



**'It took this dedicated team of healthcare professionals
to give me back my life ... and I can't thank them enough'**

Barrie Dennett, *Cardiology Patient*

Board of Directors 2004/05

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The Trust Board is comprised of the Chairman and five Non-executive Directors, as well as five Executive Directors including the Chief Executive & Executive Director.

All Directors of the Trust have a corporate responsibility for the following issues:

- To set the strategic direction for the Trust
- To ensure that there is a system of effective financial stewardship through financial control
- To promote quality in all aspects of service and promoting the development of clinical governance
- To agree annual business plans

Trust Board Strategic Aims

Our vision is to be achieved through the progressive reduction and eventual elimination of:

- Needless delay – we will treat our patients quickly and appropriately
- Waste – we will use our resources to greatest effect
- Feelings of helplessness – we will offer treatments with respect and empower our patients and carers
- Needless suffering – we will offer effective treatments and relieve pain and suffering
- Needless deaths – we will protect and heal
- Inequity – we will treat all our patients and staff fairly

Non-executive Directors

- 1 **Mark Fitzsimmons** Chairman
- 2 **Paul Acres** Deputy Chairman
- 3 **John Brown**
- 4 **Patricia Firby**
- 5 **Ken Halligan**
- 6 **Sandra Jones**

Executive Directors

- 7 **Mike Bone**
Chief Executive & Executive Director
- 8 **Mr. Ajaib Soorae**
Medical Director
- 9 **Melanie Simmonds**
Director of Finance
- 10 **Jan Walters**
Director of Nursing and Operations
- 11 **Bronwyn Barrow**
Director of Human Resources and Organisational Development

Trust Board Secretary

Lesley Heath
P.A. to Chairman & Chief Executive

Full details of the Trust Board and committees on which they serve can be found under the PR & Communications Section of our website www.ctc.nhs.uk

Notes:

No Director has any interest which is material to the affairs of the Trust. A register of interests of the Directors and all senior staff is available for inspection at the offices of the Trust.

Appointments:

Mr. Ajaib Soorae, Medical Director,
23rd September 2004
(Acting Medical Director from 27th July 2004 - 22nd September 2004)

Interim Non-executive Directors Elizabeth Powell,
Dr. John Beecham w.e.f. 29th October 2004
through till 28th February 2005.

Non-executive Directors Paul Acres, John Brown,
Patricia Firby, Frances Guy, Sandra Jones w.e.f.
1st March 2005.

Non-executive Director Kenneth Halligan w.e.f.
1st May 2005.

Resignations:

Dr. Charles Hind, Medical Director,
26th July 2004

Non-executive Directors Judith Barton, Michael
Cantwell, Susan Mason, Geoffrey Wallwork,
Wendy Williams w.e.f. 22nd October 2004.

Frances Guy w.e.f. 31st March 2005.



Our Commitment

Chairman and Chief Executive's Report



Mark Fitzsimmons
Chairman

Mike Bone
Chief Executive and
Executive Director

It gives us great pleasure to present this annual report on behalf of our Trust for the period April 2004 to March 2005 and above all to report that this has been another exemplary year.

Our commitment to achieving high standards and improved performance is attributed to our dedicated staff who deserve recognition for the continued success of this Trust.

Running an acute Trust is a challenge, both strategically and operationally, but the patient experience has, and always will be, the main focus of our aims. It is gratifying to note that our patients respect our efforts and their satisfaction with our service is demonstrated by the positive results we continue to receive by way of National In and Outpatient surveys.

We are proud of the way the Trust has dealt with all the operational changes during the past few years as we modernise and develop and whilst this has been one of our busiest years to date we have, once again, achieved so much.

This year though the Trust has faced recurring problems with the movement of patients through the surgical intensive care unit which meant that regrettably many patients had their operations postponed. We anticipate that this situation will be improved once our new 45 bedded Critical Care Unit opens in September 2005.

We have remained a two star Trust, which was slightly disappointing as the Trust performed exceptionally well in 27 of the 36 categories. Of particular note is the fact that we achieved all of our key targets and scored significantly above average marks in many areas relating to high quality patient care.

Our vision for the Trust is to go from strength to strength. The next 12 months will herald a new beginning for the Trust as we commission new clinical and staff facilities and take action to become a Foundation Trust.

Year on year our staff remain loyal to the Trust and whilst the site development has progressed, car parking has posed a major problem and we look forward to the new multi story car park being opened at the end of 2005/6.

The Trust will become a "Smoke Free" Hospital by 2006 and we are currently implementing a plan of action to help patients and staff adapt with smoking cessation

The past twelve months have seen a number of changes to our Trust Board. Mr Ajaib Soorae, Consultant Thoracic Surgeon, was appointed Medical Director following Dr. Charles Hind's resignation. We welcome Paul Acres, John Brown, Patricia Firby, Ken Halligan and Sandra Jones as Non-executive Directors who, collectively, bring a wealth of relevant skills and experience to the table.

We also recognise the contribution that our previous Non-executive Directors brought to the Trust and we thank Judith Barton, Michael Cantwell, Susan Mason, Geoffrey Wallwork, Wendy Williams and Francis Guy for their efforts.

In closing we offer our thanks to the Trust Board, together with everyone working in and associated with our hospital, including our very dedicated team of volunteers, for their continued support, dedication and hard work.

It remains our great privilege and pleasure to be sharing in this success and we look forward to embracing the future.

Our Vision

Key Achievements



Site development progress at June 2005



10 bedded Coronary Care Area

Through our Quality Improvement Programme, the following key achievements have been made:

- Achieving all government targets
- Achieving financial balance for 2004-05
- Reduction in waiting times for patients
- The development of Risk Management across the Trust
- Improved facilities through the site development
- Excellent results in the national in and outpatient surveys
- Catering and menu improvements
- Reduction in Infection Control rates
- Appointment of additional Consultants
- National publication of clinical outcomes
- Assurance framework development
- Compliance with NICE guidance

- Successful introduction of the Hospital at Night project
- Continued action and participation in the North West Quality Improvement Programme
- Improved collaboration with external agencies
- Information governance function
- Compliance with European Working Time Directive
- Implementation of expanded roles for staff
- Equality and diversity training
- Improved response times to complaints
- Implementing new terms and conditions for staff under Agenda for Change - September 2005
- Working towards Practice Plus status for Improving Working Lives
- Improvements in computer training facilities
- The Major Incident Policy has been reviewed and is fully compliant with the Department of Health's "Handling Major Incidents: An Operational Doctrine"



12 bedded Intensive Care Area



Artists impression of 4 bedded ward

Vision Statement

To be an international leader in cardiothoracic care, delivering quality and innovation in a trusting and caring environment



Stephanie Sutton
Human Resources Advisor

Directorate of Human Resources and Organisational Development

2004/5 has seen the busiest year yet for Human Resources. The Trust has implemented a range of initiatives, developments and improvements to support staff in delivering care that is of the highest quality for our patients.

The Trust's Human Resources Strategy, Training & Development Strategy and Organisational Strategy provide a clear direction for managers and staff and the Human Resources Development Committee oversees and ensures effective implementation of any plans or policies that affect our staff.

