Foreword

This has been an historic period for the Nuffield Orthopaedic Centre. In February 2011 the Trust Board took the decision that the NOC should merge with the Oxford Radcliffe Hospitals Trust to form a new acute organisation for Oxfordshire. The decision was not taken lightly, as the NOC has a long and impressive heritage as an independent organisation. However, the clinical and academic synergies between the NOC and the ORH are significant, and together we will create the opportunity for a strong academic Foundation Trust for the populations of Oxfordshire and beyond. The next few years will be particularly challenging for the NHS, and we believe the important services we provide for our patients will best be sustained within the resilience of a larger acute organisation.

There will be a new name for the integrated organisation, but the NOC will maintain its name for its hospital site and range of services. The merger is due to be complete by the autumn of 2011. The new, enlarged organisation will then seek Foundation Trust status by 2013.

Our staff have worked tirelessly throughout, despite the uncertainty about the Trust’s future direction. Ensuring that our patients continue to receive the high standard of care and treatment they deserve has always been their priority. Their commitment and dedication is what makes the NOC a special place and the Board would like to take this opportunity to pay tribute to the professionalism of all of our staff, and to thank them for their continued support.

The Trust also said goodbye to Joanna Foster CBE who retired at the end of 2010, having served the maximum tenure allowed as Trust Chair. Joanna led the Trust through a decade of significant change but also a period of major achievement. The Board is grateful for her supportive leadership.

As for ‘business as usual’ you will read in the pages of this report that the Trust has performed extremely well during the year both financially and operationally, reporting a surplus of just over £800k (before technical adjustments) for the year and meeting key performance targets, including maximum waiting times of 18 weeks and minimal infection rates. Cost improvement programmes to increase efficiency were achieved and the Trust is pleased to be starting a new chapter in its history in such good shape.

Developments also continue on the research front with a highly successful year for our Biomedical Research Unit, a collaboration between the Trust and Oxford University’s Nuffield Department of Orthopaedic, Rheumatology, and Musculoskeletal Science. A new Clinical Trials Unit has been built and opened in May 2011. The Trust has approved the construction of the second phase of the Botnar Institute of Musculoskeletal Science on the site, funded by the fantastic work of the NOC Appeal; work will begin in the summer of 2011. These developments, together with the exciting news that the famous Kennedy Institute of Rheumatology is to relocate to Oxford, will create the facility and capacity for a level and quality of research into musculoskeletal disease which will be unparalleled anywhere in the country or indeed the world. The NOC is proud to be supporting these ventures and the exciting opportunities for new treatments they offer patients.

2011 heralds new beginnings for the NOC; new opportunities and new challenges, both in equal measure. Our history and record of achievement can give us confidence that we will continue to maximise those opportunities and rise to those challenges, because that is what the NOC has, and will always be about.

Jan Fowler
Chief Executive

Christopher Goard
Chair
Who we are, what we do

Introduction

The Nuffield Orthopaedic Centre is an internationally recognised centre of excellence, providing care for patients with disabling or long-term musculoskeletal conditions and those suffering neurological disability. We serve the people of Oxfordshire and surrounding counties with many patients coming from further afield across the UK and abroad for specialist treatment.

Each year, more than **20,000** people are referred to the hospital with a range of conditions affecting bones and joints. Patients needing a new hip, shoulder or knee, or those with severe back pain or sports injuries are just some of the conditions treated on a regular basis. Specialist services include children’s rheumatology services, limb reconstruction, spinal surgery and the treatment of primary malignant bone tumours and sarcomas.

The hospital undertakes innovative rehabilitation work at its renowned **Oxford Centre for Enablement** (OCE) to assist those who have lost limbs, suffered a deformity, or who have neurological and neuromuscular problems, for example, through stroke or head injury.

Our modern, purpose-built hospital enables us to deliver exceptional patient safety and infection control standards and maintain our reputation for having among the lowest hospital acquired infection rates in the country.

As a teaching hospital NHS Trust, the NOC provides a large number of placements and fellowships for student doctors, nurses and other healthcare professionals in training, who benefit from the expertise and experience of some of the most skilled clinicians in the world. As an organisation hosting research into musculoskeletal disorders, the Trust has an international reputation and houses many of the country’s leading academics and researchers in this field.

Our specialist services not routinely provided elsewhere include:

- specialist paediatric rheumatology services;
- the treatment of primary malignant bone tumours and chronic bone infections for which the only other option would be amputation;
- complex disorders such as spinal deformity and developmental dysplasia of the hip;
- limb reconstruction and bone infection;
- specialist rehabilitation following stroke, brain injury or limb amputation.

Around 10 million people are affected by musculoskeletal problems in the UK.
Our clinical services

Each year around 20,000 people are referred to the hospital from across the UK. We perform:
• 750 knee replacements
• 670 hip replacements
• 1,400 arthroscopies

The hospital delivers a wide range of orthopaedic services including hip and knee replacements and shoulder, hand, foot and ankle surgery.

