

# Annual Report and Accounts

2007/08

Shining a light on the future



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## ABOUT US

Northumberland, Tyne and Wear NHS Trust was created in 2006 following the merger of three former trusts – Newcastle, North Tyneside and Northumberland Mental Health NHS Trust, South of Tyne and Wearside Mental Health NHS Trust, and Northgate and Prudhoe NHS Trust.

We are now one of the largest trusts of its kind in England and we employ more than 7,000 staff, working from over 150 sites as well as providing care to people in their own homes.

With an annual budget of more than £280m we provide a range of mental health, disability and substance misuse services to about 1.4m people living in the North East of England, as well as a number of regional and national specialist services.

We support people in the communities of Northumberland, Newcastle, North Tyneside, Gateshead, South Tyneside, Sunderland and parts of North Easington.

Our main hospital sites are:

- St. Nicholas Hospital, Newcastle
- St. George's Park, Morpeth
- Northgate Hospital, Morpeth
- Prudhoe Hospital
- Walkergate Park, Newcastle
- Monkwearmouth Hospital, Sunderland
- Cherry Knowle Hospital, Sunderland.

## OUR AIMS

Since the trust was formed we have spent a considerable amount of time thinking about the future we would like for this organisation, the people who work in it, and those people our services support.

Early in the life of the trust we began to talk to staff, service users, carers and our partner organisations about the future we should aspire to, and the values we should demonstrate in working towards our goals.

As a result of what they told us, and further consideration, we set ourselves the aim of:

**Improving the well being of everyone we serve through delivering clinical services that match the best in the world.**

We will achieve that aim by:

- Modernising and reforming services, in line with local and national strategies and the needs of individuals and communities; providing first class care in first class environments.
- Maximising the benefits of Foundation Trust status and being a sustainable and consistently high performing organisation.
- Supporting the provision and development of high quality services by being a model employer, an employer of choice and making the best use of the talents of all our workforce.
- Fully embracing and supporting service user, carer, staff and public involvement in all aspects of our work.
- Providing high quality evidence based and safe services supported by effective integrated governance arrangements.
- Improving clinical and management decision making through the provision and development of effective information.

- Being an influential organisation that supports and enables social inclusion.

Our plans support the NHS North East's aims to ensure there is:

- No barrier to health and wellbeing
- No avoidable deaths, injury or illness
- No avoidable suffering or pain
- No helplessness
- No unnecessary waiting or delays
- No waste
- No inequality.

## OUR VALUES

After talking to staff, the people who use our services, their carers, and our partners we have agreed that the following values underpin everything we do.

We will:

- Put the people who use our services and their carers at the centre of everything we do;
- Treat the people who use our services and carers with respect and dignity;
- Support and respect our staff, encourage their development, acknowledge their expertise, and value their roles;
- Always look to do things better – encouraging and valuing improvement and innovation;
- Promote effective team and partnership working;
- Show trust, having integrity and be honest, open and transparent in all we do;
- Embrace diversity;
- Listen to the views of others.

## OUR TRUST BOARD

Our Trust Board is made up of executive and non-executive directors led by a non-executive Chairman. Members meet monthly and hold bi-monthly public meetings. The Board is responsible for ensuring that the trust is accountable to the public for the services it provides.

**Chairman:** Jules Preston

**Non-executive Directors:** Ken Grey  
Fiona Standfield  
Anne Ward Platt  
Chris Watson

On March 31 2007 Don Chroston stepped down as a non-executive director and we have recently recruited Paul McEldon.

### **Executive Directors:**

Acting Chief Executive (September 2007)	Dr. Andrew Fairbairn
Acting Medical Director (December 2007)	Dr. Suresh Joseph
Director of Finance	James Duncan
Director of Human Resources	Elizabeth Latham
Director of Nursing	Gary O'Hare
Chief Operating Officer	Roy McLachlan

In September 2007 Alan Hall, our Chief Executive, was seconded to the Department of Health to be Director of Performance, and Dr. Andrew Fairbairn, Medical Director, became our Acting Chief Executive.

At the end of March 2008 Alan confirmed that he would not be returning to his post and we are currently recruiting for a new Chief Executive.

We thank both Alan and Don for the considerable contribution they have made to Northumberland, Tyne and Wear NHS Trust.



## OUR TRUST – OUR FUTURE

It's now two years since Northumberland, Tyne and Wear NHS Trust was formed to create one of the largest mental health and disability trusts in England.

This annual report captures just some of the highlights of the last 12 months, but wherever we visit in the trust we are always impressed by the level of commitment our staff show to providing the best possible care to the people we support.

This annual report cannot possibly do justice to all the fantastic work that is going on across the organisation every day. But with our 7,044 staff and the support of those who commission our services, we have achieved a lot since we were created, and everyone one of us who works for Northumberland, Tyne and Wear NHS Trust should be proud of what we have done together.

We have opened new buildings, including Walkergate Park which we were delighted to have Dame Tanni Grey-Thompson open in October 2007. We have improved the environment of others, including the opening of the new garden at Northgate Hospital's Bothal Unit as part of the King's Fund's Enhancing Health Environment project.

We have developed plans for new and improved services, including our ambitions to create a centre of excellence for child and adolescent mental health and disability services at Prudhoe.

The people we support are telling us that our services are getting better. We were delighted this year when the Healthcare Commission's annual patient survey rated us amongst the top 20% of mental health trusts in the country for many areas of care, and we matched the best rating in England for providing enough support to carers.

We've seen steady improvements in our staff's views of working for the trust as reported in the annual NHS Staff Survey, and we've seen year on year improvements in the Healthcare Commission's annual

ratings of our services and our use of resources. But we still have a lot to do to achieve our aim of:

**Improving the well being of everyone we serve through delivering clinical services that match the best in the world.**

Like many other mental health and disability trusts across the country we have facilities and services that vary in quality. We are determined to make sure that wherever you live in the area we serve you will receive the same high level of care in the same standard of high quality buildings.

That is not an easy ambition to achieve, but we believe that becoming an NHS Foundation Trust (FT) will help us to make that objective a reality. The financial freedoms that come with NHS FT status will allow us to save money to reinvest in new buildings and developing our services to meet local needs. For example, by saving to invest we will be able to provide long awaited modern accommodation for those services currently working on the ageing Cherry Knowle Hospital site in Sunderland.

Staff have worked hard on our plans to become an FT. Although earlier this year the trust decided to pause the process to allow the service improvement team time to carry out their initial review of our services in Sunderland and allow staff in adult mental health services time to focus on this important work.

One of the other benefits of FT status is greater public involvement and accountability on issues that affect the people we support, and we have already begun to see the benefits of engaging with local communities. (For more information about the service improvement team see page 13, and page 37 for more detail on our FT plans).

In recruiting members we have developed an anti-stigma campaign – What's Your Label – that struck a chord with young people, prompting more than 1,000 of them to sign up as members and show their support for our on-going anti-stigma work. We have visited many colleges, offices, libraries, community centres, shopping malls

and voluntary groups to talk to people of all ages about our services, and the stigma that is sadly still attached to mental health and disabilities.

So far we have recruited almost 4,000 public, service user and carer members. As we develop as an FT we will build on this programme of engagement to provide information to people throughout the area about our plans, and to work with other groups and organisations on anti-stigma initiatives.

We've made a good start in recruiting local people to be members, but we want more of the 1.4m population we serve to get involved and help shape our services in the future. We hope that you will become a member by registering at [www.nrw.nhs.uk](http://www.nrw.nhs.uk) or calling the FT office on 0800 023 2511

We also hope that you will read this annual report and if you have any queries about it or any of our services do not hesitate to contact either of us at St. Nicholas Hospital in Newcastle.

Jules Preston  
Chairman

Dr. Andrew Fairbairn  
Acting Chief Executive

## OUR SERVICES

### Supporting Working Age Adults

During the last 12 months we worked with our commissioners, partners, staff, the people who use our services, and their carers to think about how we should develop our services for working age adults.

Across the country trusts like ours are increasingly expected to offer a wide range of community services to better support people in their own homes. This means fewer people now need inpatient care, but those people who do often have very complex or challenging needs.

Our adult services now have four main priorities:

- Changing our community services to make sure that local people are getting the care they need.
- Modernising our acute inpatient services to meet the complex needs of the people we now care for.
- Developing plans for more effective rehabilitation services.
- Making sure local people have better access to a wider range of psychological therapy services.

These are challenging aims, but over the last 12 months we made considerable progress in improving both our community and inpatient services across the whole trust area.

#### **How are our community services getting better?**

- In Gateshead we developed a nurse led clinic to assess people's mental health needs so local people now get the right support they need more quickly.
- In Sunderland we improved our crisis resolution and home based treatment services by appointing extra nursing staff and a new lead consultant.

## How are our inpatient services getting better?

- Three of our adult wards were amongst the first to be accredited by the Royal College of Psychiatrists as part of the national AIMS national pilot project to improve all areas of inpatient care from the environment to staff training, therapies and activities.
- We closed an acute inpatient mental health unit on the Cherry Knowle Hospital site in Sunderland because it did not provide the high quality environment local people deserve. Patients are now cared for in another unit on the site.
- We opened a new psychiatric intensive care unit in South Tyneside.
- We built a new psychiatric intensive care unit on the St. Nicholas Hospital site in Newcastle that is due to open in April 2008.

One of our long term aims is to ensure that everyone who needs inpatient care receives it in the best possible facilities. Like many similar trusts across the country we have a number of wards or units that do not provide the high quality environment local people deserve.

Becoming an NHS Foundation Trust will give us the financial freedom to generate savings that we will invest into new buildings. One of the main areas for investment is services currently provided on the Cherry Knowle Hospital site in Sunderland.

Our predecessor trusts had plans to replace the ageing hospital buildings. During the last 12 months a project board and team reviewed those plans, and looked at options for providing the much needed services in high quality accommodation in Sunderland.

We talked to our commissioners, partners, staff, the people who use our services, and their carers about what local people need and where those services should be provided. We are now drawing up an

outline business case, and during 2008 we will formally consult with the people of Sunderland on the various options before putting a preferred option to our Trust Board for approval.

Sunderland has waited a long time for something to replace the outdated buildings on the Cherry Knowle Hospital site, and there is disappointment locally that this has not yet been delivered. But we are fully committed to providing the best possible services in Sunderland from the highest quality accommodation, and we are working hard to make sure local people get the modern care they deserve now and in the future.

### **Learning from experts**

In December 2007 an independent panel, commissioned by the local strategic health authority, published its report into the care and treatment of Garry Taylor. He had been a patient of mental health services in Sunderland under the care of a predecessor trust, and in 2004 he killed Mr Colin Johnson.

In February 2008 the trust, in partnership with the strategic health authority, set up a service improvement team, to look at areas highlighted in the report. The team is made up of trust representatives and highly skilled national experts, who are largely focussing on reviewing adult mental health services in Sunderland as well as our trust wide governance arrangements.

