 2006/07, St George's did not achieve the necessary reduction to be online to meet this target. It had 86 cases compared to a target of 48. However, between January and March 2007, infection rates dropped by 40% compared to the previous quarter demonstrating that the Trust's infection control measures are taking effect.

PEAT Inspection
St George's Hospital maintained its standards in the Patient Environment Action Team (PEAT) inspection 2007. It was rated as having acceptable standards of cleanliness, a good standard of food and an acceptable standard of privacy and dignity for patients.

The Wolfson Centre for Neuro-rehabilitation, part of St George's Healthcare NHS Trust, improved its rating for food by achieving a 'good' and was consistent in other areas, achieving an 'acceptable' rating for environment and a 'good' for privacy and dignity of patients.

Patient choice
St George's met its target to offer 100% of Outpatients a choice of date for their first appointment and achieved all the elective access milestones required for the end of March.

We have also for the first time brought the 'consultant-to-consultant' outpatient referrals waiting times to the same maximum wait as GP referrals so that no patient is waiting more than 11 weeks for an appointment.

Board of Directors

The Board of Directors at St George's Healthcare NHS Trust consists of a Chair, Chief Executive, eight full-time Executive Directors and five part-time Non-Executive Directors.

The role of the Board is to oversee the strategic direction of the hospital and ensure the Trust delivers effective financial control and high-quality, patient-centred care.

The Board meets in public every two months to discuss the running of the hospital and the Trust's performance. Staff, patients and members of the public are all welcome to attend these meetings and raise any questions to the hospital's senior managers.

Mrs Naaz Coker
Chair

Member
BMA's Carbon Council
Dr Foster's Ethics Committee

Patron
The Jewish Museum

Vice President
Medact

Association Member
Oxfam

Trustee
Royal Society of Arts

Patron
St George's Kidney Patients' Association

Council Member
St George's University of London

Mrs Diane Mark
Deputy Chair

Lay Magistrate
Department of Constitutional Affairs

Lay Observer
Preliminary Investigation Committee, Royal College of Veterinary Surgeons

Trustee and Director
Ronald McDonald House, Tooting

Trustee
St George's Charitable Foundation

Mr David Astley
Chief Executive Director

No Register of Interest

Mrs Marie Grant
Director of Operations / Deputy Chief Executive

No Register of Interest

Mr Colin Gentile
Executive Director of Finance and Turnaround

External member
Audit Committee, Horniman Museum (unpaid)

Mr Christopher Streather
Medical Director

Member
New Healthcare Network, occasional contributor to MPs Briefings

Professor Sean Hilton
Non-Executive Director

Governor
Anglo-European Chiropractic College

Trustee
General Practice Airways Group

Ms Valerie Moore
Non-Executive Director

Lay Magistrate
Department of Constitutional Affairs

Inner London Youth Panel
Department of Constitutional Affairs

Lay Member
Cross-Rail Discretionary Purchase Panel (appointed by Secretary of State for Transport)

Partner
Moore Adamson Craig Partnership LLP

Mr Mike Rappolt
Non-Executive Director

Governor
Contemporary Dance Trust Limited

Non-Executive Director
Nexus plc

Shareholder (all under 1% of companies)
PA Consulting Group
Various companies

Governor
Raynes Park High School

Chairman
Wimbledon Civic Theatre Trust

Ms Valerie Vaughan-Dick
Non-Executive Director
(left the Trust March 2007)

Director of Finance and Resources
Department of Constitutional Affairs

Director
V&A UK Limited

Mr Michael Bailey
Medical Director

No Register of Interest

Mr Neal Deans
Director of Estates and Facilities

No Register of Interest

Dr Derek Dundas
Medical Director

Chair
George Cordiner Radiological Trust

Dr Geraldine Walters
Director of Nursing and Patient Involvement

Visiting Professor
Buckinghamshire Chilterns University College (salaried)

Chair
London Network for Nurses and Midwives (unpaid)

Member
Board of Governors of RCN Institute (unpaid)

Mr Colin Watts
Director of Organisation Development
(retired March 2007)

Governor
Kingston University

External Member
London Borough of Wandsworth (Standards Committee)

Financial summary

In 2006/07 St George's Healthcare NHS Trust incurred a deficit on income and expenditure of £2.9m.