Each year, more than 3,500 patients attend our Oxford Centre for Enablement (OCE) for specialist rehabilitation following stroke, head injury or limb amputation.

OCE has a 33-bed unit for inpatient care and runs an outpatient service where patients can be seen in their own homes or peripheral clinics.

We offer:
• Same day MRI – where appropriate, patients are able to have MRI scans when attending outpatient appointments.
• Operating theatres running six days a week with MRI facilities running seven days a week and in the evenings.
• Additional outpatient clinics on Saturdays and in the evenings.
• Same day admission for your operation – on average, more than 70% of our patients are able to come to hospital that day for their operation.

The NOC’s clinical services:

Musculoskeletal – bone and joint conditions
• Orthopaedic treatment and surgery.
• Rheumatology including children’s rheumatology and sports medicine service.
• Metabolic medicine for bone conditions such as osteoporosis.
• Chronic pain management with a back pain service.
• Bone Infection Unit.
• Children’s unit providing routine and specialist orthopaedic services to patients under 16.

Enablement – services for people with disability
• Early to late phase neurological rehabilitation and disability management.
• A full range of equipment and adaptations including aids to communication and specialist postural management.
• Wheelchair, orthotics and prosthetic services.
• Speech and language therapy.
• Specialist rehabilitation following stroke, brain injury or limb amputation.

Supporting services:
• Therapy services including physiotherapy, occupational therapy, and clinical psychology
• Diagnostic and interventional radiology
Our future direction

Our mission:
To relieve pain and suffering caused by long-term or disabling bone, joint or neurological conditions.

Our vision:
To be the leading provider in the country of expertise in musculoskeletal diseases and neuro-rehabilitation. We aspire to deliver exceptional clinical outcomes, exceptional levels of patient satisfaction, and innovative world-ranking research, teaching and training.

Over the past few years there has been a detailed review of the NOC’s strategic future and its viability as an independent NHS Trust. The challenges facing the NHS in coming years are unprecedented and the local NHS system has been, and will continue to be, under significant financial pressure.

The hospital Trust Board’s aim has always been to secure the future development of the NOC’s services for the benefit of our patients and the wider health system. We are a strongly performing Trust in recurrent surplus and this annual report highlights our high performance and many successes both financially and in service delivery. While anticipated income reductions make it unlikely that we will meet Government requirements to achieve Foundation Trust status as stand-alone hospital, our Board of directors and staff have recognised an opportunity to create a new acute healthcare trust for Oxfordshire which will deliver greater benefits in care and treatment for our patients.
Uniting with the Oxford Radcliffe Hospitals NHS Trust

In February 2011, the Boards of the NOC and the Oxford Radcliffe Hospitals (ORH) NHS Trust agreed to combine their services into a single Trust which will be given a new name.

The merger will create an enlarged acute Trust for Oxfordshire that is able to achieve enhanced patient care and also provide the financial and operational stability which is necessary to achieve Foundation Trust status in line with Government requirements.

The NOC Board is confident that the merger, expected to be completed by autumn 2011, will provide for greater resilience and security for NOC services, strengthen links to clinical and academic excellence, and provide the best clinical infrastructure for NOC services.

The Nuffield Orthopaedic Centre will continue to operate on its current site as a specialist hospital providing a range of musculoskeletal and rehabilitation services within the new overarching NHS Trust.

The benefits

The main purpose of the merger is to develop a strong academic base from which to deliver better patient care and ensure patients receive access to the best treatments available. Both Trusts already have strong research partnerships and integration will strengthen the links between academic research, teaching and training and clinical service delivery.

Five main areas have been identified in which integration will benefit the populations served by the new Trust:

- **Patient outcomes and experience** – Integration will enable improvements to pathways that currently cross Trust boundaries, identify the best treatment options more quickly and help overcome some of the barriers that exist when organisations are working separately.
- **Patient safety** – An ageing population means that often patients have complex needs which require treatment in a number of service areas. Continuity of care will be easier to deliver in a merged organisation where joint working across service boundaries is the norm.
- **Education and research** – Integration will maximise the opportunity of delivering innovation through translational research with our University partners. Clinical research, that delivers rapid benefits to patients through clinical trials and advances in new treatments, is of major importance.
- **Specialist services** – Both the ORH and the NOC currently offer a range of specialist services that are not widely available in the UK and attract patients from beyond Oxfordshire. The integration offers a potential to grow these services so that more patients can benefit from the expertise Oxford's hospitals have to offer.
- **Staff development** – Integration will enable more opportunities for career development, shared training programmes and a broader range of experience across different specialties. It will ensure Oxford continues to attract the best candidates for clinical posts and support staff retention.
Our healthcare market

The Nuffield Orthopaedic Centre supports a population of 2.9 million drawn from Oxfordshire and the surrounding counties of Buckinghamshire, Berkshire, Wiltshire and Gloucestershire. The high proportion of specialist work that is carried out at the NOC means that a comparatively high number of patients come from these surrounding counties and the broader south and centre of England, followed by a significant proportion from across the remainder of the UK and overseas.

