



Annual Report

2008/09



health & wellbeing, for life

Information about this document

If you would like this document in another language or format, or if you need the services of an interpreter, please contact us using the address or telephone number below:

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This document can be made available in large print, in Braille and on audio tape; if you would like a copy, phone 01903 708409.

The full Annual Accounts (incorporating the Statement on Internal Control and accompanying certificates) may be obtained from:

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This document and the full Annual Accounts are also available on the website:

www.westsussex.nhs.uk

Foreword

This third annual report for West Sussex Primary Care Trust (the PCT) covers the financial year 1 April 2008 to 31 March 2009 and aims to meet the PCT's statutory reporting requirements whilst giving an overview of its operations.

The Annual Report is designed to be read alongside the full Annual Accounts.

West Sussex Primary Care Trust is responsible for commissioning healthcare for the total population of some 780,000 people living in West Sussex. The 782 square miles covered by the PCT includes 94 general practices, 109 optometrists, 192 dentists and 142 pharmacies. With a budget of £1 billion for 2008/09, West Sussex PCT is the fourth largest PCT in the country. The headquarters is in Worthing, with clinical staff and support teams working locally across West Sussex. The PCT employed approximately 3,700 people, 2,900 of these were involved in the direct provision of services and 760 involved in commissioning of services and support services.

The main functions of West Sussex Primary Care Trust are:

- Commissioning a comprehensive and equitable range of high quality, responsive and efficient services within our allocated resources, across all service sectors
- Directly providing high quality, responsive and efficient services where this gives best value.

The PCT, as leader of the NHS in West Sussex, aims to:

- Promote long and healthy lives for people in our community
- Treat patients, the public, our partner organisations, stakeholders and each other with dignity, courtesy and respect
- Value, support and empower our staff so they can provide high quality health care which meets the needs of each individual patient and the wider community
- Work with our partner organisations to commission and provide accessible healthcare which encourages new and better ways of working and thinking, and is based on evidence
- Be trustworthy, open and honest in the way we work, involving and listening to the views of our patients, staff, the public and partner organisations and putting into practice what we learn
- Be an organisation that makes the best use of available resources, and of which our staff and local people can feel proud.

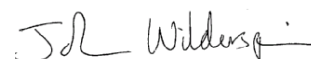
Our thanks go to all partners with whom PCT staff have worked; our colleagues in primary care, community care services, local government and the voluntary sector, patient and public representatives, and many others who have all helped to improve the health and health care of local people.



Michael Harris
Chairman
West Sussex Primary Care Trust



John Wilderspin
Chief Executive
West Sussex Primary Care Trust



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1 What does West Sussex Primary Care Trust do?

The main functions of West Sussex Primary Care Trust are:

- Commissioning a comprehensive and equitable range of high quality, responsive and efficient services within allocated resources, across all service sectors
- Directly providing high quality, responsive and efficient services where this gives best value.

1.1 West Sussex – a picture of health

Over the last fifty years there have been impressive social, economic and health improvements in West Sussex. But these benefits are not distributed equally among all sections of the population. Within West Sussex there are pockets of social deprivation, with some wards among the 20% most deprived areas in England. Some groups suffer greater ill-health and earlier death than average across the county. For example, there are wide variations in diabetes prevalence and cancer deaths.

Life expectancy varies by 13 years between different parts of West Sussex. This is unacceptable and our priority must be to reduce preventable diseases and close the life-expectancy gap in conjunction with local authorities and other agencies.

People are living longer thanks to healthier lifestyles and improvements in medicine, technology, and management of diseases. This brings new challenges around age-related long term conditions. Services once restricted to a hospital setting can now be delivered in the community or in patients' own homes.

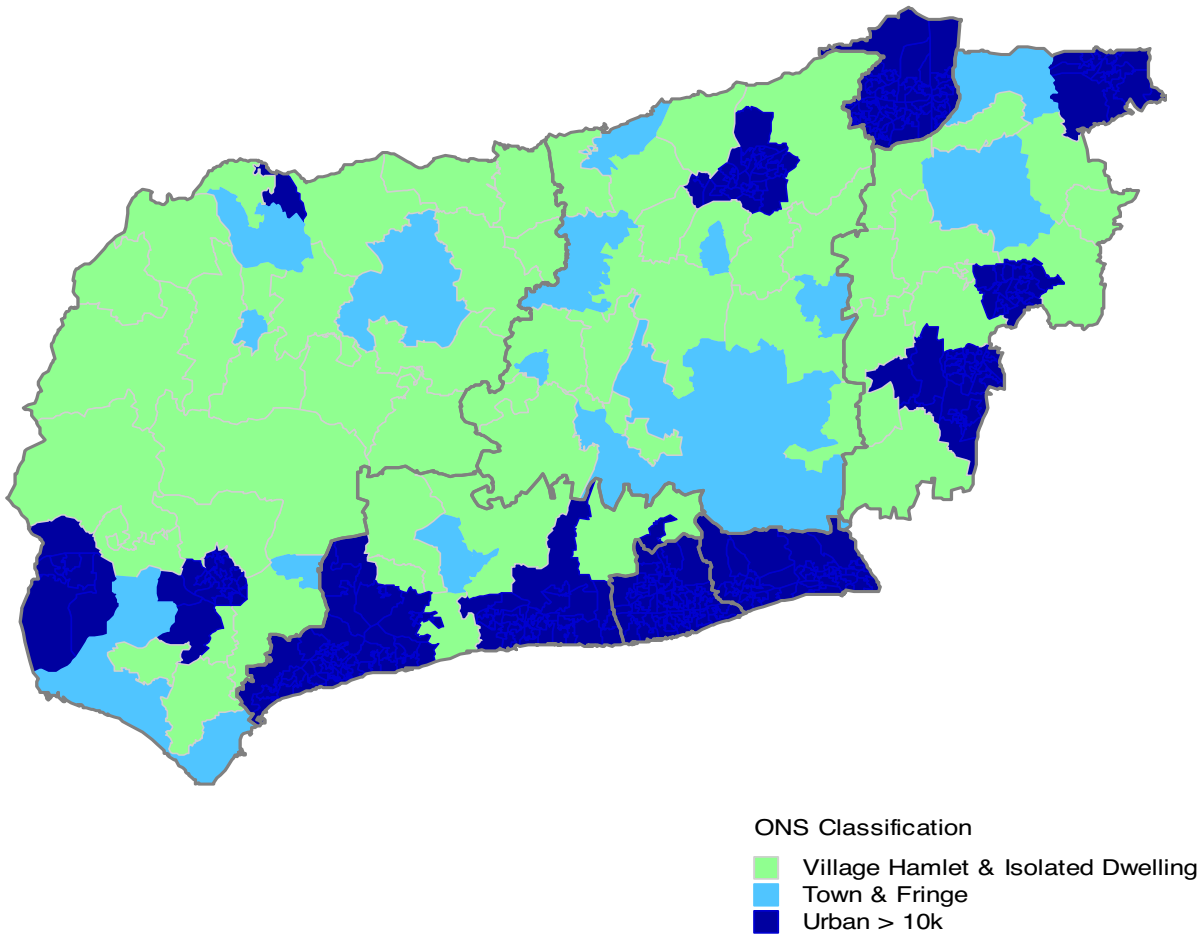
Public expectations of health services have also shifted as people demand more choice, higher quality and a greater say in their healthcare.

1.2 Broad population determinants influencing the planning of services

West Sussex is a large county, of great contrasts. The county is not dominated, as many others, by a single large city or urban area, but has a series of smaller towns, many rural areas and villages and an urban coastal strip. The difference in population density highlights the geographical contrast, Chichester district has a population density of 136 people per square km, this is the second lowest density in the South East, whereas Worthing has a density of 3,000 people per km, the second highest in the South East (excluding London).

Map 1 shades the county according to the rural / urban classification by the Office for National Statistics (ONS).

Map 1. West Sussex Rural / Urban Classification (ONS Classification)



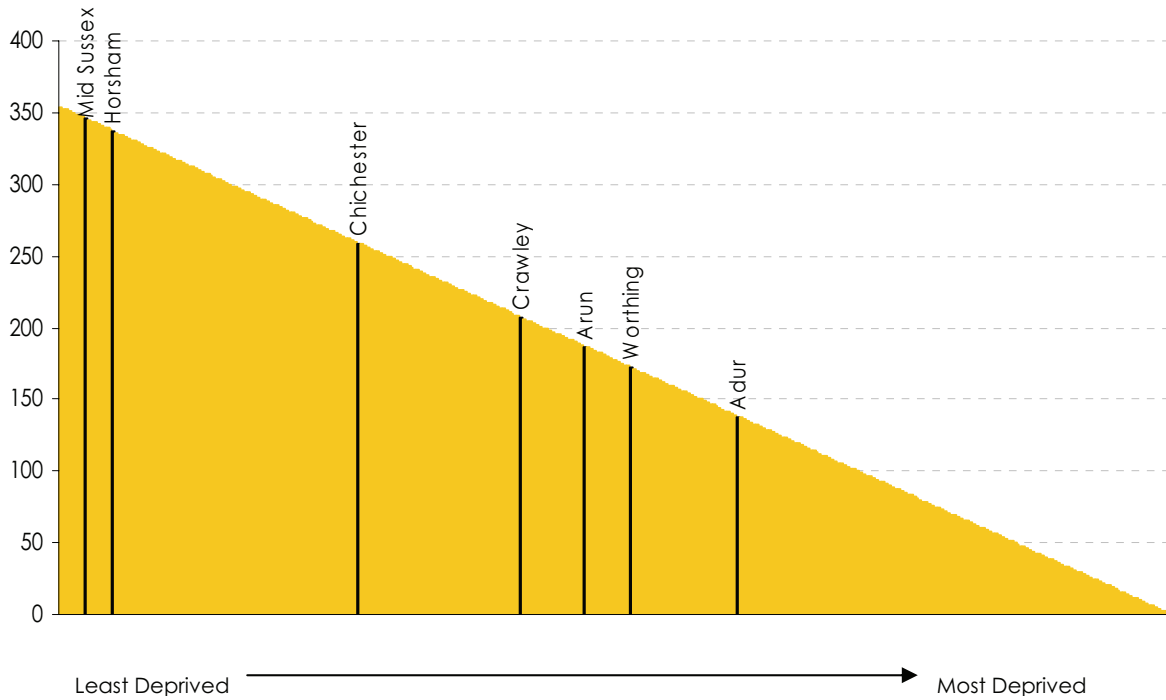
Population age structure

The population of West Sussex is increasing; the latest ONS Mid Year Estimate (2008 MYE) of population for West Sussex is 781,500 which is an increase of approximately 27,900 people since the 2001 census.