The Trust's rate of capital cost absorption in 2006/07 was 3.4% which is within the target range of 3.0%–4.0% set by the NHS Executive. The Trust met both its Capital Resource Limit and External Financing Limit. The following statements represent a summary of financial information about the Trust.

For the third year running, St George's has delivered on its promise to improve its financial position and services.

In 2004/05, the Trust had a year-end deficit of £21.7 million. We took action and, by the following year, this debt had been reduced to an in-year deficit of £11.6 million. Our target by 2006/07 was to have reduced this further to a deficit no greater than £4.4 million. The Trust did better than this, and closed the year with a deficit of £2.9 million.

By next year, we will have broken even. We are now in a much stronger financial position but there is still a challenge ahead of us.

To meet this challenge for the year ahead the Trust now has to save a further £25.7 million. This is no small amount, but it is significantly less than we had to save last year.

Over the course of 2006/07, St George's has made a financial improvement of some £32 million. This achievement is to the credit of all in the organisation, and I must particularly commend the strength of general management and nurse engagement in delivering this result. All have worked solidly to find ways to deliver a faster, high-quality service that is also more cost-efficient.

The Trust has introduced a number of initiatives to reduce its costs and improve efficiency. These have included introducing the strictest of controls on recruitment, minimising the expensive use of bank and agency staff, and investing in a variety of 'spend to save' initiatives that aim to find ways in which we can work smarter, not harder to benefit both patients and staff.

In fact, through these initiatives, the Trust has now identified the majority of the £25.7 million needed to be saved next year, and I am confident that the remainder of the savings will soon be in place.

But sustainable savings cannot be found through slicing away at services. Throughout every step of our financial recovery, we have closely monitored the impact of our reforms to make sure that the quality or quantity of our patient care is not affected. If we find something is not working, we will stop and find an alternative solution that does.

We now have an extra 53 nurses and midwives on our payroll (February 2007). This is partly due to our reduced use of bank, agency and locum staff in favour of increasing our own workforce. Not only is this cheaper for the Trust, it also means that we have the right skills within St George's to provide a high level service without the need to rely on expensive outside agencies.

2006/07 also saw one big change in the financial management of the NHS – the elimination of the Resource Allocation Budget (RAB), where Trust's were shadowed by their cumulative deficits from previous financial years.

After the elimination of RAB, St George's has brought forward a cumulative deficit of circa £37 million. We have now negotiated a loan with NHS London and the Department of Health to cover this amount and are in the process of agreeing a repayment plan.

Borrowing this money allows us to consolidate our debts into one manageable bill. By bringing our debts together, our finances will become much more open and transparent. It will also mean that trusts are treated in a much fairer and equitable way.

In conclusion, managing our finances in this way is a good and open discipline, and is much more akin to the management of a Foundation Trust.

It is our aim to become a Foundation Trust in 2008. Not only will this cement St George's future, it will give us more autonomy and control to retain the surpluses we create, and invest in the services our patients want, to become a better hospital.

Colin Gentile
Executive Director of Finance and Turnaround

The full accounts are available on request from:

Director of Finance
St George's Healthcare NHS Trust
Bronte House
St George's Hospital
Blackshaw Road
London SW17 0QT

T/020 8725 1346

Income and Expenditure Account

For the year ended 31 March 2007

	2006/07 £'000	2005/06 £'000
Income from activities	**313,409**	268,452
Other operating income	**70,737**	68,444
Operating expenses	**(380,723)**	(367,342)
Operating surplus/(deficit)	**3,423**	(30,446)
Cost of fundamental reorganisation/restructuring	**0**	0
Profit/(loss) on disposal of fixed assets	**(6)**	3,214
Surplus/(deficit) before interest	**3,417**	(27,232)
Interest receivable	**894**	360
Interest payable	**(46)**	0
Other finance costs		
– unwinding of discount	**(34)**	(35)
– change in discount rate on provisions	**0**	(20)
Surplus/(deficit) for the financial year	**4,231**	(26,927)
Public Dividend Capital dividends payable	**(7,132)**	(6,642)
Retained surplus/(deficit) for the year	**(2,901)**	(33,569)

All income and expenditure is derived from continuing operations.