In Oxfordshire, the population is expected to grow to 655,000 by 2013. NHS Oxfordshire (Primary Care Trust) is the main commissioner of healthcare services for this local population in partnership with the Health and Social Care directorate at Oxfordshire County Council.

Nationally, the NHS is undergoing substantial change and reform and is required to make productivity savings of £20 billion over the next four years. Under the reforms, the current local and regional oversight bodies of primary care trusts and regional strategic health authorities will be abolished.

Our future as part of a combined hospital Trust with the Oxford Radcliffe Hospitals NHS Trust will involve working with new GP consortia who will commission hospital services for their patients. In Oxfordshire, the 82 GP practices have formed the ‘Oxfordshire GP Consortium’ which will decide on local health priorities and deliver services accordingly.

Working with our NHS partners

As financial resources become increasingly scarce within the NHS, it is more important than ever to collaborate as a health system. It is anticipated that savings of up to £240 million will need to be made across our local health economy over the next four years.

In its “NHS Oxfordshire Strategic Plan 2009-2013”, NHS Oxfordshire primary care trust (PCT) recognises the need to transform healthcare delivery with primary, secondary, community and social care partners to meet these funding challenges.

We are working closely with the PCT and our Oxfordshire health and social care partners as part of the Creating a Healthy Oxfordshire programme (CaHO). The aim is to develop more community based services which provide better pathways of care to hospital services, so that admissions to hospital are reduced where clinically appropriate. This will ensure that only those patients who need hospital treatment come to hospital and more treatments can be provided nearer to patients’ homes.
Our guiding principles for success

INNOVATION – RESPECT – CARE – COMPASSION

The well being of every patient and member of staff is central to our work. Below are the principles that guide us and define our mission.

As always, our focus is on the patient experience and we strive to consistently capture patient feedback and views to ensure that the organisation continues to deliver optimum treatment outcomes and delivers ‘Care with Respect and Compassion’.

Our principles and values are aligned with the NHS Constitution and such shared values ensures the NHS operates with a common purpose and achieves shared aspirations.

See www.constitution.nhs.uk/south_central

Throughout this annual report we hope to demonstrate how we are taking account of the Constitution in our actions and decisions to deliver the highest quality of patient care.

The NOC Values

Respect & Compassion
- We respond with humanity and kindness, caring for patients as individuals.
- We value openness and integrity in all aspects of the care we deliver.
- We value cultural diversity and respect everyone’s aspirations and commitments in life.

Quality of Care
- We value the trust that people place in us to provide safe care.
- We value high quality and professional healthcare service that makes best use of our resources and skills for the benefit of our patients.

Innovation and Learning
- We value teaching and training, investing in the learning of our staff.
- We value our tradition of excellence through innovation, supporting research into new developments and techniques to benefit clinical practice.
- We will strive for continuous improvement through effective service transformation.

Engagement and Participation
- We value our patients’ views and seek to involve them in decisions that affect them.
- We will meet the diverse needs of our patients and stakeholders by ensuring equal access to our services.
- We value and engage with our staff, from the daily running of the services to longer term developments.
A measure of our success!

Quality and safety

The Nuffield Orthopaedic Centre is registered with no conditions by the Care Quality Commission to provide health services. The Trust was registered in the first wave of licences in March 2010 as part of a new system for regulating standards in the NHS.

The Trust is governed by a regulatory framework set by the Care Quality Commission (CQC) which has a statutory duty to assess the performance of healthcare organisations. The CQC requires that hospital trusts are registered with the CQC and therefore licensed to provide health services.

The CQC provides assurance to the public and commissioners about the quality of care through a system of monitoring a trust’s performance across a broad range of areas to ensure it meets essential standards. The CQC assessors and inspectors frequently review all available information and intelligence they hold about a hospital.

The regulations are grouped into six key areas, each of which have a number of expected outcomes against which the organisation is measured.

Essential standards:
- Involvement and information on services.
- Personalised care, treatment and support.
- Safeguarding and safety.
- Suitability of staffing.
- Quality and management.
- Suitability of management.

The CQC expects compliance at varying levels across all these standards and focuses on outcomes to measure how well these standards are being met, with particular emphasis on the views and experiences of people who use the services.

Patients can be assured that the Nuffield Orthopaedic Centre continues to be registered with the CQC with no conditions. This reflects our continued high standards in delivering patient care and clinical services.
Infection prevention and control

Throughout 2010/11 the Infection Prevention and Control Team in partnership with staff has driven forward safer practices in order to minimise ‘preventable infections’. The table below indicates the small number of cases of Healthcare Associated Infections (HCAs) over the past three years.