The population age structure for West Sussex is much older than age structures of the South East region or England as a whole. This structure reflects in a large part the migration of older people who moved to West Sussex after retirement, notably to the coastal areas, from the 1950s onwards.

West Sussex County Council population projections show an increasing number of older people now living in the county. The number of older people living in low income households has increased between 2004 and 2007, and there are considerable differences across the county. According to the Index of Deprivation 2007 in some areas up to 1 in 4 older people live in pensioner poverty.

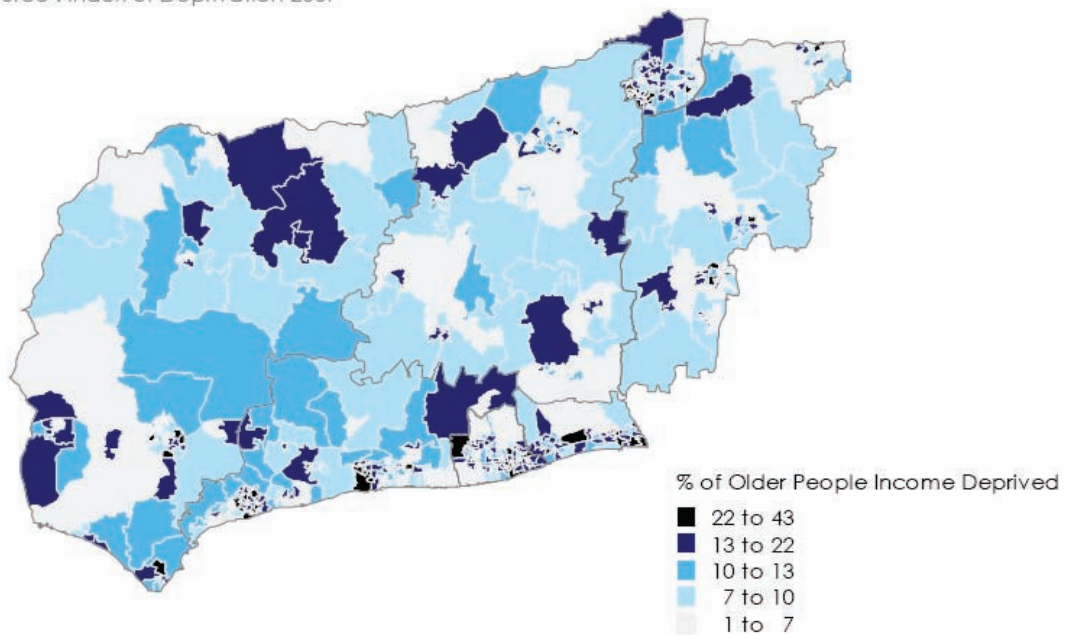
IMD 2007 Local Authority rankings – position of West Sussex Local Authorities



Map 2. Percentage of People Aged 60 Years or Over in Low Income Households (index of deprivation 2007)

Older people living in low income households in West Sussex increased between 2004 and 2007 and there are considerable differences across the county, including areas where 1 in 4 (and at the highest 43%) of older people live in pensioner poverty.

Percentage of People Aged 60 Years or Over in Low Income Households
Source : Index of Deprivation 2007



Rural health

Map 1 demonstrates that West Sussex is a substantially rural county. Not everyone in rural areas is affluent and the PCT is working in partnership with West Sussex County Council and other organisations to improve access to services. For example through the Pathfinder Programme the PCT is working with partners to develop innovative programmes of health promotion and wellbeing services using existing community locations such as village halls.

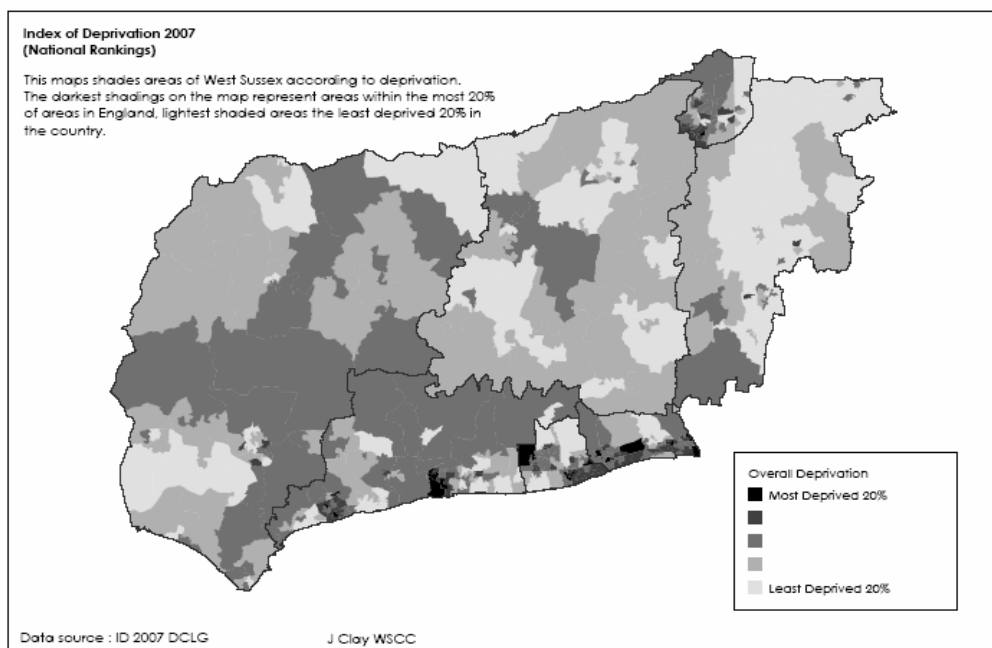
Deprivation

Overall the population of West Sussex is relatively affluent and healthy. According to the Index of Multiple Deprivation 2007 (IMD 2007) the county ranked 130th out of 149 county / unitary authorities.

Map 2 shows the relative position of all 354 local authorities highlighting the West Sussex authorities. Horsham and Mid Sussex are notably less deprived than other areas, particularly parts of Crawley and the coastal strip, with Adur the most deprived of the West Sussex authorities.

Information about deprivation below ward level was published for the first time in the IMD 2004. This enabled specific deprived neighbourhoods within the county to be identified. Previously the relative affluence of West Sussex tended to mask the pockets of deprivation both in urban and rural areas. Map 3 shades the county according to the national deprivation rankings.

Map 3. Index of Multiple Deprivation 2007 – National Rankings (West Sussex)



During the development of the West Sussex Local Area Agreement (LAA) the IMD 2004 was used to designate Local Neighbourhood Improvement Areas (LNIAs)). LNIAs are the most deprived neighbourhoods in West Sussex and have specific targets on a range of issues (including life expectancy, crime and increased take up of youth activities) within the LAA. These neighbourhoods also remain the most deprived communities in the IMD 2007.

Local neighbourhood improvement areas (LNIAs)

Local Authority Area	Wards
Adur	Southlands, Eastbrook, Mash Barn, Churchill, Peverel*, Hillside*
Littlehampton	River, Ham, Wick with Toddington
Bognor Regis	Marine, Hotham, Pevensey, Orchard, Bersted
Crawley	Broadfield North and South, Bewbush, Langley Green
Worthing	Heene, Central, Selden, Northbrook, Durrington, Broadwater*

* New wards included in LNIAs following the release of IMD 2007

The intention of the LAA is to reduce the causes and consequences of multiple deprivation in the targeted areas of Adur, Worthing, Littlehampton, Bognor Regis and Crawley.

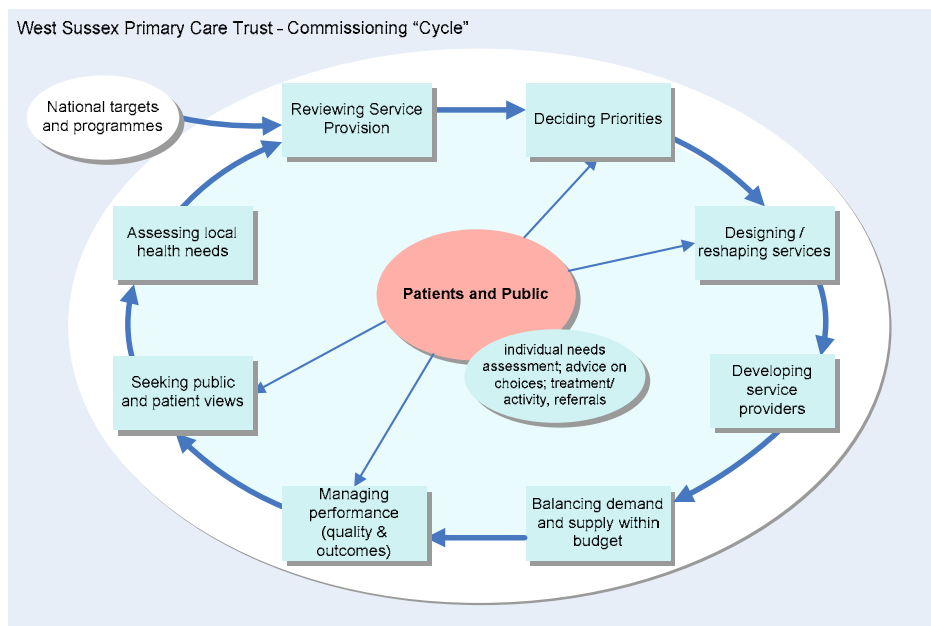
The priorities for improvement in LNIAs are:

- Parenting
- Education
- Health inequalities (including premature mortality)
- Financial inclusion
- Anti-social behaviour
- Community cohesion
- Local environments.

1.3 Commissioning (planning, buying and checking)

The PCT works with partners and local people to create an affordable healthcare system that will deliver good standards of both quality and access to improve health and wellbeing for the people of West Sussex.

The PCT uses the largest part of its resources to commission, ie to plan, buy and check services for patients. The commissioning “cycle” below sets out more fully some of the main roles of the PCT. The cycle highlights the central importance of engaging with patients, public and our partners to review and design services.



Lifelong health and wellbeing for everyone in West Sussex, our plans for 2009-2014

The role of the PCT is to improve the health of the local community, reduce health inequalities and make sure people have access to safe, high quality health services.

Based on the health needs of the local population, the PCT has set ambitious plans for 2009 to 2014 that aim to:

- Tackle the causes of ill health
- Treat and support those with ill health
- Make sure that services are safe, high quality, accessible and deliver a good patient experience
- Reduce health inequalities
- Offer patients and users more choice and control over their care or services
- Improve clinical value and productivity.

These are contained in the Strategic Commissioning Plan 2009–2014 and delivered through the annual Operating Plans.

1.4 The twelve strategic goals and what we intend to achieve

The PCT is focused on twelve strategic goals. These have been identified as priorities because they are areas where action is required to improve health and wellbeing, reduce the number of unnecessary deaths, tackle inequalities within the county and bring health outcomes up to the level of the best in England.