The retained deficit in 2005/06 of £33,569k included the repayment of £21,996k to the Department of Health in respect of deficits incurred in previous financial years. The accounting practice – which is known as Resource Allocation Budgeting (RAB) – of charging the repayment of previous years' deficits to the Income and Expenditure was required by HM Treasury. There is no RAB adjustment for the 2006/07 financial year. In order to make a valid comparison of the Trust's actual financial performance the repayment made in 2005/06 should be excluded from the reported deficit for that year as stated below:

	2006/07 £'000	2005/06 £'000
Reported income and expenditure deficit	**(2,901)**	(33,569)
Less: Repayment for previous years' deficits	**0**	21,996
In-year income and expenditure deficit	**(2,901)**	(11,573)

Balance Sheet

As at 31 March 2007

	2006/07 £'000	2005/06 £'000
Fixed assets		
Intangible assets	**1,021**	607
Tangible assets	**241,902**	238,903
Investments	**0**	0
	242,923	239,510
Current assets		
Stocks and work in progress	**5,275**	5,008
Debtors	**39,516**	49,187
Investments	**0**	0
Cash at bank and in hand	**111**	84
	44,902	54,279
Creditors: Amounts falling due within one year	**(51,470)**	(46,770)
Net current assets/(liabilities)	**(6,568)**	7,509
Total assets less current liabilities	**236,355**	247,019
Creditors: Amounts falling due after more than one year	**(27,200)**	0
Provisions for liabilities and charges	**(2,956)**	(4,382)
Total assets employed	**206,199**	242,637
Financed by: Taxpayers' equity		
Public dividend capital	**131,672**	166,325
Revaluation reserve	**106,970**	106,081
Donated asset reserve	**14,424**	14,446
Government grant reserve	**856**	820
Other reserves	**1,150**	1,150
Income and expenditure reserve	**(48,873)**	(46,185)
Total taxpayers' equity	**206,199**	242,637

David Astley
Chief Executive
22 June 2007

Colin Gentile
Executive Director of Finance and Turnaround

Cash Flow Statement

For the year ended 31 March 2007

	2006/07 £'000	2005/06 £'000
Operating activities		
Net cash inflow/(outflow) from operating activities	**20,166**	(46,188)
Returns on investments and servicing of finance		
Interest received	**894**	376
Interest paid	**0**	0
Interest element of finance leases	**0**	0
Net cash inflow/(outflow) from returns on investments and servicing of finance	**894**	376
Capital expenditure		
(Payments) to acquire tangible fixed assets	**(13,958)**	(12,117)
Receipts from sale of tangible fixed assets	**1**	15,273
(Payments) to acquire intangible assets	**(623)**	(323)
Receipts from sale of intangible assets	**20**	0
(Payments to acquire)/receipts from sale of fixed asset investments	**0**	0
Net cash inflow/(outflow) from capital expenditure	**(14,560)**	2,833
Dividends paid	**(7,132)**	(6,642)
Net cash inflow/(outflow) before management of liquid resources and financing	**(632)**	(49,621)
Management of liquid resources		
(Purchase) of current asset investment	**0**	0
Sale of current asset investments	**0**	0
Sale of other current asset investments	**0**	0
Net cash inflow/(outflow) from management of liquid resources	**0**	0
Net cash inflow/(outflow) before financing	**(632)**	(49,621)
Financing		
Public dividend capital received	**0**	69,637
Public dividend capital repaid (not previously accrued)	**(34,653)**	(20,000)
Public dividend capital repaid (accrued in prior period)	**0**	0
Loans received from Department of Health	**34,000**	0
Other loans received	**0**	0
Loans repaid to Department of Health	**0**	0
Other loans repaid	**0**	0
Other capital receipts	**1,312**	0
Capital element of finance lease rental payments	**0**	0
Cash transferred (to)/from other NHS bodies	**0**	0
Net cash inflow/(outflow) from financing	**659**	49,637
Increase/(decrease) in cash	**27**	16

The net cash outflow from operating activities for 2005/06 of £46,188k includes the repayment of £21,996k to the Department of Health in respect of deficits incurred in previous financial years. The accounting practice which is known as Resource Allocation Budgeting (RAB) – of charging the repayment of previous years' deficits to the Income and Expenditure was required by HM Treasury. There is no RAB adjustment for the 2006/07 financial year.