<table>
<thead>
<tr>
<th>Year</th>
<th>MRSA bacteraemia</th>
<th>Clostridium difficile</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008/09</td>
<td>1</td>
<td>13</td>
</tr>
<tr>
<td>2009/10</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>2010/11</td>
<td>1</td>
<td>7</td>
</tr>
</tbody>
</table>

The number of HCAs in 2010/11 is set against an upper limit of no more than:

- 1 case of MRSA
- 9 cases of C.diff

Clean bill of health following CQC inspection

In March 2011 the hospital received a clean bill of health for its infection control practices following an unannounced inspection by the Care Quality Commission who commended the Trust for achieving high levels of hygiene and cleanliness throughout the site.

The Care Quality Commission assesses how well the Trust is meeting the Department of Health standards and national targets including hygiene and cleanliness.

The Trust ensures regular inspections of cleanliness in all patient areas and in August 2010 introduced a new range of cleaning wipes to achieve further reductions in HCAs such as MRSA and Clostridium difficile. The new wipes are able to kill a wider range of pathogenic hospital organisms and are used for cleaning and disinfection of surfaces and equipment and cleaning of commodes, hard surfaces and equipment in suspected or proven Clostridium difficile cases.

Hand hygiene compliance, audits, training

It is recognised that good hand hygiene reduces infection rates. Hand hygiene audits are carried out on a weekly basis to check healthcare workers clean their hands in accordance with Trust policy. A consistently good level of compliance has been achieved through regular feedback to clinical staff and validation of results by staff visiting other areas. High levels of compliance with hand hygiene training have been achieved through a combination of clinically based and structured training sessions.

Sharps Injury Prevention

Strategies to improve staff safety for the prevention of sharps injury such as needles include implementation of safety needles for blood collection. Further developments focus on preparation for the implementation of the EU sharps directive to achieve the safest possible working environment by preventing injuries to workers caused by all medical sharps and protecting workers at risk.

Flu Prevention

In response to the impact of seasonal ‘flu a team of dedicated nurses provide an immunisation programme for frontline staff, achieving a good overall uptake. The delivery of a flexible and responsive immunisation programme provides protection for staff against ‘flu and ensures ‘flu is not passed on to a patient who may be vulnerable to severe illness if infected. The immunisation programme also helps reduce staff absence from work due to sickness.

To try to reduce the spread of ‘flu, the Catch it, Bin it, Kill it campaign was launched locally in the hospital to remind people to practice good respiratory hygiene and hand hygiene.

Flu immunisation programme for staff

<table>
<thead>
<tr>
<th>Staff group</th>
<th>Number in group</th>
<th>Number immunised</th>
<th>% immunised</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nursing and Therapies</td>
<td>384</td>
<td>262</td>
<td>68%</td>
</tr>
<tr>
<td>Admin and Clerical</td>
<td>231</td>
<td>132</td>
<td>57%</td>
</tr>
<tr>
<td>Medical</td>
<td>102</td>
<td>52</td>
<td>51%</td>
</tr>
<tr>
<td>Other</td>
<td>229</td>
<td>49</td>
<td>21%</td>
</tr>
<tr>
<td>Total</td>
<td>946</td>
<td>495</td>
<td>52%</td>
</tr>
</tbody>
</table>
Delivering excellent standards

In 2010/11 the Trust met the following national targets:

- Seven cases of Clostridium difficile within an annual upper limit of 9.
- One case of MRSA within an annual limit of 1.
- Maximum wait of 2 weeks for 100% of cancer urgent referrals and breast symptomatic referrals.
- Maximum 31 day wait from decision to the start of treatment for all cancer modalities including anti cancer drugs and surgery.
- Maximum 62 day wait from urgent referral to treatment for all cancers.
- Less than 0.8% of operations cancelled on the day.

Achieving the 18 week standard

We strive to ensure our patients receive their hospital treatment within 18 weeks of being referred to our hospital. We are continuously working to reduce unnecessary delays and in 2010/11 achieved the following waiting times targets:

- **95%** of patients who didn’t need to be admitted to hospital for treatment were seen with 18 weeks.
- **90%** of patients admitted to hospital received their treatment or operation within **18 weeks** and 95% were seen within 28 weeks.
- **95%** of patients on an incomplete pathway awaiting a decision on their treatment waited 36 weeks or less.

The 18 week rule does not apply to patients who choose to be treated outside 18 weeks or if there is an appropriate clinical decision made with the patient.

In addition, no patient waited more than **6 weeks** for their diagnostic test which included MRI, CT, ultrasound and Dexa scans.