This is an excellent opportunity to benefit from the skills of national experts in looking at the progress we have made, highlight and share areas of good practice in services across the trust, and identify where we still need to make further improvement.

The team reports regularly on its progress to both our Board and to the strategic health authority.

## Supporting Older People

As our population ages the need for mental health services for older people increases, and we provide a range of both inpatient and community services for older people.

Following the success of the Royal College of Psychiatrists Centre for Quality's AIMS project to improve inpatient mental health services for adults, it has turned its attention to older people's services

We were delighted to take part in the development of a pilot project for older people and Michelle Hall, our head of nursing for older people, is part of the national steering group developing relevant standards and evaluation processes to take forward this project.

We are piloting those standards on three of our older people's wards and in early summer we expect colleagues from similar services in other parts of the country to visit us to carry out a review of the care we provide. The results will help to shape the development of the AIMS project nationally, and during 2008 we will work towards all our older people's inpatient wards gaining accreditation.

In 2006 we began consulting about modernising our specialist mental health long term care services in Newcastle, with the aims of improving the environments in which the care is delivered and to increase staffing levels.

As a result of this modernisation programme Dene Lodge was closed and resources reinvested into Ashgrove and Silverdale nursing homes. This allowed us to carry out extensive improvements to the environments of both homes, and increase staffing levels.

To ensure the move caused as little disruption to patients as possible staff at Dene Lodge developed patient passports, which listed the needs of preferences of each patient so that staff at Ashgrove and Silverdale could quickly get to know patients.

Within our acute inpatient services in Newcastle we developed an organic assessment ward and functional assessment wards to better meet the needs of the people we care for.

We also continued the development of community mental health teams in Newcastle, with the day hospital, memory management services and outpatient services all now managed by the teams. This has resulted in a more efficient service for patients. In Northumberland both inpatient and community services have begun to work on developing memory management services.

Our challenging behaviour and psychology services have begun to work with inpatient services, residential and nursing homes across Newcastle and Northumberland to increase training for staff and so improve access to psychological therapies for many of our patients.

## Supporting Children and Young People

The last 12 months saw some exciting changes for the mental health and learning disability services we provide to children and young people. We've seen new buildings go up, planned others, and seen the creation of new community services.

### **Inpatient services**

Young people from the Roycroft Clinic and Stephenson House were kept busy designing art work for use in the new Lennox ward at the clinic, as well as helping to interview staff who will work in the facility. When the ward opens in May 2008 it will provide a modern environment for young people who need our medium secure learning disability service. This is a new nationally commissioned service, which we will deliver after winning a national bid.

After an intensive period of consultation plans are now underway to move our young people's unit from Newcastle General Hospital to a new base on the Prudhoe Hospital site, alongside other children and



young people services. By the end of July 2008 we hope this regional service will have moved and begun to benefit from a better environment, with both more internal space as well as all the outdoor activity opportunities the Prudhoe Hospital site offers.

We also made considerable improvements to the environment of the Fraser House and 5 The Drive, with new decoration and furniture, and at The Riding young people and their parents now have better information about the service thanks to the production of a DVD and development of an interactive website.

Our Fleming Nuffield Unit was chosen as a pilot site for a national study being carried out by the Royal College of Psychiatrists. Looking at a range of similar services across the country the study will assess how effective care is, and the findings will be used to help improve the services.

### **Community services**

In recent years the impact of attention deficit hyperactive disorder (ADHD) on children and their families has become more widely recognised, and in January 2007 we launched a new Newcastle-wide service. It brought together local experts in ADHD to provide a comprehensive assessment service for young people with a history of behaviour problems. Doctors, primary care mental health workers, a specialist nurse and social worker make up the team that assesses children in their homes and at school. Over the next 12 months we will evaluate the impact of the service.

Our mental health service that works with looked after children continued to be an essential part of the multi-agency Aspire team in Newcastle. Children and young people in foster and residential care are at a high risk of mental health problems, and this innovative partnership approach to supporting these youngsters has attracted attention from across the country. Our staff have not only supported similar teams developing in other parts of the trust, but also given presentations and training at a number of national conferences. They

have also given training to foster carers, teachers and special needs co-ordinators across Newcastle.

## Supporting People with Learning Disabilities

NHS services for people with learning disabilities have seen dramatic changes in recent years with the publication of The White Paper Valuing People, an increasing national drive to move people from long stay hospitals into the community, and more emphasis on social services taking responsibility for supporting people with learning disabilities.

These changes have inevitably impacted on our inpatient services based at Prudhoe and Northgate Hospitals, as we have devoted a considerable amount of time to move people from these sites to suitable accommodation in communities across the region.

### Improving the quality of our services

Nationally the spotlight fell on learning disability services. The Healthcare Commission carried out a national audit, following two major investigations into NHS services in others parts of the country that found unacceptable and failing standards of care, including abuse of people with learning disabilities.

In April 2007 our trust was one of 72 NHS and 17 independent organisations visited by one of the Commission's review teams to get a picture of what services are like for the people who use them. The team visited a range of our forensic, adolescent, mental health assessment and treatment, and social and residential care services. They talked to the people who use our services and the staff who work in them.

We had already carried out our own internal review and drawn up a comprehensive action plan to improve and develop our services. The review team commended us on this prompt action and found :

- staff had good interaction with service users,
- increased evidence of person centred care and support,
- units are supporting people in a manner which acknowledges their choice and rights,
- people were accessing on site and off site activities and more people now have a varied programmes of opportunities including physical activities, educational, work and leisure.

Both staff and service users welcomed the review team's visit, and we will continue to work with our commissioners, the people who use our services, and their families to improve the care we provide.

### **Involving the people who use our services**

Getting people's views on what they want from our services and acting on those views has always been important to us. We have a number of ways that people can tell us what they think and get involved in improving our services. They include the Committee Group for people who use our services at Northgate Hospital and the Hear Our Voice group for people who use our Sunderland services.

### **Improving the environment**

During the last 12 months we saw a two year project come to fruition to improve the environment at Northgate Hospital. In 2005 the former Northgate and Prudhoe NHS Trust was invited to take part in the King's Fund's Enhancing the Health Environment initiative.

The fund gave £35,000 and the trust committed a further £40,000 to improve the Bothal unit, which provides assessment and treatment for women with a learning disability, mental health problems and challenging behaviour.

The money was used to design a unit garden, and patients, staff and visitors have helped design the open space and commission art work for the garden. The garden is now due to open in April 2008.

## **Working with young people**

In our community services, speech and language therapists from our Newcastle team worked with Streetwise, a young people's sexual health charity, to develop a programme for teenagers with learning disabilities. The programme aims to help improve young people's understanding of sexual health and development.

The programme uses art and craft work, discussions and role play and, following feedback from two initial six week courses, it was taken into Thomas Bewick School, where it has developed into a six month teaching session.

## **Working with the criminal justice system**

Unfortunately research shows that people with learning disabilities are particularly likely to be victims or witnesses of crime. To help people with learning disabilities understand a new process that will help them give evidence as witnesses our Newcastle based team worked with Northumbria Police to develop a visual guide for police officers. Over the next few months the guide, which was highly commended in this year's regional Health and Social Care Awards, will be evaluated and it could be implemented nationally.

## **Support parents**

Supporting parents to manage their children's behaviour is the aim of a successful programme of parenting groups run by Annette Hames, consultant clinical psychologist with our Newcastle team, in partnership with staff at Hadrian School. The school is for children aged three to 11 with severe and profound learning disabilities, and the programme is so successful it now runs every term. The team believe the programme helps to reduce referrals for help with behaviour management, and they are currently developing a parenting manual.

## Supporting People with Forensic Needs

Our forensic mental health and learning disability services support people who may need extra care to protect themselves or others, or who have been in contact with the criminal justice system.

We provide both regional and national services from our sites at:

- St. Nicholas Hospital, Newcastle
- St. George's Park, Morpeth
- Northgate Hospital

Many people who use our services do not do so by choice, either because they are subject to a section of the Mental Health Act or have been sent to us by the courts. As a result it is sometimes a challenge to actively involve them in our work and to gather their views on our services. So to win a prestigious national award for our involvement efforts is something that we particularly celebrated this year.

We were honoured to win an Involvement to Impact in Mental Health Care Award for the efforts our IQ – Impact Quality – Project Team made in successfully developing a tool that our clients used to help give their views on our services. We now use the tool on a number of our wards, and it is being rolled out to other services in the trust.

Learning from each other was also a theme that ran through our second annual Northern Forensic Conference staged in Newcastle in February 2007. Organised in partnership with the neighbouring Tees, Esk and Wear Valleys NHS Trust, Clearing the Pathways of Care was the main theme of the conference that attracted people working in forensic services from across the region and beyond.

In line with our role as the provider of regional and national services we are involved in a number of high profile initiatives. We are part of the Quality Network for Forensic Mental Health managed by the Royal College of Psychiatrists' Centre for Quality Improvement. The network uses peer reviews to help change and improve forensic

mental health services, and a number of our staff reviewed services in other parts of the country.

During the last year our services were reviewed by a team from London, and over the coming months we will work on adopting some of their suggestions for improving our services. This includes improvement to our arrangement for child friendly visiting and the searching of visitors to units.

We are one of a small number of sites across the country testing out the role of the non-medical approved/responsible clinician, which is being developed as a result of the Mental Health Act 2007. Dr. Bruce Gillmer, our consultant clinical psychologist/head of psychological services, leads this work, which should see the introduction of these new roles in October 2008.

Our forensic services were involved in piloting a national waiting time standard for transferring acutely mentally ill people from prisons to hospitals. Part of the work involved developing policies and procedures to guarantee that a prisoner with acute severe mental illness has a place in an appropriate hospital within 14 days.

We have always encouraged our staff to help influence the way services develop, and over the last year a number of our senior staff have increased their national profile. Professor John Taylor, consultant clinical psychologist/psychological services professional lead, was appointed as Chair of the British Psychological Society's Mental Health Act Working Party and he became a member of the New Ways of Working Mental Health Act 2007 Steering Group. He was also elected President-Elect of the British Association of Behavioural and Cognitive Psychotherapists, and will become president for a two year period from July 2008.

Professor Taylor also joined forces with Dr. Gillmer to complete a two year pilot of the new psychology associate role in the NHS.

## Supporting People with Specialist Needs

We provide a range of specialist services to support local people as well as individuals from across the region. These services include:

### Neurological Services

In October 2007 we welcomed Olympian Dame Tanni Grey-Thompson to officially open Walkergate Park. This multi-million pound purpose built development brings together our neuro-rehabilitation, neuro-psychiatry and neuro-behaviour services that were previously based at Hunters Moor Hospital, St. Nicholas Hospital, and Prudhoe Hospital.