Goal 1	Improve wellbeing and reduce disease by tackling lifestyle factors which put health at risk <ul style="list-style-type: none"> • Over 4,200 people per year to quit smoking • Tackle the issue of excessive alcohol consumption
Goal 2	Improve the health of patients with long term conditions <ul style="list-style-type: none"> • All patients will have a personal care plan by the end of 2010 • Help diabetics to manage their condition and avoid preventable complications
Goal 3	Improve stroke and cardiac services <ul style="list-style-type: none"> • All suitable stroke patients to have a brain scan within 24 hours by the end of 2009 • Improve the 30-day stroke survival rate by 2012 • Access to clot-busting drugs (thrombolysis) for all suitable stroke patients by end of 2010 • Vascular screening programme in place in 2011
Goal 4	Reduce cancer death and variations in cancer death rates across the county <ul style="list-style-type: none"> • Access to radiotherapy improved within and near to West Sussex • More people being screened for breast, bowel and cervical cancer in 2010 • More chemotherapy provided closer to people's homes in 2010
Goal 5	Develop community-based services, specifically those for the elderly <ul style="list-style-type: none"> • Crawley GP-led health centre open 8am–8pm, 365 days per year in 2009 • Build Arun community hospital and health centre
Goal 6	Improved paediatric and maternity services <ul style="list-style-type: none"> • Ensure 60-hour consultant presence on labour wards serving high-risk mothers and babies in 2013 • 90% of women to see a midwife within first 12 weeks of pregnancy in 2011
Goal 7	Reduce hospital infections <ul style="list-style-type: none"> • At least 50% reduction in all cases of C.Difficile for West Sussex patients for hospital and community acquired infections by the end of 2010 • Work with our partners to eradicate hospital acquired MRSA

Goal 8	Ensure access to specialist services <ul style="list-style-type: none"> • Support development of accessible specialist services (eg cancer)
Goal 9	Reduce health inequalities in deprived areas <ul style="list-style-type: none"> • Improve cancer survival rates in deprived areas • Work with our partners to focus on prevention of ill health
Goal 10	Improve overall life expectancy and reduce the gap between areas <ul style="list-style-type: none"> • To be in the top 25% compared to national average in 2012
Goal 11	Increase the number of personal budgets for adults with mental health problems <ul style="list-style-type: none"> • Pilot personal budgets in one other health area by 2010
Goal 12	Offer more choice to patients about where they end their lives, whether at home or in a setting of their choosing <ul style="list-style-type: none"> • To be in the top 25% compared to national average in 2012

1.5 Who we commission services from

Healthcare was commissioned from many provider organisations, primarily Worthing and Southlands Hospitals NHS Trust*; Brighton and Sussex University Hospitals NHS Trust; Royal West Sussex NHS Trust*; Surrey and Sussex Healthcare NHS Trust, and Sussex Partnership NHS Foundation Trust (for mental health, learning disability and substance misuse services).

The PCT activity plans are developed from the Strategic Commissioning Plan, taking into account the intentions of Practice Based Commissioners (*see Section 1.6*). The Service Level Agreements are then negotiated for West Sussex PCT by a Sussex wide procurement service (Sussex Acute Commissioning Service).

During the year the PCT extended its range of acute hospital providers to meet the government's requirement that patients are given a wider choice. As a result some patients, for a limited range of conditions, were treated within the private sector or at an NHS hospital elsewhere in the country.

Primary care was commissioned from GP practices, optometrists, pharmacies and dental surgeries in the area. The PCT's community services were provided from a wide variety of locations including a number of health centres and community hospitals, by West Sussex Health (the provider arm of the PCT see 1.14).

** Now merged as Western Sussex Hospitals NHS Trust*

1.6 Practice Based Commissioning

Practice Based Commissioning (PBC) puts GPs and their teams at the heart of commissioning services for patients.

The PCT has eight PBC consortia, each based in a local authority area, who work closely with the PCT locality teams to identify service need and plan services for their local area. An example of this is the establishment of memory clinics in Crawley as part of the Government's new dementia strategy and the introduction of practice based physiotherapy clinics in Mid Sussex.

The PBC consortia have developed local commissioning plans focused on the top priorities of their local population and linked to the Strategic Commissioning Plan and will be working to deliver these during 2009/10. The consortia are also developing their public involvement and engagement strategies to enable local people to become involved in contributing to the commissioning of their local services.

1.7 How commissioned services have performed in 2008-2009

Areas where we achieved good performance	
The service meets all national targets for waiting times for cancer treatment.	Over 75% of women eligible for screening for breast cancer took up the offer of screening.
No patients waited more than three months for revascularisation (procedures that increase blood flow to or within the heart in cases of Coronary Heart Disease).	Over 80% of children in West Sussex had their height and weight recorded in schools as part of the strategy to reduce childhood obesity.
By March 2009, 97.8% of patients who were referred to a hospital Consultant but did not need a hospital admission received their treatment within 18 weeks. 92.6% of patients who did need to go into hospital for non-emergency treatment also met this standard.	The target to reduce mortality from cardiovascular disease in 2008 was met.
Over 1,000 drug users entered and completed effective drug treatment programmes.	Rates of infection from Clostridium Difficile fell faster than planned in hospital services commissioned by the PCT.
The number of people having most of their hospital care after a stroke on a specialist stroke unit increased.	85.7% of practices offered extended access to their services against a target of 53%.
Over 98% of people were seen in A&E from arrival to admission, transfer or discharge, in under the 4 hours target.	The South East Coast Ambulance service (SECAM) met the targets for the most urgent journeys. Best performance was in Crawley and Worthing.
99% of patients who contacted a Genito-Urinary Medicine clinic were offered an appointment within 48 hours, against a target of 100%.	Over 80% of women were seen by a midwife or other maternity healthcare professional by the 12 th week of pregnancy. The PCT plans to increase that number in 2009/10.
Over 99% of patients were treated within 18 weeks for audiology against a target of 95%.	

Areas where we plan to improve	
Nearly 9,000 16-24 year olds in West Sussex were screened for Chlamydia in 2008/09, but the target was around 15,000, so services will be extended in the coming year.	The PCT is working with SECAM to improve response times and also to even out performance in different parts of the county. 92.3% of Category B calls were dealt with within 19 minutes, against a target of 95%.
3,659 people successfully stopped smoking with NHS help against a target of 4,231. The PCT aims to increase that number next year and every year.	83% of patients with diabetes were offered retinal screening against a target of 100%. Improvements have been made to the service and the PCT expects to achieve this target by 2010/11.

67.8% of patients used the Choose and Book system to book an appointment with a hospital consultant. This increased from 45% in the previous year, but its use will increase still further in 2009/10.	The number of patients who registered with an NHS Dentist was below the plan. More services will be established in 2009 to achieve this target.
Local hospitals recorded more cases of MRSA compared to plan and as a result the 50% reduction on the baseline 2003/04 has been missed. The PCT will work with partners to meet the targets for next year which are more challenging.	A larger number of patients than expected had to wait more than 13 weeks for outpatient appointments and 26 weeks for inpatient appointment. The PCT is committed to ensure that this improves next year.
The yearly targets for the number of children vaccinated against common childhood diseases was not achieved, but West Sussex should meet the national target by 2011.	Not all General Practices currently offer GP appointments within 48 hours and with other primary care professionals within 24 hours. This will be addressed to ensure 100% is achieved.
The number of children with a breastfeeding status recorded for a 6-8 week check during quarter 4 was below target. The PCT will address the data completeness issues and continue to work closely with providers.	The PCT is working with SECAMB to improve performance in rural areas.

1.8 Public engagement

Involving local people in planning and giving feedback on health services is a vital part of the PCT's work.

Lord Darzi's Next Stage Review *High Quality Care for All* and NHS South East Coast's vision *Healthier people, excellent care* placed quality of care, patient experience and improving health and wellbeing at the top of the NHS agenda. Legislation requiring PCTs to involve people in the planning and provision of services and the Department of Health's *World Class Commissioning* strategy – calling on PCTs to conduct “continuous and meaningful engagement” with their communities – also signalled a need for a step change in the way the PCT communicates and engages with patients, the public and partner organisations.

Other factors helped shape the engagement work. These included the outcomes of the ‘*Creating an NHS Fit for the Future*’ consultation, during which the PCT received over 38,000 responses from the public, giving an understanding of public views and concerns about a wide range of health issues. The review of health services in the north east of the county involved extensive engagement with the local community and has provided valuable lessons.

A key element of the engagement activity has been the increased use of community representative groups and reference panels involving the public. For example, six focus groups of patients and carers were held to look at diabetes, chronic obstructive airways disease and heart disease. The findings of these groups informed the development of commissioning frameworks for these three disease areas and have influenced planning for long term conditions. A public and partner organisation focus group was also used in the development of the PCT's organisational vision and values, and patient representative groups also attended the co-design event held as part of this work.

The PCT involved the public in the business of the PCT, with a lay representative co-opted onto the Board and working on a range of committees, panels and working groups.

1.9 Membership scheme

The Membership Scheme (officially launched on 24 April 2009) is one of many ways in which West Sussex PCT has chosen to communicate with local people. It enables people from all sections of the community to participate in the work of the PCT in a way that suits them.

The scheme will ensure that many more members of the public and local organisations will have the opportunity to give their views about local health services and help the PCT plan services for the future.

- They can influence issues that affect them
- They can help develop local services to make them better
- They can find out how the money is being spent
- They will get their voice heard, so the PCT can hear the views of people who use services
- They can vote for people to represent them on the Membership Council
- They can stand for election to become a member of the Membership Council.

The aim is to recruit a membership several thousand strong which is representative of West Sussex. Any member of the public living or working in the area, over the age of 14*, covered by West Sussex PCT can become a member of the Membership Scheme, this includes:

- Members of the public – anyone who lives or works in West Sussex
- Patients
- Voluntary Groups and Community Groups
- Staff.

** People under 16 will need to discuss membership with a parent or guardian*

Individuals will decide how much involvement they would like, and it is completely free. For further information about the scheme please contact the PCT Membership Manager:

By telephone: 01903 707408

By email: membership.scheme@westsussexpct.nhs.uk

1.10 Developing primary care services

The majority of patient contacts with the NHS start with a GP consultation. The PCT is committed to ensuring that Primary Care services are accessible and responsive to patient needs. Working closely with general practitioners, as well as community pharmacists, dentists, and opticians, patients and other stakeholders, the PCT ensures services are developed that are of the highest quality and offer care in a convenient setting for the patient.

This principle will form the basis of the primary care strategy which will be published in 2009/10. The strategy will span five years and describe how the PCT and local clinicians will develop primary care services. It will focus on a number of key themes such as access, equity and quality of service as well as patient experience.