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</thead>
<tbody>
<tr>
<td>Inpatient and daycases</td>
<td>8,678</td>
<td>9,406</td>
<td>9,525</td>
<td>9,779</td>
<td>9,434</td>
</tr>
<tr>
<td>First outpatient attendances</td>
<td>21,201</td>
<td>17,592</td>
<td>19,364</td>
<td>19,479</td>
<td>19,101</td>
</tr>
<tr>
<td>Follow-up outpatient attendances</td>
<td>34,362</td>
<td>35,037</td>
<td>36,099</td>
<td>39,973</td>
<td>40,221</td>
</tr>
<tr>
<td>Referrals</td>
<td>17,464</td>
<td>18,711</td>
<td>21,489</td>
<td>20,796</td>
<td>18,956</td>
</tr>
</tbody>
</table>

Care with Respect and Compassion
Information governance
The Trust takes its responsibilities for maintaining patient and staff confidentiality seriously. Trust employees operate within a comprehensive information governance framework that covers data protection compliance, information security, data quality, confidentiality, records management, IT system security and Freedom of Information compliance. This framework includes procedures for the management of information risks and the reporting of information incidents. It is based on the requirements given in the NHS IG Toolkit and national legislation, polices and directives.

The Trust is committed to observing the Caldicott Principles for Patient Confidentiality. The Trust’s Medical Director is the Caldicott Guardian on behalf of patients.

All NHS organisations must include in their annual reports details of Serious Untoward Incidents involving loss of patient data or breaches of data confidentiality. The Nuffield Orthopaedic Centre maps its data flows to ensure that they are secure and the Trust had no incidents of unauthorised disclosures during 2010/11. However, during 2010/11 there was one potential security incident which may need to be reported to the Office of the Information Commissioner once the initial investigation into the incident is complete.

Freedom of Information
The NOC operates a transparent and open system of access to information about public service, whilst recognising and adhering to best practice on confidentiality of information.

During 2010/11 the Trust received 122 Freedom of Information requests. Generally requests are submitted by journalists, politicians, marketing firms and students.

The majority of requests usually ask more than five related questions and in some instances as many as ten as part of a single request. Most requests resulted in full disclosure and all were responded to within 20 working days.

Preparing for an emergency
The Nuffield Orthopaedic Centre has a Major Incident Plan that details how the Trust will respond to an emergency or internal incident. The plan aims to bring co-ordination and professionalism to the often unpredictable and complicated events of a major incident such as an incident involving multiple casualties requiring extraordinary mobilisation of the emergency services.

The purpose of planning for emergencies is to ensure that we can provide an effective response to any major incident or emergency and to ensure the Trust returns to normal services as quickly as possible.

The plan has been put together in collaboration with partner organisations across Oxfordshire including other NHS Trusts, the emergency services, local councils and emergency planning experts.

Care with Respect and Compassion
Chief Executive honoured for ‘inspirational’ leadership

Chief Executive Jan Fowler was named as one of the most inspirational leaders in the NHS at the annual NHS awards in December 2010.

Mrs Fowler was nominated by her colleagues for her ‘determination, courage and tenacity’ in helping to turn the Trust into one of the most improved in the country and for her focus on putting the patient at the heart of the hospital’s service delivery.

During her time as Chief Executive the Trust has achieved high standards in quality of care and financial performance. It has consistently met waiting time targets, and has an exemplary infection control record. The Care Quality Commission has acknowledged the Nuffield Orthopaedic Centre as being among the most improved in the country.

The Trust’s Medical Director Dr Berendt said: “At a time when clinicians must deliver quality improvement without increasing costs, inspirational leadership is vital to sustain all. Jan has repeatedly proved that this can be found within the Trust and can be delivered in keeping with our core values and those of the NHS; above all, with humanity and respect. She always keeps sight of what is best for patients even when this means change for the Trust.”

Mrs Fowler said: “To win this national award is a great honour. I would like to acknowledge that the success of the Trust would not have been possible without the hard work and dedication of all the staff who work here.”
Nurse of the Year

Staff nurse Simelukufa Sebele received the Trust’s top honour as Nurse of the Year 2010 at an annual celebration of NOC staff achievements in November 2010.

Simelukufa – Sime to patients and staff – has been a staff nurse on the hospital’s High Dependency Unit and Recovery wards for the last six years. She was among more than 50 staff whose achievements were recognised at a special awards ceremony.

The NOC’s ‘Celebrating Success’ awards, now in their tenth year, highlight and reward achievements including Long Service, Scholarships, Academic Achievements, and Team of the Year.

Sime was nominated by her colleagues for her calming influence and great leadership.

She also received the ‘Elizabeth Handfield-Jones Travelling Scholarship’.

Rachel Mellor, Head of Nursing at the NOC said: “I was delighted but not at all shocked to find that Sime had been nominated for the Nurse of the Year. Sime is everything that a nurse should be: caring, conscientious, knowledgeable and trustworthy. ”

Cancer nurse scoops top award

The NOC’s Macmillan Musculoskeletal Cancer Nurse Specialist Helen Stradling won the title of Cancer Nurse Leader of the Year 2010.

