NHS

17

Delivering improvements in health for local people

The annual report of Fareham and Gosport Primary Care Trust

annual report

2002/03

Purpose and values

The purpose of Fareham and Gosport Primary Care Trust is "Delivering improved health for local people." We will achieve this by:

- Putting the needs of patients at our centre.
- Listening to service users and carers.
- Continuously improving the quality of patient experience.
- Valuing, motivating, harnessing the enthusiasm and skills of all our staff and contractors.
- Working in honest and open partnership with stakeholders and our community.
- Managing our resources well and delivering targets.
- Being accountable for our actions, both organisationally and professionally.

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Foreword

Whilst preparing this first annual report for the PCT, we received very welcome news in July that we had been awarded two stars following publication of the NHS national performance indicators for 2002/2003.

This, together with the wide range of achievements illustrated in this report, endorses my view that we have made a very encouraging start as a new organisation and that we can move forward with confidence in the year ahead to ensure that people in Fareham and Gosport have access to the best possible health care that we can provide.

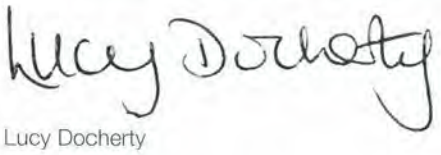
The board, executive team and, in particular, every single member of our staff deserve much credit for our achievements this year. Over this last year I have visited many different parts of our organisation and met very many members of staff and patients and clients. I have always felt that our local communities here in Fareham and Gosport were fortunate to have very dedicated and caring health service professionals, who I believe have made a real difference to many people's lives.

Much of what we have achieved could not have happened, however, without the hard work and cooperation of the individuals and organisations we work with. We now work closely with family doctors, dentists, opticians and pharmacists and their commitment and enthusiasm in our first year has been greatly appreciated.

Similarly the contribution and support from our colleagues at East Hampshire and Portsmouth City PCTs, Portsmouth Hospitals, the Hampshire and Isle of Wight Strategic Health Authority, Fareham and Gosport Borough Councils, Hampshire County Council and a wide range of statutory and voluntary organisations has been invaluable.

We have also had input from patients and members of the public in terms of helping us plan and develop our services – and this is an area we will be seeking to further develop in the year ahead.

Reading an annual report may not be in the same league as the latest Harry Potter book, but I urge the residents of Fareham and Gosport to find time to look at this document. It tells the story of our organisation's first year of working to improve their healthcare needs. It is a positive story with some good results and a lot of confidence and hope for the future. We have, as an organisation, values and priorities which put patients and people at the heart of our work. These guiding principles will hold us in good stead as we meet the challenges of the coming year and continue our efforts to improve the local health services we provide to our communities.



Lucy Docherty

Chair, Fareham and Gosport Primary Care Trust

Section 1

Delivering improvements in health

Background

This is the first annual report produced by Fareham and Gosport Primary Care Trust (PCT). The PCT was established with effect from April 2002, succeeding two primary care groups, one each for Fareham and Gosport, and two NHS bodies, the former Portsmouth HealthCare NHS Trust and the Isle of Wight, Portsmouth and South East Hampshire Health Authority, which were dissolved that year.

Fareham and Gosport PCT is part of the National Health Service. We provide primary and community health services to our local population - services such as community nursing, physiotherapy and health visiting. We ensure people in Fareham and Gosport have proper access to hospital and specialist services through a process called 'commissioning'.

In addition, we manage the health provision of adult learning disability services for the whole of South East Hampshire, as well as Fareham and Gosport. We also provide a range of social care learning disability services to Portsmouth City Council and Hampshire County Council.

We spend around £179m each year and directly employ approximately 1,500 people – making us one of the largest employers in the area. We also hold national contracts for the services provided to the NHS by GP practices, NHS Dentists, Chemists and Optometrists.

We operate under supervision of a board, with a lay member majority. The board sets the strategic direction for health and health services in Fareham and Gosport, supported by a Professional Executive Committee (PEC), which brings representatives of local clinicians together to oversee all major clinical and organisational aspects of our work. Section nine of this report outlines our organisational structure in more detail.

Health visitor Barbara Hollis with a young patient, 'born' in the same month and year as the PCT!

Delivering health improvement in Fareham and Gosport

The main role of any primary care trust is to "deliver improved health for local people" - helping everyone to enjoy better health and well-being and ensuring that any inequalities in the health of our population are reduced. If we are to do this effectively in Fareham and Gosport, we have to find out, and keep finding out, what the health needs of people in our area really are. So, we work closely with our patients and the public, voluntary organisations and other providers of health services, using their ideas where we can to shape our services.

We need to provide, contract and commission the right services, at the right time and to the highest possible standards, to meet people's needs. In other words, strive to ensure that we all have the care we need when and how we need it.

Section 1

Delivering improvements in health

By working closely with local statutory and voluntary organisations and community groups we can bring our services together to help people who use them and develop new ways of delivering services, which enables us to give better care and make better use of the resources we have available to us.

We are prepared to make changes where changes are necessary, to do things differently and constantly review what we do and how we do it. This may not always be straightforward - we have to balance the needs of individual patients and carers with the needs of the population as a whole, not forgetting those of our staff and contractors too. This can lead to difficult choices as we also have to take into account the finite nature of our resources, particularly money and staff.

The past year has shown that doing our job well presents a considerable challenge. However it has also shown us that, even as a new organisation, we have the capabilities to meet that challenge, especially if we truly work together with others and ensure that our decisions are underpinned by the views of our patients, the public and our partner organisations.

What we do

We provide health services:

Typically those you might find in a health centre, GP surgery or small hospital (such as Gosport War Memorial Hospital or St Christopher's in Fareham). These include community nursing services (district nursing, health visiting, school nursing), some therapy services like physiotherapy and occupational therapy, podiatry, children's mental health services, adult learning disability services (for the whole of South East Hampshire, including social care contracts with local authorities for people with a learning disability) and health promotion.

We contract for health services:

With family doctors (GPs), NHS dentists, pharmacists and optometrists (opticians).

We commission (or buy) health services on behalf of our local population:

Services such as hospital care, specialist care, mental health services, community services (that we do not provide ourselves, like speech and language therapy), and learning disability services.

Our values

At the heart of our organisation are seven guiding principles which form the backdrop to all our plans and decisions. These were developed over the past year with help from a wide group of patients, professionals and voluntary agencies and reflect what they thought matters most in providing health services.

- Putting the needs of patients at our centre
- Listening to service users and carers
- Continuously improving the quality of patient experience
- Valuing, motivating and harnessing the enthusiasm and skills of all our staff and contractors
- Working in honest and open partnership
- Managing our resources well and delivering targets
- Being accountable for our actions.

Our priorities

Over the past year we have been considering how best to provide effective health services over the next few years.

We have drawn up, with the help of our partners, two major documents which will guide us as we seek to achieve this.

Our *Local Delivery Plan* (required of all primary care trusts) is a three year plan which sets out our response to national planning guidance within the NHS and describes what we will do to deliver the key targets within the financial allocation we have set for us.

'Working Together for our Future Health' is our local 'vision' for the next five years, which effectively sets the context in which the local delivery plan will operate. It highlights eight main priorities for us to concentrate on as we work to improve local health services and will be used as a source document by the PCT Board to ensure that everything we do meets with our aims and our values.

Fareham & Gosport NHS
Primary Care Trust

We are working to identify areas of overlap between this strategy and those of our partners. We will then be able to see where we have a common purpose and ensure that we work together in these areas to benefit local people.

We have already started to make progress, and this annual report provides an outline of each priority in turn, what we have achieved to date and what we plan to do next.

Our eight priorities:

1 Better access to services
Patients will be offered quicker and more convenient access to services in NHS priority areas.

2 Improving health and well being
Improvements will be made in the health and well being of the people in the neediest parts of our population.

3 A valued employer
We will be a valued employer and contractor with staff who are trained and supported to provide patient focused care in new ways and new settings.

4 Gaining the confidence of local people
We aim to gain the confidence of local people and be known for our approachability, openness and accountability.

5 Reshaping our services
Patients and carers will be actively involved in decision-making and in reshaping our services.

6 Closer working
Day to day services will be closely integrated with our partners.

7 Managing our performance
We will demonstrate that we have clear governance and performance management arrangements in place that meet or exceed required standards.

8 Managing our resources
We will show how we have spent the money given to us and how we have managed all our resources to benefit patients.

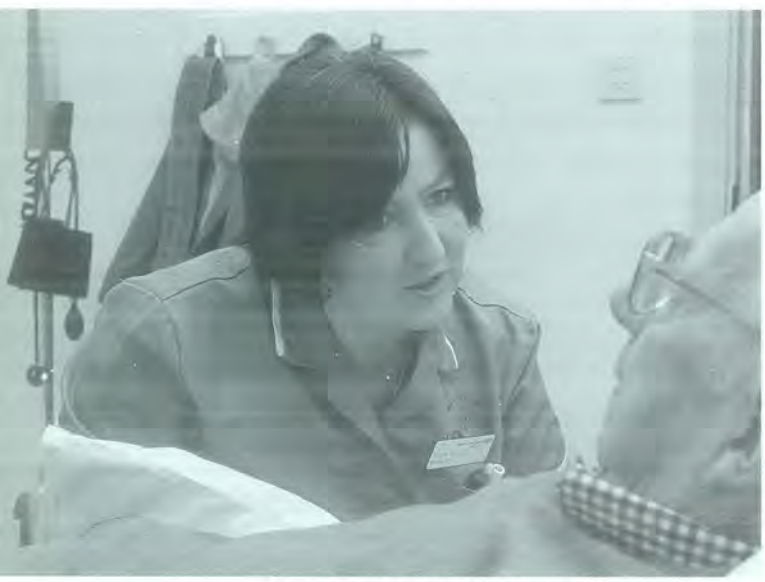
Section 2

Better access to services

Patients will be offered quicker and more convenient access to services in the NHS priority areas.