One example of how this might develop is the provision of a range of skin services delivered by primary care practitioners. It is estimated that 60% of all skin treatments and procedures could be carried out in primary care, however currently, most people are required to go to an acute hospital for treatment. The PCT is working with primary care colleagues to change this and provide access to a broader range of services closer to the patient's home, in a GP surgery, or a local health centre.

Over 85% of GP practices within West Sussex provide longer and more flexible opening hours. This means that the majority of patients can access their GP services earlier in the morning, later in the evening and with some services operating on a Saturday morning. These have proved very popular with patients, particularly with those who work and/or have childcare commitments.

1.11 Creating services that are ‘fit for the future’

‘Creating an NHS Fit for the Future’ (FFF), was a broad programme looking at the redesign of hospital services across Surrey and Sussex.

In 2007/08 the PCT focused its efforts on the formal consultation process for FFF and considered the enormous volume of evidence and comment submitted on the proposals for West Sussex.

This proved to be a very productive exercise, eliciting a wide range of views and providing valuable opportunities to engage people in the health debate. Following the conclusion of public consultation in November 2007 the PCT made its choice of models of service in May 2008 and of location of centralised services in June. This was to be a 3-5 year reconfiguration plan.

The final decisions on key services involved a proposal to centralise three services – inpatient maternity; inpatient paediatrics; and emergency surgery. This decision was subsequently referred to the Secretary of State by the Joint Health Overview and Scrutiny Committee (JHOSC) and to the High Court for judicial review by Chichester District Council. Both processes are now on hold as the two NHS Trusts involved declared their intention to merge and the PCT responded by agreeing to review its earlier decisions.

This merger between Worthing and Southlands Hospitals NHS Trust and Royal West Sussex NHS Trust became Western Hospitals NHS Trust on 1 April 2009. The PCT in the meantime commenced the review of its FFF commissioning intentions as agreed with the JHOSC and the Secretary of State. This review process is expected to be completed in the Autumn of 2009.

1.12 Review of healthcare and health services in the North East of West Sussex

This review was commissioned by the PCT following the *‘Creating an NHS Fit for the Future’ (FFF)* programme in 2007/08. The review was led by a panel of nine professional and lay people chaired by Sir Graeme Catto, President of the General Medical Council.

The work of the North East Review (NER) covered the population of the local authority areas of Crawley, Horsham and Mid Sussex, approximately 47% of the county’s population.

The Panel was asked to:

- Establish people’s current health status and future health needs
- Review access to primary, community and secondary care services
- Identify any gaps in services or significant challenges in accessing services
- Take expert advice and hear the views of local people
- Make recommendations to the PCT Board.

Community engagement included a 100-strong Stakeholder Forum and a series of Public Information events. Community meetings took place with special interest groups including the elderly, people with long-term conditions, and the black minority ethnic communities.

The Panel findings included:

- That whilst the greatest proportion of the population lived in urban areas and towns, those living in rural areas had poorer access to healthcare. A major drive to implement the PCT's *Breath of Fresh Air* (BOFA) strategy would make a significant impact, along with a positive approach to basing more services at community hospitals
- That the population of this area was likely to increase by a greater proportion than the county as a whole
- In a number of services, that there had been less investment in the north east than the rest of the county
- Mental health services were well organised but with significant gaps in primary care mental health, child and adolescent services, and support for those with dementia
- That community hospitals provided a real opportunity to bring more services closer to home. This applied especially to outpatients, diagnostics, day care/treatment and minor injuries
- That the most notable gap in support for long term conditions was the absence of a community stroke rehabilitation team for this population
- The Panel found that the acute and community hospital system was working at full capacity and that this was an unsustainable position. However the additional capacity needs would not justify a new hospital.

As part of the North East Review a Children's Services Working Group (CSWG) was established to develop recommendations for a sustainable model of children's services in the area. This was prompted by concerns about the future long term viability of the existing service model for children's services provided by Surrey and Sussex Healthcare NHS Trust on Jumbo Ward in Crawley Hospital.

This report will form part of the comprehensive commissioning plan for all children's services in West Sussex. Key issues included:

- Creating a single combined location for children's services
- Tackling staff shortages
- Better sharing of information about child care
- Improving paediatric care in the Crawley Hospital Urgent Treatment Centre

1.13 Extended access - Crawley Health Centre

The PCT plans to provide a GP led health centre open to all and operating from 8am to 8pm, seven days a week. The centre, which is expected to open in the town centre in November 2009, will provide a range of additional services including health and fitness clinics, smoking cessation services and healthy lifestyle advice.

This scheme will improve access, particularly for groups such as the vulnerable and elderly people. The successful bidders, Health4Crawley, a consortium of 10 GP surgeries in Crawley, have strong local knowledge and innovative solutions as to how they will reach people who are currently not registered with a GP. They will also provide close working relationships with other local GPs, the Crawley Hospital Urgent Treatment Centre and GP Out of Hours Service, as well as social care services, voluntary organisations and the local community.

1.14 West Sussex Health – the PCT provider services

West Sussex Health was formed in November 2007 and operated at 'arms length' from the commissioning and corporate arm of West Sussex PCT. This was in response to the national strategy for the future of community services.

West Sussex Health has its own headquarters and established its own Provider Board with non executives from the West Sussex PCT Board. In April 2008 West Sussex Health was restructured into distinct business units: corporate; estates and facilities; adult services; children's services; primary care mental health; specialist services; and scheduled care, with approximately 2,700 staff and a directly managed budget of £88 million.

This restructuring enabled West Sussex Health to focus their resources more effectively on providing community and community hospital services.

On 1 August 2009 the operational management of West Sussex Health was transferred to South Downs Health NHS Trust. Through a management contract they will help West Sussex Health deliver the community services for the people of West Sussex. This is the next step towards the national goal of separating the PCT commissioner role from the provider functions of the PCT.

2 How do we ensure good corporate governance?

2.1 The Primary Care Trust Board and Professional Executive Committee

The Chairman and Non Executive Directors (NEDs) are appointed by the NHS Appointments Commission following national advertisement of these positions. Their remuneration is set by the NHS Executive.

The Chief Executive and Executive Directors are appointed in accordance with normal NHS Appointments interview and selection procedures. Their remuneration is determined in accordance with national guidelines and approved by the PCT's Remuneration Committee. The PCT complies with the NHS Executive guidance on pay for NHS Managers as set out in the NHS Chief Executive's letter of 11 April 2002 to Chief Executives.

Directors produce their objectives for the forthcoming financial year, following the Chief Executive's objectives. Progress against their objectives is reviewed informally in individual meetings between Executive Directors and the Chief Executive, and formally at mid-year and year-end, resulting in an agreed performance report for each Director. Overall Directors' performance is reviewed annually by the Remuneration Committee.

Board Members (voting)

Michael Harris	Chairman
Barbara Wilkins	Vice Chair
Brian Angers	Non Executive Director
Margaret Bamford OBE	Non Executive Director
Jean Barclay	Non Executive Director
David King	Non Executive Director
Malcolm Liles	Non Executive Director
Norman Robson	Non Executive Director
Andrew Foulkes	Chairman, Professional Executive Committee
Susan Dewar	Nurse Member, Professional Executive Committee
Tim Fooks	GP Member, Professional Executive Committee
John Wilderspin	Chief Executive
Neil Ferrelly	Director of Finance
Farhang Tahzib	Director of Public Health and Wellbeing
Sara Weech	Director of Strategy (until 30 Jun 08)
Sue Braysher	Director of Contracting & Performance (Deputy CE)

Primary Care Trust Executive Directors

John Wilderspin	Chief Executive
Sue Braysher	Director of Contracting & Performance (Deputy CE)
Nicky Cambrook	Interim Director of Primary Care Development (until 30 Jun 08)
Sarah Creamer	Director of Strategy (from 1 Jul 08)
Neil Ferrelly	Director of Finance
Carol Gareze	Managing Director, West Sussex Health
Peter Hayward	Acting Director of Public Health and Wellbeing (from Sep 08)
Brian Hughes	Director, Fit for the Future and Corporate Governance
Steven Pollock	Director of Communications and Public Engagement
Philippa Spicer	Director of Human Resources & Organisational Development
Farhang Tahzib	Director of Public Health and Wellbeing
Louise Watson	Director of Primary Care Development (from 1 Jul 08)
Sara Weech	Director of Strategy (until 30 Jun 08)

Professional Executive Committee (PEC) Members

The PEC* provides clinical input into the decision making process of the PCT.

Sue Barrett	Nurse
Sue Cart	WSSC Social Services representative
David Clark	Pharmacist (from 1 October 2008)
Sue Dewar	Vice Chair and Nurse Representative
Judy Durrant	Nurse
Dr Tim Fooks	GP
Dr Andrew Foulkes	Chairman/GP
Dr Sara Kelly	GP
Chris McKrill	Nurse
Paul Mellings	Dentist
Dr David Skipp	GP
Nicky Sullivan	Allied Health Professional
John Wilderspin	Chief Executive
Sue Braysher	Director of Contracting and Performance (Deputy CE)
Neil Ferrelly	Director of Finance
Dr Farhang Tahzib	Director of Public Health
Sara Weech	Director of Strategy (until 30 Jun 2008)
Sarah Creamer	Director of Strategy (from 1 Jul 2008)
Dr Liz Tayler	Director of Quality, Patient Safety and Infection Control

The names and dates of service for executive directors and senior managers are listed in the tables of Salary and Pension Entitlements of Senior Managers at page 36 of this report.

In addition to the PEC the Board had two other statutory committees:

The Audit and Assurance Committee, consists of four NEDs (Brian Angers (Chair), Jean Barclay, Malcolm Liles and Norman Robson), which met bi-monthly to review the effectiveness of financial and governance controls and receive reports from the internal and external auditors.

The Remuneration and Terms of Service Committee, consists of the PCT Chairman, Michael Harris, and NEDs Brian Angers, Margaret Bamford, Jean Barclay, David King, Malcolm Liles, Norman Robson and Barbara Wilkins. This Committee met to consider all elements of the remuneration for Directors and other associated issues.

2.2 Declared interests of PCT Board Members

The PCT is required to maintain a register of declared interests of the Board Members, details of which can be found on pages 19 to 21. Declarations of interest are invited at each Board meeting and formally minuted. During the period 1 April 2008 to 31 March 2009, none of the Board Members, their immediate families, or members of the key management staff or parties related to them, undertook any material transactions with West Sussex Primary Care Trust. The only exception to this was that GP members of the Board and the Professional Executive Committee received income from the PCT for General Medical Services and Personal Medical Services.