The Nursing Times award acknowledges and celebrates outstanding contributions made to the nursing profession by truly exceptional and dedicated people, who demonstrate what is best in the NHS.

Helen has been a nurse at the NOC for 12 years and is the specialist nurse caring for patients with primary bone cancer. Helen helps patients through pre-diagnostic tests, diagnosis, treatments and follow-up appointments. She also runs clinics for the hospital’s long-term patients to provide consistency and support.

“I feel very proud of what we have achieved for this service. We now have a dedicated ward to care for patients with bone cancer with staff who have undertaken specialist training. I hope my role has enhanced the care that patients and their families receive but I would not be able to do it without the backing of other members of staff at the NOC.”

The Oxford Bone and Soft Tissue Tumour Service at the NOC is one of five nationally approved centres for the treatment of rare primary bone cancers. The service sees 400 new patients each year from the UK and overseas.
The NHS is investing in new information technology systems to improve the way information is stored and shared. Following the successful upgrade of the electronic NHS Care Records Service (CRS) our staff have quicker access to reliable information about their patients and past treatment. For example, since digital x-rays and scans began to be used at the NOC, patients have waited less time to receive their results compared to the old film-based system. Clinicians are able to share images that are now held on computers and can be more easily transferred and assessed.

The NOC was one of the very first Trusts in the country to install and implement the new NHS Care Records Service and is set to become a truly digital hospital by 2012. All the NOC’s surgical operations and procedures and all diagnostic scans are stored electronically and work is now focusing storing patients’ clinical notes and correspondence electronically.

Already, staff on some hospital wards are able to input patient notes directly on to a computer wheeled to a patient’s bedside. This has reduced the time clinical staff spend writing up individual notes for each patient and reduces the risk of paper-based errors such as misfiling or loss of notes.

“The vision is that we have single patient health records, held electronically, which identify our patients’ medical history and ongoing treatment and care requirements that can be easily shared between health professionals,” said Sara Randall, Director of Operations and Performance.
Assistive technologies

The Trust’s Specialist Disability Service at the Oxford Centre for Enablement looks after clients with complex disabilities such as cerebral palsy, motor neurone disease, multiple sclerosis and those who have suffered brain injury.

The specialist team supports people requiring disability aids in a number of areas including:
- Posture management
- Clothing and adaptations
- Computer access service
- Alternative communication methods and adaptations
- Wheelchair controls

The team and its work with adaptive equipment was recently featured by the BBC as part of ‘Technologies Week’ and subsequently on the BBC World service as part of BBC Arabic broadcasting to the Middle East.

The programmes showcased some of the innovative technology being used to help disabled people in their everyday lives including the i-Portal – a piece of equipment which is fitted to a client’s wheelchair enabling them to use a joystick to interact with and navigate round the iPhone. This enables someone with limited mobility, who wouldn’t normally be able to take their hand off the wheelchair’s joystick, to access all of their iPhone functions.

Such advancements in technology can make a huge difference in being able to easily access telephone calls, text messages and social networking sites, as well as sending e-mails.
Brain study to shed new light on phantom pain

The Oxford Centre for Enablement (OCE) is taking part in a major study using the latest scanning technology to examine how the brain adapts following hand amputation.

It is hoped the study will lead to better rehabilitation techniques and better treatment of phantom limb pain. Researchers are using magnetic resonance imaging (MRI) techniques to take real-time images of the brain at work in both participants who have lost their hand and those who are non-amputees. The aim is to increase understanding of the brain’s ability to re-organise itself by forming new neural connections in response to situations such as limb amputation or nervous system injury.

Dr David Henderson Slater, rehabilitation consultant at the OCE, is the clinical investigator on the study. He said: “We are particularly interested in the relationship between brain re-organisation and phantom limb sensation or pain following amputation. Phantom limb pain is pain perceived to be arising from the amputated limb; it can be difficult to control or predict when it will strike and can be very debilitating.”

The three-year study is being led by Dr Tamar Makin of the University’s Oxford Centre for Functional MRI of the Brain (FMRIB) in collaboration with the Oxford Centre for Enablement.

Dr Makin explained: “Specific parts of the brain control different parts of the body. Our research will test what happens to parts of the brain controlling the arm and hand when the limb is missing.”

Advances in tendon repair

NOC clinicians are getting closer to being able to use stem cells alongside engineered tissue patches in surgery to repair damaged or degenerating tendons in shoulders. These exciting developments could ultimately help improve the surgical treatment of shoulder pain which causes problems for so many people.

Researchers at the Biomedical Research Unit based at the Nuffield Orthopaedic Centre in Oxford are working jointly with doctors and physiotherapists at the hospital to unlock the mystery of painful shoulder conditions and how they can best be treated.