Statement of Total Recognised Gains and Losses

For the year ended 31 March 2007

	2006/07 £'000	2005/06 £'000
Surplus/(deficit) for the financial year before dividend payments	**4,231**	(26,927)
Fixed asset impairment losses	**0**	0
Unrealised surplus/(deficit) on fixed asset revaluations/indexation	**1,534**	2,675
Increases in the donated asset and government grant reserve due to receipt of donated and government grant financed assets	**1,312**	116
Defined benefit scheme actuarial gains/(losses)	**0**	0
Additions/(reductions) in "other reserves"	**0**	0
Total recognised gains and losses for the financial year	**7,077**	(24,136)
Prior period adjustment	**0**	0
Total gains and losses recognised in the financial year	**7,077**	(24,136)

The retained deficit for the financial year before dividend payments in 2005/06 of £26,927k includes the repayment of £21,996k to the Department of Health in respect of deficits incurred in previous financial years.

Notes to the Financial Statements

For the year ended 31 March 2007

Income from activities

	2006/07 £'000	2005/06 £'000
Strategic Health Authorities	**247**	1,297
NHS Trusts	**569**	340
Primary Care Trusts	**260,930**	242,432
Foundation Trusts	**639**	9
Local Authorities	**0**	0
Department of Health	**45,990**	19,818
NHS Other	**319**	477
Non NHS:		
– Private patients	**3,155**	3,143
– Overseas patients (non-reciprocal)	**321**	120
– Road Traffic Act	**870**	767
– Injury cost recovery	**0**	–
– Other	**369**	49
	313,409	268,452

Road Traffic Act income is subject to a provision for doubtful debts to reflect expected rates of collection.

The income from Primary Care Trusts of £242,432k for 2005/06 includes the repayment of £21,996k to the Department of Health in respect of deficits incurred in previous financial years.

Department of Health income includes £45,612k in respect of the Market Forces Factor, a central allocation designed to address cost differentials relating to geographical location. The Market Forces Factor represents the estimated difference between the cost the Trust incurs in providing its NHS services and the income receivable for those services under the Payment By Results regime. In 2006/07 the Market Forces Factor increased from £19,687k to £45,612k as a result of the extension in the scope of the Payment By Results regime.

Other operating income

	2006/07 £'000	2005/06 £'000
Patient transport services	**46**	0
Education, training and research	**51,502**	50,413
Charitable and other contributions to expenditure	**696**	703
Transfers from donated asset reserve	**1,673**	1,752
Transfers from government grant reserve	**57**	51
Non-patient care services to other bodies	**11,112**	10,385
Income generation	**3,645**	3,887
Other income	**2,006**	1,253
	70,737	68,444

Operating expenses

	2006/07 £'000	2005/06 £'000
Services from:		
– other NHS Trusts	**2,038**	2,465
– other NHS bodies	**12,258**	9,464
– Foundation Trusts	**757**	753
Purchase of healthcare from non NHS bodies	**37**	150
Directors' costs	**1,247**	1,747
Staff costs	**243,837**	236,050
Supplies and services:		
– clinical	**61,986**	61,938
– general	**9,994**	8,904
Establishment	**2,710**	2,868
Transport	**2,929**	2,709
Premises	**19,723**	19,196
Bad debts	**406**	1,870
Depreciation	**12,547**	12,653
Amortisation	**209**	330
Fixed asset impairments and reversals	**0**	0
Audit fees	**227**	217
Other auditor's remuneration	**0**	0
Clinical negligence	**4,371**	4,380
Redundancy costs	**984**	0
Other	**4,463**	1,648
	380,723	367,342

Notes to the Financial Statements

For the year ended 31 March 2007

Management costs

	2006/07 £'000	2005/06 £'000
Management costs	**15,587**	14,769
Income	**383,726**	336,896

Better payment practice code

Better payment practice code – measure of compliance

	2006/07 Number	2005/06 Number
Total Non-NHS trade invoices paid in the year	**81,287**	146,631
Total Non-NHS trade invoices paid within target	**68,180**	123,276
Percentage of Non-NHS trade invoices paid within target	**84%**	84%
Total NHS trade invoices paid in the year	**2,813**	19,063
Total NHS trade invoices paid within target	**1,765**	14,486
Percentage of NHS trade invoices paid within target	**63%**	76%