* *The PEC role ends on 30 September 2009 and is replaced by a combination of the PCT's Quality Assurance Committee and Clinical Advisory Forum.*

2.3 Public accountability

The PCT is committed to carrying out its business in an open and accountable manner. Board meetings are publicised and copies of agenda papers are widely circulated. At each meeting, members of the general public are invited at the beginning of the meeting to participate through question and answer sessions.

Attendance of Board members at public Board meeting from April 2008 to March 2009

Board member	Meetings attended out of possible 10
Michael Harris, Chairman	10
Barbara Wilkins, Vice Chair	8
Brian Angers, NED	10
Margaret Bamford, NED	10
Jean Barclay, NED	7
David King, NED	9
Rev Malcolm Liles, NED	8
Norman Robson, NED	9
John Wilderspin, Chief Executive	10
Neil Ferrelly, Director of Finance	10
Sue Braysher, Director of Contracting and Performance (Deputy CE)	10
Sara Weech, Director of Strategy (until 30 Jun 08)	3
Dr Farhang Tahzib, Director of Public Health and Wellbeing	2
Peter Hayward, Acting Director of Public Health and Wellbeing (from Sep 08)	8
Dr Andrew Foulkes, Chairman for PEC	9
Dr Tim Fooks, GP member PEC	8
Susan Dewar, Nurse member PEC	10
Sarah Creamer, Director of Strategy (from Jul 08)	6
Brian Hughes, Director, Fit for the Future and Corporate Governance	9
Carol Gareze, Managing Director WSH	7
Steven Pollock, Director of Communications & PE	9
Philippa Spicer, Director of HR & OD	7
Louise Watson, Director of Primary Care Development (from Jul 08)	7

2.4 Declaration of members' interests as at January 2009

Name	Directorships, including non-executive directorships held in private companies or PLCs with the exception of those of dormant companies	Ownership or part-ownership of private companies, business or consultancies likely or possible seeking to do business with the NHS	Majority or controlling shareholders in organisations likely or possibly seeking to do business with the NHS	A position of authority in a charity or voluntary body in the field of health and social care	Any connection with a voluntary body or other body contracting for NHS services
Michael Harris Chairman	Chairman Stewart Signs Ltd. Director Reece Green Ltd.	None	None	None	None
Margaret Bamford NED	None	None	None	Chairman, 'Leaves of Hope', a charity involved in promoting the health and welfare of children's hospitals and orphanages in Belarus. Chair, Worthing CAB. Member Editorial Board 'Social Work Today'	Lay member GMC Fitness to Practice Panels
Jean Barclay NED	Chair and Director of Charities Evaluation Services (CES) (Charitable Company Ltd by Guarantee)	None	None	None	Consultancy work for British Red Cross Consultancy work for Worthing and Littlehampton MIND Evaluation of the Young Foundation/ NESTA's Health Launchpad programme Ad hoc consultancy work for the EPP CIC relating to quality standards
David King NED	None	Sole Director, Optimo Solutions Limited (a private limited company in the UK providing management consultancy and	None	None	Lay Member, General Social Care Council (this is a public appointment to GSCC as a Committee

		related services. Director, JDE Investments Limited (as above, but the business transacted is property investment)			Member. Part of the portfolio of the Secretary of State for Health)
Rev Malcolm Liles NED	None	None	None	Trustee, Crawley Open House and Resource Centre	None
Norman Robson NED	Chairman and Director CTF Training Ltd. Director, King's School, Bruton Ltd Director, Bremere Fields Management Company Ltd. Non Executive Finance Director, Chichester Yacht Club Ltd. (Co. No. 1238153) Non Executive Director, KSB Foundation Ltd. (Co No 4314697)	None	None	None	Member of Council of Governors, Portsmouth Hospitals NHS Trust
Barbara Wilkins NED	Director Knabsind (Brighton) Ltd – Property / Building Director – Furzefield Investments Ltd – Property and Investments	None	None	None	None
Andrew Foulkes Chairman, PEC	None	Partner, Avisford Medical Group	None	None	Wife is a paediatric physiotherapist at Worthing Hospital
Susan Dewar Nurse Member, PEC	None	None	None	None	NHS post as joint clinical lead for Midhurst Macmillan Service, financially supported by Macmillan Cancer UK
Tim Fooks GP member, PEC	None	Partner, Pulborough Medical Centre	None	None	None

Members who have not declared interests

Brian Angers, NED
Sue Braysher, Director of Contracting & Performance (Deputy CE)
Sarah Creamer, Director of Strategy
Neil Ferrelly, Director of Finance
Carol Gareze, Managing Director, West Sussex Health
Peter Hayward, Acting Director of Public Health & Wellbeing
Brian Hughes, Director, Fit for the Future and Corporate Governance
Steven Pollock, Director of Communications & Public Engagement
Philippa Spicer, Director of HR & Organisational Development
Farhang Tahzib, Director of Public Health and Wellbeing
Louise Watson, Director of Primary Care Development
John Wilderspin, Chief Executive

2.5 2007/08 Annual Health Check results

The Healthcare Commission is the national, independent watchdog for the health service and their ratings are the most authoritative measure by which every NHS organisation is judged.

Each organisation receives two ratings: one for use of resources and the other for quality of services. The ratings for each organisation are given as one of four categories: excellent, good, fair or weak.

For use of resources the PCT has been rated “good”. Previously for 2006/07 the PCT was rated “weak”. When the ratings were compiled the PCT was only in its second year of existence and grappling with a financial deficit of around £42 million after the merger of five PCTs into one. The PCT had a sound financial basis for making improvements in health, healthcare and services to patients in 2008/09.

For quality of services the PCT was rated as “fair” which maintained the rating received in the previous year. This rating included 94 indicators covering a range of areas such as the safety of patients, cleanliness, access to services and ensuring people’s individual needs are met. This rating was at a time of significant change for the organisation. The PCT intends to build on this achievement and move to a “good” and eventually “excellent” rating in future.

The PCT received an “Almost Met” rating from the Health Care Commission for the Core Standards component of the Quality of Service category for 2007/08. This meant that the overall rating improved from the “Partially Met” rating that was assessed by the Health Care Commission in 2006/07.

The above ratings were a reflection of hard work by all staff to improve the quality of services commissioned by the PCT and also those it directly provided to patients.

2.6 Emergency preparedness

Every PCT has the responsibility under the Civil Contingencies Act 2009 to ensure it is prepared for and capable of responding to a major emergency 24 hours a day, including major transport incidents, severe weather, flooding or pandemic flu.

West Sussex PCT is the lead NHS organisation for Emergency Planning across Sussex and has the responsibility of representing Sussex NHS on the Sussex Local Resilience Forum, (a multi agency forum preparing for, training for and responding to emergencies).

The PCT continually reviews its Major Incident Plans to reflect the roles of the PCT as a commissioning organisation.

It is also developing a new plan for the West Sussex Health services to maintain compliance with the requirements of the NHS Emergency Planning Guidance 2005, all associated guidance, and the Civil Contingencies Act 2009.

West Sussex PCT led a successful countywide flu pandemic exercise in October 2008, with over 200 attendees from Sussex NHS organisations, primary care, the Health Protection Agency and partner agencies.

2.7 Clinical Governance

Publication of Lord Darzi's 'High Quality Care for All (DH 2008)' set out a clear definition of quality covering patient safety, patient experience and effectiveness of care.

This report made clear that corporate commitment at the highest level is at the heart of quality improvement. Clinicians and patients can also use comparative data to make decisions on the quality of health service provision, and importantly it means patients can check published data concerning their local hospitals and health services. A quality team has been established to integrate the information received about services including information about clinical outcomes, feedback from patients and GPs, complaints, and patient experiences. The PCT is now leading the Enhancing Quality Programme on behalf of all South East PCTs.

Quality indicators and standards

Quality indicators and standards are specified within the contracts with providers of health services. In parallel with the performance meetings, there are monthly clinical meeting with trusts to discuss quality issues. Two GP clinical governance leads have been appointed with a remit to facilitate the development of quality processes in primary care, liaison with acute trusts and assistance with performance and quality assurance issues.

2.8 Healthcare acquired infections

One of the main challenges throughout the year has been working with all providers and community colleagues to reduce Healthcare Acquired Infections. The number of *C. difficile* cases continues to reduce year on year. West Sussex PCT has performed better than the target of 30% reduction set by the SHA for the year.

A published antibiotic prescribing policy has been implemented across primary and secondary care to help reduce the number of people contracting *C. difficile* as the prescribing of certain antibiotics is known to contribute to this condition.

The PCT and its providers continue to work to reduce MRSA blood infections. This will be one of the main challenges for the coming year. The PCT is committed to eliminating preventable MRSA infections.

2.9 Customer Service and Complaints

The Customer Service and Complaints team co-ordinated the work of both the PCT's commissioning service and the provider service, West Sussex Health. There was also preparation for the changes to the complaints procedure from April 2009 following the Department of Health's consultation 'Making Experiences Count'.

One of the team's objectives for 2008/09 was to encourage a more accessible and responsive service for the public and to educate staff in effective complaints management, emphasising the importance of robust investigation.

During the period 1 April 2008 to 31 March 2009 the PCT received 120 formal letters of complaint about community services or commissioning issues. The team also handled 198 informal concerns, 74 enquiries and 152 letters from MPs on behalf of individual constituents. Complaints about independent contractors, ie GPs, Dentists and Community Pharmacists are dealt with by the individual practices in accordance with current NHS complaints legislation, although the team continued to offer advice and support to both complainants and individual practices.

2.10 Information Governance

In March 2009 the PCT submitted the mandatory annual Information Governance Toolkit return along with a Signed Statement of Compliance (SOC) document. Having achieved the required levels, the PCT's SOC has been accepted by the NHS Connecting for Health Information Governance team.

Following well publicised data losses by government bodies, a National Information Governance assurance review was initiated, and as part of this process West Sussex PCT undertook a major exercise to map out, document and risk assess all regular transfers of patient / person identifiable data.

This exercise was vital to ensure that the PCT prevented any breaches of confidentiality or loss of data and to ensure that patients, staff and the public had every confidence that their records and other personal information would be safe. This review was completed at the end of March 2008 with the PCT submitting signed assurance documents to the national team stating that all data flows were secure or the risks mitigated.

In line with its obligations under the Data Protection Act 1998, the PCT registered its uses of personal data with the Information Commissioner's Office. Under the terms of the Department of Health guidance on reporting of personal data related incidents, there were no serious untoward incidents relating to information governance within the PCT during 2008/09 which resulted in data loss or breach of confidentiality leading to damage to the reputation of the PCT, its services or the NHS as a whole.