Nearly a third of all adults suffer shoulder pain which is a key cause for impairment in quality of life. Principal investigator Professor Andrew Carr, and Director of the Biomedical Research Unit, explains that the majority of shoulder conditions are caused by tendon inflammation and degeneration and research is focusing on the effectiveness of treatments from physiotherapy to keyhole surgery and stem cell therapy.

Professor Carr explained: “Chronic shoulder pain can be hugely debilitating, and yet we still have many unanswered questions about what actually causes it. We know that it is more common as people get older, and that both genes and tendon wear and tear are factors. We are seeking to find out more about the basic biological processes involved at the same time as testing through clinical trials new therapies.”
The Patient Experience

Your thoughts, opinions and observations about all aspects of our hospital are very important to us. Our aim is that every patient’s experience is an excellent one and understanding what matters most for our patients and their families is a key factor in achieving this.

National Inpatient Survey 2010

The National Inpatient Survey took a sample of 850 inpatients who were discharged from the hospital during June, July or August 2010 and who had a stay of at least one night in hospital.

The NOC had a 68% response rate.

The survey response showed that 90% of patients surveyed had trust and confidence in our doctors and 84% said they were told who to contact if they were worried after discharge.

Overall, 86% of patients surveyed felt they were treated with respect and dignity during their stay in hospital with 85% rating the care they received as either excellent or very good.

Areas for action include work to minimise the number of changes to admission dates – one in five respondents said their admission date was changed. While the NOC scores better than the national average in relation to other Trusts on this issue, it recognises that there are improvements to be made:

- 28% of patients said their admission date was changed once, and a further 7% said it was changed twice or more;
- 26% of waiting list patients said they were given a choice of admission dates; but 73% were not given a choice.
Learning from you

Patient views and stories are invaluable to help us improve our service delivery. Our staff recognise the importance of listening to patients and their families to ensure we provide responsive care. As well as involving people in decisions about their own care, we actively seek to learn from your experience of the care and treatment we provide.

In October 2010, the Morris family from Swindon presented to staff the patient’s perspective of treatment and care at our hospital. Young Ben Morris, aged nine at the time, has spinal muscular atrophy and has been a long-term patient at the NOC and Oxford Centre for Enablement. Ben and his family were invited to talk to occupational therapists, physiotherapists and the hospital’s spinal team to provide a first hand account of their experience during many years of assessment and treatment.

Paediatric Occupational Therapist Judy Cornish said: “We really value the feedback from our patients and Ben and his family were able to provide an insight into what is important to them when managing their child’s surgery and rehabilitation.”

Ben Morris, centre, with his mum and sister
We aim to adhere to the ‘Principles of Remedy’ in order to produce reasonable, fair and proportionate resolutions as part of our complaints handling procedures. These include:

- Getting it right
- Being customer focused
- Being open and accountable
- Acting fairly and proportionately
- Putting things right
- Seeking continuous improvement

Over the last year we have seen an increasing number of patients decide they would like the opportunity to discuss their complaint at a meeting with relevant staff, rather than having a formal written reply to their concerns. We have found patients appreciate being able to meet face to face with staff to talk through their complaint and agree actions for moving forward.

In the financial year 2010/11 the Trust received 91 formal complaints. All complaints are dealt with individually with the complainant and in a manner best suited to resolve the particular concerns raised.

We keep a record of all complaints to help identify areas for improvement. Complaints reports (containing anonymised information) are reviewed on a monthly, quarterly and annual basis at a number of meetings including those at team or service level so that lessons learned and actions taken can be shared.

Patient Advice and Liaison Service (PALS)

PALS is a first stop service for patients, their families and carers who have a query or concern about the hospital or service. The team provides an impartial and confidential service and aims to help resolve issues by addressing them as quickly as possible. Where PALS is unable to help, the enquirer is directed to a more appropriate person or organisation.

The majority of PALS contacts relate to requests for information about hospital processes or putting people in touch with the correct department or individual. The service also often receives comments and letters of praise for particular departments or individuals and each compliment is passed on to the relevant staff.

During 2010/11, PALS dealt with 1,189 requests, compliments and concerns. The main categories related to communication, the outpatient waiting list, general information requests and compliments to various staff and department.

PALS welcomes feedback to enable us to continue to improve our services. PALS can be contacted by telephone on 01865 738126, via e-mail pals@noc.nhs.uk, by letter to the hospital, through comment forms which can be found all around the hospital building, or in person by visiting the PALS office.

The PALS service works closely with the complaints manager on complex cases which can require liaison with other hospitals and social care organisations.

How we handle your complaints

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Watchdog’s high praise

Following an unannounced inspection in April 2011, the Care Quality Commission has reported full compliance with dignity and nutrition for older people. This was part of a national inspection programme in acute NHS hospitals to assess how well older people are treated during their stay in hospital, in particular, whether they are treated with dignity and respect and whether their nutritional needs are met.