The Human Resources Strategy focuses on four core areas – each aimed at ensuring the Trust is able to attract and retain a professional and highly trained workforce for the benefit of our patients. These four areas are:-

1. Ensuring that The Cardiothoracic Centre – Liverpool NHS Trust is a Model Employer.
2. Ensuring that The Cardiothoracic Centre – Liverpool NHS Trust provides a Model Career for its staff.
3. Improving Staff Morale
4. Building Human Resources Capacity & Capability

There are two significant national initiatives aimed at attracting a diverse workforce committed to working and developing their careers within the NHS. One focuses on improving equality, pay, terms and conditions and enabling staff to follow more flexible career roles within the NHS (Agenda for Change) while the other focuses on Improving the Working Lives of staff by recognising individuals needs and circumstances.

Agenda for Change (AFC) is part of a whole scale pay reform across the NHS and encompasses all staff with the exception of Doctors and Dentists.

Through Partnership Working in April 2004 the Trust embarked upon a process of either matching jobs against National Job Profiles or by carrying out a full evaluation

of the job. The Trust's AFC team comprises of managers, staff and staff side representatives who are all working together to ensure that staff receive equal pay for work of equal value. Implementation of AFC continues up to 30th September 2005.

The Trust is preparing for re-accreditation as an Investor in People and for validation of Improving Working Lives (IWL) Practice Plus Status. During 2004/5 Trust Board members and senior managers have conducted IWL walkabouts into wards and departments and all staff have been invited to participate in a survey and say what would most improve their working life. IWL and AFC link people have been appointed in each ward and department to facilitate information giving and feedback.

The Trust recognises that many factors will affect the morale of its staff both within and outside of work. The IWL Practice Plus Action Plan serves to ensure that issues of concern to staff or that prevents them from doing the job they want to do are raised and addressed. This can be anything from a need for flexible working, additional support with a short term crisis or help in resolving problems with their colleague or manager. During 2004/5 a range of HR Policies and Procedures have either been revised or introduced to assist staff and managers in dealing with problems

The Trust is investing heavily in improving staff involvement and communications. In December 2004 the Board agreed a new communications strategy which sets standards for improving the quality of internal and external communications including the requirement for all staff to have received team brief at least within 14 days of the corporate team brief being given.

Our site development programme is nearing completion which will enable more patients to receive faster access to the care and treatment they need in the best possible facilities.

To achieve this, the Trust needs to recruit and retain staff of the highest calibre. Earlier this year the Trust held a Recruitment Open Day. During the event the Trust received over 800 expressions of interest in a wide range of jobs (clinical and non-clinical). People who had travelled far and wide were given the opportunity to see the new facilities and to find out what opportunities existed.

The Trust is also participating in a review of HR Services across North Merseyside with a view to providing better and more effective HR Services by pooling HR resources across organisations. The Trust is also continuing to explore other opportunities for sharing HR services including training, maintaining HR records, workforce planning and data analysis.

The Trust employs in excess of 1,100 staff in over 12 different professions making 'people management' a complex challenge for line managers. The Trust has invested in developing the skills of line managers and a HR Skills programme was launched to enable managers to deal with people management issues, such as grievances and disciplinary matters more effectively.

The Trust is very fortunate to have a highly experienced and committed workforce. Many of our staff have worked with us for a number of years to deliver our services and we recognised the value and importance of their service through our Long Service Awards. This year 7 staff became eligible for this award and were invited to a 'thank you' lunch with Trust Board Members.

The Trust has a wide range of policies and procedures which demonstrate its commitment to equality of opportunity. These policies and procedures are reviewed on a regular basis to reflect Government legislation and best practice.

Our Workforce

Staff - our most important resource



Pauline Hatton
Volunteer
Robert Owen House

Father Keran O'Grady
Chaplain

Julie Watkinson
Senior Nurse Manager,
Surgery
and Anaesthesia

Maureen Gabbutt
Supplies and Purchasing
Manager

Lyn Chesworth
Acting Medical Records
Supervisor

Brenda White
Domestic

Jeff Murphy
Porter

Terry Lawes
Maintenance Department

John Winstanley
Medical Engineering

Directorate of Surgery and Anaesthesia



Mr Brian Fabri
Consultant Cardiac Surgeon

The Directorate of Surgery and Anaesthesia covers 5 ward areas and 6 theatres with a total staffing establishment of 306 whole time equivalents.

In addition to this, the Directorate works extremely closely with the Critical Care Unit that has 20 intensive care beds for the recovery of post-operative patients.

There have been significant developments and improvements within the Directorate during the past twelve months. It is important to extend our thanks to theatre, perfusion, medical, nursing and secretarial staff who have all helped us achieve the targets, as set by the government, whilst continuing to deliver a high quality service to our patients.

We are pleased to report that at the end of March 2005 there were no patients waiting longer than three months for Coronary Artery Bypass Surgery and six months for other cardiac surgery. We have provided the following surgical procedures: 1,346 Coronary Artery Bypass Grafts, 375 other cardiac operations; 773 major thoracic operations and 1023 minor thoracic operations.

The achievement of the above waiting list targets has been significantly more difficult due to the limitations imposed by the site development scheme but we are delighted to report that the site development scheme is progressing as planned.

As expected with any building programme there have been disruptions and noise problems for staff working in theatres and the achievement of our waiting time targets under such conditions clearly demonstrates the commitment of staff to improve patient services, which is highly commendable and for which this Directorate is very grateful.

Additional key achievements in the past twelve months have been:

- The publication, for the fourth year, of our cardiac mortality rates on our website www.ctc.nhs.uk
- The High Dependency Unit has successfully moved under the management of Critical Care in preparation for the opening of the new Critical Care Unit. This change had a significant impact on the staff and its success is accredited to all those involved.
- The Workforce Development Project for the expanding role of the medical secretary, following the Trusts successful bid to be a second wave pilot site, is progressing very well with secretaries expanding their roles and exploring further options to support Consultant Surgeons.
- Essence of Care "Clinical Benchmarking" has continued to progress throughout the Directorate with the implementation of "Quiet Hour" and "Protected Meal Times" for patients. The staff changing room on Ward E has been converted to provide a quiet room for patients and their family to discuss private issues with the multi-disciplinary team. A new staff room has been created by reducing the size of the patient's day room. All ward patient identification boards have been removed from public places to promote patient confidentiality. Curtains have been replaced on a number of the wards to maintain patient's privacy.
- All Wards and Departments participated in a Clinical Governance baseline audit, the outcome of which will influence the Directorate's Clinical Governance Plan.

Our Services

Directorate of Cardiology and Chest Medicine

The year 2004-05 proved to be a challenging year for the Directorate of Cardiology and Chest Medicine with the requirement to decrease waiting times, together with the delay in the District Catheter Laboratories opening. Despite this the Directorate managed a number of key achievements through the hard work and commitment of staff.

The Directorate restructured its main meeting around the pillars of clinical governance and in November a multi-disciplinary risk management group was formed to review all incidents and complaints with the aim of shared learning across the Directorate.

Cardiology and Catheter Labs

Within cardiology we delivered an increase in the numbers of angioplasty procedures from 1,625 in 2003/04 to 1,878 in 2004/05 which resulted in decreased waiting times for patients requiring revascularisation down to 3 months by the end of March 2005.

Procedures completed in year	Plan	Actual
Cardiac Catheters	3875	3557
Angioplasty /PTCA	1659	1878
Pacing	1132	1079
EP studies	279	266
AICD	144	170
ASD Closures	81	75

Outpatient attendances

Specialty	New	Follow up
Cardiology	2327	13644
Thoracic Medicine	1092	4100
Medical oncology	336	1453

Several new Consultant Cardiologists were appointed to our team during the year:

- Dr Jay Wright as Consultant Cardiologist specialising in pacing, device therapy and heart failure
- Dr Nick Palmer as the 7th Interventional Cardiologist
- Dr Johan Waktare was appointed in February 05 to commence in June 05 as a Consultant Cardiologist, specialising in Electrophysiological studies

A new integrated care pathway for cardiac catheters was implemented and a multidisciplinary team formed.