Incidents relating to loss of personal data, risk to reputation, or risk to individuals during 2008/09 are summarised in the following table:

Summary of other personal data related incidents in 2008-09		
Category	Nature of incident	Total
I	Loss of inadequately protected electronic equipment, devices or paper documents from secured NHS premises	0
II	Loss of inadequately protected electronic equipment, devices or paper documents from outside secured NHS premises	2
III	Insecure disposal of inadequately protected electronic equipment, devices or paper documents	1
IV	Unauthorised disclosure	4
V	Other	1

2.11 Freedom of Information

The PCT acknowledges its obligation to disclose all information it holds subject only to the reasons for exemption in the Freedom of Information Act. Between January and December 2008 a total of 272 requests for information were made to the PCT and all received a response within the deadline of 20 working days, the average response time being eight working days. Responses to Freedom of Information requests are now posted on the PCT website so that more information is available to the public.

2.12 Research Governance

The PCT is a member of both the Comprehensive Clinical Research Network and the Sussex NHS Research Consortium, both of which oversee the research governance processes on behalf of the PCT. The Sussex Research Consortium is hosted by Western Sussex Hospitals NHS Trust.

2.13 Risk management and internal control

The internal and external auditors of the PCT are listed on page 40 of this report.

Assurance Framework

The PCT manages risk at a strategic level using a Board Assurance Framework setting out the principal objectives of the organisation with their associated high level risks. The PCT has established risk control mechanisms and appropriate assurances (sources of information that give confidence to the Board that risk is being controlled and objectives are being met).

Risk register and incident reporting

In 2008/09 the Risk Management Strategy and associated Incident Reporting Policy have been implemented throughout West Sussex PCT. The Commissioning and Provider split has required the creation of separate risk teams for each part of the PCT. Both the Commissioning and Provider arms of the PCT are at present using the same risk system, incident reporting system and Risk Management Policies to ensure continuity.

All incidents are reported electronically via the web incident reporting system of the PCT intranet. Serious Untoward Incidents (SUIs) are managed according to National Patient Safety Authority (NPSA) and Southeast Coast SHA guidelines. From 2009/10 the PCT will be responsible for performance overseeing all SUIs from its main provider trusts.

Directorate and Business unit risk registers are generated by the risk management database from the completed risk assessments. The Corporate risk register, which is generated from risks assessments that risk score 16 or above, has been submitted to the PCT Board, Clinical Governance Committee and Risk Management Committee for review. Each Directorate and Business unit has an assigned Risk Champion.

The risk management training programme for managers has been continued during 2008/09. This programme has been updated for 2009/10 to reflect developments in the PCT's risk management structure.

The PCT was assessed at and achieved level 1 of the NHS Litigation Authority PCT Risk Management Standards in 2008/09.

Statement on Internal Control

The risk management and internal control processes of the PCT are well developed and the PCT prepares an annual 'Statement on Internal Control' approved by the Audit and Assurance Committee and signed by the Chief Executive. The internal control systems are audited annually.

The PCT's Statement on Internal Control along with the full Annual Accounts are available on request.

The Board

The Board received assurance from the Audit and Assurance Committee and the Clinical Governance Committee. The Board and its committees carry out formal review and ratification of the PCT's assurance framework, including identification of principal objectives, principal risks, controls and assurances in place to manage them, and is notified of significant or urgent issues.

The Audit and Assurance Committee

The Committee ensures there is an effective system of integrated governance, risk management and internal control, across the whole of the organisation's activities that supports the achievement of the organisation's objectives. In particular, the Committee reviews the adequacy of:

- all risk and control related disclosure statements together with Head of Internal Audit statement, external audit opinion or other appropriate independent assurances
- the underlying assurance processes that indicate the degree of the achievement of corporate objectives and, the effectiveness of the management of principal risks
- the policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements
- the policies and procedures for all work related to fraud and corruption.

Internal Audit

The PCT Board had an agreed Internal Audit Plan to ensure that there were proper and independent assurances given on the soundness and effectiveness of the systems and processes in place for meeting its objectives and delivering appropriate outcomes.

Business Assurance Team

PCT established a Business Assurance Team to streamline the PCT's response to the growing assurance and compliance agenda. The team ensures that the wide range of assessments is coordinated and that evidence of compliance and improvement is accessible and effectively utilised.

2.14 Patient Advice and Liaison Service (PALS)

PALS is a free and confidential service for patients and the public, providing advice, information and help, and addressing concerns about the care commissioned or provided by the PCT.

Between April 2008 and March 2009 PALS dealt with a total of 3,169 issues and requests for information – an increase of 24% on the previous year. Calls varied from simple requests for information to major issues affecting patients, including access to treatments, continence products, waiting time for wheelchair assessments and dental referrals. Information has been provided on many subjects including GP registration, dental charges and access to health records.

An evaluation of PALS was undertaken in February 2009 including a Service Users and Carers Survey. Fifty completed questionnaires were received from members of the public, nearly all of whom were extremely satisfied with the service received.

Some comments were received, including “Excellent service – keep up the good work!” and “The staff were concerned, really listened and provided valuable help”.

PALS has also worked with members of staff in the PCT and West Sussex Health as well as GP and dental practices on projects, including implementation of the new Healthcare Travel Costs Scheme and the new NHS Complaints Procedure. The service works closely with PALS colleagues in acute trusts to resolve issues about hospital appointments, patient transport and access to services.

2.15 Joint arrangements and hosted services

Sussex Health Informatics Service (HIS)

The Sussex Health Informatics Service (HIS) is a shared service, hosted by West Sussex PCT on behalf of NHS member organisations across Sussex. The HIS Audit and Risk Committee reports to West Sussex PCT Audit and Assurance Committee. The Chief Executive of West Sussex PCT is Chairman of the HIS Board which incorporates all governance and accountability issues, including the financial performance of the HIS. The Finance Director of West Sussex PCT is a member of the HIS Board. Statutory arrangements such as those required for financial and employment purposes are vested in West Sussex PCT as host organisation and the PCT endeavours to exercise its responsibility in the common interest of all the Members.

Sussex Acute Commissioning service (SACS)

The Sussex Acute Commissioning Service provides a management function to the Sussex PCTs improving the effectiveness of commissioning acute hospital services. It operates as a shared service consortium and is hosted and managed by West Sussex PCT. SACS is governed by the SACS Joint Committee with senior members from each PCT. The Chief Executive of Brighton and Hove City PCT is Chairman of the Joint Committee and the member for West Sussex PCT is the Chief Executive.

Shared Business Services (SBS)

National Shared Business Services (SBS) provides financial accounting services for West Sussex PCT. This includes supplier payments, cash management, customer accounts, VAT and general ledger. The Finance Director delegates responsibilities in respect of Standing Financial Instructions in the areas covered by SBS, but the Finance Director remains accountable for financial control.

Section 75 pooled budgets

Section 75 of the National Health Service Act 2006, enables the pooling of money between health bodies and health-related local authority services, and the integration of resources and management structures. Local implementation of Section 75 is achieved through the commissioning and scrutiny role of the West Sussex Joint Commissioning Board; a partnership between West Sussex County Council and West Sussex PCT. Each organisation has six voting members on the Joint Commissioning Board.

Payroll and charitable funds

Worthing and Southlands Hospitals NHS Trust provided payroll processing services and administered charitable funds for West Sussex PCT. The Finance Director delegates responsibilities in respect of Standing Financial Instructions in these areas, but the Finance Director remains accountable for financial control.

Environmental performance

The PCT has undertaken a Sustainable Development Commission self-assessment, using consultation with all directorates to assess current practices. This is being used as the baseline for a Sustainability Action plan, which will address all the key areas; transport, community engagement, facilities management, procurement, new buildings, employment and skills. The aim is to build sustainability into all PCT business.

The PCT has under taken several 'quick impact' measures to work towards reducing the impact on the environment or gain vital information to help us do so. These include; successful recycling policies at the headquarters, an online staff travel survey which will be a baseline for a travel plan, the launch of an energy policy and monitoring of energy consumption.

A strategic working group is also being established to aid the development of policies across the PCT to create a Carbon Reduction Strategy.

3 The PCT as an employer

3.1 Organisational development and leadership

At the heart of the PCT's Organisational Development Strategy is the drive to bring together the services and staff to achieve a common purpose, way of working and culture. The strategy provides an integrated approach to develop staff for their current roles and also to ensure the management of talent for the future.

The PCT reported last year a programme to develop highly effective leaders, managers and good role models, who would have the ability to support each other to deliver the PCT's shared vision and objectives. The first cohort of senior managers have now completed this programme, with successful feedback using 360 degree appraisals.

3.2 Statutory and mandatory training

The PCT ensures adherence to good practice through a programme of mandatory and statutory training. During the last year, courses including Infection Control, Fire Safety, Patient Handling, Health and Safety, Risk Management, Equality and Diversity, Back Awareness, Safeguarding Children and Safeguarding Vulnerable Adults, have all been delivered to ensure that the PCT is compliant with legislation and are protecting patients and staff.

3.3 Staff involvement and communication

Partnership working and good communication with staff is key to enabling the organisation to grow and develop as a successful PCT. There has been considerable staff involvement and communication with regard to changes within the PCT. Following feedback from staff in 2007 and with the Investors in People Action Plan, the organisation has seen an improvement in the areas of staff involvement and communication in the 2008 Staff Survey.

3.4 Investors in People

The Investors in People (IiP) standard provides a framework which enables the PCT to improve business operations. In order to retain its IiP standard the PCT is being re-assessed in September 2009.

Work is progressing to ensure that all the criteria for retaining the award are met with particular focus on the following areas:

- Senior Managers able to describe the investment in training and how it has improved services
- The performance of the organisation and future strategy
- Staff understanding how they contribute to achieving organisational goals
- All staff having their performance reviewed within the last 12 months
- Clear evidence of staff being recognised for their efforts in the organisation.

3.5 Positive about disabled people

The PCT is committed to both employing and retaining people with disabilities and retains the *Two Ticks Symbol – Positive About Disabled People* following re-accreditation in 2008.

The Employment Service continues to award the PCT *Two Ticks* as it meets the criteria regarding the recruitment, employment, retention and career development of disabled people. These commitments are reinforced through management training and the Equality and Diversity Policy.

3.6 Equality and Diversity

The PCT is committed to ensuring equality of opportunity and embracing diversity, both as an employer and as a provider of health care services. In common with all NHS organisations, the PCT is striving to eradicate discrimination, promote equality and respect for human rights and enable all members of the population to access services.

The PCT's equality schemes cover race, disability and gender: these are currently being brought together in a single equality scheme.

4 Financial Performance for the year

4.1 Finance review 2008/09

The PCT achieved the four financial targets in 2008/09:

- The revenue expenditure was within the resource limit of £1,106.9m by £728k
- The capital expenditure was within the capital resource limit of £9,069k by 4k
- The cash drawings were within the cash limit by £66k
- The PCT over recovered the full cost in relation to its provider functions by £2k.