This is the main thrust of the NHS Plan, which contains over 40 targets that we have to meet. Our priorities for the next five years will include: ensuring access to a GP within 48 hours or a Primary Care Professional (such as a practice nurse) within 24 hours, reducing waiting times, offering patients appropriate choices and ensuring national service framework principles (national guiding principles for the services we provide) are implemented.

Like other PCTs we have produced a three year Local Delivery Plan – which sets out how we expect to meet the main NHS Plan targets.



Nurse Eileen Buckley at Gosport War Memorial Hospital.

How easy was it for people to get the treatment they needed?

A key role of a Primary Care Trust is to ensure that its residents have access to high quality secondary care services. These are primarily provided by two main hospitals, Portsmouth Hospitals NHS Trust and Southampton University Hospitals NHS Trust. We have been working with both Trusts to reduce the maximum waiting times for inpatient surgery and outpatients and we are seeking to further improve access to services and waiting times in 2003/04. We are also working closely with Fareham and Gosport Practices to enable patients to have shorter waiting times to see both GPs and primary health care professionals.

In 2002/03:

- All Fareham and Gosport residents were seen within 12 months for inpatient surgery and 21 weeks for an outpatient appointment. This reduced from 15 months and 26 weeks respectively in the previous year.
- We achieved the target of 100 per cent of cancer patients being given an appointment within two weeks of an urgent GP referral.
- Despite serious pressure on Accident and Emergency departments, we achieved the targets of 90 per cent of all patients being admitted, transferred or discharged within four hours of arrival. No patient waited longer than twelve hours in Accident and Emergency following a decision to admit.
- 90 per cent of residents, who wanted to do so, were able to access a primary health care professional within 24 hours. We are working hard to improve access for patients to a GP and will be aiming to ensure that all patients, who want to do so, can have an appointment within 48 hours by December 2004.
- Over 75 per cent of all emergency calls were responded to within eight minutes by Hampshire Ambulance Services Trust within the Fareham and Gosport locality.
- We achieved the national target for uptake of flu immunisations in people aged 65 years and over (70 per cent uptake), breast screening and cervical cancer screening uptake rates were above 80 per cent and all GP Practices have established diabetes and Coronary Heart Disease registers through which patients are regularly reviewed.

Our progress to date

In both the provision of primary and community care we can point to a great many achievements in our first year as a PCT.

New GPs Dr Jo Ledger (left) and Dr Richard Try join Dr Janette Lloyd at Rowner Health Centre.

Primary care

Increasingly, in accordance with NHS Plan recommendations, services are shifting from secondary to primary care, to ensure the provision of high quality, easily accessible services for patients.

Over the past year we have been helping our primary care contractors deal with the challenges they now face in the 'new' NHS, with progress made in many areas. This has included the appointment of a Head of Primary Care to lead on matters relating to GPs, pharmacists, dentists and opticians.

We also appointed a specialist nurse for coronary heart disease and we now have GPs with specialist interests, including Ear, Nose and Throat, Endoscopy, Ultrasound and Cystoscopy.

We will be looking to further develop both primary and community services for local residents this year.

Dentistry

- People are still finding it difficult to find an NHS dentist in this area when they need one and we are endeavouring to solve the problems they face. The difficulties are not confined to Fareham and Gosport with much the same situation to be found in Portsmouth and other parts of South East Hampshire.
- We are trying to recruit more dentists to the area, and support those already working here.
- We set up a service for people in pain who need an emergency appointment. This provides pain relief and some emergency treatments and we purchase around 160 appointments a month.
- Many practices have undertaken a Disability Discrimination Access survey in the past 12 months.

Family doctors

- We are now working closely with the Practitioner Patient Service Agency, the body responsible for the administration of contractor services (a role formerly undertaken by local health authorities.)
- A new post has been developed to work with practices to reduce the level of waiting times for patients. Known as an 'access facilitator', the role will help to provide a better balance between demand for services and capacity to deliver them.
- An occupational health service has been introduced for GP staff and this will be developed over the coming months.
- We are developing a strategy to protect staff and help practices deal appropriately with patients who become aggressive or abusive.
- Building improvements have been undertaken in some surgeries, including practices in Titchfield and at Lee on Solent health centre.

Section 2

Better access to services

Optometrists

- We are working closely with optometrists (opticians) in developing new initiatives, including their involvement in diabetic and glaucoma monitoring within the community.
- An initiative is now in place to enable optometrists to refer patients with cataracts directly to acute hospitals. This speeds up the process and means that patients do not have to see their GPs first for onward referral.

Pharmacists

- The PCT is the first in the country to have introduced a home visiting community pharmacy service, set up for patients whose health problems were being affected by them not taking, or being confused about when to take, their drugs. It offers a medicines management plan tailored to the patient and increases the therapeutic benefits of a patient's drugs. It has been developed as part of our Community Enabling Service and has already attracted interest from other areas in the country.
- A member of the local pharmaceutical committee has taken up a seat on the PCT's Professional Executive Committee, to represent the views of local pharmacists in service planning and development.

Testing new equipment at Admiral House, a learning disability home.

Community and hospital services

Major areas of activity have included:

- A review of **school nursing** in the light of the recommendations published in Health for all Children, Fourth Edition [Hall Jan 2003]. This seeks to focus resources more on the needs of special groups of children, including those who are vulnerable or disabled and those living in unusual circumstances.
- A review of **child protection** arrangements following the Victoria Climbie report [Laming 2003] and an action plan produced. We now have a 'link' GP who liaises with colleagues to ensure recommendations are fully understood and implemented.
- Refurbishment of **Summervale, an Elderly Mental Health service nursing home.** We invested £750,000 in transforming nightingale ward accommodation to single sex bedrooms, improved bathrooms, a revamped day area and better access for disabled people.
- Opening of **Admiral House, a community learning disability home** in conjunction with New Downland Housing Association – purpose built accommodation which provides spacious and modern living accommodation for two people with special needs or learning disabilities.
- Investors in People status re-awarded to **Learning Disability** service with extremely positive feedback from assessor.
- Major advances in **Social Care Learning Disability services** with 18 homes transferring to New Downland Housing Association, which will see many properties refurbished or reprovided.
- Completion of an innovative training programme (Gerontological Nursing Programme), developed with Portsmouth University and the Royal College of Nursing, for **senior nursing staff working with older people.** We are now considering how to implement it with a broader range of nursing staff.

Chair Lucy Docherty (left), Operational Director Fiona Cameron and Chief Executive Ian Piper test training facilities at Gosport War Memorial Hospital's new Icon Centre.

- Ongoing development of the **Community Enabling Service,** a team made up from many disciplines which works with people aged 60 and over to offer the best rehabilitation possible to prevent unnecessary hospital admission, or to support early discharge and enable people to remain independent at home.
- Opening of the **Icon Centre, a new learning centre** at Gosport War Memorial Hospital, primarily intended for staff to be able to access a package of training programmes without having to travel far from their place of work. The scheme may well be extended in due course and offered to Gosport residents and workers too.

Launching new guidance giving advice on care for people with asthma.

- New guidance **'Asthma Management Pathways'** launched by local specialist steering group, which gives health professionals in primary and secondary care clear advice on the management of care for people with asthma.
- **'Cleanliness in hospitals'** national standards success for both Gosport War Memorial and St Christopher's hospitals, following the establishment of a local Patient Environment Action Team to identify areas which needed attention and make recommendations.
- **Environmental improvements** to a number of premises, including a new patient lift at St Christopher's Hospital, a dining room extension at Gosport War Memorial Hospital (funded by the League of Friends), a revamp of Hewat House (a community mental health team base in Gosport) and the start of work on a sensory garden for learning disability clients at Sarisbury bungalows, Coldeast.
- Key stakeholders, partners, voluntary organisations and members of the public have helped us in service planning issues and requirements emerging from **National Service Frameworks** (for Coronary Heart Disease, Older People, Mental Health, Children, Diabetes), as well as the national Cancer plan and the Learning Disabilities White Paper *'Valuing People.'*
- We have invested heavily in smoking cessation services and have also been involved in a number of **health promotion activities** throughout the year - schemes to support youngsters playing football in Gosport, 'trim-in' clinics for obese patients with diabetes, production of a teenagers' survival guide, a First Responders defibrillator scheme for Fareham Shopping Centre and exercise classes for older people.

Section 2

Better access to services

Everyone should have access to a GP or primary health care professional within 24/48 hours.

How we plan to move forward this year

Our main priorities for the year ahead reflect those set out in our five year planning document 'Working Together for Our Future Health'. This means that over the next 12 months we will be seeking to make progress in:

- Ensuring access to a GP within 48 hours
- Ensuring access to a Primary Care Professional within 24 hours
- Reducing waiting times for emergency services in Accident and Emergency Departments
- Reducing maximum waiting times for inpatient and outpatient services, to 6 months and 3 months respectively by December 2005
- Implementing the requirements of the Learning Disability White Paper, "Valuing People"
- Implementing National Service Framework priorities in children's services, cancer, mental health, coronary heart disease, older people's services and diabetes.
- Offering patients choice in services that are responsive to their needs as individuals, as part of the national Patient Choice agenda. This will enable patients to choose where they go for their treatment after being initially seen in primary care. (From December 2005, all patients who require elective surgery will be able to choose from four or five hospitals - or other appropriate providers - once their GP has decided that a referral is required)
- Improving access to NHS Dentistry.