The Directorate was successful in attaining National Opportunities Funding for a replacement catheter laboratory which will be installed in summer 2005.

Efficiency in the catheter laboratory has been improved with the new Transfer Nursing Assistant; this support will expand in 2005/06 with increased staff and wider roles to enhance the service further. In addition the Catheter Laboratory Assistant role was created and established this year.

Wards and Nursing

A Nursing Practice Development Group was formed within the Directorate and this has now been extended to a Trust wide group.

Day Ward have worked with the Chest Lab to enable the spirometry investigations for rapid access lung patients to be held on the Day Ward, which has improved the service offered to the patients. They have also worked with the multi-disciplinary team to implement a new protocol for patients undergoing cardioversion procedures.

Chest Medicine

The Cystic Fibrosis Service continues to expand, seeing approximately 185 adults from across Merseyside, North Wales and the Isle of Man. Funding has been secured to expand the dietetic service, as well as the exercise physiologist service.

The provision of a diabetic support for cystic fibrosis continues to expand, including diagnostic support, advice and in-house screening.

Wards within the Directorate provided support to the Royal Liverpool and Broadgreen University Hospitals Trust and University Hospital Aintree to help alleviate 'winter pressures' which, thanks to the hard work and dedication of all the whole multidisciplinary team, was successful.



Joan Yeun
Ward Clerk

Directorate of Clinical Support Services



Matthew McGee
Clinical Physiologist

This year has seen the Clinical Support Services Directorate establish itself and mature into a more integrated structure. As the name implies, the Directorate is comprised of those services that directly support the clinical services and include Radiology, ECG, Pulmonary Function, Physiotherapy, Outpatients, along with the more indirect services of Infection Prevention, Health Records, Booked Admissions, Capacity and Resuscitation Training.

Due to the diverse nature of the Directorate, three sub-groups have now been established with their own business plans for the year; these groups cover the professional and technical services, the administrative function and the nursing element.

Our fundamental goal is to improve and modernise our own internal services whilst trying to work with other organisations to maximise the use of valuable resources.

The site development draws ever closer and during this financial year we will see the new 'shared' Imaging Department open along with a new Outpatient Department that will incorporate ECG and Pulmonary Function. In addition a new Medical Records Department will open in September.

Key achievements during the past twelve months have been:-

- Choose and Book - The Directory of Services for Choose and Book have been loaded and are currently being commissioned. The next steps will be to establish a "go live" roll-out plan by speciality/clinic type and it is hoped that C&B will be live by late Summer 2005.
- The Booked Admissions Team has assisted in achieving the community pulmonary rehabilitation and spirometry services by providing administration and booking support for the service. Patients can phone

the team and be offered a choice of venue, date and time for their appointment – this is extending patient choice through technician led services and demonstrates the Trust is committed to best practice relating to Booked Admissions.

- Outpatient Waiting List Targets – no patients had to wait beyond 17 weeks for their first outpatient appointment. This year once again showed a further increase in outpatient activity with a further 2500 patients going through the Department. Due to the close relationships between outpatients and the Nurse Practitioners, earlier this year, with the appointment of Glynis Chu as head of outpatients, this relationship was made more formal with the transfer of the practitioners to this Directorate. The pre-operative assessment service continues to expand and we now increased the phase 1 cardiac rehabilitation. The Department will continue to work closely with the other directorates to streamline and develop care pathways for all patients in respect to pre-operative assessment and screening services.
- Community Services – In conjunction with our local Primary Care Trust we have developed two community services; spirometry and pulmonary rehabilitation. These services are provided by our staff in local community settings.
- Within Pulmonary Function there has been an expansion around cardiopulmonary exercise service as a result of an investment in new exercise equipment.
- Keith Pearce has recently joined the Trust as the new head of Cardiac Physiology. Since his arrival Keith has looked to restructure the department and has made a number of changes, most notably the introduction of an 8-6 shift.
- The Directorate continues to play a key role in assisting training for other Trusts in the commissioning of their catheter laboratory developments:

The advent of 'Payment by Results' provided Health Records with the opportunity to re structure the Clinical Coding function. A Clinical Coding Co-ordinator was appointed to support the capture of the clinical data required to secure appropriate resources for the Centre

- The development of Radiology is progressing and the order has now been placed for our first MRI scanner and the PACs system that will allow us to move away from plain film x-rays to a new digital system. The staffing establishment has increased and we continue to work towards opening the new 'shared' department early next year.
- The effective use of beds and catheter laboratory sessions has resulted in more efficient use of capacity. The Hospital at Night project, initially designed to look at reducing junior doctor hours, has initiated a lot of changes in practices which are starting to make a positive impact with services being moved to earlier in the day resulting in less disturbance to the patient at night.
- A collaborative for the use of bank and agency nursing staff has been established between ourselves and Alder Hey Hospital. The impact of this has meant we have been able to drive down the agency costs as well as provide a better service to the ward areas.
- The number of infections within the Trust has continued to decrease. Additional resources both in terms of staff and technology have been made available to ensure this trend continues.
- The Directorate finished the year within budget and met its cost improvement target.

Patient Support Services

In October 2004 the Trust combined the Patient Advice & Liaison Service (PALS) with our Complaints service and reformed as the Patient Support Services Department. This move enabled patients who had any concerns or issues about the care they receive from the Trust to have a single point of entry into a service that can help and support them.

Swift action by PALS can often lead to resolution of people's problems, without them going through the complex formal complaints procedure. The effective and efficient use of the PALS service can help improve the patient's experience and therefore ultimately reduce the number of formal complaints a Trust receives.

Patient Advice Liaison Service (PALS)

The Patient Advice Liaison Service focuses on improving the services to NHS Patients.

The service aims to:

- Offer on the spot help with a view to immediate or speedy resolution of problems or concerns
- Improving the patient's experience within the Trust
- Provide up-to-date information on all NHS services
- Listen to patients concerns
- Identify trends and feedback through Clinical Governance ensuring mistakes are not repeated
- Influencing others within the Trust to make changes – impact on policies and practice within the Trust

During the period April 2004- March 2005 the total of patients and carers who contacted PALS directly was 357

This compared with 110 cases for the same period in 2003 when PALS was introduced into the Trust.

Listening and Learning from our Patients

PALS provides new ways for ensuring that patients' views are taken into account and actively seeks their comments to enable the Trust to improve its services and facilities. The introduction of "Listening and Learning" cards has provided an effective means of gaining a reflection of the patient's experience and ensuring the patient's voice is heard. All In-patients are given a card to complete. The cards give people the opportunity to say (i) What was particularly good about the service they received, (ii) Any concerns they had about the service, and (iii) How they think we could improve our service. Any concerns or suggestions for improvement are acted upon. By raising concerns and comments with General Managers and Modern Matrons PALS can help bring about change and improvements in the way services are delivered

891 comments forms were returned from April 2004 to March 2005, with the vast majority being highly complimentary and praising the staff. A small example of feedback on what patients thought was good about our service follows:-

"Being treated as a person who is entitled to know what is happening to them at every stage. An excellent example of the NHS"

"The exceptional quality of kind and caring nurses – their understanding of patients' needs and their personal concern in times of needful comfort – I just cannot praise them highly enough – there aren't sufficient words".