For 2009/10 the PCT has set a balanced financial plan that incorporates:

- The Revenue Resource Limit of £1,106.9m, including a recurrent increase of £58.2m
- Investment to fund tariff, pay and price inflation of £22.2m
- Growth / Capacity investment to reflect volume growth of £23.4m
- Service development proposals of £6.2m
- Cost improvement and demand management saving of £11.5m
- The PCT will maintain a 0.75% contingency reserve of £9.1m and plans to retain a surplus of £725k in 2009/10.

Summary of Financial Statements 2008/09

Annual Accounts – Summary of Financial Statements

The following statements represent a summary of financial information for West Sussex Primary Care Trust for the year ended 31 March 2009.

The full accounts are available on request from:

Director of Finance, West Sussex PCT

1 The Causeway, Goring-by Sea, Worthing, West Sussex BN12 6BT

Signed on behalf of the Board



John Wilderspin
Chief Executive
31 August 2009



Neil Ferrelly
Director of Finance
31 August 2009

4.2 Revenue resource limit

FINANCIAL DUTIES 2008/09		
Revenue Resource Limit	2008/09	2007/08
The PCT's performance for 2008/09 is as follows	£000	£000
Total net operating cost for the financial year	1,111,992	1,064,504
Less: Non-discretionary Expenditure	5,819	5,615
Operating Costs less non-discretionary expenditure	1,106,173	1,058,889
Final Revenue Resource Limit for year	1,106,901	1,059,127
Under/(over) spend against Revenue Resource Limit	728	238
Capital Resource Limit	2008/09	2007/08
The PCT is required to keep within its Capital Resource Limit	£000	£000
Gross Capital Expenditure	9,326	4,976
less: Net book value of assets disposed of	(261)	(193)
less: Donations		
Charge Against the Capital Resource Limit	9,065	4,783
Capital Resource Limit	9,069	5,007
Under spend against Capital Resource Limit	4	224
Provider full cost recovery duty	2008/09	2007/08
The PCT is required to recover full costs in relation to its provider functions.	£000	£000
The performance for 2008/09 is as follows	£000	£000
Provider gross operating cost	104,076	103,816
less: Miscellaneous income relating to provider functions	(12,904)	(14,058)
Net Operating Cost	91,172	8,9758
less: Costs met from PCT's own allocation	91,174	90,033
Under / (over) recovery of costs	2	275

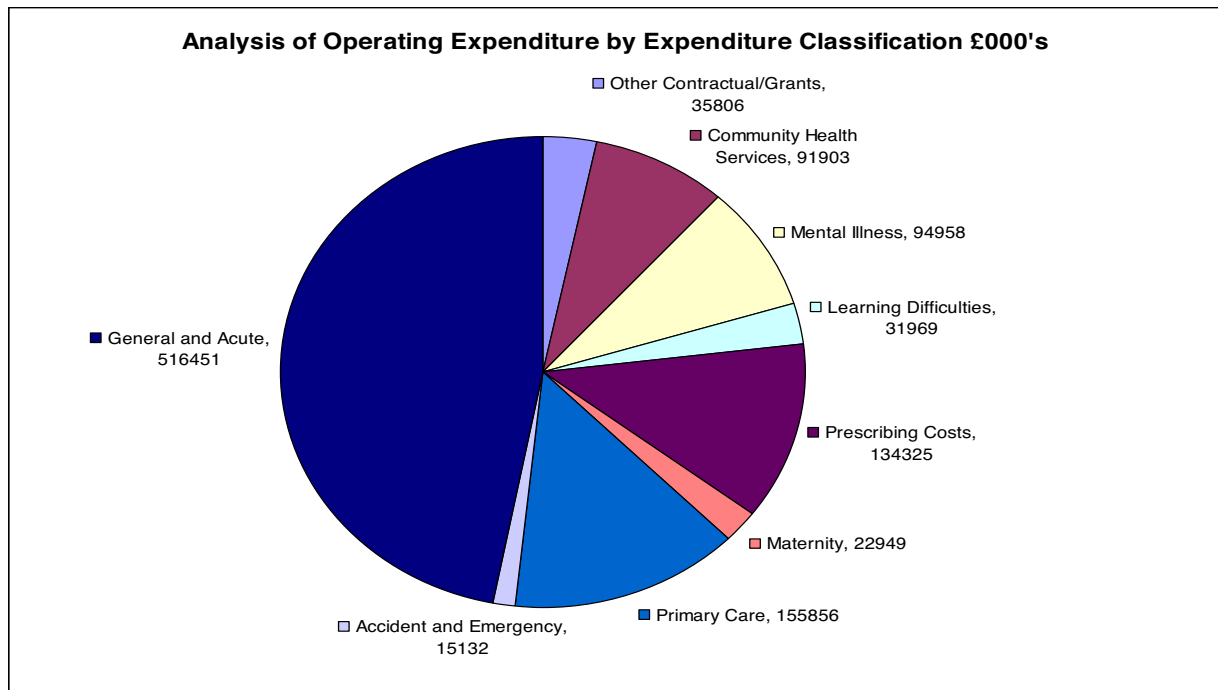
The PCT has a statutory duty to keep its expenditure within its resource limits for revenue (revenue resource limit) and capital (capital resource limit). These resource limits are set by the Department of Health.

The PCT must also demonstrate that it has achieved full cost recovery in relation to its provider functions i.e. that its expenditure on services it provides are covered by the income it receives for these services. The performance against these targets is analysed above.

4.3 Where resources were spent

In 2008/09 West Sussex PCT's net operating costs were £1,111.9m to commission and provide healthcare for the population of West Sussex.

The Analysis of Operating Expenditure 2008/09, analyses healthcare spend by service area as per note 4.2 of the Annual Accounts. This comes to a subtotal of £1,099.3m.



4.4 West Sussex PCT annual accounts 2008/09 – summary analysis

The **Operating Cost Statement (OCS)** records the costs incurred by the PCT during the year, net of the miscellaneous income (which is the income other than the PCT's main resource allocation from the Department of Health). It includes cash expenditure on staff and supplies as well as non-cash expenses such as depreciation (a charge that reflects the consumption of the assets used in delivering Healthcare). The PCT's resource allocation (Parliamentary funding) is not treated as income, but is credited to the general fund on the Balance Sheet.

The OCS is split between the commissioning and provider function. The commissioning function pays for primary and secondary healthcare from GPs, other NHS bodies, and the private sector, while the provider function provides healthcare for patients of the PCT and other PCTs. The miscellaneous income for the provider function is the income that it earns from other PCT's.

Under government accounting rules the OCS shows the net resources used by the PCT in commissioning and providing healthcare rather than the surplus or deficit for the year as shown in the income and expenditure account by NHS trusts (or profit and loss account in the private sector). The net operating costs are debited to the general fund.

The **Statement of Recognised Gains and Losses** provides a summary of the PCT's gains and losses for the year other than those shown in the OCS. The OCS provides details of operating costs and reports on some gains and losses such as impairment losses or profits from the sale of fixed assets. These are gains and losses that have been realised. The Statement of Gains and Losses provides a summary of gains and losses that are taken straight to reserves and are not shown in the OCS. For example, it includes unrealised gains and losses (ie gains and losses which have not yet had any cash consequences) arising from the revaluation of property.

The **Balance Sheet** provides a snapshot of the PCT's financial condition at a specific moment in time – the end of the financial year. It lists assets (everything the PCT owns that has monetary value), liabilities (money owed to external parties) and taxpayers' equity (public funds invested in the PCT). At any given time, assets minus liabilities must equal taxpayers' equity.

The **Cash Flow Statement** summarises the cash flows of the PCT during the accounting period. These cash flows include those resulting from operating and investment activities, capital transactions and financing. The transactions shown in the OCS do not necessarily involve cash flows nor include all cash transactions so it is not possible to understand the PCT's cash position from the OCS. For example while depreciation is included as a charge on the OCS, it does not involve an outlay of cash. Similarly and capital purchase will involve an upfront outlay of the full purchase price, while the OCS will only record the depreciation of the asset – spreading the full cost over the lifetime of the asset. The impact of an organisations operating performance on its cash position can only be gleaned from the Cash Flow Statement and Balance Sheet.

4.5 Operating cost statement

OPERATING COST STATEMENT FOR THE YEAR ENDED 31 March 2009

	£000	£000	2008/09 £000	2007/08 £000
	Commissioning	Provider	Total	Total
Gross operating costs	1,508,138	104,076	1,612,214	1,514,805
Less: Miscellaneous income	(487,318)	(12,904)	(500,222)	(450,295)
Net operating costs	1,020,820	91,172	1,111,992	1,064,504

4.6 Statement of recognised gains and losses

STATEMENT OF RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 March 2009

	2008/09 £000	2007/08 £000
Fixed asset impairment losses	0	0
Unrealised surplus / (deficit) on fixed asset revaluations/indexation	(15,328)	8,450
Increase in the donated asset reserve and government grant reserve due to receipt of donated and government granted assets	0	0
Additions / (reductions) in the General Fund due to the transfer of assets from/(to) NHS bodies and the Department of Health	0	0
Additions / (reductions) in "other reserves"	0	0
Recognised gains and losses for the financial year	(15,328)	8,450
Prior period adjustment - other	0	0
Gains and losses recognised in the financial year	(15,328)	8,450

4.7 Cash flow statement

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 March 2009		
	2008/09	2007/08
£000	£000	£000
OPERATING ACTIVITIES		
Net cash outflow from operating activities	(1,107,228)	(1,069,517)
SERVICING OF FINANCE AND RETURNS ON INVESTMENT:		
Interest paid	0	(6)
Interest received	0	0
Interest element of finance leases	0	0
Net cash inflow/(outflow) from servicing of finance and returns on investment	0	(6)
CAPITAL EXPENDITURE		
Payments to acquire intangible assets	0	0
Receipts from sale of intangible assets	0	0
Payments to acquire tangible fixed assets	(8,307)	(4,976)
Receipts from sale of tangible fixed assets	365	130
Payments to acquire fixed asset investments		0
Receipts from sale of fixed asset investments		0
Payments to acquire financial instruments	0	0
Receipts from sale of financial instruments	0	0
Net cash inflow/(outflow) from capital expenditure	(7,942)	(4,846)
Net cash inflow/(outflow) before financing and management of liquid resources	(1,115,170)	(1,074,369)
MANAGEMENT OF LIQUID RESOURCES		
(Purchase) of other current asset investments	0	0
Sale of other current asset investments	0	0
Net cash inflow/(outflow) from management of liquid resources	0	0
Net cash inflow/(outflow) before financing	(1,115,170)	(1,074,369)
FINANCING		
Net Parliamentary Funding	1,112,851	1,077,007
Other capital receipts surrendered	0	0
Capital grants received	0	0
Capital element of finance lease rental payments	0	0
Cash transfers (to)/from other NHS bodies	0	0
Net cash inflow/(outflow) from financing	1,112,851	1,077,007
Increase/(decrease) in cash	(2,319)	2,638