Section 3

Improving health and well being

Improvements will be made in the health and well being of people in the neediest parts of our population.

The health needs of our local population underpin the planning of NHS services across the PCT and the development and delivery of wider health improvement activity. Our three year Local Delivery Plan reflects our main aims in this respect, and sets out the means by which we plan to deliver services and address the needs of vulnerable population groups.

We know that the main causes of death in the area are cancer (around 24%), coronary heart disease (21%), stroke (10%) and other circulatory diseases (9%).

In general terms, lifestyle preferences for residents in Fareham are generally healthier than those in Gosport. From the health and lifestyle survey undertaken by Portsmouth & South East Hampshire Health Authority in 1999, the following health behaviours of the adult population were identified:

Fareham
21% are smokers
21% drink alcohol above sensible limits
10% are obese
11% take no physical activity

Gosport
29% are smokers
23% drink alcohol above sensible limits
16% are obese
10% take no physical activity

No Smoking Day - supported by services PTIs.

Chief Executive Ian Piper presents PCT sponsored healthy snacks at a football event in Gosport.

A new public health function was set up by the PCT in July 2002 with the appointment of a Director of Public Health (job share). An important part of this role is to work with local neighbourhoods and communities, to:

- lead the development of strategies and programmes to improve health and well-being and reduce inequalities
- establish local targets, which include timely access to high quality health services
- develop and implement the necessary programmes to achieve these targets
- ensure that the public health role of the primary care workforce is fully realised.

The public health function of the PCT is required to produce its own annual report which deals with these issues more fully and provides a comprehensive picture of the health needs of the local population. This section has been included here to provide a summary of the main achievements to date within this area of work.

Section 3

Improving health and well being

Our progress to date

In Fareham and Gosport there is a history of partnership working to promote better health. Some specific activities that are currently underway include:

- **Smoking cessation** – we provide specialist smoking cessation support to local residents, particularly for highly addicted smokers who wish to give up.
- **Healthy schools** – we work with education services to ensure that health themes are integrated into the curriculum and to 'whole school' approaches to school health eg smoking, drugs, sexual health, healthy eating.
- **Walking your way to health** – an initiative with Gosport Borough Council and other partners to promote walking as a means of to increasing levels of physical activity.
- **Prevention of coronary heart disease** – we undertake secondary prevention and screening for heart disease through nurse led clinics in General Practice and through continued support for a CHD primary care nurse specialist in Gosport.
- **Teenage pregnancy** – led by Hampshire County Council, initiatives in which we participated during 2002/3 included: provision of mobile teenage pregnancy unit, and promotional/informational materials about local services.
- **Flu vaccination** – an ongoing programme to ensure vulnerable people are vaccinated - we achieved the national uptake rate of 70% in 2002.
- **Sure Start in Gosport** – we are closely involved in this collaboration which brings together early education, childcare, health and family support to give the best possible start in life to young children living in disadvantaged areas.

How we plan to move forward this year

Lifestyle indicators signal where the emphasis should be placed in terms of targets for the next few years – smoking, teenage pregnancy, CHD, cancer are the focus both nationally and locally. Our public health annual report (entitled ***How healthy are we in Fareham and Gosport?***), due to be published mid 2003, will pick up on some of these issues in more detail. In summary we will be looking to:

- Achieve a yearly increase in the number of smokers who quit
- Enhance the early years development and health experience of children (particularly amongst disadvantaged groups)
- Achieve a yearly reduction in death rates from coronary heart disease and cancer
- Achieve an annual reduction of teenage conceptions
- Achieve an annual increase in uptake of flu immunisation for residents, aged 65 and over
- Reduce inequalities in health and improve access to health services.

Launching a new First Responders Defibrillator Scheme at Fareham shopping centre.

Section 4

A valued employer

We will be a valued employer and contractor with staff who are trained and supported to provide patient focused care in new ways and new settings

The people who work for us and with us are our most important asset. It is important that they feel valued in the work that they do, that they are given the right tools to do the job they are asked to do, and that they feel that they can balance effectively the demands of working in a challenging environment with their lives away from the workplace.

The PCT has pledged commitment to achieving the Improving Working Lives (IWL) standard and will be assessed for this in the coming months. IWL is a Government initiative which expects NHS organisations to create well managed, flexible working environments that support staff, promote their welfare and development and respect their need to manage a healthy and productive balance between their work and their life outside work.

We are also committed to ensuring that all staff, individually and within their teams, feel involved in all aspects of the running of the PCT and the planning of services.

Our progress to date

The first year for any new organisation can be difficult and the PCT had its fair share of challenges to face during 2002/2003. However major steps were taken in developing the organisation as a viable and appropriate employer, including:

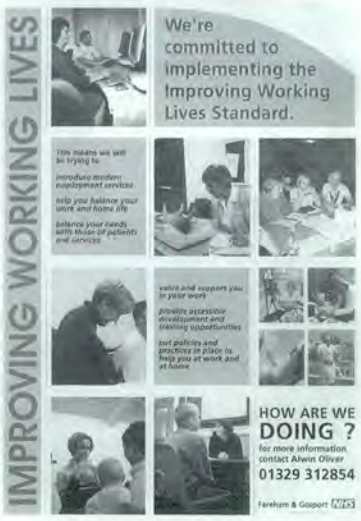
- The successful transfer of 1200 staff from the former Portsmouth HealthCare Trust to the PCT under TUPE regulations.
- Establishing three main groups to oversee all aspects of our human resources work:

  - Personnel panel, a sub panel of the PCT board, to lead and coordinate our human resources strategy and agenda

  - Employee partnership forum to enhance staff involvement and work through major issues for staff within the organisation

  - a training group to look at learning and development opportunities for staff

- Improving working lives – this has become and will continue to be a major initiative for the PCT. We have established a group, including staff side representation, to lead on the implementation of IWL and have union representative to coordinate/champion the project. We are due to be assessed for the Practice stage in October 2003 and have been concentrating our efforts on getting ready for this.



- Reviewing all Personnel policies to ensure compliance with new legislation, Department of Health guidance and adoption by PCT board. All policies comply with the Disability Discrimination Act key policies - equal opportunities, ill health and disability, recruitment and selection. The PCT has the 2 tick disability symbol.
- Establishing a pay and remuneration committee comprising the non executive board members. The personnel director, chief executive and finance director attend meetings as required but are not present for discussions concerning their own remuneration. The committee makes arrangements to receive adequate independent advice on remuneration levels elsewhere in the NHS and on trends and developments in areas of benefits and terms and conditions of service.
- Compliance with the NHS Chief Executive's letter of 11 April 2002 regarding NHS Manager's pay.

Section 4

A valued employer

- Informing and involving staff – we are committed to fully involving staff in all aspects of the organisation's work. We have introduced two new means of communicating directly with staff, a monthly newsletter, Newsreach, and Briefing, a monthly cascade information sharing system. A staff opinion survey has been undertaken, generating a high response rate and all teams have been provided with detailed analysis. A comprehensive action plan has been identified to further improve staff involvement and communication. The majority of our staff teams have had 'away days' for team building and identification of team objectives which contribute to the PCT's overall planning development.
- Equal opportunities – we have established a group to lead our Positively Diverse programme in accordance with national requirements. The group coordinates implementation of the Race Equality Scheme action plan. The scheme has been approved by the PCT board and will be published on our website. We monitor the ethnicity of all current and new staff and statistics are representative of local ethnic populations. Board members and staff will be provided with equal opportunities training.
- Occupational health services are provided to staff through an agreement with Portsmouth Hospitals NHS Trust, and this includes access to an employee assistance service. The PCT has also established its own Health and Safety Committee, which draws representation from across the organisation.
- Establishing pan-PCT local pay bargaining arrangements in collaboration with other PCTs in the area to agree a collaborative approach to pay issues, in consultation with union and staff representatives.

How we plan to move forward this year

We have made sound progress in developing our formal human resources strategy and this is due to be officially launched in September 2003. It will steer our work in a number of significant areas, both in terms of having the right internal systems and procedures in place to offer appropriate support and assistance to staff, and in how we respond to major national developments, including:

- Implementation of NHS Professionals - a national agency for temporary nursing staff, due March 2004.
- Preparation for a new NHS pay system, again nationally driven, due October 2004.
- Preparation for a new national scheme to develop staff electronic records, also due October 2004.

We will be seeking to further advance our work towards achieving full Improving Working Lives accreditation, with an assessment for the Practice stage anticipated in the autumn. From this an action plan will need to be developed so that we can move towards full IWL accreditation in due course.

In addition we will continue to try to:

- Further support front-line staff to deliver new ways of working
- Develop new roles, and recruit more staff where required
- Develop a range of processes which further encourage staff involvement
- Implement the new NHS pay system "Agenda for Change" fully
- Ensure all staff have appraisals, personal and professional development plans and are supported to work in new ways.

Section 5

Gaining the confidence of local people

We aim to gain the confidence of local people and be known for our approachability, openness and accountability.

All NHS organisations have a duty to be open and accountable with the public they serve. With so much changing in the provision and delivery of health care we are keen to do as much as possible to encourage people in Fareham and Gosport to become more involved in the way we plan and run our services.