"Hygiene very good, domestics very thorough, toilets and showers spotless.

Everybody from the tea ladies to the nurses and the doctors made you feel special and that is what you need when in hospital".

"Staff attentive, understanding and quick to respond when called. Always respectful of patient's privacy and dignity – very calming and reassuring manner."

"Top marks for cleaning and hygiene. Constant attention, caring bedside manner from doctors and staff, very caring, helpful, explaining all about my care and procedure".

Patient Information

The Patient Support Services have been leading the process to update Patient Information leaflets. A lay reading group has been established and a number of new leaflets and booklets produced.

Formal Complaints

We aim to ensure that any concerns raised with the Trust are thoroughly investigated and addressed in order that lessons can be learnt and that we may improve the quality of our service. The following provides an outline of the past twelve months.

Total Number of Complaints Received	Number acknowledged within 2 working days	Number responded to within 20 days
32	27	15

The Trust considers the review of Formal Complaints to be a vital part of clinical risk management activities and, as such, an opportunity to improve the quality of service delivery and patient's safety.



Valerie Mandelson
Patient Support Services Manager

Clinical Governance



Tony Grayson
Senior Clinical
Information Analyst

Clinical Governance is the framework through which the quality of clinical care is continuously assessed and improved. The following milestones were achieved during 2004/2005:

- The submission of the Trust's completed action plan to the Strategic Health Authority which resulted from the review by the Commission for Health Improvement in November 2002
- Participation in the National in-patient and out-patient surveys where results demonstrate consistency in performance to previous years
- The conduct of audits of patient experience within clinical departments and wards leading to improvements
- Achievement of targets with respect to waiting times for patients
- Improvements in patient's choice of food
- Increases in the number of patients receiving phase one cardiac rehabilitation following angioplasty or cardiac surgery
- The integration of patients into the review of patient information through "lay reading" groups
- Improvements in systems to respond to patients complaints and ensure lessons are learnt throughout the organisation
- The implementation of and training in computer software to manage risks
- The achievement of a 70% score in all controls assurance standards
- The restructuring of the Trust's infection control function to provide a clear focus on clinical concerns such as MRSA
- Purchase and implementation of infection control software to improve the management of infection control
- The refinement of existing and the development of new ward and departmental based indicators of clinical quality that facilitate the monitoring of key aspects of service delivery by the clinical governance committee
- The development of a new system for the co-ordinated management of all policies, procedures and guidelines in the Trust
- The development of systems to govern the introduction of new technology that ensure the protection of patient safety
- Implementation of proactive reviews of the evidence base supporting the practice of multi-professional clinical teams
- Compliance with those NICE guidelines specific to the Trust's services
- The development of a reporting structure to monitor access times to services for people diagnosed with cancer
- The publication of surgeon specific mortality rates for the re-assurance of patients and the public
- Continued development of a quality improvement programme for cardiac interventions which involves colleagues from other tertiary centres, district general hospitals and primary care
- The conduct of Appraisals for all Consultant Medical Staff
- Development of a new strategy for research which includes the creation of a new randomised controlled trials unit and increased investment in laboratory research. Investment in research for Nursing and Profession Allied to Medicine follows this year
- The development of Information Governance which addresses issues of patient confidentiality and data protection
- Improved ability to generate information from the Trust's data and its dissemination amongst those who need access to it
- Working to achieve compliance with the National Service Frameworks for Older People and Diabetes
- Preparatory work necessary for reporting performance against the new Standards for Better Health which will replace the Star Ratings system for Trusts in the autumn of 2006
- Full involvement in work conducted by the Cardiac Network for the benefit of all patients with heart disease in Cheshire & Merseyside

Our Ethics

Trust Performance 2004/2005

The Trust has made significant progress in its performance over the last 12 months, most notably:-

- A reduction of maximum waiting times for revascularisation (Coronary Artery Bypass Grafting and Percutaneous Coronary Intervention) to 3 months* (in 2001/02, patients waited up to 18 months for these procedures)
- All patients referred urgently by their GP for suspected cancer seen within 14 days.
- Significant reduction in hospital acquired infections in 2004/05.

**(excludes Wales, which operates a different service level agreement)*

Despite this notable success, the Trust is not complacent and is conscious that a consequence of improved waiting times and patient choice has been the need to cancel or postpone a number of scheduled operations and procedures for non-clinical reasons in 2004/05. This has largely been due to significant pressures in Surgical Intensive Care and has resulted in unavailability of intensive care beds for post-operative care.

One of the reasons for this is the increasing complexity of case mix undertaken at CTC and the fact that the patient population is becoming older and sicker, placing higher demand on our critical care facilities.

In order to tackle this problem, the Trust is embarking on a major programme of modernisation that will be facilitated by the opening in September 2005, of a brand new 45 bedded Critical Care Unit within the new site development – this will be one of the largest Critical care units in the United Kingdom and will be equipped with 'state of the art' life saving equipment. 60 additional nurses are being recruited and trained and the Trust will be changing its established practice, where necessary, to improve the patient's 'journey', minimising delay and cancellation and providing an improved environment.

The Trust has developed a 5 year strategic plan that sets out its service development strategy.

Service Objectives:

Time based and measurable objectives, which can be clearly linked with our strategic aims, are set out in the Trust's 2005/06 Business Plan and are continuously reviewed and updated via the Trust's performance management framework.

Our Performance



Lucy Lavan
Associate Director - Performance

Site Development



Phil Heaps
Associate Director - Planning

Our site development commenced in autumn 2003 and is expected to be completed in winter 2006. In the meantime building work continues apace.

The scheme consists of a number of 'Blocks' which will provide new facilities for both The Cardiothoracic Centre – Liverpool NHS Trust and The Royal Liverpool and Broadgreen University Hospitals NHS Trust.

Every effort has been made in the design to improve the patient environment and provide improved facilities for relatives and members of staff.

The elements which relate to The Cardiothoracic Centre (CTC) are as follows:

- Block A - comprises a 28-bedded Acute Ward, Pathology Laboratory and Medical Engineering Department together with a 45-bedded Critical Care Unit.
- Block B - contains a new administration facility, Health Records Department, Research Laboratory and a shared Pharmacy.
- Block C - comprises new facilities for Outpatient,

ECG, Pulmonary Function, together with a Cardiac Rehabilitation/Physiotherapy area and shared Radiology Department.

- Block D - contains 2 new theatres, first floor staff accommodation and a new 9-bedded recovery facility.
- Block E - comprises two new Catheter Laboratories.

State of the Art Technology

The scheme boasts exciting new technology to improve services for patients, for example: flexible arm pendants, a pneumatic tube system for pathology and pharmaceutical use, computed radiography, a networked vital signs monitoring system (for theatres & critical care) and an auto dispenser (robot) in Pharmacy.

New Main Entrance

The new main entrance was originally a private finance scheme, however, during the autumn of 2004 Exchequer funding was secured and construction began in the spring of 2005. The new main entrance will comprise a reception facility, a security base, an arrival and departure area for outpatients and ambulance liaison, together with two retail outlets.

Two-deck Car Park (Private Finance)

Construction of a two-deck car park, to be located near to the Thomas Drive entrance, will provide an additional 350 spaces. Completion is scheduled for March 2006.

Nursery

A new 82 place nursery was completed and opened on site in May 2005.

Our Future



Research and Development (R&D)

The Trust continues to give R&D high priority as a means of maintaining and developing its position as a centre of excellence for the treatment of the diseases of the heart and chest. It remains fully committed to both the commissioning and conduct of research that gives way to new and innovative services with resultant improvement in the quality of care for our patients. We are firm believers in "today's research is tomorrow's care".