4.8 Balance sheet

BALANCE SHEET AS AT 31 March 2009			
		31 March 2009	31 March 2008
	£000	£000	£000
FIXED ASSETS			
Intangible assets	0		0
Tangible assets	112,539		123,042
Investments	0		0
Financial assets	0		
		112,539	123,042
CURRENT ASSETS			
Stocks and work in progress	84		74
Debtors	20,032		23,447
Other financial assets	0		
Cash at bank and in hand	66		2,385
TOTAL CURRENT ASSETS		20,182	25,906
CREDITORS : Amounts falling due within one year		(80,049)	(82,220)
Other financial liabilities falling due within one year		0	
NET CURRENT ASSETS / (LIABILITIES)		(59,867)	(56,314)
TOTAL ASSETS LESS CURRENT LIABILITIES			
		52,672	66,728
Creditors: Amounts falling due after more than one year		0	0
Other financial liabilities falling due after more than one year		0	
Provisions for liabilities and charges		(6,003)	(7,294)
TOTAL ASSETS EMPLOYED		46,669	59,434
FINANCED BY:			
TAXPAYERS EQUITY			
General fund		27,974	25,302
Revaluation reserve		16,858	32,171
Donated asset reserve		1,837	1,961
Government grant reserve		0	0
Other reserves		0	0
TOTAL TAXPAYERS EQUITY		46,669	59,434

Better Payment Practice Code				
	2008/09	2008/09	2007/08	2007/08
	Number	£000	Number	£000
Non-NHS Creditors				
Total bills paid in the year	60,994	182,203	56,583	169,992
Total bills paid within target	53,673	157,909	46,379	144,395
Percentage of bills paid within target	88.00%	86.67%	81.97%	84.94%
NHS Creditors				
Total bills paid in the year	4,781	1,508,221	6,571	1,466,433
Total bills paid within target	3,158	1,433,397	3,723	1,381,484
Percentage of bills paid within target	66.05%	95.04%	56.66%	94.21%
Management costs				
		2008/09	2007/08	
Management costs (£000s)		15,033	13,791	
Weighted population (Number)		733,566	729,476	
Management cost per head of weighted population (£)		20.49	18.91	

4.9 Salary and pension entitlements of senior managers

To meet statutory requirements the PCT lists in the tables below the salary and pension entitlements of senior managers.

Salaries and allowances						
Name and title	Salary (bands of £5,000) £000	2008-09 Other remuneration (bands of £5,000) £000	Benefits in kind (bands of £100) £00	Salary (bands of £5,000) £000	2007-08 Other remuneration (bands of £5,000) £000	Benefits in kind (bands of £100) £00
M Harris – Chairman (appointed Oct 2007)	35-40	0-5		15-20		
B Angers – Non Executive Director	10-15			10-15		
M Bamford OBE – Non Executive Director	5-10			5-10		
J Barclay – Non Executive Director	5-10			5-10		
D King – Non Executive Director	10-15			5-10		
Rev M. Liles – Non Executive Director	5-10			5-10		
N Robson – Non Executive Director	5-10	0-5		5-10		
B Wilkins - Non-Executive Director (Acting Chair 27 Jul 2007 to 30 Sep 2007)	5-10			15-20		
J Wilderspin - Chief Executive	150-155			140-145		
S Pollock - Director of Communications and PE	85-90			45-50		
N Ferrelly - Director of Finance	125-130			120-125		
P Spicer - Director of HR and Organisational Development	90-95			85-90		
Dr F Tahzib - Director of Public Health and Wellbeing	115-120			115-120		
Dr P Hayward - Acting Director of Public Health and Wellbeing (from Sep 2008)	105-110					
SJ Weech - Director of Strategy	90-95			85-90		
S Creamer - Director of Strategy (from Jul 2008)	80-85					
C Gareze - Managing Director, West Sussex Health	105-110			95-100		
N Cambrook - Acting Director of Primary and Community Care	65-70			30-35		
L Watson - Director of Primary and Community Care (from Jul 2008)	65-70					
S Braysheer - Director of Contracting and Performance (Deputy CE)	90-95			85-90		
B Hughes - Director of Fit for the Future and Corporate Affairs	75-80			70-75		
Dr A Foulkes - Chairman of the Professional Executive Committee	70-75			55-60		

S. Barrett - Nurse Representative	5-10	40-45		0-5	15-20	
S. Dewar - Nurse Representative	5-10	40-45		5-10	40-45	
J. Durrant - Nurse Representative	0-5	35-40		0-5	15-20	
Dr T. Fooks - GP Representative	15-20			0-5		
Dr SK Kelly - GP Representative	10-15			5-10		
C McKrill - Nurse Representative (appointed 1 October 2007)	5-10	10-15		0-5	10-15	
P Mellings - Dentist Representative (appointed Nov 2006)	5-10	5-10		5-10	20-25	
Dr D Skipp - GP Representative (appointed Oct 2007)	5-10			0-5		
N Sullivan - Allied Health Professional Representative (appointed Oct 2007)	0-5	45-50		0-5		
Sue Carter - Social Services representative Member	N/A			N/A		
David Clark - Pharmacy Representative (from Oct 2008)	0-5					
G Lowry - Social Services Representative (appointed Nov 2006)	N/A			N/A		
Dr A Bhargava - GP Representative (until 30 Sep 2007)	N/A			0-5		
Dr M Patel - GP Representative (Oct 2006 to 30 Sep 2007)	N/A			0-5		
Dr A Smith - GP Representative (until 30 Sep 2007)	N/A			5-10		
S Dando - Allied Health Professional Representative (until 30 Sep 2007)	N/A			0-5		
S Torp - Nurse Representative (until 30 Sep 2007)	N/A	N/A		0-5	10-15	
W Langley - Pharmacist Representative (until 30 Sep 2007)	N/A			0-5		

Pension entitlements								
Name and title	Real increase in pension at age 60	Real increase in pension at age 60 and related lump sum	Total accrued in pension at age 60 at 31 March 09	Lump sum at age 60 related to accrued pension at 31 March 09	Cash equivalent. Transfer value at 31 March 09	Cash equivalent. Transfer value at 31 March 08	Real increase in cash. Equivalent transfer value	Employer's contribution to stakeholder pension Rounded to nearest £00
	(bands of £2,500)	(bands of £2,500)	(bands of £5,000)	(bands of £5,000)				
	£000	£000	£000	£000	£000	£000	£000	£
J Wilderspin - Chief Executive	10-15	40-45	45-50	145-150	890	494	269	-
N Ferrelly - Director of Finance	0-5	10-15	45-50	140-145	817	581	155	-
P Spicer - Director of HR and Organisational Development	0-5	0-5	05-10	20-25	136	87	33	-
Dr F Tahzib - Director of Public Health and Wellbeing	0-5	0-5	20-25	60-65	523	352	113	-
SJ Weech - Director of Strategy	0-5	5-10	25-30	85-90	523	378	95	-
C Gareze - Managing Director, West Sussex Health	5-10	15-20	35-40	110-115	853	548	204	-
N Cambrook – Acting Director of Primary and Community Care	0-5	0-5	5-10	25-30	217	152	43	-
S Braysheer – Director of Contracting and Performance (Deputy CE)	0-5	5-10	25-30	80-85	446	314	87	-
B Hughes – Director of Fit for the Future and Corporate Affairs	0-5	0-5	30-35	90-95	-	-	-	-
S Creamer - Director of Strategy	0-5	5-10	15-20	50-55	238	161	51	-
L.Watson - Director of Primary Development	0-5	10-15	10-15	40-45	198	120	52	-
P Hayward - Acting Director of Public Health and Wellbeing (from Sep 2008)	0-5	0-5	40-45	130-135	978	707	178	-

Salary and pension entitlements

The policy of the PCT covering remuneration of senior managers for current and future financial years, including notice periods required is covered by the national policy 'Pay Framework for very senior managers in Strategic and Special Health Authorities, Primary Care Trusts and Ambulance Trusts – updated 26 July 2007'. There is a national contract as part of this framework, and a standard notice period of six months.

The total amount available for distribution to very senior managers for performance related pay in 2008/09 is £37k. The amounts to be awarded to individuals was decided at the remuneration committee in June 2009.

The remuneration committee met to decide on the policy for agreeing all performance related pay for 2009/10 in July 2009.

The provision for compensation for early termination of contracts of senior managers is as laid out in the national policy detailed in the 'Agenda for Change handbook', covering NHS redundancy and early retirement pension arrangements.

5 Auditors of the PCT

The PCT's External Audit fee in 2008/09 was £353k.

The External Auditors were:

Audit Commission
Bicentennial House
Southern Gate
Chichester
West Sussex PO19 8SQ

The PCT's Internal Auditors were:

South East Coast
Regent House
Station Approach
Battle
East Sussex TN33 0BQ

‘One Stop’ Customer Service

West Sussex people now have a ‘one-stop’ service for their health queries and concerns.

The Customer Services Unit (CSU) brings together PALS (Patient Advice and Liaison Service), and Complaints and Customer Services into one new team.

The service is free and confidential and offers information and advice to patients and the public. It aims to resolve people’s concerns quickly and informally and can provide information about health services, voluntary organisations and support groups.

During the past year, PALS and Complaints and Customer Services have dealt with more than 4,000 issues and requests for information and support from patients, carers, relatives and staff.

The unit also handles complaints received by us about the services we buy, for example from hospitals and GPs, to meet the health needs of people living in West Sussex.

The aim of the Customer Services Unit is to respond to patients and the public more quickly and effectively. The information it gathers will give valuable knowledge about patients, their experiences and health needs – all of which will be fed into the process of purchasing and developing health services.

**Contact the Customer Service Unit on 0300 100 1821
or email pals@westsussexpct.nhs.uk**



health & wellbeing, for life

It is the job of NHS West Sussex to help people to live healthily and stay well, and to ensure that everyone living and working in the area has access to high quality health services which meet their needs.

To do this we commission (plan, buy, and monitor) health services from a range of providers including hospitals, GPs, community services, voluntary organisations and the independent sector, ensuring that the best value for money is obtained.

We also commission services such as flu immunisations, cancer screening and health visiting for the people of West Sussex.

We listen to and learn from everyone who has a view on how NHS services should be provided. You can find out more about what we do, and how you can get involved at www.westsussex.nhs.uk

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West Sussex BN12 6BT

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Web: www.westsussex.nhs.uk

NHS West Sussex is the working name of West Sussex Primary Care Trust