Walkergate Park provides a range of specialist services to people from Middlesbrough to the Scottish Borders and across the Cumbria. These services are recognised internationally for their specialist work, and the new centre is also home to Newcastle's community multiple sclerosis team, regional disability team, as well as North East Drive Mobility and Communicate.

### Mother and Baby Unit

The Beadnell Unit provides a highly valued regional mental health service for mothers of babies up to 12 months old. This year we focussed on developing closer links with community services to better support mothers at home so they do not need inpatient care.

We welcomed North of Tyne community perinatal team joining the service, and during the last year it has provided training to primary care staff, midwives and health visitors on identifying early signs of mental health services in new mothers.

The unit staged a highly successful conference in May 2007 that attracted delegates from as far afield as Aberdeen and Bradford. It also became a member of the Royal College of Psychiatry Quality Network to share best practice with other similar services across the country.

## **Eating Disorder Services**

Our service, which works across the Northern region, was short listed for a Health and Social Care award for the work it has done in forming Voices, a patient group that produces a regular newsletter about eating disorders.

We further improved the service with the introduction of more family and other therapy sessions, including the body image and eat well, feel well groups. In February 2008 the service marked Eating Disorders Awareness Week with a stand in Eldon Square, Newcastle, that gave staff the opportunity to talk to the public about various eating disorders and the support available.

## **Mental Health Services for the Deaf**

Working in partnership with the University of Northumbria this small and highly specialist service developed a training and education programme to help people who are deaf to get the mental health services they need.

The ongoing support the service offers to its clients means that the majority of people they care for have not needed hospital treatment, and instead have been cared for in their own homes.

## **Gender Dysphoria Service**

The team is now fully established and currently supports more than 100 people across the region. During the last year it supported two patients in achieving their aim of full male to female gender reassignment. As part of a regional network of similar services the team also worked on the development of national standards for gender dysphoria support.

## **Cognitive Analytic Therapy Service**

Since becoming a specialist service in January 2007 the CAT team has begun to develop its plans for the future, including looking to move from Sunderland to the more central location of Plummer Court in Newcastle.



The service recently accepted its third intake for its CAT practitioner training, and will shortly be one of the first courses of its kind in the country to be validated by Sheffield Hallam University.

### **Affective Disorder Service**

This service is playing a major role in the development of national treatment guidelines for different affective disorders. Professor Ferrier was involved in developing the National Institute for Clinical Excellence's guidelines on depression and bi-polar, and he worked with Dr. McAllister-Williams on writing the British Association of Psychopharmacology revised depression guidelines, which will be published later this year.

The service organised the first multi-disciplinary national meeting of the regional affective disorder services in the UK, and this led to plans to create a mental health research network group.

### **Psychotherapy Service**

We made major changes to the service to give local people access to a wider range of treatments and so reduce waiting times. There are currently no national waiting time targets for psychotherapy services, but the trust has set its own target as it appreciates the positive impact such support can have for people with various mental health problems.

### **Cognitive Behavioural Therapy**

This regional service continues to provide a range of training and education programmes for other professionals, as well as supporting people that need the team's specialist help. We made great efforts to reduce waiting times and have seen waits cut by more than 100%.

We have also secured funding to set up a new traumatic stress centre for the North East to provide highly specialist cognitive behavioural therapy, and eye movement desensitisation reprocessing for people suffering from post traumatic stress disorder.

The service, based at the Newcastle cognitive therapy centre, is expected to care for fire, police and ambulance service staff as well as provide expert advice in disaster management.

## OUR RESEARCH

We believe that research is important for the development of the trust now and in the future, as it helps to provide evidence to support effective services.

Over the last year we saw major changes in the way research is organised in the NHS, including the creation of research networks and the replacement of research funding allocations with more competitive funding streams.

We are working hard to make sure that our research efforts can develop in this changing environment. We host the North East hub of the Mental Health Research Network, with Professor Nicol Ferrier as clinical lead, and the North East Local Research Network of the Dementias and Neuro-degenerative Diseases Research Network, with Professor John O'Brien as clinical lead.

We are closely involved in the development of the Northumberland, Tyne and Wear Comprehensive Local Research Network, which will become increasingly influential, controlling substantial research funding, and having more responsibility for the management and governance of research.

We are also continuing to develop our main research projects, leading seven collaborative programmes that were rated as strong in the 2007 national assessment of research and development annual reports.

These programmes are:

- Brain ageing and dementia
- Child and adolescent development research
- Evaluating new mental health services
- Forensic and prison mental health services
- Learning disability
- Neurological rehabilitation research
- Treatment, safety and effectiveness in severe mental illness.

Our staff also collaborate on three substantial programmes led by other organisations. These include addictions, therapist and health effects on outcome; user research, and psychological therapies in health service settings.

Strong collaborations between clinical and research staff in partner NHS organisations and local universities are increasingly important, and together we are working to apply for new funding for research that will ultimately help us to improve clinical practice and the services we provide.

## PUBLIC HEALTH

We are committed to promoting and protecting the health and well-being of all service users, staff and visitors. We provide services to support infection prevention and control, integrated emergency management, and health and wellbeing under the remit of the associate director for public health – one of few NHS trusts in England with such a post.

We have an active infection prevention and control team, which works closely with teams from other organisations to tackle the problems of healthcare acquired infections in the healthcare community.

During the last year we had no cases of MRSA bacteraemia – the most severe type of infection – and only four cases of Clostridium Difficile infection. An MRSA screening programme was introduced at Walkergate Park, and we completed a programme of deep cleaning. We also expanded the number of modern matron equivalent posts to support further developments in the coming year.

We were delighted that in the annual NHS staff survey for 2007 our staff ranked us in the top 20% of comparable trusts for making hand hygiene facilities available to staff, and we are currently implementing of the national CleanYourHands campaign.

We also collaborate with other NHS and non-NHS organisations to improve the health and well-being of the community. Over 90% of the organisation's facilities has been smoke-free since July 2007, and the remaining few rehabilitation units will go smoke-free in July 2008. Thanks to local smoking cessation services and FreshNE many of our staff have been trained to offer advice to service users on giving up smoking, and, where appropriate, nicotine replacement therapies are made available.

In line with national priorities we are ensuring that we have adequate plans in place for managing emergency situations and, in particular, preparing for a possible influenza pandemic. In achieving this we are

working this with partner organisations from PCTs, local authorities, local resilience forums, and the strategic health authority.

## OUR STAFF

Our staff are key to the trust's continued success and we highly prize their skills, experience and commitment to the services they provide. We know that there is always more we can do to support our staff and acknowledge their contribution to the trust's success, and one of our main objectives is to be regarded as a model employer.

### Partnership

Since the creation of the trust we have developed close working relationships with our staff side representatives. This partnership approach has led to the development of a number of new human resource policies, including the whistle blowing policy that sets out the process and support available to staff who want to raise concerns.

To support the development of these new policies we have began a comprehensive training programme for managers on the key policies. This programme has been positively evaluated and will be supported next year by a series of awareness sessions for staff.

This partnership approach also resulted in the development of a Staff Charter that sets out the responsibilities of the trust to its staff, and individual member's of staff responsibilities to the organisation. The charter will be used as part of individual's annual appraisals in the coming year.

### Workforce Planning

Ensuring that we have the right number of staff with the right mix of skills is crucial to the ongoing success of the trust and to support that we won a bid to NHS NorthEast for our Building Workforce Design and Capacity project. The funding will help to provide the support to directorates to develop workforce plans that support their five year plans for services.

## Training

We have seen the start of a number of new in-house training initiatives during the last 12 months.

Developing effective leaders at all levels of the organisation will have a major impact on our ability to be successful in the future, and over the last few months we have developed a pilot leadership programme that starts in April 2008.

Following the success of a Learner's Day held at Northgate Hospital last year a group of staff organised a full day event at St. Nicholas Hospital in Newcastle to highlight the range of learning opportunities open to staff, internally and from local colleges, universities, unions, and training specialists.

Staff already benefit from a huge amount of clinical training offered within individual services or directorates, and this year we saw the integration of resuscitation and immediate life support training into the trust-wide management of violence and aggression training. We also began to deliver first aid training in house.

## Awards

Over the last year our efforts to support our staff have been acknowledged through a number of high profile awards.

We achieved the Matrix standard for the quality of the information advice and guidance available to staff from the vocational training team based at Northgate Hospital. Our innovative work to promote Skills for Life is also highlighted as good practice on the Skills for Life website.

Five staff working in our human resources department were short listed in the Chartered Institute of Personnel and Development regional awards. It was the first time that we had featured in these coveted awards which attract nominees from the private and public



sector. We were delighted to see Jason Carrington carry off the HR Interim of the Year Award and his four colleagues – Carol Benbow, Vicky Barton, Gemma Rutherford and Sarah Curruthers – short listed.

## Improving Working Lives

During 2007 we were delighted to achieve the Silver Level of the Healthy People Healthy Business Award, run by Northumberland Care Trust. This involved the completion of a self-assessment questionnaire, collation of a portfolio of evidence from across the organisation, managing four health promotion campaigns for staff, and organising an assessment visit.

The health promotion campaigns focused on smoking cessation, carers issues, safety awareness and accident prevention, and stress at work awareness. We are now working towards the Gold Level of the award.

During last year a new Staff Handbook and a Staff Benefits Booklet were introduced, and a small projects team was set up to consider the introduction of two green transport initiatives. Staff were consulted via a 'People's Poll', and after taking their views into consideration we launched our annual travel pass scheme in February 2008 and our cycle to work scheme is due to roll out from 1 April 2008. Both schemes provide the opportunity for staff to become greener, fitter, and to save money.

## Staff Survey

Some 848 staff were randomly selected to complete this annual questionnaire that explores their views on working for the trust.

When compared to other mental health and disability trusts across the country, the results show that we are making steady progress in developing the trust as a great place to work.

Staff rated us below average for the percentage of staff working long hours, and above average for flexible working opportunities, with 76% of those surveyed taking advantage of options such as working from home, annualised hours, and job sharing.

When compared to the 2006 survey staff reported a significant increase in support from line managers, and in their satisfaction with the job. The trust was rated below average for the level of work pressure and staff intention to leave their jobs, above average for providing health and safety training, and below average for work related stress.

The importance of cleanliness across all NHS services to provide a safe environment for patients and staff has been increasingly under the spotlight, so we were delighted to see staff rate the trust in the top 20% in the country for the availability of hand washing materials. This was a significant improvement on our position in the 2006 survey.

There are still areas where we need to do more, particularly around appraisals. These are so important in giving much needed feedback to staff and identifying their on going training and development needs. This year's survey shows a significant increase in the number of appraisals being carried out, but 60% is still below average when compared to other similar trusts.

We are now working on directorate action plans to address some of the areas for improvement highlighted in the survey.