Much was accomplished during the year in advancing the Centre's strategy for R&D. Notable achievements included:

- The development of three research programmes in cardiovascular disease that the Trust has the lead for on behalf of other hospitals in the Merseyside & Cheshire area
- Securing over £200,000 of external non-commercial R&D funding to develop major work in radial artery spasm following bypass surgery and the effects of the male sex hormone testosterone on blood vessels and its relevance to heart disease and treatment (please see section – The Research Laboratory)
- Implementation of the research governance framework
- Publication of our work in respected medical journals

- Further development of mechanisms to secure the involvement of patients as service users in the planning and conduct of our research
- Continuation of the Johnson Foundation Research Fellowship in Interventional Cardiology from a large donation to The Merseybeat Appeal
- Continued development of research in interventional cardiology, cardiothoracic surgery and anaesthesia, thoracic medicine, nursing, professions allied to medicine and radiology
- Continued investment in our research laboratory through the addition of a new member of technical staff
- Continued work with our commissioners and the Cheshire & Merseyside Cardiac Network in the conduct of research relevant to local health needs which results in new services or improved delivery
- Active encouragement of all health care professional staff to undertake their own research through the availability of in-house support and the provision of specific R&D methods courses

The Research Laboratory

Working closely with surgeons and cardiologists, the Research Laboratory continues to support a vascular biology research programme. One of our major goals has been improving the outcome of bypass operations, focussing on the procedures designed to keep new grafts in the healthiest condition during surgery.

In the last year, Miss Emer McCarron (Clinical Fellow, Cardiothoracic Surgery) has completed a study towards her M.D. degree evaluating the potential for antioxidants and plant flavonoids to protect bypass grafts from oxidative damage and to maintain blood vessel function. Mr Krisnand Pai is now continuing the research into optimal graft preservation by examining the effect of currently used and novel drugs on endothelium, the lining of the vessel wall which is vitally important for the health of the blood vessel. In a related area, Dr Rob Lowe (Specialist Registrar, Cardiology) has been studying the cell biology associated with vessel disease and long-term failure in saphenous vein grafts.

On-going projects include a three year research project funded by the British Heart Foundation investigating the complex role of testosterone and other sex hormones in blood vessel function and how their interactions may affect the development and treatment of heart disease.

The Laboratory has also provided analyses for other CTC research studies. Sensitive tests of acute renal dysfunction were developed to enable Dr Al-Aloul (Specialist Registrar, Chest Medicine) to determine if antibiotics breathed in as a fine spray could have fewer side-effects than antibiotics delivered in the usual fashion directly into the veins when treating infections in patients with cystic fibrosis.



Carol Kirkham
Fundraising Manager

The Merseybeat Appeal

The Merseybeat Appeal continues to go from strength to strength as a result of the tremendous support the Appeal receives and raised over £200,000 during 2004/2005.

Highlights

Our second annual Big Heart Festival, organised in partnership with Heart of Mersey, took place at Aintree Racecourse in June 2004.

The Festival aims to raise awareness of the scale of coronary heart disease on Merseyside and highlights the fact up to 80% of coronary heart disease is preventable by a change in lifestyle. A particular highlight of the day was the Big Heart Fun Run, in which over 200 people of all ages and fitness levels took part to raise money for the Appeal.

July 2004 saw forty hearty walkers make their way 3,560 feet up the infamous Mount Snowdon raising £3,400.

As the saying goes 'it never rains, but it pours' – and 'pour' it did at our 5th Corporate Golf Day in July. Despite the bad weather the day was a great success and raised over £5,000.

Following last year's national launch of the Appeal's Red Dress Campaign several fundraising events were held. In March over 200 guests attended a prestigious Red Dress Ball and a Ladies Luncheon held in September was a major success.

In February we celebrated "International Wear Red Day", which further helped to raise awareness that heart disease is the biggest killer of women in the UK. Thank you to everyone who went 'Red in Feb'.

Research

The research programmes at The Cardiothoracic Centre Research Laboratory have only developed with the support of the Merseybeat Appeal.

Due to the continued support of the Johnson Foundation, Dr Shahid Aziz completed his two year study which aimed to improve clinical outcomes in small vessel coronary intervention thereby possibly delaying or preventing the patient having to undergo further surgery. The study has highlighted several important factors regarding the management of patients with small arteries and has made a major contribution towards a better understanding of techniques that can be used to improve the use of stents in coronary arteries.



The continued support of Mr Peter Johnson pictured above with Dr Rod Stables and Dr Aziz Shahid (far right) and The Johnson Foundation has allowed Dr Shahid Aziz to complete his research project and translate the findings into changes in clinical practice that will improve patient care. We are extremely grateful to the Johnson Foundation for the support which has enabled this groundbreaking research project to take place.

Legacy

Legacy income has enabled the Appeal to plan vital research and fund a number of important studies. This year we have received over £80,000 income from legacies.

In the Community

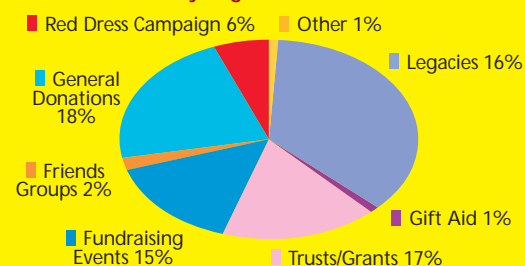
Our community support continues to grow with various events being organised by individuals, rotary clubs, inner wheel societies, schools and many community groups/organisations across the region. We have seen fitness campaigns, sponsored walks, cabaret evenings, sponsored bicycle rides, sky dives, marathons and half marathons to name but a few.

Our Thanks

A huge thank you to everyone for all that has been achieved. We must continue working hard to ensure we have the support for today's research, which will help us tomorrow.

Merseybeat Appeal Income April 2004 to March 2005

How you gave in 2004 - 2005



Legacies	£80,015
Gift Aid	£1,727
Trusts/Grants	£38,910
Fundraising Events	£35,081
Friends Groups	£5,217
General Donations	£50,696
Red Dress Campaign	£13,725
Other	£1,490

Our Fundraising

Finance Director's Report

Overview

2004/2005 was another successful year for The Cardiothoracic Centre with the main financial targets achieved as follows:

Target	Requirement	Performance	Result
At least break even on our Income and Expenditure Account	break even	✓	✓
Achieve a Capital cost Absorption rate of 3.5%	3.5%	3.7%	✓
Operate within The External Financing Limit determined by The Department of Health	£12,304,000	£12,304,000	✓

Income and Expenditure

Total income for the year was £71.0 million (£62.3 million in 2003/2004) representing real terms growth of over 7%. Included within income and expenditure was £3.6 million in respect of the revenue costs of the new site development.

Expenditure increased in line with these levels of workload and allowed us to perform 13,914 procedures (14,376 in 2003/2004). We also saw an increase in the number of outpatients to 37,388. (34,015 in 2003/2004).

Effort continues to be applied to reduce costs and obtain value for money in all areas. During 2004/2005 the cardiac centres in the North West continued with a consortium arrangement for the purchase of high cost devices and consumables. The work of the consortium has benefited all its members by reducing costs and negotiating favourable long term agreements with medical consumable suppliers.

Balance Sheet

The Financial Year 2004/2005 saw significant additional investment in the fixed assets of the Centre. This included:

- Costs associated with the Site Development (£13.9m)

In addition over £360,000 was spent on upgrading or acquiring new medical equipment, essential for the day to day operation of the Centre.