We also have a responsibility to ensure that people are kept up to date with the work of the PCT, whether through publications like this one, our website (www.farehamandgosportpct.nhs.uk), public meetings or our annual prospectus. We will continue to make sure that the information we convey is as helpful and understandable as we can make it.

We must also be accountable when things go wrong. We are encouraging a philosophy of learning from complaints and from events which could be considered a risk, either to individual staff or patients or the organisation as a whole. The PCT is naturally doing all it can to learn the lessons from events such as those at Gosport War Memorial Hospital which have been thoroughly scrutinised over the course of the past year (see right).

The Government's performance indicators system for all NHS organisations, administered by the Commission for Health Improvement, provided some encouraging news for the PCT at the end of the year. Our two star rating was one below the highest level and will further encourage public confidence if we can continue with a similar level of performance, or further improve, in future.

Our progress to date

Delivering the vision in 'Working Together for our Future Health' will help us in the forthcoming years to establish ourselves as a credible organisation in the eyes of our patients, partners, service users and the wider public. Alongside this we have developed a strategy for encouraging the wider involvement of patients and the public in our ongoing work and our plans for future service development. We shall be using these documents, both developed in the past 12 months, to guide what we do over the next year or so, within the specific areas outlined below and in our other work.

Gosport War Memorial Hospital

The investigations in the past year by Hampshire Police, the Commission for Health Improvement (CHI) and other authorities into concerns over the care of elderly patients at Gosport War Memorial Hospital have, unsurprisingly, dented the reputation of both the hospital and the PCT as a whole.

The CHI investigation, published in July 2002, expressed concerns about inpatient services in the past but concluded that policies and procedures are now in place to ensure safe standards of care at the hospital. A Hampshire Police investigation is ongoing.

As a result of the CHI investigation, an action plan was developed, with assistance from staff working within the NHS, Social Services and the voluntary sector, in response to the 22 recommendations from that investigation. This has been posted on the CHI website (www.chi.gov.uk).

An implementation group was set up to see the recommendations through and already a number of positive results have been identified, and progress shared with all interested parties.

Section 5

Gaining the confidence of local people

Performance indicators

Often known as star ratings, these are the annual performance measures used by the Government to ensure to the public and parliament that good quality services are being provided in return for increasing levels of investment. The ratings enable clinicians and managers to undertake meaningful comparisons with their peers so that they can identify scope for improvement and share knowledge of best practice.

Assessments are made against nine targets which reflect the minimum standards that all trusts are expected to achieve, such as:

- Access to a GP - the percentage of patients offered an appointment to see a GP within 2 working days (the PCT achieved 57.9%)
- Access to a primary healthcare professional (the PCT achieved 89.6% - ie. nearly ninety per cent of patients who wanted to see a primary healthcare professional within 24 hours were able to do so)
- Number of inpatients waiting longer than the standard waiting time (none exceeded the standard in the PCT area)
- Number of outpatients waiting longer than the standard waiting time (none exceeded the standard in the PCT area)
- A & E emergency admission waits – number of patients waiting more than 4 hours for emergency admission (91% of our patients were seen within four hours)
- Plans in place to ensure single telephone access
- People not smoking four weeks after quitting (49% of people who gave up continued not to smoke after four weeks)
- Improving Working Lives – achievement of IWL standard 'pledge' status
- Sound financial management

Occupational therapist Patrick Carroll won a national award from Stena, the stairlift company, for his work with a patient.

The PCT successfully met eight of the nine key targets (missing out on GP access) and scored 'average' or better on more than 80 per cent of the 37 performance indicators which extend across all our responsibilities - providing services, commissioning services and public health.

The two star rating ('performing well overall, but not to the same consistently high standards as the three star rated organisations') was a major boost to the organisation in our first year.

Complaints

Complaints provide us with valuable feedback and the complaints function is a central part of our clinical governance team.

Information on complaints is provided to the Board on a quarterly basis along with the plans for managing actions arising. Complaints are also a feature of our quarterly service review process and these reviews are shared widely.

We reviewed our complaints policy to take into account our additional responsibilities in relation to Family Health Service (FHS) contractors and we set up a Service Level Agreement (SLA) with East Hampshire and Portsmouth City PCTs, to undertake an overall role in relation to FHS complaints.

Action plans have been developed to ensure appropriate action is taken in relation to the complaints received about services we provide. Positive changes this year include the provision of better information to patients and improved processes for communication between staff, patients, relatives and carers.

In 2002/3 we received 22 complaints, nine were responded to within the target of 20 working days (41%). This relatively low figure for responding within the target timescale was due to difficulties we experienced (particularly early on in the year) in setting up a new complaints team and developing its working procedures. Appropriate systems are now in place and as a result we are operating to a much faster response rate.

Of the 22 complaints, two subsequently requested an Independent Review Panel – one request was turned down by the Convener, the other is proceeding.

Public meetings and other events

Members of the board and staff throughout the organisation have been involved in acting as ambassadors for the PCT at a series of events all through the year.

A number of board meetings have been held in public in different venues in both Fareham and Gosport. Organisations with whom we work closely have been invited to work with us in helping us establish ourselves as an organisation and have sent representatives to meetings, strategic workshops or similar events.

The PCT has actively supported a number of health promotion events in public places, from No Smoking Day to sponsorship of a Gosport teenage football competition.

Service planning partnerships have been set up with many agencies across both boroughs and will stand the organisation in good stead for the future.

How we plan to move forward this year

We have several priorities for the coming months as we seek to consolidate our presence in the local community:

- Communicating our vision clearly with our local communities, voluntary groups and partners and actively seeking their involvement with the PCT
- Holding regular board meetings in public and developing a programme to maximise public and patient involvement
- Responding courteously, openly and honestly to all letters of complaint and taking action and learning from these
- Actively supporting Health Scrutiny, the Joint Health Liaison Panel and the development of Local Strategic Partnerships, with local authorities
- Working very closely with the local Patients' Forum
- Developing planning for services on the Gosport Peninsula and in Fareham.

Section 6

Reshaping our services

Patients and carers will be actively involved in decision-making and reshaping our services.

The people who know best whether or not the services we provide are up to standard are our patients, their relatives and carers. Primary Care Trusts have a duty to involve patients and service users in the planning of health care, notably:

- planning health services which we are responsible for providing and/or commissioning
- developing and considering proposals for changes in the way those services are provided
- making decisions that affect the operation of those services.

We are keen to ensure that anyone who wants to have their say can do so and we are looking at ways of developing our patient advice and liaison service to help in this respect. In the past year we have finalised our strategy for patient and public involvement, and this will be our template for ensuring that we encourage as much contact as possible with the people who use our services.

Our progress to date

A number of national initiatives were set out in the NHS Plan for reforming the way in which patients and the public are involved. We have made good progress in implementing these this year, in particular:

- **Patient Advice and Liaison Service (PALS):** a service to ensure that patients and their carers/relatives can access 'on the spot' help in every NHS Trust to quickly resolve problems or assist in negotiating solutions to concerns.
- **Annual patient prospectus:** to strengthen local accountability for health services.
- **Annual Patient Survey:** to help make the NHS more patient-focused.
- **Expert Patient Programme:** to help people living with long term conditions maintain their health and improve their quality of life through self-management courses led by lay tutors.

Further work will be undertaken in the year ahead on two additional initiatives:

- **Reform of the NHS Complaints Procedure:** to develop a procedure that will be more independent and responsive to patients' needs and provide appropriate redress.
- **Copying clinical letters to patients:** to increase patients' involvement in their care/treatment, and to ensure they receive better and timelier information about these matters.

The PCT board has also adopted fully the strategic framework for patient and public involvement, thus indicating its clear commitment to put these themes at the heart of service planning and development, through the Local Delivery Plan and also in other organisational strategies and policies.

How we plan to move forward this year

We know what we want to do over the next five years - to deliver improved services for local people. We also know that we cannot do everything needed within that timescale. We are committed to delivering the targets in the NHS Plan but we recognise that locally we will have other priorities. For this reason it is important that we work with others to develop realistic plans to tackle the priorities that the local community needs.

We are not starting from a blank sheet of paper. Already we have a number of major initiatives that begin to set out our future direction which are at different stages of development:

- The Hampshire and Isle of Wight Healthfit Programme: initiated by the Strategic Health Authority, the programme identifies areas for change in order to deliver sustainable, affordable and effective health services.

- The South East Hampshire Whole Systems Modernisation Project – Fit for the Future: which is what our local health community - that is the three local PCTs (Fareham and Gosport, Portsmouth City and East Hampshire) and Portsmouth Hospitals NHS Trust - intend to do differently together to deliver the targets in the NHS plan.
- Our Local Delivery Plan: this outlines what our PCT will do to deliver the NHS plan targets to meet local needs and how we will achieve financial balance in the next 3 years.
- The Private Finance Initiative (PFI) plan to develop the Queen Alexandra Hospital site as a major centre for specialist secondary care.
- Developing plans for services on the Gosport peninsula and Fareham Community.

We are intending to include local people in developing these plans which will form a major part of our future direction.

To do that we need to continue to refine our approach to patient and public involvement, both formally and informally, and we will be striving to make solid progress this year. We plan to develop our website and use this as an integral part of our developing approach, accepting that access to the internet, though growing, is still not widespread in our communities.

In addition, four key themes for development emerged from the planning workshops that were behind the development of our strategy on patient and public involvement and these themes will continue to influence the next stage of work we undertake.