## Improving Communication

Ensuring effective communication with our 7,044 staff working from more than 150 sites is never easy, and the trust accepts that in the past it could have made more efforts to establish good two way communication with its staff. To try to improve its internal and external communication the trust this year made a new senior appointment.

In August 2007 Caroline Parnell joined the trust as Head of Corporate Affairs to complete the executive management team. As well as

communication this role is also responsible for Board development and support, Foundation Trust membership, and monitoring compliance with complaints investigations and serious untoward incident timescales.

The trust is now in the process of setting up a new corporate affairs directorate, but has already carried out a series of focus groups and a questionnaire to access staff views on internal communication. The results have influenced the development of a corporate communication strategy approved by the Trust Board in April 2008, and resulted in the establishment of a number of internal communication methods.

## Equality and Diversity

We are committed to providing equal opportunities and managing diversity in employment and the delivery of high quality services. One way is by making our services accessible to everyone in our local communities who needs mental health or disability services.

As part of equality and diversity strategy we created an innovative equality and diversity training programme that was successfully piloted in our estates and facilities department, and now a team of facilitators are working on rolling out this training trust-wide.

We continually strive to attract, retain and develop a workforce that reflects the diversity of the communities we serve, as well as ensuring that everyone feels valued and is treated with dignity and respect. We have fully met our responsibilities under the Disability Discrimination Act (1995) and the amendment to that Act in 2005, which places a general duty on public bodies to promote disability equality through the publication of disability equality schemes. Ours are available on the trust website – [www.ntw.nhs.uk](http://www.ntw.nhs.uk).

We also lead race equality cultural capability specialist training for both the trust and other local health services as part of the Delivering Race

Equality focussed implementation plan for the Northumberland, Tyne and Wear area.

## COMPLAINTS

As part of our drive to get genuine public feedback on our services we positively welcome complaints and comments from service users and their families. Last year we received 105 written complaints, and 84 per cent were dealt with within four weeks.

Each was thoroughly investigated and a written response from the Chief Executive was sent along with information on the complainant's right to refer their concerns to the Healthcare Commission if they were unhappy with the way we dealt with their complaint. We were contacted by the Commission in relation to two complaints, which we were asked to do further work on.

As a result of feedback from people who use our services and their families we have made a number of improvements. These include developing a system for recording telephone calls so that they can be used in customer service training, and as a result of concerns about staffing levels in one area we have made changes to provide a better mix of staff with different skills and experience.

## NHS FOUNDATION TRUST PLANS

In 2006 we began thinking about how becoming an NHS Foundation Trust could help us achieve our aims. Our Trust Board agreed that we should work towards becoming an FT, and over the last 12 months we've carried out a considerable amount of work towards achieving that status.

We have developed long term strategies for all of our services, and a robust financial plan to ensure we will deliver those strategies. We have widely consulted on how we would operate as an FT, and begun to recruit local people as potential members.

Throughout this process we have kept NHS North East, the local strategic health authority, informed of our progress and it has given us positive feedback on our plans.

Early in 2008 we decided to pause the process to allow the service improvement team working in Sunderland time to carry out its initial review.

However in the meantime we are striving to embed systems and processes in the organisation that will allow us to work as a shadow FT. We are continuing to recruit potential members, and over the next few months we will be talking to them about becoming governors, with a view to carrying out governor elections for our staff, public, service user and carer governor posts.

For more information about our FT plans and progress log on to our website – [www.ntw.nhs.uk](http://www.ntw.nhs.uk) or call the FT office on 0800 023 2511.

# OPERATING AND FINANCIAL REVIEW

## Trust Performance in 2007/08

### Strategic Objective 1

**Modernise and reform services, in line with local and national strategies and the needs of individuals and communities; providing first class care in first class environments.**

- Walkergate Park, a new purpose built centre, opened its doors to patients in April 2007 bringing together three neurological services – neuro-rehabilitation, neuro-psychiatry and neuro-behavioural. The centre was developed through the Private Finance Initiative.
- The National Commissioning Group asked us to develop an adolescent medium secure unit for people with learning disabilities. This much needed service is scheduled to be opened in May 2008.
- After extensive discussions with commissioners, a consensus was reached on a new service model for Tier 4 children and young people's mental health services and a public consultation process commenced.
- We completed the resettlement of individuals from Northgate and Prudhoe Hospitals. In the majority of cases the individuals moved back to their local area and are nearer to family and friends.
- A new Psychiatric Intensive Care Unit was opened in the Bede Wing during May 2007. This was an important service improvement for South Tyneside.

## Strategic Objective 2

**Maximise the benefits of Foundation Trust status and be a sustainable and consistently high performing organisation.**

- In July 2007 we began a 12 week period of formal consultation on our application to become a NHS Foundation Trust. The consultation focused on our plans for the future and proposed constitution.
- The Healthcare Commission Annual Performance Rating, published in October 2007, rated us at "Good" for quality of services and "Excellent" for our compliance with new national targets for the services we provided in 2006/07. In 2007/08 we expect our performance in the use of resources to improve to good.

Overall Results of Annual Health Check 2006/07	2006/07	2007/08 (expected)
Quality of Services	Good	Good
Use of Resources	Fair	Good
Meeting Core Standards	Almost Met	Almost Met
Existing National Targets	Fully Met	Fully Met
New National Targets	Excellent	Excellent

We are committed to achieving improved ratings in the future by maintaining standards in all areas, ensuring that we deliver full compliance on core standards, completing the integration of systems and meeting new standards.

- We delivered a surplus of £3.5m thanks to the dedication and excellence of our staff who continually strive to provide the highest quality of care, while at the same time seeking to achieve efficiencies.



## Strategic Objective 3

**Support the provision and development of high quality services by being a Model Employer, an Employer of Choice and an employer that makes the best use of the talents of the entire workforce.**

- The trust's Workforce Strategy "Excellent Staff – Excellent Care" was approved by the Board and sets out how we intend to get the best from and make the most of the people who work for the organisation.
- The trust's scores in the national Staff Survey were above average / average in 15 of the 28 areas, reflecting we believe the impact of bringing the three predecessor organisations together and new organisational structures.
- We achieved a Silver Level Award from the Healthy People Healthy Business Award.
- Our bid to the strategic health authority for Workforce Development Funding was successful, enabling us to progress over the next year a Workforce Design and Planning Capacity Programme.

## Strategic Objective 4

**Fully embrace and support service user, carer, staff and public involvement, including our membership, in all aspects of our work.**

- During 2007/08 we held formal public consultations on two proposed developments; a new learning disability assessment and treatment centre for Gateshead / South Tyneside and the integration of Tier 4 children and young people's mental health and learning disability services in a new state of the art development

- We appointed a Head of Corporate Affairs to lead on communications, marketing and Board development.
- Nearly 4,000 people signed up as members of our potential Foundation Trust.

## Strategic Objective 5

**Provide high quality evidence based and safe services supported by effective integrated governance arrangements.**

- In April 2007 we participated in the Healthcare Commission's National Audit of Learning Disability Services which included visits by an external team. Stephenson House was particularly commended for the work they had done around the management of disturbed behaviour and their person centred approach to care.
- Congratulations went to everyone who took part in the AIMS pilot scheme at Collingwood Court, St. Nicholas Hospital; Warkworth Ward at St. George's Hospital and Ward 21 at North Tyneside Hospital. As well as successfully achieving accreditation, the project was highly commended in the Mental Health Section of the Health Service Journal Awards.
- We were in the best performing 20% of trusts nationally, who provide community mental health services, in the 2007 Annual Patient Survey.
- We were invited to participate as a "Pathfinder" organisation in the North East Transformation Systems Implementation Project, a programme that promotes continuous improvement, reduction in waste and improved patient safety.

## Strategic Objective 6

### **Improve clinical and management decision making through the provision and development of effective information.**

- In August 2007 we reviewed our Information, Management and Technology (IMT) Strategy and re-affirmed our commitment to the National Programme for Information Technology and the use of the RiO System as a short / medium term solution while working towards the implementation of Lorenzo.
- Work on the roll-out of the RiO System to clinical areas started with the aim of giving clinicians and managers the information they need to work effectively.
- We invested £839k over the year in IMT equipment.
- Work continued on the development and refinement of information governance policies and procedures with the aim of safeguarding confidential information and continued compliance to the law / best practice.

## Strategic Objective 7

### **Be an influential organisation which supports and enables social inclusion.**

- In July 2007 we launched, with Tees, Esk and Wear Valley NHS Trust, a "What's Your Label" campaign aimed at tackling the stigma associated with mental health and learning disability. The campaign has been, at times, controversial but it has been particularly popular with young people.
- The Mental Health Act 2007 has now received Royal Assent and we have been asked to be a pilot site for the

implementation of the new "Responsible Clinician" roles required by the Act.

- We published our Gender Equality Scheme in April 2007 and continued to support an extensive Equality and Diversity Training and Awareness Programme for staff.

## The trust's key priorities and challenges for 2007/08 were:

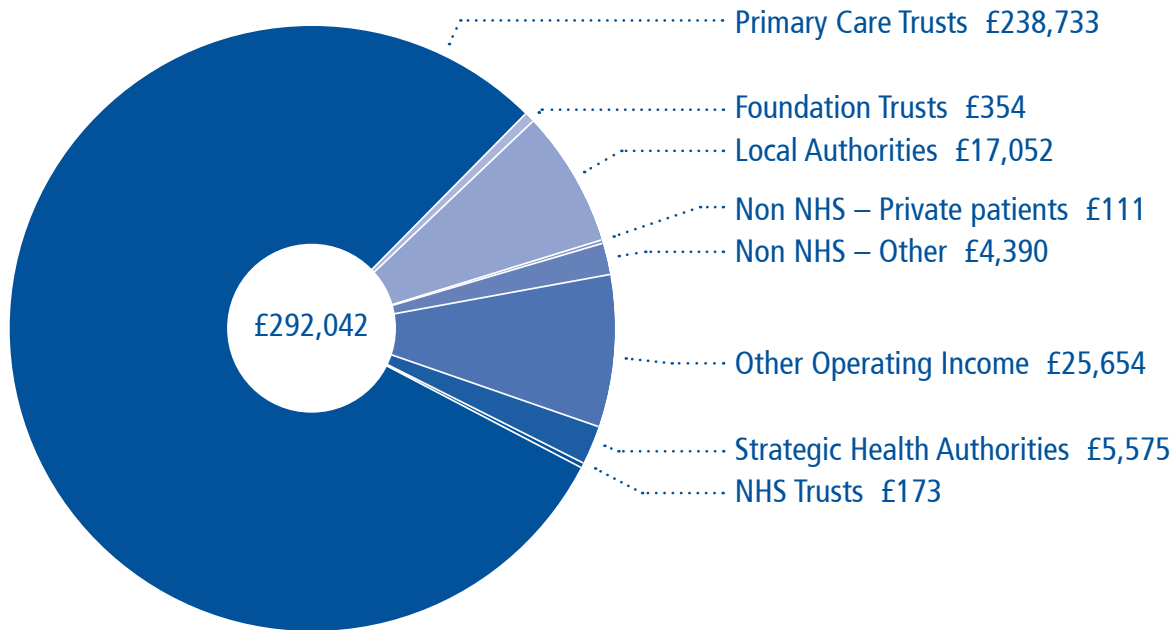
- **Developing effective partnerships with:**
  - Users and carers – being patient centred in all we do
  - Commissioning partners
  - Local Authorities
  - Independent sector providers
  - Staff and Staff Side Representatives.
- **Achieving robust financial health**
- **Ensuring effective transition to a single merged organisation with focus on:**
  - Implementation of effective staffing structures
  - Implementation of a single integrated governance structure and processes
  - Implementation of common information systems with priority afforded to patient information systems and Electronic Staff Record
  - Maintaining and developing excellent relationships with our staff.