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

The late payment of commercial debts (interest) Act 1998

	2006/07 £'000	2005/06 £'000
Amounts included within Interest Payable (note 9) arising from claims made under this legislation	**0**	0
Compensation paid to cover debt recovery costs under this legislation	**0**	0

Salary and Pension entitlements of senior managers

A/ Remuneration

	2006–07			2005–06		
Executive Directors	Salary (bands of £5,000) £'000	Other remuneration (bands of £5,000) £'000	Benefits in kind to nearest £100	Salary (bands of £5,000) £'000	Other remuneration restated (bands of £5,000) £'000	Benefits in kind to nearest £100
Mr Peter Homa, Chief Executive Director (to July 2006)	**50–55**	**0**	**0**	175–180	0	0
Mr David Astley, Chief Executive Director (from December 2006)	**55–60**	**0**	**0**	0	0	0
Mr Colin Gentile, Director of Finance	**115–120**	**0**	**0**	115–120	0	0
Mrs Marie Grant, Director of Operations and Performance (Acting Chief Executive from August to November 2006)	**130–135**	**0**	**0**	105–110	0	0
Dr Geraldine Walters, Director of Nursing	**100–105**	**0**	**0**	90–95	0	0
Mr Christopher Streather, Medical Director	**20–25**	**120–125**	**0**	20–25	110–115	0
Mr Mike Bailey, Medical Director	**20–25**	**140–145**	**0**	20–25	145–150	0
Dr Derek Dundas, Medical Director	**20–25**	**130–135**	**0**	0–5	115–120	0
Mr Colin Watts, Director of Human Resources	**90–95**	**0**	**0**	85–90	0	0
Mr Neal Deans, Director of Estates	**95–100**	**0**	**0**	95–100	0	0
Non-Executive Directors						
Ms Naaz Coker, Chair	**20–25**	**0**	**0**	20–25	0	0
Professor Sean Hilton, Non-Executive Director	**5–10**	**0**	**0**	5–10	0	0
Ms Diane Mark, Non-Executive Director	**5–10**	**0**	**0**	5–10	0	0
Ms Valerie Moore, Non-Executive Director	**5–10**	**0**	**0**	5–10	0	0
Ms Valerie Vaughan-Dick, Non-Executive Director	**5–10**	**0**	**0**	5–10	0	0
Mr Michael Rappolt, Non-Executive Director	**5–10**	**0**	**0**	5–10	0	0

Notes to the Financial Statements

For the year ended 31 March 2007

B/ Pension benefits

Name and title	Real increase in pension & lump sum at age 60 (bands of £2,500) £'000	Lump sum at age 60 related to real increase in pension (bands of £2,500) £'000	**Total accrued pension & related lump sum at age 60 at 31/03/07 (bands of £5,000) £'000**	**Cash Equivalent Transfer Value at 31/3/07 £'000**	Cash Equivalent Transfer Value at 31/3/06 £'000	Real increase in Cash Equivalent Transfer Value £'000	Employers Contribution to Stakeholder Pension to nearest £100
Mr Peter Homa Chief Executive Director (to July 2006)	10–12.5	172.5–175	**230–235**	**894**	738	97	0
Mr David Astley Chief Executive Director (from December 2006)	5–7.5	187.5–190	**250–255**	**1,062**	868	58	0
Mr Colin Gentile Director of Finance	0–2.5	112.5–115	**150–155**	**509**	478	20	0
Mrs Marie Grant Director of Operations and Performance	45–47.5	165–167.5	**220–225**	**974**	730	225	0
Dr Geraldine Walters Director of Nursing	12.5–15	92.5–95	**122.5–125**	**485**	399	77	0
Mr Christopher Streather Medical Director	7.5–10	75–77.5	**100–105**	**318**	275	37	0
Mr Mike Bailey Medical Director	5–7.5	152.5–155	**205–210**	**933**	859	53	0
Dr Derek Dundas Medical Director (PYE)	57.5–60	165–167.5	**220–225**	**866**	609	242	0
Mr Colin Watts Director of Human Resources	5–7.5	115–117.5	**150–155**	**0**	663	(680)	0
Mr Neal Deans Director of Estates	2.5–5	70–72.5	**90–95**	**342**	315	19	0

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

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, and from 2005/06 the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

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.