Patient journey and experience – learning from the experiences people have from being a patient either in our care, or in the care of others (and particularly how different services interrelate.)

User involvement in planning and service development - providing an opportunity for better participation from patient groups, local communities and service users in key decisions about the planning/development of local services.

Community development (incorporating public education) – reflecting the requirement placed upon PCTs and Local Authorities to ensure health improvement issues are integrated into Local Authority Community Strategies and PCT Health Improvement Programmes.

Staff engagement and communication to deliver the patient and public involvement agenda - recognising the key role our staff can play in helping patients, service users, their carers and relatives feel more involved in the care they receive and in the wider work of the PCT.

Community pharmacist Jon Durand helps patients with the new scheme.

Section 7

Closer working

Day to day services will be closely integrated with our partners.

We need to work closely with local authorities and other providers of health and social care services if we are to provide health care that fully meets the needs of patients and service users.

We are fully committed to working with our fellow NHS organisations, Fareham and Gosport Borough Councils, Hampshire County Council, voluntary organisations and a whole host of other agencies to ensure we get the most from every pound invested in health services, but more importantly to ensure that people who seek our help are not hindered by bureaucracy or poor communication between organisations.

Everything we do, from longer term service planning through our Local Delivery Plan, to day to day health care provided to individuals relies on the close cooperation and input from a range of different sources – working together for our future health.

Our progress to date

Our local partners have helped us enormously in establishing our presence as a new NHS organisation in Fareham and Gosport. There is a good history of partnership working in the area which we are keen to continue and there are two significant areas in which the benefits have already been noticeable:

Local delivery plan

We have tried to ensure that as wide a range of organisations as possible have helped us in producing our local delivery plan. Existing service planning networks have been used as a means of engaging and consulting people during the development of the plan and we have had assistance and input from both borough councils, member groups/organisations of the Councils for Voluntary Action in Fareham and Gosport, GPs, consultants, therapists and user representatives.

Those who contributed to the development of the plan will be invited to provide a reference group of local people/stakeholders to support the delivery of actions to implement the targets.

NHS LIFT

NHS LIFT (Local Improvement Finance Trust) is a new way of improving or building new surgeries, health centres, clinics or even community hospitals. It creates a long term partnership between public sector bodies and a private sector developer to work within a geographically defined area. The developer will have the first opportunity to provide and service any buildings which the Public Sector Bodies wish to see developed.

There is scope with LIFT for true partnership working between ourselves, local authorities, individual GP practices, other NHS bodies and even education and the private sector.

Already the PCT is well advanced with plans to rebuild Rowner Health Centre and create new accommodation for one of its GP practices nearby. Additional schemes are being planned and will be explored further once a private developer has been selected (around December 2003).

Other successful examples of joint working

For a long time different organisations have worked together in Fareham and Gosport to address health inequality and improve the health of the local population.

Our work with both borough councils in establishing Local Strategic Partnerships (which bring statutory organisations together to plan services jointly) has already seen some benefit. We are also pursuing a number of initiatives jointly with Hampshire County Council - work on establishing a Children's Trust could see major benefits to the area's child health services: similarly, for older people, the ENHANCE project, which seeks to substantially increase the number and availability of nursing home beds.

Our learning disability service continues to uncover new and innovative ways of effective joint working, particularly with the New Downland Housing Association, to ensure the best possible services for people in their care.

And, our Community Enabling Service has brought together a wide range of local agencies, including voluntary organisations, to help prevent people having to be kept in hospital, to enable them to go home sooner from hospital or to prevent admission in the first place.

There is also much we do locally, both with our fellow primary care trusts in Portsmouth and East Hampshire, and with Portsmouth Hospitals, West Hampshire Trust, Hampshire Ambulance and NHS Direct in planning and delivering services and we have continued the area's long tradition of successful joint working between health agencies in a number of different ways, including winter planning, PFI, pay and conditions of service changes and national service framework implementation.

How we plan to move forward this year

'Working Together for our Future Health' will clearly be the main reference point for our partnership work in the year to come. Several priorities have been identified already:

- Building closer relationships with local authorities and others who provide services
- Developing joint commissioning with Social Services
- Developing services to meet the needs of service users
- Planning service developments in a "joined-up" way
- Developing integrated learning disability community teams
- Enhancing our community enabling service for older people
- Making use of voluntary groups to assist the work of care professionals, particularly with education, support and the promotion of healthy lifestyles.

We will also be keen to see our LIFT proposals take shape with the intention that the next year will provide a start to the building work at Rowner Health Centre and some firm proposals in other parts of the area. We are awaiting results of a planning submission for the Coldeast Hospital site which may enable us to progress our ENHANCE nursing home work with Hampshire County Council.

Members of the Admiral House learning disability team outside their new accomodation.

Section 8

Managing our performance

We will demonstrate that we have clear governance and performance management arrangements in place that meet or exceed required standards.

One of the main strands of work emerging from 'Working Together for our Future Health' is to ensure that we have a sound performance management framework in place to be able to monitor delivery of actions identified against each priority area, and, looking further afield, to ensure we make progress against priorities set out in the Local Delivery Plan.

Organisational management

We have already made good progress in setting up an appropriate organisational management structure. This includes a service planning process which encompasses the development of personal objectives, development plans and performance reviews for each individual member of staff.

Section 9 provides more detail about the way the PCT is organised and section 10 provides information about our performance in terms of better payments practice codes, management costs and the remuneration of directors and senior managers.

Fareham MP Mark Hoban visits the newly refurbished Summervale.

Clinical governance

During the year we have also spent time creating appropriate structures and processes to support clinical governance, including approval of a development plan which brings together the priority clinical governance objectives for the PCT derived from all aspects of our work – primary care, commissioning and provider services. The plan is in line with Commission for Health Improvement expectations and covers: processes for quality improvement, patient experience, staff focus, leadership strategy and planning, and the use of information. An annual report for clinical governance has also been produced.

Our progress to date

As well as establishing the infrastructure outlined in section 9, the PCT has made solid progress in its first full year.

Organisational management

- Development of a three year Local Delivery Plan and annual business plan setting out the organisation's objectives and primary areas of focus.
- Development and endorsement of a full set of organisational policies, procedures and guidelines covering organisational management, health and safety, staff well being and clinical services.
- Production of draft estates and information technology strategies in conjunction with shared estates and IT support services. These will help us assess plans for investment in buildings, equipment and information technology in both the long and short term.

- Research activities: we became a partner in the Portsmouth NHS research and development consortium in July 2002, which helps facilitate research and its management across acute, community and primary care services. The consortium has recently finalised an implementation plan (actions required to ensure quality throughout every aspect of research) and quality assurance manual (defining the criteria for quality research, codes of good conduct, approval of activity and processes by which partners will ensure that codes of good research are met.) The PCT will benefit fully from this work in future and has identified a lead research and development officer to ensure opportunities are exploited.
- Established good initial working relationships with both District and Internal Audit with a view to working more closely together in the forthcoming year.

Clinical governance

- Identification of a clinical governance lead and recruitment to a team to support the development of clinical governance within the PCT. A risk and litigation manager was appointed, along with a lead manager for clinical audit and a clinical governance manager. These roles have altered slightly during the year in that audit is now within the remit of two clinical governance managers, one with a lead in primary care, the other community services.
- A clinical governance committee and a risk management committee were both established and reporting structures for these clarified.
- Significant work has been undertaken with GPs, dentists, optometrists and pharmacists over the year to ensure robust links, identify need and target support.
- Other achievements during the year include:

  - development of a clinical governance framework to engage frontline staff

  - agreement and implementation of a GP appraisal process

  - development of a Patient Environment Action Group, structures and audit teams

  - assessment of progress against controls assurance standards.

How we plan to move forward this year

The need for good management structures and processes to be in place will be important if we are to grow as an organisation and make progress.

We need to ensure we have in place:

- a clear framework of accountability for the development and monitoring of clinical quality
- a published annual review of complaints and comments showing how these have impacted on changes to services
- organisational values which are known and understood by staff and reflected in all the activities of the PCT
- clinical staff who are supported in the maintenance and development of clinical quality with appropriate information, training and supervision.

Work will continue over the year to develop or refine the work undertaken to date in these priority areas.

Section 9

The PCT board and structure

The PCT board

The PCT board decides the overall strategy and policies of the PCT and makes sure they are implemented. It consists of a lay chair and six lay non-executive members. The PCT's chief executive, finance director (deputy chief executive), professional executive committee (PEC – see below) chair and director of public health. A senior nurse and PEC clinical governance lead are also on the board.

It has six key functions, to:

- ensure effective financial stewardship
- maintain high standards of corporate governance and personal behaviour
- appoint, appraise and remunerate senior executives
- set the strategic direction of the PCT on the recommendation of the PEC
- oversee, monitor and correct performance
- ensure the Executive Committee responds to the needs of the community.

The new dining room extension at Gosport War Memorial Hospital.

The Board also has overall responsibility for overseeing progress against the PCT's main objectives. The chief executive, personnel director, finance director, quality lead and chairman of the PEC are tasked with providing formal updates at each board meeting. Quarterly reviews of each service are in place and progress is also monitored through a series of sub-committees:

- Audit and assurance
- Risk management
- Personnel
- Patient and public involvement
- Clinical governance
- Performance monitoring
- Remuneration and terms of service

These committees ensure that the PCT maintains the highest standards in the way it provides care, has integrity in the way it is organised, keeps on top of the delivery of targets and ensures that staff and the community are involved in decision-making.