Once again the Centre achieved its year end cash target. It achieved 92% (92% in 2003/2004) compliance with the Better Payments Practice Code. Details of compliance with this policy are given in Note 6 to the summary accounts.

Outlook

The Centre is looking forward to the sixth full year of implementing the National Service Framework for Coronary Heart Disease.

Construction work continues on the site development. Theatres 8 and 9 became operational in summer 2005 with Critical Care, Coronary Care, Pharmacy (shared), Admin, Medical Records and Refractory Angina operational in Autumn 2005.

Imaging (shared) and CTC Outpatients are expected to be completed in January 2006. The Theatres Recovery unit is due to be finished in May 2006 with the Cardiac Catheter Laboratories in autumn 2006.

M Simmonds

Melanie Simmonds
Director of Finance

21st July 2005

The above information has been extracted from the full accounts for the year ending 31 March 2005 copies of which are available on request from Christine Bell - Public Relations Manager at the Centre, on (0151) 293 2409.

Finance and Accounts

ACCOUNTABLE OFFICER'S STATEMENT ON INTERNAL CONTROL

1. Scope of Responsibility

The Board is accountable for internal control. As Accountable Officer, and Chief Executive Officer of this Board, I have responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives. I also have responsibility for safeguarding the public funds and the organisation's assets for which I am personally responsible as set out in the Accountable Officer Memorandum.

I carry out my accountability role:

- Through the Trust performance management structure. This covers the implementation of the Trust's annual business plans, ongoing monitoring of performance in meeting LDP targets and in implementing action plans to take forward a continuing expansion in workload and quality of services.
- By working through the Trust Board and reporting sub-committees to ensure that the management of risk and achievement of the Trust's policies, aims and objectives are given due attention.
- Agreeing personal objectives for directly accountable senior managers and through them all staff to ensure that objectives are linked to the Trust's overall business plan.

- Ensuring that all managers adhere to the agreed code of conduct.

The Trust works in partnership with other NHS Trusts, PCTs and SHA to implement and co-ordinate strategic change through:-

- North Mersey NHS Chief Executive Committee
- Merseyside Local Health Community Review Meeting.
- The developing programme of implementing a shared services model between Trusts.
- Strategic Health Authority Chief Executive Meeting.

2. The purpose of the system of internal control

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

- Identify and prioritise the risks to the achievement of the organisation's policies, aims and objectives; and
- Evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically,

The system of internal control has been in place in the Cardiothoracic Centre NHS Trust for the year ended 31st March 2005 and up to the date of approval of the annual report and accounts.

3. Capacity to Handle Risk

As Chief Executive, supported by the Board, I have responsibility for the introduction and implementation of the Risk Management processes within the Trust. The Audit Committee reviews these Risk Management processes within the Trust, and the Trust's system of internal control. In order to ensure Risk Management is integrated into all practices and procedures within the Trust the following are in place:

- An organisation wide risk register.
- An increased awareness of staff of a risk identification culture through a "self assessment process".
- The integration into Induction and Annual Mandatory Training of Risk Management, Risk Assessment and Incident Reporting Procedures.
- Risk Management Committee chaired by the Chief Executive.
- Staff awareness of the requirement to report all adverse incidents.
- Promotion of continuing professional and personal development that meet individual and business needs of the Trust.

4. The Risk and Control Framework.

The Trust has established a Risk Management Strategy and Risk Management Policy which were approved by the Board. The key elements of the strategy include:

- A commitment to risk management and support for staff in providing high quality services that are safe for patients.
- Risk Management Processes that includes the identification, evaluation, analysis, risk control, review and effective follow up of risk management.
- Training arrangements.
- Dissemination to key stakeholders.

To provide evidence in support of the Statement of Internal Control the main activities in the trust include:-

- Objectives and targets which the Trust is striving to achieve.
- Identification of the risks to the achievement of objectives and targets.
- The system of internal control in place to manage risks.
- Management and independent assurances that the risks are being managed effectively.
- Board action plans which assure the delivery of objectives and gaps in control or assurance.

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- The Trust has started the process to cascade the completion of assurance frameworks at departmental level.

Further developments for 2005/06 include:

- Reviewing strategic and organisational objectives for the 2005/06 financial year and updating the assurance framework accordingly.
- Briefing/training sessions for the Trust Board and staff.
- The Trust will participate in the Improving Partnership for Hospitals initiative.
- Full commissioning plans for the Site Development will be formulated.
- The Trust will establish a Healthcare Standards Group to oversee compliance with Healthcare Standards within the Trust and the Assurance Framework will be developed.

5. Review of Effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed in a number of ways.

The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and the controls reviewed as part of the internal audit work.

Executive managers within the organisation who have responsibility for the development and maintenance of the system of internal control provide me with assurance.

The Assurance Framework itself provides me with evidence that the effectiveness of controls that manage

the risks to the organisation achieving its principle objectives have been reviewed.

My review is also informed by the work of External Audit, the audit of the Risk Pooling Scheme for Trusts, Clinical Audit and the Strategic Health Authority.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Trust Board, Audit, Clinical Governance and Risk Management committees. Plans to address weaknesses and ensure continuous improvement of the system are in place.

The effectiveness of the system of internal control has been maintained and reviewed as follows:

- The Board have provided active leadership of the Trust within a framework of prudent and effective controls that enable risk to be assessed and managed.
- The Audit Committee has advised the Board on the effectiveness of the system of internal control.
- The Clinical Governance and Risk Management Committees have provided strategic direction, ensuring a comprehensive and coherent framework of healthcare governance.
- Internal and External Audits of effectiveness of system of Internal Control.
- Other explicit review/assurance mechanisms in place include the Assurance Framework and controls Assurance processes and a range of other independent assessments against key areas of control (see above).

The Trust faces a number of challenges in implementing objectives for 2005/06:

- Cost improvement programmes will be implemented and monitored by the Trust Board to ensure financial pressures are contained within resources.
- Manpower plans and the Organisational Development Strategy will assist, recruit and retain staff.
- The Trust will continue to work closely with the Royal Liverpool & Broadgreen University Hospitals Trust to agree operational policies in shared service departments on the Broadgreen site.
- The Trust will explore the benefits of Foundation Trusts and evaluate implications for the organisation.

No significant internal control issues have been identified in 2004/05, strategically significant risks are highlighted and monitored through the Assurance Framework.



Mike Bone
Chief Executive Officer
(on behalf of the Board)

21st July 2005

The above information has been extracted from the full accounts for the year ending 31 March 2005 copies of which are available on request from Christine Bell - Public Relations Manager at the Centre, on (0151) 293 2409.

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF THE BOARD OF THE CARDIOTHORACIC CENTRE - LIVERPOOL NHS TRUST ON THE SUMMARY FINANCIAL STATEMENTS

We have examined the summary financial statements set out on page 20/24. This report is made solely to the Board of The Cardiothoracic Centre - Liverpool NHS Trust in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 54 of the Statement of Responsibilities of Auditors and of Audited Bodies, prepared by the Audit Commission.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report. Our responsibility is to report to you our opinion on the consistency of the summary financial statements with the statutory financial statements. We also read the other information contained in the Annual Report and consider the implications for our report if we become aware of any misstatements or material inconsistencies with the summary financial statements.

Basis of opinion

We conducted our work in accordance with Bulletin 1999/6 'The auditor's statement on the summary financial statements' issued by the Auditing Practices Board for use in the United Kingdom.