- **Development of a trust business model to include:**
  - Service Development Strategy
  - Long term financial model
  - Business segmentation.
  
- **Development of effective pathways through care to promote:**
  - User focus
  - Delivery of access and choice agendas in line with national and local requirements
  - Delivery of Best Practice
  - Common Standards of Care across the trust
  - Efficiency and effectiveness in delivery.
  
- **Delivery of NHS targets to include:**
  - Core and developmental standards
  - Existing and new national targets
  - Local Delivery Plan targets.
  
- **Completion of re-settlement from Northgate and Prudhoe Hospitals.**
  
- **Progressing the development of a service model for the re-design of services South of Tyne to enable the development of an outline business case for the replacement of Cherry Knowle Hospital.**
  
- **Progressing the development of a service model and outline business case to enable the re-design of children and adolescent mental health services (Tier 3 and 4 services North of Tyne).**

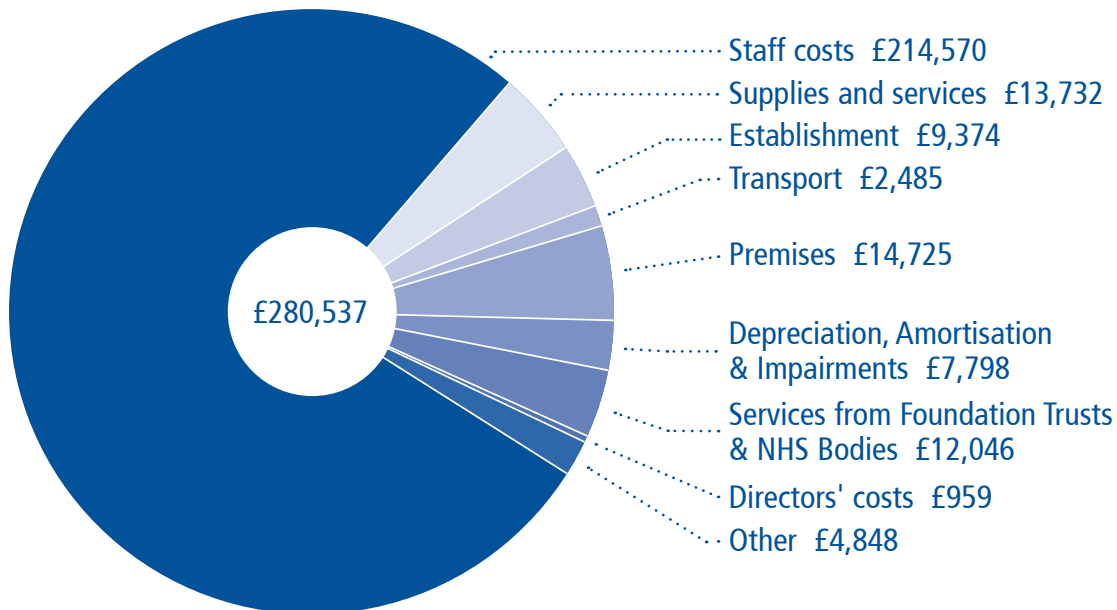
# Financial Performance

The trust's overall income in 2007/08 was £292m. A breakdown of overall income, by commissioner, and of key areas of expenditure are shown below:

Trust's overall income by commissioner £000s



Expenditure £000s



Last year we reported on performance against the first year of the new trust three year financial strategy. At that point the main focus of the financial strategy was to deliver financial stability for the new organisation, and this was achieved in 2006/07 by the delivery of the Trust Cost Reduction and Efficiency Programme, which enabled the trust to deliver a small surplus of just over £50k.

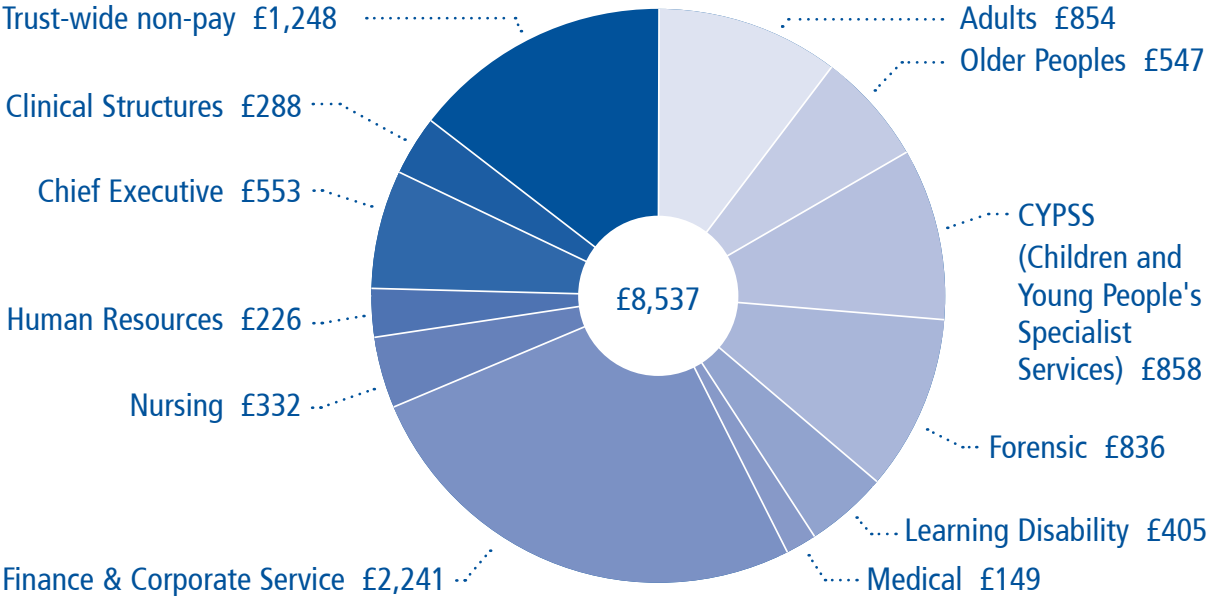
As part of our programme of development, and to support our application for Foundation Trust status, the trust has now developed a five year financial strategy which supports the medium term organisational strategy described through this report. This financial strategy has been designed to support the organisational goals of reducing the reliance on in-patient beds while ensuring that all of our patient facilities are designed and maintained to support and enable the best outcomes for our service users. We are therefore planning a significant capital investment over the next five years of just under £130m. This will be funded by a mixture of internally generated cash (including surpluses), sales of surplus land and buildings, and loans from government. These plans will enable us to ensure that all of our patient facilities are fit for purpose.

These plans require us to deliver cumulative surpluses of £35m over the period to March 2013. The surplus required in 2007/08 and planned within our strategy for the current year was £2.8m. This was delivered and slightly exceeded with a surplus recorded for the year of just under £3.5m.

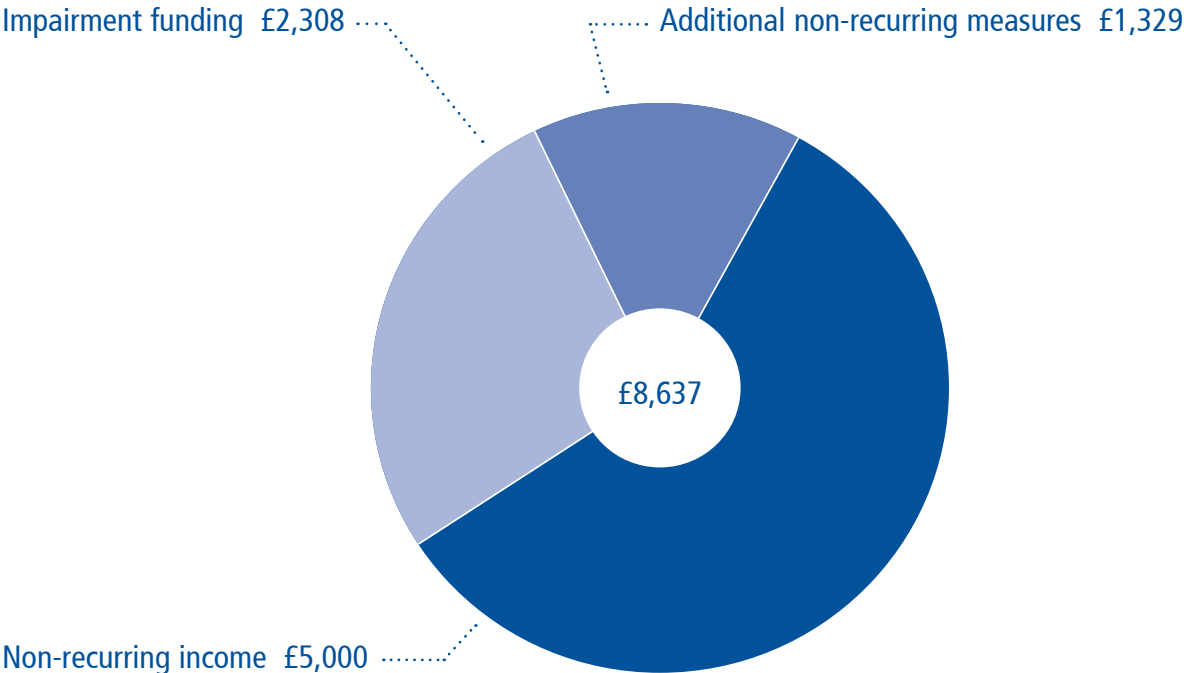
As part of this performance the trust was required to deliver a recurring financial recovery programme of £9,322. This was largely delivered with a total delivered for the year of £8,537. The shortfall in year of £785k was made up through non-recurring measures, particularly holding back recurring contingency reserves. Full plans are in place for recurring delivery of the 20/07/08 target, and for delivery of efficiency plans for 2008/09. In addition to the recurring target for 2007/08 the trust planned for £8,655k of non-recurring measures to cover plans for one off expenditure in year such as redundancies, project and change management and implementation of the trust wide clinical information system. This was broadly delivered in full,

with the main contribution being £5m worth of non-recurring income provided from North of Tyne Commissioners in response to support offered by the trust and its predecessors in previous years. The analysis of efficiency programme delivery is shown below:

**Recurring Efficiency Achieved      £000s**



**Non Recurring Efficiency Achieved      £000s**



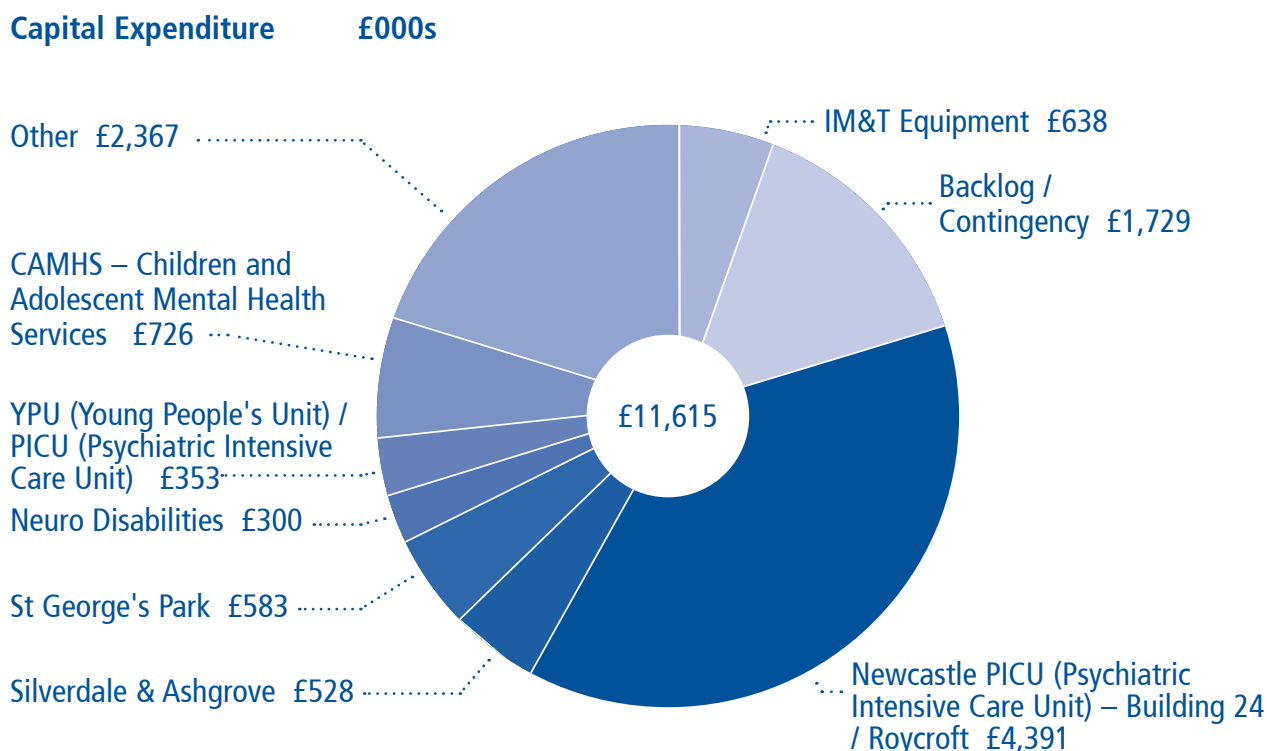


In addition to delivering its planned surplus, the trust delivered all of its other financial targets:

- We kept our net borrowing within the target set by Government (External Finance Limit),
- We paid the right amount back to Government for the use of our buildings, land and equipment (External Finance Limit). This equated to 3.9% of the average value through the year, which is within the planned target of 3-4%,
- We underspent against the amount we were allowed to spend on new land buildings and equipment (Capital Resource Limit),
- We paid the people who provide us with goods and services on a timely basis (Better Payment Practice Code). Performance against the government target is that all creditors should be paid within 30 days, and this is disclosed on page 68.

The major elements of our capital programme are described elsewhere in this report. We underspent against our Capital Resource Limit by over £5m at the year end, but managed to progress and deliver £11.6m worth of capital investment. The underspend was largely due to our continued inability to progress a scheme for a new treatment and assessment unit for people with learning disabilities for people in Gateshead and South Tyneside. This was largely due to our inability to secure the preferred site from South Tyneside NHS Foundation Trust. This has now been resolved and Heads of Terms agreed for the site. This scheme will now be taken forward in 2008/09.

An analysis of capital investment is shown below:



## Non Financial Performance

The Annual Health Check measures the following areas of performance:

- Performance in delivering core standards
- Financial Standing as determined in the Auditor's Local Evaluation (ALE)
- Performance in delivering existing and new national targets
- Performance in Improvement Reviews which assess the whole system performance of services provided to the public.

The detailed analysis of our performance against the Annual Health Check in 2006/07 is shown below, as well as our expected performance in 2007/08

## Annual Health Check table

Component	2006/07	2007/08
	NTW	NTW
	Actual	Forecast at 31/03/2008
<b>Core Standards</b>	<b>C5a,C5b</b>	<b>C16</b>
Insufficient Assurance / Non Compliance	C16	Insufficient Assurance
<b>HC Rating</b>	<b>Almost met</b>	<b>Almost met</b>
<b>Developmental Standards D2a</b>	<b>Limited Progress</b>	<b>N/A</b>
<b>Existing National Targets</b>	<b>1</b>	<b>1</b>
Crisis Resolution Team implementation	Achieved	Achieved
<b>HC Rating</b>	<b>Fully met</b>	<b>Fully met</b>
<b>New National Targets</b>	<b>7</b>	<b>9</b>
Audit of suicide prevention	Achieved	Achieved
Care in the community	N/A	TBA
CMHT integration (Older People)	Achieved	Achieved
Data quality on ethnic group	Achieved	Expected to Achieve
Drug misusers sustained in treatment	Achieved	Expected to Achieve
Experience of patients	Achieved	Achieved
Infection control	Achieved	Achieved
Obesity – compliance with NICE guidance 43	N/A	Achieved
Schizophrenia – compliance with NICE guidance (inclusion to be confirmed)	N/A	TBA
Smoke-free NHS	Achieved	N/A
<b>HC Rating</b>	<b>Excellent</b>	<b>Excellent/Good</b>
<b>HC overall rating – Quality</b>	<b>Good</b>	<b>TBA</b>
<b>HC overall rating – Use of resources</b>	<b>Fair</b>	<b>Good</b>

N/A – Not Applicable

DNA – Data not available

TBA – To be agreed

Each of the above targets have been assigned to a lead Director to ensure that there is appropriate assurance that they will be achieved. The allocation of the targets and the process for providing assurance is discussed at Executive Management Team meetings.

With regards to our performance in delivering the National Core Standards we have declared that we do not have enough information to declare compliance with the one standards, for which we regard we have insufficient assurance. This is C16, information to patients, the standard on which we declared non-compliance in 2006/07. While considerable progress has been made, we do not feel that we can demonstrate that this standard has been embedded across the trusts throughout the year. With the actions we have already put in place we expect to declare full compliance in 2008/09.

On use of resources we set a target of aiming for a rating of 4 (excellent) overall within 2007/08. While we have not fully delivered an excellent rating we have improved across most indicators and expect to receive a strong 3 rating.

The rating for our second year as a trust will be confirmed and published in October 2008 and this can be viewed on the healthcare commission's website [www.healthcarecommission.org.uk](http://www.healthcarecommission.org.uk). This website also gives details of the methodology for calculating these key performance indicators, which are used consistently for reporting within the trust

We have worked hard throughout the year to improve our systems and processes and share best practice across the new organisation with the aim of improving upon our overall performance. Our aim is to operate and to be seen as one of the best performing mental health and disability trusts in the country, with the focus on delivering real excellence in service to the users of our services and their carers.

## Environmental Issues

The trust takes an active approach to environmental issues. During 2007/08 we invested over £600k on energy saving measures designed to reduce costs and our carbon footprint, and incorporate sustainability measures into all of our building designs. We continue to develop our transport policy and will develop an energy management strategy in 2008/09.

The trust recognises the importance of managing the environmental impact of its operations.

The trust will do its utmost to contain the environmental impact of its activities on both a local and global scale to a practicable minimum consistent with maintaining its responsibilities in providing high quality patient care.

In terms of our environmental carbon footprint for energy we use for the heating and lighting of our hospital sites, it is the equivalent of 14211 tonnes of carbon. Our aggregated energy performance across the hospital sites equates to 55.14 GJ/100m<sup>3</sup>, the new build sites at Walkergate Park and St George's Park have performances of 49.16 and 43.92 GJ/100m<sup>3</sup> respectively. With the exception of Cherry Knowle Hospital, all hospital sites perform better than the mandatory target set by the Department of Health for energy consumption for 2010.

The continued investment in the estate in replacing out dated hospital facilities will facilitate a long term reduction in both our energy use and environmental footprint.

## Emergency Planning

The trust has an emergency planning group which has developed, together with its stakeholders, an emergency plan. This plan is under constant review and change to ensure it meets the requirements set out in the Department of Health guidelines, including 'UK Influenza Pandemic Contingency Plan' (1 March 2005.)

## Longer Term Planning and Risk Management

As mentioned elsewhere within the report the trust has developed a five year Integrated Business Plan (IBP) and Long Term Financial Strategy. The major elements of these have been described in this report. This also contains an assessment of the key risk facing the trust and the measures we have put in place to control and manage these risks.

## The Control Framework

The Assurance Framework provides the Board with assurances that it is managing its business in an effective way.

The trust is required to have an effective Assurance Framework for the statutory accounts and Annual Report.

A trust's Assurance Framework is the main tool in the management of the principal risks to the trust achieving its objectives and is underpinned by a Risk Register.

The trust has developed an integrated governance structure, established to assure the Trust Board that processes are in place to deliver Core and Developmental Standards, and associated national and local targets. This structure is designed around the domains identified within Standards for Better Health, with five domain committees, and three committees providing assurance on corporate governance issues.

The trust has an established Audit Committee, made up of three Non-Executive Directors, which reports directly to the Board. Its main objective is to ensure that there is an effective system of integrated governance, risk management and internal control across the organisation. The role of the committee has developed to meet this challenge by being more pro-active and extending its influence to provide advice to the Board on risk, controls and governance.

The committee achieves its duties through the agreement of External Audit, Internal Audit and Counter Fraud plans and the review of progress reports including reports from the Executive Management Team and the Domain Committees. Discussions take place with both sets of auditors and management as the basis for obtaining explanations and clarification. Annual Reports from the Auditors (Annual Internal Audit Report and the External Audit Annual Letter), delivered within the context of risk-based plans, are the key documents from which the committee derives assurance.