David Astley
Chief Executive
22 June 2007

Colin Gentile
Executive Director of Finance and Turnaround

Auditor's Report

Independent auditor's report to the Directors of the Board of St George's Healthcare NHS Trust.

I have examined the summary financial statement set out on pages 42 to 50.

This report is made solely to the Board of St George's Healthcare NHS Trust in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 36 of the Statement of Responsibilities of Auditors and of Audited Bodies prepared by the Audit Commission.

Respective responsibilities of directors and auditors
The directors are responsible for preparing the Annual Report. My responsibility is to report to you my opinion on the consistency of the summary financial statement within the Annual Report with the statutory financial statements. I also read the other information contained in the Annual Report and consider the implications for my report if I become aware of any misstatements or material inconsistencies with the summary financial statement.

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

Opinion
In my opinion, the summary financial statement is consistent with the statutory financial statements of the Trust for the year ended 31 March 2007. I have not considered the effects of any events between the date on which I signed my report on the statutory financial statements 22 June 2007 and the date of this statement.

Susan M Exton
District Auditor
30 August 2007

Audit Commission
1st Floor Milbank Tower
Milbank
London SW1P 4HQ

Stronger

St George's Hospital Charity

Our relationship with St George's Hospital Charity continues to reap great benefits for patients, staff and the local community.

Registered charity number 241527

Notable projects funded by the Charity that were completed during the year include:

- The old 'pharmacy' garden was re-designed, restocked and open to everyone for the first time in many years. It opened to the public in February and has become a popular retreat for patients, visitors and staff. A grant of £130,000 enabled this project.
- Children's outpatients received a complete face-lift and now has a new, fully accessible entrance, complete with pram park, a welcoming, central reception area – shared with the neighbouring Child Development Centre – comfortable waiting areas and a revised layout of consulting rooms that is more compatible with the clinics and services provided there. The Dragon Children's Centre, as it is now known, opened for clinics at the end of January, with an official opening ceremony conducted by Sadiq Khan, MP for Tooting, in April.
- The Patient Health Information Centre opened its doors in July and received around 2,000 visitors in its first year, a clear indication of how the centre has quickly become a valued resource for the whole community.

In addition to these significant grants, we are also grateful recipients of smaller annual grants that contribute to the fabric of lives at St George's – the annual outing for our volunteers, long service awards and retirement gifts for staff, weekly art and relaxation for elderly patients, educational bursaries, Christmas festivities on the wards and in departments.

We've also seen some incredible examples of nerve and spirit from staff, former patients, local businesses, local school children, and parents of our younger patients in their fundraising efforts. Whatever their motivation – wanting to say thank you, to give something back for the treatment they or their loved ones received, to recognise their local hospital – we've seen midwives skydiving, fun runs, sponsored bike rides, sponsored walks, charity football matches. You name it, it's been done to raise money for St George's.

We look forward to working with the Charity this coming year, when some more significant projects will get underway or be completed.

For more information about the St George's Hospital Charity, or about giving to George's, please visit www.stgeorges.nhs.uk/charity.asp

Acknowledgements

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Annual report produced by the Communications Unit, St George's Healthcare NHS Trust

Designed by the right stuff

Photography by Mark Evenden, Robert Harris, Andrew Rolland and Tim Rumble

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"This year we began a new life saving screening programme for bowel cancer, the third most common cancer in the UK. The south west London bowel screening centre at St George's aims to increase detection of early stage cancers when treatment is likely to be more effective."

Cynthia Aki Bell & Marjorie Frias
Endoscopy staff nurses

The £4.6 million state-of-the-art Endoscopy Centre at St George's carries out over 6,000 procedures a year. The Centre has shortened all waiting times to increase the early detection of stomach, bowel and lung cancers.

St George's Healthcare NHS Trust
St George's Hospital
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London SW17 0QT

T/020 8672 1255
www.stgeorges.nhs.uk

Patient Advice and Liaison Service
The PALS team at St George's offers support, information and assistance to patients, relatives and visitors. The PALS office is open 9am to 5pm weekdays.

T/020 8725 2453
E/pals@stgeorges.nhs.uk

Human Resources
If you are interested in a career at St George's, please visit:

www.stgeorges.nhs.uk/workingwithus.asp

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