Professional Executive Committee

Alongside the Board is the Professional Executive Committee (PEC) whose role is to effectively be the 'engine room' of the organisation. This ensures that clinical practitioners are at the heart of all our major decisions. The PEC is chaired by a local GP and oversees, amongst other things, clinical leadership and governance, health improvement matters, commissioning, prescribing, nurse practice development.

A senior management team supports the work of the Board and the executive committee.

PCT board members 2002/2003

Name	Role
Lucy Docherty	Chair
Michael Croucher	Non executive director
Karen Woods	Non executive director
Charlie Childs (1)	Non executive director
Jacky Charman (1)	Non executive director
Anne Stewart (1)	Non executive director
Mary Kilbride (2)	Non executive director
Ian Piper	Chief Executive
Alan Pickering	Finance Director/Deputy Chief Executive
Dr Gordon Sommerville	PEC Chair
Kathryn Rowles/ Noreen Kickham	Director of Public Health
Anne Hollis/ Chris Kelly	Nurse Member
Dr Andrew Paterson	GP-Clinical Governance Lead
*Dr Ian Reid	Medical Director
*Rachael Boyns	Acting Director of Planning
*Fiona Cameron	Operational Director – Quality/Community Services
*Jane Parvin	Personnel Director
*Diane Wilson	Operational Director – Learning Disabilities

* *denotes co-opted members*
(1) *denotes appointed 10 September 2002*
(2) *denotes appointed 1 January 2003*

PEC members

Name	Role
Dr Gordon Sommerville	Chair
Dr Nic Allen	GP Prescribing Lead
Dr Grant Du Feu	GP Health Improvement Lead
Dr Andrew Paterson	GP Clinical Governance Lead
Dr Bob Pennells	GP Commissioning Lead
Chris Kelly	Nurse Member
Anne Hollis	Nurse Member
Patrick Carroll	Occupational Therapist - Intermediary Care Lead
Eilish Costello	Local Pharmaceutical Committee Representative
Dr Ian Reid	Medical Director
Kathryn Rowles	Director of Public Health
Noreen Kickham	Director of Public Health
Ian Piper	Chief Executive
Alan Pickering	Finance Director/Deputy Chief Executive
Nicky Pendleton	Partnership Manager, Social Services
*Fiona Cameron	Operational Director – Quality/Community Services
*Diane Wilson	Operational Director – Learning Disabilities
*Rachael Boyns	Acting Director of Planning

* *denotes co-opted members*

Section 9

The PCT board and structure

The Remuneration and Terms of Service Committee

The remuneration for Board Members and Executive Committee Members was determined by the Remuneration Committee in line with national guidance.

The Remuneration and Terms of Service Committee was set up in 2002. It comprises: the Non-Executive Board Members of the PCT and is chaired by the Chairman of the PCT. The quorum is four members. The Chief Executive, Director of Finance and Head of Personnel attend meetings as required by the Committee but are not in attendance for discussions concerning their own remuneration. The Committee makes arrangements to receive adequate independent advice on remuneration levels elsewhere in the NHS and on trends and developments in areas of benefits and terms and conditions of employment. The Committee co-opts appropriate personnel advisors as non-voting advisory members. The agenda papers for the meeting and minute taking are co-ordinated by the Head of Personnel.

Membership of the Committee

Name	Role
Lucy Docherty	Chair
Jacky Charman	Non executive director
Charlie Childs	Non executive director
Michael Croucher	Non executive director
Mary Kilbride	Non executive director
Anne Stewart	Non executive director
Karen Woods	Non executive director
Ian Piper	In attendance
Alan Pickering	In attendance
Jane Parvin	In attendance

The Audit and Assurance Committee

The Audit and Assurance Committee is a sub-panel of the board. Its role is to provide an objective view of the PCT's financial systems and information. It also ensures that the Board complies with legislation, national guidelines and codes of conduct. Membership comprises:

Name	Role
Michael Croucher	Non executive director (Committee Chair)
Anne Stewart	Non executive director
Karen Woods	Non executive director
Lucy Docherty	In attendance
Ian Piper	In attendance
Alan Pickering	In attendance
Peter Ifold	In attendance
Head of Internal Audit	In attendance
Local Counter Fraud Specialist	In attendance
Audit Manager, Audit Commission	In attendance
District Auditor, Audit Commission	In attendance

Section 10

Financial Report

The PCT met its financial duty to break even on income and expenditure without unplanned financial support in 2002/03. This was our first year of operation and much time and effort was taken up by disaggregating the balances and overheads of the former Health Authority and Community Trust – across the three PCTs in the Portsmouth area.

It was also a year when evidence of service financial pressures in the following areas all became apparent:

(1) rising levels of prescribing expenditure.

(2) specialised placements e.g. continuing healthcare clients.

(3) developing the structure of the PCT so that it was fit for purpose and able to carry out its increasing responsibilities.

Despite these pressures, we were able to identify resources which could be used to offset the overspends. These came mainly from slippage on service improvements/access targets in NHS Trusts, late notification of allocations which could not be committed in 2002/03 and charges for services provided to other PCTs which were in excess of plan.

The experience and learning from 2002/03 will stand us in good stead for dealing with the financial challenges in 2003/04 of meeting NHS Plan targets. The PCT starts the year without a deficit to carry forward, with the benefit of £878K in savings transferred into 2003/04 and a much better understanding of where its financial pressures lie and the opportunities for making sufficient savings to meet its target of £4.382M. The PCT has produced a Local Delivery Plan which identifies how it plans to spend its resources over the next few years and this will form the basis for financial planning for 2003/04.

No significant organisational changes are planned for 2003/04 and the current level of services commissioned for Fareham and Gosport residents will continue.

This is the first year that financial statements for the Fareham and Gosport Primary Care Trust can be provided and as such no comparative figures are available for last year. The PCT has applied standard accounting policies that are disclosed in full within the 2002/03 accounts.

The PCT is also required to achieve the following statutory financial duties:

1) To remain within the notified resource limits.

2) To achieve operational financial balance each year.

3) To achieve full cost recovery on the Provider services.

In addition to the above financial duties, the PCT reports on key performance/control requirements for Directors'/Senior Managers' renumeration, management costs and better payments practice guidance.

These can be found in the Summary Financial Statements section under items 5, 6 and 10 respectively.

Finial Report

Section 10

Financial Report

Financial performance

a) Operational financial balance

The PCTs' performance for 2002/03 was as follows:

	£000
Total net operating cost for the financial year	146,613
Prior Period adjustment for pre-6 March 1995 early retirements	484
Non-discretionary Expenditure	6,108
Operating Costs less non-discretionary expenditure	140,021
Revenue Resource Limit	140,072
Under/(over) spend against revenue resource limit	51
Unplanned brokerage received	0
Operational Financial Balance	**51**

b) Achieving Financial Balance in 2002/03

The PCT did not receive any financial support in 2002/03 in order to achieve breakeven position at 31 March 2003.

c) Breakeven in 2003/04

The following assumptions are included within financial plans to help to achieve breakeven in 2003/04:

Cost Improvement savings	4,382
Brokerage (PCT's only)	0
Land Sales/Capital to Revenue	0
Additional Income	0

d) Provider full cost recovery duty 2002/03

Provider gross operating cost	36,093
less: miscellaneous income relating to provider functions	(19,386)
Net operating cost	16,707
Costs met from PCT's own allocation	17,129
(Under)/over recovery of costs	**(422)**

Summary financial statements

The financial statements shown on the following pages are a summary of the information contained in the full annual accounts. A copy of these accounts can be obtained by contacting the Finance Department (tel: 023 9222 9406) or by writing to the PCT at: Suite 180, Fareham Reach, 166 Fareham Road, Gosport PO13 0FH.

1 Operating Cost Statement for the year/period ended 31 March 2003

	£000	2001/02 £000
Commissioning		
Gross Operating Costs	142,795	0
Less: Miscellaneous Income	(12,818)	0
Commissioner Net Operating Costs	**129,977**	**0**
Providing		
Gross Operating Costs	36,093	0
Less: miscellaneous income	(19,386)	0
Provider Net Operating Costs	**16,707**	**0**
Net Operating Costs before Exceptional Items	**146,684**	**0**
Exceptional (Gain): on write-out of clinical negligence provisions		
Exceptional Loss: on write-out of clinical negligence provisions		0
(Profit)/loss on disposal of fixed assets	(71)	0
Net Operating Costs before interest	**146,613**	**0**
Interest Payable/receivable	0	0
Prior Period Adjustment - pre-6 March 1995 retirements	0	
Prior Period Adjustment - other	0	
Net Operating cost for the Financial Year	**146,613**	**0**

2 Cash Flow Statement for the year ended 31 March 2003

	£000	£000	2001/02
Operating Activities			
Net cash outflow from operating activities		**(141,687)**	0
Servicing of Finance:			
Interest paid	0		0
Interest element of finance leases	0		0
Net cash inflow/(outflow) from servicing of finance		**0**	0
Capital Expenditure			
Payments to acquire intangible assets	0		0
Receipts from sale of intangible assets	0		0
Payments to acquire tangible fixed assets	(1,135)		0
Receipts from sale of tangible fixed assets	357		0
Net cash inflow/(outflow) from capital expenditure		**(778)**	0
Net cash inflow/(outflow) before financing		**(142,465)**	0
Financing			
Net Parliamentary Funding	142,439		0
Other capital receipts surrendered	0		0
Capital grants received	0		0
Capital element of finance lease rental payments	(7)		0
Cash transfers (to)/from other NHS bodies	0		0
Net cash inflow/(outflow) from financing		**142,432**	0
Increase/(decrease) in cash		**(33)**	0