Opinion

In our opinion the summary financial statements are consistent with the statutory financial statements of the Trust for the year ended 31 March 2005 on which we have issued an unqualified opinion.



Signature:

Date: 21st July 2005

Baker Tilly
Brazenose House
Lincoln Square
Manchester M2 5BL

The above information has been extracted from the full accounts for the year ending 31 March 2005 copies of which are available on request from Christine Bell - Public Relations Manager at the Centre, on (0151) 293 2409.

Income and Expenditure Account for the Year Ended 31 March 2005

	£000	2003/04 £000
Income from activities	66,283	58,144
Other operating income	4,773	4,162
Operating expenses	(69,649)	(61,414)
OPERATING SURPLUS (DEFICIT)	1,407	892
Cost of fundamental reorganisation/restructuring	0	0
Profit (loss) on disposal of fixed assets	(43)	(15)
SURPLUS (DEFICIT) BEFORE INTEREST	1,364	877
Interest receivable	92	111
Interest payable	0	0
Other finance costs - unwinding of discount	0	0
Other finance costs - change in discount rate on provisions		0
SURPLUS (DEFICIT) FOR THE FINANCIAL YEAR	1,456	988
Public Dividend Capital dividends payable	(1,456)	(988)
RETAINED SURPLUS (DEFICIT) FOR THE YEAR	0	0

All income and expenditure is derived from continuing operations.

Balance Sheet as at 31 March 2005

	£000	2003/04 £000
FIXED ASSETS		
Intangible assets	69	89
Tangible assets	50,268	37,060
Investments	0	0
	<u>50,337</u>	<u>37,149</u>
CURRENT ASSET		
Stocks and work in progress	2,393	1,796
Debtors	3,052	3,214
Investments	0	0
Cash at bank and in hand	106	106
	<u>5,551</u>	<u>5,116</u>
CREDITORS: Amounts falling due within one year	(6,548)	(6,751)
NET CURRENT ASSETS (LIABILITIES)	(997)	(1,635)
TOTAL ASSETS LESS CURRENT LIABILITIES	49,340	35,514
CREDITORS: Amounts falling due after more than one year	0	0
PROVISIONS FOR LIABILITIES AND CHARGES	(484)	(510)
TOTAL ASSETS EMPLOYED	48,856	35,004
FINANCED BY:		
TAXPAYERS' EQUITY		
Public dividend capital	35,496	23,192
Revaluation reserve	10,061	8,039
Donated asset reserve	715	1,198
Government grant reserve	0	0
Other reserves	0	0
Income and expenditure reserve	2,584	2,575
	<u>48,856</u>	<u>35,004</u>

Signed:  (Chief Executive)

Date: 21st July 2005

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Cash Flow Statement for the Year Ended 31 March 2005

	£000	2003/04 £000
OPERATING ACTIVITIES		
Net cash inflow from operating activities	3,492	3,108
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE:		
Interest received	92	111
Interest paid	0	0
Interest element of finance leases	0	0
Net cash inflow from returns on investments and servicing of finance	92	111
CAPITAL EXPENDITURE		
(Payments) to acquire tangible fixed assets	(14,614)	(6,587)
Receipts from sale of tangible fixed assets	0	0
(Payments) to acquire intangible assets	(5)	(35)
Receipts from sale of intangible assets	0	0
(Payments to acquire)/receipts from sale of fixed asset investments	0	0
Net cash outflow from capital expenditure	(14,619)	(6,622)
DIVIDENDS PAID	(1,456)	(988)
Net cash outflow before management of liquid resources and financing	(12,491)	(4,391)
MANAGEMENT OF LIQUID RESOURCES		
(Purchase) of current asset investments	0	0
Sale of current asset investments	0	0
Net cash outflow from management of liquid resources	0	0
Net cash outflow before financing	(12,491)	(4,391)
FINANCING		
Public dividend capital received	12,304	4,340
Public dividend capital repaid (not previously accrued)	0	0
Public dividend capital repaid (accrued in prior period)	0	0
Loans received	0	0
Loans repaid	0	0
Other capital receipts	187	51
Capital element of finance lease rental payments	0	0
Cash transferred (to)/from other NHS bodies	0	0
Net cash inflow from financing	12,491	4,391
Increase/(decrease) in cash	0	0

Statement of Total Recognised Gains and Losses for the Year Ended 31 March 2005

	£000	2003/04 £000
Surplus for the financial year before dividend payments	1,456	988
Fixed asset impairment losses	0	0
Unrealised surplus/(deficit) on fixed asset revaluations/indexation	1,644	2,434
Increases in the donated asset and government grant reserve due to receipt of donated and government grant financed assets	50	51
Reductions in the donated asset and government grant reserve due to the depreciation, impairment and disposal of donated and government grant financed assets	(146)	(78)
Additions/(reductions) in "other reserves"	0	0
Total recognised gains and losses for the financial year	3,004	3,395
Prior period adjustment	0	0
Total gains and losses recognised in the financial year	3,004	3,395

Note 1 Management and Administration Costs

The Management costs of the Trust were £2,993,000 (£2,576,000 in 2003/2004) and amounted to 4.1% of Trust Income (4.1% in 2003/2004)

Note 2 Salary and other remuneration of Senior Managers

Name and Title	Salary (bands of £5000)	Other Remuneration (bands of £5000)	Benefits in kind (Rounded to the nearest £100)
2004/05			
K Hoskisson - <i>Chairman</i>	0-5	0	0
M Bone - <i>Chief Executive</i>	90-95	0	0
C Hind - <i>Medical Director</i>	10-15	65-70	0
A Soorae - <i>Medical Director</i>	15-20	195-200	0
G Russell - <i>Deputy Medical Director</i>	0-5	155-160	0
S Ferguson - <i>Director of Nursing</i>	0-5	0	0
M Simmonds - <i>Director of Finance</i>	65-70	0	0
G Wallwork - <i>Non-Executive Director</i>	0-5	0	0
W Williams - <i>Non-Executive Director</i>	0-5	0	0
J Barton - <i>Non-Executive Director</i>	0-5	0	0
D Foulis - <i>Non-Executive Director</i>	0-5	0	0
S Mason - <i>Non-Executive Director</i>	0-5	0	0
M Cantwell - <i>Non-Executive Director</i>	0-5	0	0
M Fitzsimmons - <i>Chairman *</i>	15-20	0	0
J Walters - <i>Director of Nursing **</i>	50-55	0	0
P Acres - <i>Non- Executive Director *****</i>	0-5	0	0
J Beacham - <i>Non Executive Director ***</i>	0-5	0	0
J Brown - <i>Non Executive Director *****</i>	0-5	0	0
P Firby - <i>Non Executive Director *****</i>	0-5	0	0
F Guy - <i>Non Executive Director *****</i>	0-5	0	0
S Jones - <i>Non Executive Director *****</i>	0-5	0	0
E Powell - <i>Non Executive Director ***</i>	0-5	0	0
B Barrow - <i>Director of HR *****</i>	15-20	0	0

* K Hoskisson resigned as Chairman on 31.01.04 and M Fitzsimmons came into post on 01.05.04.