The Audit Committee also reviews its own effectiveness against National Best Practice on an annual basis and has revised its Terms of Reference in the current year to meet the requirements of the Audit Committee Handbook.

James Duncan  
Director of Finance  
August 2008



## Charitable Funds

When Northumberland, Tyne and Wear NHS Trust was formed in April 2006, the existing registered charitable funds of the South of Tyne and Wearside Mental Health NHS Trust (registration number 10598731) and Northgate and Prudhoe NHS Trust (registration number 1060164) funds were both transferred by the Secretary of State to the corporate trusteeship of Northumberland, Tyne and Wear NHS Trust. The former Newcastle, North Tyneside and Northumberland Mental Health NHS Trust had no separately registered charitable funds as their funds were held within the Newcastle Healthcare Charity (registration number 502473), and this continues to be the case, held and administered for the benefit of Northumberland, Tyne and Wear NHS Trust. In addition, Newcastle Healthcare Charity held and administered funds relating to Hunters Moor Hospital.

The above arrangements were in place until 31 March 2008, when all the funds merged under the administration of Newcastle Healthcare Charity arrangement. The Charity Commission's accounting rules require the 2007/08 transactions to be included in the annual accounts of Newcastle Healthcare Charity, and consequently the trust is not required to produce annual accounts for 2007/08 for the former separate charities. As at 31 March 2008, the trust's share of charitable funds was estimated at £1,137k.

Details of the funds relating to the trust are included in the Newcastle Healthcare Charity's annual report, which is available from:

Newcastle Healthcare Charity  
Charity Funds Office  
Room 203  
Cheviot Court  
Freeman Hospital  
High Heaton  
Newcastle upon Tyne  
NE7 7DN

## Statement of directors' responsibilities in respect of the Accounts

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the trust and of the income and expenditure of the trust for that period. In preparing those accounts, the directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury
- make judgements and estimates which are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

By order of the Board,

Andrew Fairbairn  
Acting Chief Executive  
11 June 2008

James Duncan  
Finance Director  
11 June 2008

## Statement of the Chief Executive's responsibilities as the accountable officer of the trust

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

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

Andrew Fairbairn  
Acting Chief Executive  
11 June 2008

# Independent auditor's statement to the Board of Directors of Northumberland, Tyne and Wear NHS Trust

## Summary Financial Statements

I have examined the summary financial statements which comprise the Income and Expenditure Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, the Cash Flow Statement and notes on management costs, better payments practice code, related party transactions and the remuneration report.

This report is made solely to the Board of Directors of Northumberland, Tyne and Wear 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 auditor

The Directors are responsible for preparing the Annual Report.

My responsibility is to report to you my opinion on the consistency of the summary financial statements 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 statements.

## Basis of opinion

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

## Opinion

In my opinion the summary financial statements are consistent with the statutory financial statements of the Northumberland, Tyne and Wear NHS Trust for the year ended 31 March 2008.

David Jennings  
Officer of the Audit Commission  
Nickalls House  
Metro Centre  
GATESHEAD  
NE11 9NH

12 June 2008

## Conclusion on arrangements for securing economy, efficiency and effectiveness in the use of resources

### Directors' responsibilities

The directors are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the trust's use of resources, to ensure proper stewardship and governance, and regularly to review the adequacy and effectiveness of these arrangements.

### Auditor's responsibilities

I am required by the Audit Commission Act 1998 to be satisfied that proper arrangements have been made by the trust for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires me to report to you my conclusion in relation to proper arrangements, having regard to the criteria for NHS bodies specified by the Audit Commission. I report if significant matters have come to my attention which prevent me from concluding that the trust has made such proper arrangements. I am required to consider, nor have I considered, whether all aspects of the trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

### Conclusion

I have undertaken my audit in accordance with the Code of Audit Practice and having regard to the criteria for NHS bodies specified by the Audit Commission and published in December 2006, I am satisfied that, in all significant respects, made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2008.

## Certificate

I certify that I have completed the audit of the accounts in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

David Jennings  
District Auditor  
Nickalls House  
Metrocentre  
Gateshead  
Tyne and Wear  
NE11 9NH  
11 June 2008

## SUMMARY FINANCIAL STATEMENTS

The financial statements which follow are only a summary of the information contained in the trust's annual accounts, and therefore the statements might not contain sufficient information for a full understanding of the trust's financial position and performance. The trust's auditors, the Audit Commission, have issued an unqualified report on the annual accounts.

A full set of accounts and the full Statement on Internal Control are available on request from Mr James Duncan, Director of Finance, Executive Suite, First Floor, Main Building, St Nicholas Hospital, Jubilee Road, Gosforth, Newcastle upon Tyne, NE3 3XT.  
James.Duncan@ntw.nhs.uk

The audit fee of £240,875 (£205,000 plus VAT) for 2007/08 relates entirely to the statutory audit and services carried out in relation to the statutory audit.

Each director has stated that as far as he/she is aware, there is no relevant audit information of which the trust's auditors are unaware and he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Audit Commission are aware of that information.

### Foreword to the Accounts

These accounts for the year ended 31 March 2008 have been prepared by the Northumberland, Tyne & Wear NHS Trust under section 98(2) of the National Health Service Act 1977 (as amended by section 24(2), schedule 2 of the National Health Service and Community Care Act 1990) in the form which the Secretary of State has, with the approval of the Treasury, directed.



## Income and Expenditure Account for the year ended 31 March 2008

	2007/08 £000	2006/07 £000	
Income from activities	266,388	255,292	Money we received for delivering health care, mainly from other health bodies
Other operating income	25,654	24,429	Money we received from other operations – such as providing social services and non-health-care services to other trusts
Operating expenses	<u>(280,537)</u>	<u>(271,905)</u>	
<b>Operating surplus</b>	<b>11,505</b>	<b>7,816</b>	
Profit on disposal of fixed assets	<u>29</u>	<u>0</u>	Money spent in delivering our services.
<b>Surplus before interest</b>	<b>11,534</b>	<b>7,816</b>	
Interest receivable	833	614	Bank interest received
Interest payable	(2)	(1)	Interest paid on the late payment of invoices
Other finance costs – unwinding of discount	<u>(78)</u>	<u>(81)</u>	
<b>Surplus for the financial year</b>	<b>12,287</b>	<b>8,348</b>	Adjustments made to account for changes in money value over time
Public Dividend Capital dividends payable	<u>(8,789)</u>	<u>(8,295)</u>	
<b>Retained surplus for the year</b>	<b><u>3,498</u></b>	<b><u>53</u></b>	Money paid to the government for the use of our land and buildings
All income and expenditure is derived from continuing operations.			We are required to make sure we do not spend more than we receive. This year we spent £3,498k less than we received.

## Balance Sheet at 31 March 2008

	2007/08 £000	2006/07 £000	
<b>Fixed assets</b>			
Intangible assets	7	9	Value of software licences used as assets but not owned.
Tangible assets	<u>224,812</u>	<u>236,132</u>	Value of land, buildings and equipment that we own
	224,819	236,141	
<b>Current assets</b>			
Stocks and work in progress	315	322	Amount owed to us that we will receive within a year – mainly from other NHS organisations
Debtors	19,985	16,625	
Cash at bank and in hand	<u>3,639</u>	<u>838</u>	
	23,939	17,785	
Creditors: Amounts falling due within one year	<u>(12,597)</u>	<u>(14,536)</u>	Amount we owe that is due to be paid within a year, mainly to other NHS organisations
Net current assets	<u>11,342</u>	<u>3,249</u>	Amount set aside to cover events that have happened in the year for which we expect to have to make a payment
<b>Total assets less current liabilities</b>	<b>236,161</b>	<b>239,390</b>	
Provisions for liabilities and charges	<u>(10,264)</u>	<u>(5,951)</u>	
<b>Total assets employed</b>	<b><u>225,897</u></b>	<b><u>233,439</u></b>	Amount that the government has notionally invested in the trust
<b>Financed by taxpayers' equity</b>			
Public dividend capital	197,440	224,531	Increase in the value of land and buildings since the trust was set up
Revaluation reserve	18,409	6,928	
Donated asset reserve	2,013	1,905	
Government grant reserve	19	22	Net amount by which income has exceeded expenditure since the trust was set up
Income and expenditure reserve	<u>8,016</u>	<u>53</u>	
<b>Total taxpayers' equity</b>	<b><u>225,897</u></b>	<b><u>233,439</u></b>	

Tangible Fixed Assets of £303,000 relate to land valued at open market value and £654,000 relate to buildings valued at open market value.

The financial statements were approved by the Board on 11 June 2008 and signed on its behalf by:

Andrew Fairbairn  
Acting Chief Executive, 11 June 2008

## 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	12,287	8,348
Fixed asset impairment losses	(371)	(8,825)
Unrealised surplus on fixed asset revaluations/indexation	<u>16,474</u>	<u>15,897</u>
<b>Total gains and losses recognised in the financial year</b>	<b><u>28,390</u></b>	<b><u>15,420</u></b>

This statement shows any gains or losses from the income and expenditure account plus any movements in reserves. In the accounts of a company, the total would be the amount owed to shareholders.

## Cash Flow Statement for the year ended 31 March 2008

	2007/08 £000	2006/07 £000
<b>Operating activities</b>		
Net cash inflow from operating activities	18,436	9,883
<b>Returns on investments and servicing of finance:</b>		
Interest received	770	593
Interest paid	<u>(2)</u>	<u>(1)</u>
<b>Net cash inflow from returns on investments and servicing of finance</b>	<b>768</b>	<b>592</b>
<b>Capital expenditure</b>		
(Payments) to acquire tangible fixed assets	(19,799)	(15,029)
Receipts from sale of tangible fixed assets	<u>39,276</u>	<u>63</u>
<b>Net cash inflow/(outflow) from capital expenditure</b>	<b>19,477</b>	<b>(14,966)</b>
Dividends paid	(8,789)	(8,295)
<b>Net cash inflow/(outflow) before financing</b>	<b><u>29,892</u></b>	<b><u>(12,786)</u></b>
<b>Financing</b>		
Public dividend capital received	7,480	12,863
Public dividend capital repaid (not previously accrued)	<u>(34,571)</u>	<u>0</u>
<b>Net cash inflow/(outflow) from financing</b>	<b><u>(27,091)</u></b>	<b><u>12,863</u></b>
<b>Increase in cash</b>	<b><u>2,801</u></b>	<b><u>77</u></b>

This is the total operating surplus as per the income & expenditure account, +/- any movements in debtors, creditors, stock, etc.