Financial Report

3 Statement of recognised gains and losses for the year ended 31 March 2003

	£000	2001/02 £000
Fixed asset impairment losses	0	0
Unrealised surplus (deficit) on fixed asset revaluations/indexation	4,816	0
Increase in the donated asset reserve and government grant reserve due to receipt of donated and government granted assets	40	0
Reduction in the donated asset reserve and government grant reserve due to depreciation, impairment (loss of economic benefits), and/or disposal of donated and government grant financed assets	(17)	0
Addition/(Reductions) in the General Fund due to the transfer of assets from/(to) NHS bodies and the Department of Health	(713)	0
Additions/(reductions) in "other reserves"	0	0
Recognised gains and losses for the financial year	4,126	0
Prior Period Adjustment - pre-6 March 1995 retirements	0	0
Prior period adjustment - other	0	0
Gains and losses recognised in the financial year	**4,126**	**0**

4 Balance Sheet as at 31 March 2003

	£000	@ 31st March 03 £000	Opening Balances 1st April 02 £000
Fixed Assets			
Intangible assets	0		0
Tangible assets	35,343		30,648
		35,343	30,648
Current Assets			
Stocks and work in progress	9		8
Debtors	5,353		4,365
Cash at bank and in hand	39		13
Total Current Assets		**5,401**	4,386
CREDITORS: Amounts falling due within one year		(12,595)	(9,926)
Net Current Assets/ (Liabilities)		**(7,194)**	(5,540)
Total Assets Less Current Liabilities		**28,149**	25,108
CREDITORS: Amounts falling due after more than one year		**(242)**	(230)
PROVISIONS FOR LIABILITIES AND CHARGES		**(2,707)**	(1,018)
Total Assets Employed		**25,200**	23,860
FINANCED BY:			
Capital and Reserves			
General Fund		**20,561**	23,602
Revaluation reserve		**4,323**	0
Donated asset reserve		**316**	258
Government Grant Reserve		**0**	0
Other reserves		**0**	0
Total Capital and Reserves		**25,200**	23,860

5 Salary and Pension entitlements of senior managers

Name	Title	Age	Salary (bands of £5000)	Other Renumeration (bands of £5000)	Golden hello/ compensation for loss of office	Benefits in Kind	Real increase in pension at age 60 (bands of £2500)	Total accrued pension at age 60 at 31/3/2003 (bands of £5000)
		£000	£000	£000	£000	£000	£000	£000
L Docherty	Chair	47	15 - 20	0	0	0	0	0
M Croucher	Non Executive Director	56	5 -10	0	0	0	0	0
K Woods	Non Executive Director	42	5 -10	0	0	0	0	0
K Childs	Non Executive Director	52	0 - 5	0	0	0	0	0
J Charman	Non Executive Director	44	0 - 5	0	0	0	0	0
A Stewart	Non Executive Director	*	0 - 5	0	0	0	0	0
M Kilbride	Non Executive Director	68	0 - 5	0	0	0	0	0
Dr.G.Sommerville	Chair Executive Committee	48	25 - 30	0	0	0	0	0
Dr.B.Pennells	Executive Committee member	55	5 - 10	0	0	0	0	0
Dr.F. de Feu	Executive Committee member	45	5 - 10	0	0	0	0	0
Dr.N.Allen	Executive Committee member	40	5 - 10	0	0	0	0	0
P Carroll	Executive Committee member	40	5 - 10	0	0	0	0 - 2.5	0 - 5
M Smith	Head of Primary Care	54	5 - 10	0	0	0	0 - 2.5	20 - 25
I Piper	Chief Executive	42	85 - 90	0	0	0	5 - 7.5	20 - 25
A Pickering	Acting Chief Executive	53	75 - 80	0	0	0	2.5 - 5	35 - 40
P Ifold	Acting Director of Finance	48	50 - 55	0	0	0	2.5 - 5	20 - 25
K Rowles	Director of Public Health	43	55 - 60	0	0	0	0 - 2.5	10 - 15
N Kickham	Director of Public Health	*	35 - 40	0	0	0	2.5 - 5	5 - 10
A Hollis	Nurse Member	52	5 -10	25 - 30	0	0	0 - 2.5	5 - 10
C Kelly	Nurse Member	*	5 - 10	0	0	0	n/a	n/a
Dr.I.Reid	Medical Director	51	5 - 10	0	0	0	n/a	n/a
Dr. A Paterson	GP Clinical Governance	45	5 - 10	0	0	0	0	0
F Cameron	Operational Director for Quality and Community Services	44	50 - 55	0	0	0	0 - 2.5	10 - 15
D Wilson	Operational Director for Learning Disabilities	43	45 - 50	0	0	0	0 - 2.5	15 - 20
P Rimmer	Director of Planning	44	50 - 55	0	0	0	2.5 - 5	10 - 15
R Boyns	Acting Director of Planning	32	40 - 45	0	0	0	0 - 2.5	5 -10
J Parvin	Personnel Director	39	40 - 45	0	0	0	0 - 2.5	2.5 - 5

* Consent to disclosure withheld

Board members listed above all served for the period 1st April 2002 – 31st March 2003, except the following:-
Non-executive directors: K. Childs, A. Stewart and J. Charman (appointed September 2002) and M. Kilbride (January 2003.)
Public health director (job share post): N. Kickham/K. Rowles (appointed on a job share basis, July 2002.)
K. Rowles also holds another senior management post within the PCT.

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6 Management costs

The PCT has complied with the NHS Chief Executive's letter of 11 April 2002 regarding NHS Manager's pay.

Management costs	£3,016,000
Weighted Fareham and Gosport Population	165,675
Patients registered with Fareham & Gosport GPs	194,700
Management cost per head of weighted population	**£18.20**
Management cost per head of registered patients	**£15.49**

7 Post Balance Sheet Events

In July 2003, the PCT formally transferred title and responsibility for 17 properties to New Downland Housing Association. The value of the assets (based on a derived open market valuation prior to the date of transfer) was £3,838,000.

In the same month the PCT took ownership of land and operational health service properties on the site of the former Coldeast Hospital in Fareham with a total of £11,220,707. This transfer includes an area set aside for a new community hospital. As a transfer of assets within the Department of Health, no cash funding is required.

8 Fareham & Gosport Trust Declaration Of Interests Primary Care

Forename	Surname	Date	Signed	Directorships	Ownership companies	Majority or controlling shareholdings in organisations likely or possibly seeking to do business within 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 or other body contracting for NHS services
Karen	Woods	10.03.2003	✔	Director of Highbury College subsidiary company responsible for student accommodation	Owner/Manager of Karen Woods Journalism & Communications. Relevant clients include University of Southampton, several housing associations, police authority. Member of Southampton & Fareham chamber of commerce	None	Chair of governors, Highbury College (Runs health and social care courses). Partner Graham Heaney is vice-chair of Portsmouth council's health scrutiny committee	None
Nicole	Pendleton	15.04.2003	✔	None	HGM (Home Garden & Marine) Maintenance. Husband's company	No	Chairman of trustees. Partners. Charity number 2516146	No
Margaret	Smith	15.04.2003	✔	Nil Return	Nil Return	Nil Return	Nil Return	Nil Return
Jacky	Charman	15.03.2003	✔	Hardway Estate Management Company LTD, Countrywide Property Management, 5 Sovereign Gate, Portsmouth, PO1 4BL	N/A	N/A	N/A	Employed by Gosport voluntary action. Working in Community Development in Rowner, Gosport
Kathryn	Rowles	25.03.2003	✔	No interests to declare	No interests to declare	No interests to declare	No interests to declare	No interests to declare
Noreen	Kickham	25.03.2003	✔	No interests to declare	No interests to declare	No interests to declare	No interests to declare	No interests to declare
Anne	Hollis	11.03.2003	✔	No	No	No	No	No
Michael	Croucher	10.03.2003	✔	None	None	None	None	None
Christine	Kelly	10.03.2003	✔	N/A	N/A	N/A	N/A	Employed by Dr Grocok & Partners. PN trainer
Mary	Kilbride	07.03.2003	✔	None	None	None	None	None

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Financial Report

Fareham & Gosport Trust Declaration Of Interests Primary Care

Forename	Surname	Date	Signed	Directorships	Ownership companies	Majority or controlling shareholdings in organisations likely or possibly seeking to do business within 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 or other body contracting for NHS services
Anne	Stewart	13.03.2003	✔	None	None	None	Vice president Fareham & Gosport Parkinson's Disease Society	None
Dr Andrew	Paterson	10.03.2003	✔	None	None	None	Chairman, Wessex GP Educational Trust	Partner, The Stubbington Medical Practice, Stubbington, Fareham, Hants
Jane	Parvin	08.03.2003	✔	None	None	None	None	None
Ian	Piper	10.03.2003	✔	None	None	None	Chair of Portsmouth community safety partnership.	None
Dr Richard Ian	Reid	07.03.2003	✔	None	None	None	None	None
Rachael	Boyns	10.03.2003	✔	None	None	None	None	None
Fiona	Cameron	07.03.2003	✔	None	None	None	None	None
K	Childs	07.03.2003	✔	Nil	Mead web services (Internet Design Business) – Part time	N/A	Nil	Nil
Pat	Rimmer	07.03.2003	✔	Chairman, Red Lodge Swimming Pool, Southampton (Registered charity)	None	None	None	None
Alan	Pickering	07.03.2003	✔	None	None	None	None	None
R	Pennells	16.04.2003	✔	None	None	None	None	None
E	Costello	16.04.2003	✔	None	None	None	None	None
Grant	Dufeu	16.04.2003	✔	None	GP partnership	GP partnership	None	None
Patrick	Carroll	16.04.2003	✔	None	None	None	None	None

9 Related Party Transactions

Fareham & Gosport Primary Care Trust is a body corporate established by order of the Secretary of State for Health.