** J Walters came into post on 14.06.04

*** J Beacham & E Powell came into post on 27.10.04

**** A Soorae took Medical Directors post and G Russell came into post on 24.11.04

***** B Barrow came into post on 01.12.04

***** P Acres, J Brown, P Firby, F Guy and S Jones came into post on 01.03.05

Statement - Board of Directors

The Chief Executive of The Cardiothoracic Centre - Liverpool NHS Trust is appointed by the Chairman and Non-executive Directors following competitive interview. The Chief Executive's contract of employment is not fixed term and is subject to the normal employment terms and conditions of the Trust and can only be terminated by a decision of the Chairman and Non-executive Directors.

The Executive Directors are appointed following competitive interview involving the Chairman, Chief Executive and Non-executive Directors. Their contracts of employment are not fixed term and can be terminated by a decision of the Chairman, Chief Executive and Non-executive Directors.

The Remuneration Committee of the Trust Board determines the remuneration for all Executive Directors.

The above information has been extracted from the full accounts for the year ending 31 March 2005 copies of which are available on request from Christine Bell - Public Relations Manager at the Centre, on (0151) 293 2409.

Note 3 Pension entitlements of senior managers

B) Pension Benefits

Name and title	Real increase in pension and related lump sum at age 60 (bands of £2500) £000	Total accrued pension and related lump sum at age 60 at 31 March 2005 (bands of £5000) £000	Cash Equivalent Transfer Value at 31 March 2005 £000	Cash Equivalent Transfer Value at 31 March 2004 £000	Real Increase in Cash Equivalent Transfer Value £000	Employers Contribution to Stakeholder Pension To nearest £100
M Bone <i>Chief Executive</i>	7.5-10	120-125	468	414	42	0
B Barrow <i>Director of Human Resources</i>	2.5-5	30-25	88	76	10	0
S Ferguson <i>Director of Nursing</i>	12.5-15	55-60	180	131	45	0
C Hind <i>Medical Director</i>	25-27.5	155-160	628	491	123	0
G Russell <i>Deputy Medical Director</i>	5-7.5	120-125	424	380	34	0
M Simmonds <i>Director of Finance</i>	40-42.5	110-115	382	231	145	0
A Soorae <i>Medical Director</i>	40-42.5	210-215	No CETV	No CETV	No CETV	0
J Walters <i>Director of Nursing</i>	12.5-15	55-60	168	119	46	0

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

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and from 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."

The above information has been extracted from the full accounts for the year ending 31 March 2005 copies of which are available on request from Christine Bell - Public Relations Manager at the Centre, on (0151) 293 2409.

Note 4 Capital cost absorption rate

The trust is required to absorb the cost of capital at a rate of 3.5% of average relevant net assets.

Prior to 2003/04, the cost of capital rate was 6% of average relevant net assets. However, funding of NHS commissioners was changed at the time of change of the rate in such a way that the ability to meet the target was unaffected.

	2004/05 000s	2003/04 000s
Trust Debt Remuneration	1,456	988
Average Relevant Net Assets	40,806	26,958
Rate of Return	3.6%	3.7%

Note 5 Breakeven Performance

The retained surplus for the year is £0 (2003/04 £0)

Note 6 Better Payment Practice Code - measure of compliance

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

	2004/05		2003/04	
	Number	£000	Number	£000
Total bills paid in the year	18,390	27,031	17,325	21,466
Total bills paid within target	16,954	25,024	15,921	19,855
Percentage of bills paid within target	92.2%	92.6%	91.9%	

Note 7 External financing

The Trust is given an external financing limit which it is permitted to undershoot.

	2004/05 £000	2003/04 £000
External financing limit	12,304	4,340
Cash flow financing	12,491	4,391
Finance leases taken out in the year	0	0
Other capital receipts	(187)	(51)
External financing requirement	<u>12,304</u>	<u>4,340</u>
Undershoot (overshoot)	<u>0</u>	<u>0</u>

Note 8 Five Year Financial Summary

	2004/05 £000	2003/04 £000	2002/03 £000	2001/02 £000	2000/01 £000
The results of the Trust					
Total Income	71,056	62,306	58,283	48,315	41,454
Surplus for the Financial Year	1456	988	1683	1480	1348

The income & expenditure for 1999/2000 has been restated to take account of a prior period adjustment of £563,000 relating to fixed asset impairments.

The surplus for the financial years 1999/2000 and 2000/2001 reflects the re-financing of debt, which has resulted in reduced interest on long term loans.

Note 9 Related Party Transactions

The Cardiothoracic Centre - Liverpool NHS Trust is a body corporate established by order of the Secretary of State for Health.

During the year none of the Board Members or members of the key management staff or parties related to them has undertaken any material transactions with The Cardiothoracic Centre - Liverpool NHS Trust.

The Department of Health is regarded as a related party. During the year, The Cardiothoracic Centre Liverpool 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:

Central Liverpool PCT, North Liverpool PCT, South Liverpool PCT, South Sefton PCT, Bebington & West Wirral PCT, Warrington PCT, Cheshire West PCT, Halton PCT, Birkenhead & Wallasey PCT, Ellesmere Port & Neston PCT, St Helens PCT, Knowsley PCT, Southport & Formby PCT, West Lancashire PCT, Central Cheshire PCT, Ashton Wigan & Leigh PCT, Bolton PCT and the Welsh Commission;
the NHS Litigation Authority;
the NHS Logistics Authority;
Royal Liverpool & Broadgreen University Hospitals NHS Trust, Royal Liverpool Children's Hospital NHS Trust and Mersey Regional Ambulance Service NHS Trust.

In addition, the Trust has had a number of material transactions with other Government Departments and other central and local Government bodies, for example Liverpool University.

The Trust has also received revenue and capital payments from a number of charitable funds, certain of the Trustees for which are also members of the NHS Trust Board.

Note 10 Auditors Fees

Fees paid to the Auditors were solely in respect of audit services and totalled £117,000

The above information has been extracted from the full accounts for the year ending 31 March 2005 copies of which are available on request from Christine Bell - Public Relations Manager at the Centre, on (0151) 293 2409.

Key Performance Indicators

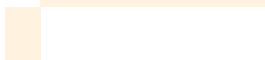
Key Targets 2004/05	Quarter 3	Quarter 4
All Cancers: 2 week wait. Rapid Access Clinic 100% Success Rate		
Patients waiting longer than the standard for elective admission		
Financial Management		
Hospital Cleanliness		
Outpatients and Elective (Inpatient and Day case) Booking		
Outpatients waiting longer than the standard		
Better hospital food		
Cancelled Operations		
Child Protection		
Clinical Risk Management		
Participation in audits		
Data quality on Ethnic Group		
Deaths following a heart bypass operation		
Deaths following selected non-elective procedures		
Delayed transfers of care		
Adult emergency readmission		
Information Governance		
MRSA		
Outpatient surveys		
Patient complaints		
Number of revasc. patients waiting longer than standard		
Six month inpatient waits		
Staff opinion survey		
Thirteen week outpatients		
Workforce Indicator		

Target met in full



Action in progress
to improve
performance







From left to right: Lyndsey Nolan - *Ward Manager*, June Teaney - *Senior Nurse Manager, Cardiology*,
Danny Forrest - *Senior Clinical Pharmacist*, Dorothy Price - *Respiratory Clinical Physiologist*, Anthony Burns - *Exercise Physiologist*,
Will Haplin - *Senior Radiographer*, Annie Joseph - *Cardiology Nurse Practitioner*, Dr Chloe Zeffert - *Senior House Officer*,
Dr Shadid Aziz - *Specialist Registrar*, Tony Bennett - *Senior Clinical Physiologist*, Dr Raphael Perry - *Consultant Cardiologist*
and Louise Meikle - *Cath Lab Manager*

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Liverpool NHS Trust

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