## Management Costs

	2007/08	2006/07
	£000	£000
Management costs	14,673	13,793
Income	290,516	279,721

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

## Better Payment Practice Code – measure of compliance

	Number	2007/08 £000
Total Non-NHS trade invoices paid in the year	58,808	54
Total Non NHS trade invoices paid within target	52,986	50
<b>Percentage of Non-NHS trade invoices paid within target</b>	<b>90%</b>	<b>93%</b>
Total NHS trade invoices paid in the year	2,181	161
Total NHS trade invoices paid within target	1,757	157
<b>Percentage of NHS trade invoices paid within target</b>	<b>81%</b>	<b>98%</b>

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

	2007/08 £000	2006/07 £000
Amounts included within Interest Payable arising from claims made under this legislation	2	1
Compensation paid to cover debt recovery costs under this legislation.	1	0

## Related Party Transactions

Northumberland, Tyne & Wear NHS Trust is a body corporate established by order of the Secretary of State for Health.

During the year the trust has undertaken the following transactions with companies/organisations with which the indicated Board Members or members of the key management staff or parties related to them has an interest.

- James Duncan, Director of Finance, brother-in-law is a partner with Dickinson Dees. The trust processed purchase invoices for Legal Fees totalling £136,854 in 2007/08.
- Roy McLachlan, Chief Operating Officer, is Chair of St Oswald's Hospice. The trust processed purchase invoices for Consultants Fees totalling £7,504 in 2007/08.
- Adele Coulthard, Director of Older People's Services, is a member of the management committee of NEAPP, North of England Association of Psychoanalytic Psychotherapists. The trust processed purchase invoices for training courses totalling £20,850 in 2007/08.

The Department of Health is regarded as a related party. During the year Northumberland, Tyne & Wear NHS Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These entities are listed below:

- City Hospitals Sunderland NHS Foundation Trust
- County Durham and Darlington NHS Foundation Trust
- County Durham Primary Care Trust
- Cumbria Primary Care Trust
- Derbyshire County Primary Care Trust
- Gateshead Health NHS Foundation Trust
- Gateshead Primary Care Trust
- Health Commission Wales
- National Commissioning Group
- Newcastle Primary Care Trust
- Newcastle upon Tyne Hospitals NHS Foundation Trust
- NHS National Services Division
- NHS Pensions Agency
- NHS Supply Chain
- North East Ambulance Service NHS Trust
- North East Strategic Health Authority
- North Tyneside Primary Care Trust
- Northumberland Care Trust
- Northumbria Healthcare NHS Foundation Trust
- South Tyneside NHS Foundation Trust
- South Tyneside Primary Care Trust
- Sunderland Teaching Primary Care Trust

Other Primary Care Trusts and NHS Trusts are also transacted with in the normal course of the trust's activities.

In addition, the trust has had a number of material transactions with other Government Departments and other central and local Government bodies. Most of these transactions have been with the Audit Commission, Collector of Taxes, HM Customs & Excise, Cumbria Social Services, Newcastle upon Tyne City Council, Northumberland County Council, Sunderland City Council, Castle Morpeth Borough Council and University of Newcastle.

## Remuneration Report – salary and pension entitlements of senior managers

The trust has a Remuneration and Terms of Service Committee. Its membership for 2007/08 was made up of the Chair and Non Executive Directors. The policy on the remuneration of senior managers is that the Committee's remit covers the remuneration of the Chief Executive and all Directors.

All senior managers' contracts are permanent with three months notice (except Chief Executive six months and the Director of Finance four months) and termination payments (including redundancy and early retirement) as per general NHS terms and conditions for all other staff.

Past and present employees are covered by the provisions of the NHS Pensions Schemes. The Scheme is an unfunded, 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. As a consequence it is not possible for the NHS Trust to identify its share of the underlying scheme assets and liabilities. Therefore the scheme is accounted for by the trust as a defined contribution scheme and the cost of the scheme is equal to the contributions payable to the scheme for the accounting period. An NHS Pension Scheme (England and Wales) Resource Account is published annually and these accounts can be viewed on the NHS Pensions Agency website at [www.nhspa.gov.uk](http://www.nhspa.gov.uk) or copies can also be obtained from The Stationery Office.

The remuneration and pension benefits tables disclosed below, have been subject to audit and an unqualified opinion has been given.



## Period in office

### Non-Executive Directors

Chair	1/4/07 – 31/3/08	Jules Preston	R
Non-Executive Director	1/4/07 – 31/3/08	Anne Ward Platt	A R
Non-Executive Director	1/4/07 – 31/3/08	Don Chroston	A R
Non-Executive Director	1/4/07 – 31/3/08	Ken Grey	R
Non-Executive Director	1/4/07 – 31/3/08	Fiona Standfield	R
Non-Executive Director	1/4/07 – 31/3/08	Chris Watson	A R

A – Audit Committee. Chaired by Anne Ward Platt

R – Remuneration Committee. Chaired by Jules Preston

### Executive Directors

Chief Executive	1/4/07 – 2/9/07	Alan Hall
Chief Executive	3/9/07 – 31/3/08	Andrew Fairbairn
Medical Director	1/4/07 – 2/9/07	Andrew Fairbairn
Medical Director	1/12/07 – 31/3/08	Suresh Joseph
Director of Finance	1/4/07 – 31/3/08	James Duncan
Director of Nursing	1/4/07 – 31/3/08	Gary O'Hare
Director of Human Resources	1/4/07 – 31/3/08	Elizabeth Latham
Chief Operating Officer	1/4/07 – 31/3/08	Roy McLachlan

### Other Directors

Director of Forensic Services	1/4/07 – 31/3/08	Colin McCoy
Director of Learning Disability Service	1/4/07 – 31/3/08	Kate Simpson
Director of Working Age Adults Service	1/4/07 – 31/3/08	Russell Patton
Director of Older People's Services	1/4/07 – 31/3/08	Adele Coulthard
Director of Children, Young People and Specialist Services	1/4/07 – 31/3/08	Bruce Dickie

## Remuneration

2006/07		*Benefits in kind (rounded to nearest £00) £00					
		Other remuneration (bands of £5000) £000			Salary (bands of £5000) £000		
2007/08		* Benefits in kind (rounded to nearest £00) £00					
		Other remuneration (bands of £5000) £000			Salary (bands of £5000) £000		
Jules Preston	Chair	20-25	0	0	20-25	0	0
Anne Ward Platt	Non-Executive Director	5-10	0	0	5-10	0	0
Don Chroston	Non-Executive Director	5-10	0	0	5-10	0	0
Ken Grey	Non-Executive Director	5-10	0	0	5-10	0	0
Fiona Standfield	Non-Executive Director	5-10	0	0	1-5	0	0
Chris Watson	Non-Executive Director	5-10	0	0	1-5	0	0
Alan Hall	Chief Executive	60-65	0	10	145-150	0	0
Andrew Fairbairn	Medical Director 1/4/07 - 2/9/07						
	Chief Executive 3/9/07 - 31/3/08	195-200	0	0	185-190	0	0
Suresh Joseph	Medical Director	55-60	0	0			
James Duncan	Director of Finance	120-125	0	13	110-115	0	9
Gary O'Hare	Director of Nursing	90-95	0	73	50-55	0	0
Elizabeth Latham	Director of Human Resources	90-95	0	0	85-90	0	0
Roy McLachlan	Chief Operating Officer	105-110	0	0	20-25	0	0
Colin McCoy	Director of Forensic Services	80-85	0	61	65-70	0	72
Kate Simpson	Director of Learning Disability Service	80-85	0	0	75-80	0	0
Russell Patton	Director of Working Age Adults Service	80-85	0	35	75-80	0	18
Adele Coulthard	Director of Older People's Services	90-95	0	0	60-65	0	0
Bruce Dickie	Director of Children, Young People and Specialist Services	80-85	0	9	60-65	0	5
Pat Keane	Acting Lead Director, South of Tyne				25-30	0	18

\*All benefits in kind are leased cars

## Pension Benefits

	Employer's contribution to stakeholder pension								
	Real increase in Cash Equivalent Transfer Value				Cash Equivalent Transfer Value at 31-03-07				
	Cash Equivalent Transfer Value at 31-03-08				Lump sum at age 60 related to accrued pension at 31-03-08				
	Total accrued pension at age 60 at 31-03-2008				Real increase in pension at lump sum				
	Real increase in pension at age 60								
	Bands of	£2.5k	£2.5k	£5k	£5k	£000	£000	£000	£00
		£000	£000	£000	£000	£000	£000	£000	£00
<b>Alan Hall</b> Chief Executive	0–2.5	0–2.5	40–45	120–125	637	574	20	14	
<b>Andrew Fairbairn</b> Medical Director 1/4/07–2/9/07 Chief Executive 3/9/07–31/3/08	5–7.5	17.5–20	110–115	340–345	2,034	1,845	143	1,001	
<b>Suresh Joseph</b> Medical Director	0–2.5	0–2.5	15–20	55–60	330	292	10	72	
<b>James Duncan</b> Director of Finance	0–2.5	5–7.5	20–25	65–70	247	212	30	211	
<b>Gary O'Hare</b> Director of Nursing	2.5–5	12.5–15	30–35	100–105	447	366	72	503	
<b>Elizabeth Latham</b> Director of Human Resources	2.5–5	7.5–10	20–25	65–70	395	331	56	392	
<b>Roy McLachlan</b> Chief Operating Officer	0–2.5	0–2.5	35–40	110–115	595	560	22	152	
<b>Colin McCoy</b> Director of Forensic Services	2.5–5	7.5–10	40–45	120–125	598	532	52	365	
<b>Kate Simpson</b> Director of Learning Disability Service	0–2.5	2.5–5	20–25	60–65	276	244	25	176	
<b>Russell Patton</b> Director of Working Age Adults Service	5–7.5	20–22.5	20–25	70–75	330	225	99	696	
<b>Adele Coulthard</b> Director of Older People's Services	0–2.5	2.5–5	15–20	55–60	237	211	21	147	
<b>Bruce Dickie</b> Director of Children, Young People and Specialist Services	0–2.5	0–2.5	20–25	65–70	254	245	4	25	

Cash equivalent transfer values are not applicable where individuals are over 60 years old.

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 2004-05 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.



We are constantly looking for ways to improve our public documents. If you have any views on how we could improve our annual reports then please contact Caroline Parnell, Trust Secretary / Head of Corporate Affairs at St. Nicholas Hospital, Jubilee Road, Gosforth, Newcastle. Email: [caroline.parnell@ntw.nhs.uk](mailto:caroline.parnell@ntw.nhs.uk) or call 0191 223 2981.

This report is currently available, on request from Caroline Parnell, in other languages, large print or audio versions, but we will do our best to provide a version of this report in a format that meets your individual needs.

A PDF version of this report and a summary are available on the trust website – [www.ntw.nhs.uk](http://www.ntw.nhs.uk)