During the year the following material related party transactions took place between Fareham and Gosport Primary Care Trust and Board Members or key management staff:

	Payments to Related Party £	Receipts from Related Party £	Amounts owed to Related Party £	Amounts due from Related Party £
Dr Nick Allen - Professional Executive Committee Member				
Payments to Dr NJ Allen for Ultrsound Service	34,608			
Payments to Dr NJ Allen for OOH	1,724			
Payments to Dr Wolpe & Partners for Discretionary GMS	134,409			
Payments to Dr Wolpe & Partners for Non-Discretionary GMS				
Payments to Dr Wolpe & Partners for Prescribing Incentive Schemes	6,229			
Payments to Dr Wolpe & Partners for Access & Enhanced	6,531			
Payments to Dr Wolpe & Partners for OOH	6,340			
Payments to Dr Wolpe & Partners for Locum Cover for PEC Meetings	4,644			
Dr Gordon Sommerville - Professional Executive Committee Member				
Payments to Dr GP Sommerville & Partners for Access & Enhanced	6108			
Payments to Dr GP Sommerville & Partners for Locum Cover for PEC Meetings	4,933			
Payments to Dr GP Sommerville & Partners for Discretionary GMS	159,531			
Dr Robert Pennells - Professional Executive Committee Member				
Payments to Dr R Pennells and Partners for Discretionary GMS	213,151			
Payments to Dr R Pennells and Partners for Locum Cover for PEC Meetings	9.204			
Payments to Dr R Pennells & Partners for Access & Enhanced	8,900			

The Department of Health is regarded as a related party. During the year Fareham and Gosport Primary Care 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 viz:

Hampshire and Isle of Wight Strategic Health Authority, Portsmouth City Primary Care Trust East Hampshire Primary Care Trust, Portsmouth Hospitals NHS Trust, Mid Hampshire Primary Care Trust, Eastleigh and Test Valley Primary Care Trust, Southampton City Primary Care Trust.

The Primary CareTrust has had transactions in the year with Hampshire County Council amounting to £8,040,000 and Portsmouth City Council amounting to £3,149,000 in respect of learning disabilities, mental health and community services.

Three members of the Board represent the PCT on the Charitable Funds sub-committee hosted by Portsmouth City PCT. There were no material related party transactions with the Charitable Funds during the year.

10 Better Payment Practice

The PCT aims to pay non-NHS creditors within 30 days of receipt of goods or a valid invoice (whichever is the later) unless other terms have been agreed. The measure of compliance is shown in the table below as per note 5.1 in the accounts.

Better Payment Practice Code - measure of compliance

	Number	£000s
Total bills paid in the year	13,203	19,913
Total bills paid within target	12,458	17,200
Percentage of bills paid within target	**94.36%**	**86.38%**

11 Value for money

During 2002/3 the PCT needed to reduce spending through cash releasing efficiency savings in order to break even on income and expenditure.

The target for these savings was £2.5m in the financial plan for the year. In practice the PCT achieved its financial duty to break even at 31st March 2003 by a range of measures to manage its resources effectively.

These included:

- Incentive schemes for prescribing GPs
- Requiring NHS trusts which provide services to accept some of their cost pressures would be met through greater efficiency
- Requiring the PCT's own service directors (community services and services for those with a learning disability) to make savings within their budgets.

In addition, prudent use of allocations received from the Department of Health so that any slippage on planned service developments were identified throughout the year.

12 Income generation

The PCT undertakes no income generation activity.

13 Independent Auditors' Report to the Directors of Fareham and Gosport Primary Care Trust on the Summary Financial Statements

I have examined the summary financial statements set out on pages 29 - 39.

This report is made solely to the trustees of Fareham and Gosport & South East Hampshire Charitable Fund in accordance with Part II of the Audit Commission Act 1998 and the Charities Act 1993 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 trustees are responsible for preparing the Annual Report. My responsibility is to report to you my opinion on the consistency of the summary financial statements with the statutory financial statements. I also read the other information contained in the Annual Report and consider the implications for my report if I become aware of any misstatements or material inconsistencies with the summary financial statements.

Basis of opinion

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

Opinion

In my opinion, the summary financial statements are consistent with the statutory financial statements' of the Portsmouth & South East Hampshire Charitable Fund for the year ended 31 March 2003 on which I have issued an unqualified opinion.

Signature

Code A

Julia Edwards

29/8/03

Audit Commission, North Wing, Southern House, Sparrow Grove, Otterbourne, Winchester, SO21 2RU

Section 10

Financial Report

14 Statement of Director's Responsibility in Respect of Internal Control

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 objectives, and for reviewing its effectiveness. The system of internal control is designed to manage rather than eliminate the risk of failure to achieve these objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing risk management process designed to identify the principle risks to the achievement of the organisation's objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively and economically. The system of internal control is underpinned by compliance with the requirements of the core Controls Assurance standards.

- Governance
- Financial Management
- Risk Management

As Accountable Officer, I also have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control has taken account of the work of the executive management team within the PCT who have responsibility for the development and maintenance of the internal control framework, and of the internal auditors. I have also taken account of comments made by external auditors and other review bodies in their reports.

The assurance framework is still being finalised and will be fully embedded during 2003/04 to provide the necessary evidence of an effective system of internal control. The actions taken so far include:

Risk Management

- The PCT Risk Management Committee was established in July 2002 as a sub-committee of the Board. The minutes are shared with the Clinical Governance Committee, Audit Committee, Internal Audit, Strategic Health Authority and the PCT Board.
- The PCT's Risk Management Strategy was formally approved by the PCT Board at the March 2003 meeting.
- The Board receives a quarterly Quality Report, detailing risk event trends, significant risks, and a status update on complaints and legal claims.
- The organisation has in place reporting mechanisms providing risk event trends and significant risks to the Board, Divisional Review and the Health and Safety Committee.
- The Risk Event reporting process is supported by the Board approved 'Reporting and Reviewing Risk Events Policy'.
- In July 2002 the PCT introduced a new Risk Management database which records all risks identified at ward/service level.

- The PCT has participated in benchmarking with other PCTs through the Controls Assurance process.
- Links with neighbouring PCTs, Acute Trusts and mental health trusts have been forged through the Risk Network Group.

Controls Assurance

- The organisation has undertaken a self-assessment exercise against all relevant Controls Assurance standards.
- A substantial level of compliance was achieved in the Core Standards - Governance 90%, Financial Management 86%, and Risk Management 76%.
- Action plans have been developed to improve levels of compliance, and implementation will be monitored by the Risk Management Committee.

Assurance Framework

- The Board has received a presentation on the Assurance Framework - Board Agenda document, and the finance director is the lead director with responsibility in embedding the Assurance Framework into the PCT's systems and frameworks.

In addition to the actions outlined above, in the coming year it is planned to:

Risk Management

- Introduce Risk Management training at induction **(Qtr 1, 2003/04)**
- Introduce Complaints training at induction **(Qtr 1, 2003/04)**
- Review the effectiveness of the Risk Management Committee **(Qtr 2, 2003/04)**
- Annual Risk Management Report to the Board **(Qtr 2, 2003/04)**
- Introduce Risk Awareness training for key staff **(Qtr 4, 2003/04)**
- Participation in benchmarking with neighbouring PCTs, Acute Trusts and Mental Health Trusts **(Qtr 4, 2003/04)**
- Review the PCT's Risk Management Strategy **(Qtr 4, 2003/04)**

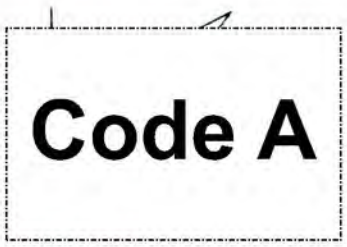
Controls Assurance

- Progress against the Controls Assurance action plans will be monitored at six monthly intervals though the Lead Directors reporting to Risk Management Committee . **(Qtr 3, 2003/04)**

Financial Report

Assurance Framework

- The organisation's principle risks will be identified through formal risk management processes, and will then be mapped to the organisation's objectives, and evaluated using standard criteria. **(Qtr 3, 2003/04)**
- Action plans will be developed, identifying key controls designed to mitigate the principle risks **(Qtr 3, 2003/04)**
- Identification and evaluation of the range of assurances relating to the operation of key controls **(Qtr 3, 2003/04)**
- Implementation of a comprehensive risk register to support the above activities **(Qtr 4, 2003/04)**
- Development of detailed Risk Management Procedures to support the above activities **(Qtr 4, 2003/04)**
- Establishment and implementation of clear criteria for reporting to the Board on identified risks, gaps in the Assurance Framework or gaps in control **(Qtr 3, 2003/04)**
- Establishment and monitoring of action plans to take corrective action where there are gaps in assurance or gaps in controls **(Qtr 3, 2003/04)**
- Implementation of training on risk issues to reflect the needs of the organisation **(Qtr 4, 2003/04)**

Signed 

Chief Executive Officer
(on behalf of the board)

Date 16/7/03

Fareham and Gosport Primary Care Trust
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