Jan Fowler, Chief Executive, said: “The CQC report provides an excellent reflection of the hospital’s high standards and evidence of well-embedded practice from staff. It demonstrates a personalised approach to care planning and food and mealtimes are an important element of this. All our menus are reviewed and agreed by a dietician to ensure they are nutritionally balanced for optimum healing and recovery.”
The hospital environment

The main building of the Nuffield Orthopaedic Centre has been provided under the Private Finance Initiative (completed in May 2008). The Trust has as its PFI partners; Albion Healthcare (Oxford) Limited who manage the project and G4S who provide the maintenance, portering, domestic and catering services on site. The successful partnership continues to deliver excellent facilities and services for the benefit of staff and patients.

Environment scores highly in annual inspection

The Trust is assessed annually under the Patient Environment Action Team (PEAT) process which requires the Trust to comply with national guidelines on cleanliness, patient privacy and dignity and patient food.

It involves nursing staff, managers and patient representatives inspecting the hospital environment and includes on-the-spot feedback from patients. The results of the PEAT assessment provide a clear indicator of how well we are maintaining a clean, comfortable and caring environment for our patients and visitors. In addition, the Trust carries out its own monthly inspections to maintain standards and embed a culture of continual improvement.

**In 2011 the hospital achieved maximum PEAT scores in all areas and an overall rating of excellent.**
Reducing our carbon footprint

The NHS has pledged to become one of England’s leading sustainable and low carbon organisations. The NHS Carbon Reduction Strategy requires individual NHS organisations to seek to achieve a minimum target of 10% reduction in carbon emissions by April 2015.

The NHS produces more CO₂ than any other public sector organisation in Europe and is responsible for more than 3% of the total carbon emissions in the country. The NHS Carbon Reduction Strategy for England sets an ambition for the NHS to help drive change towards a low carbon society.

The hospital’s carbon reduction programme involves setting targets to reduce emissions associated with the use and production of energy, waste, water, transport and the procurement of goods and services. A sustainability policy has been developed along with a Sustainable Development Management Plan to steer the Trust’s activities in meeting its objectives.

Work currently underway includes:

- Monitoring: we collect data monthly on energy consumption for our buildings. For buildings more than 1,000 square metres, we post the energy performance certificate in public areas.
- Recycling: personal workstation bins have been designated as recycling bins with larger recycling bins in communal areas.
- Carbon champions: we have a team of staff who are willing to support their teams and departments in encouraging local carbon reduction schemes.
- Energy efficiency: installation of lighting sensors to detect levels and switch lighting on or off accordingly. Of particular note is the installation of this lighting in the atrium resulting in lights not being on when sufficient daylight is available.

Upgrades to equipment such as the hydro-pool pumps, installation of timers and improved maintenance has ensured equipment and boilers are set to optimal operating settings thereby reducing energy usage.

- Water: consumption has been reduced through improved maintenance and leak detection.

This has resulted in the following savings when comparing monthly utility usage from April - December 2009 with April - December 2010:

- Electricity consumption for the total site has reduced by 2%
- Gas consumption for the total site has reduced by 0.5%
- Water consumption for the total site has reduced by 10.5%

Art at the NOC

Recognising that art creates a healing environment to uplift and inspire patients, visitors and staff, the NOC has long been a keen champion of art in hospital.

The NOC Arts programme has been working on a heritage mural to be permanently displayed in the main entrance atrium. Funded by the Heritage Lottery Fund, the NOC Appeal, the NOC General Charity and the League of Friends the mural traces the history of the hospital from its origins in 1872 to the present day. The hospital has worked with the local community, past and present staff and patients to build a complete picture of the history of the hospital. The mural was unveiled in June 2011.

The Outpatient Gallery continues to show the best local talent; the Oxford Print workshop have held several exhibitions in the hospital and staff members have been given the opportunity to show their work. The Oxford Centre for Enablement received a further grant from Grassroots for art and music activities in the day room and welcomed back the Oxford Philomusica who delighted staff and clients with classical performances. The grant also funded an artist to work with clients in the OCE to design a window for the OCE reception area that will be installed in 2011.

All funding for the hospital’s art programme has been donated through the Nuffield Orthopaedic Centre Appeal and NOC General Charity.
Year in Review  Featured here are some of the many news stories and events which have taken place at the hospital during the year from April 2010 to April 2011.

May – Patients get Wii fit!
Patients are benefiting from the use of Wii Fit machines as part of their physiotherapy sessions, thanks to public donations. Former England international rugby player Andy Gomersall donated one of the two machines to the Oxford Centre for Enablement (OCE) which provides specialist rehabilitation services for patients with limb amputation or complex neurological and neuromuscular conditions.

Jon Martin from Buckingham near Bicester is pictured trying out the Wii Fit machine at one of his monthly visits to OCE.

June – First nursing conference puts spotlight on joint working
Nurses from across the southern region visited the NOC to learn about best practice in orthopaedic nursing and care. The NOC is one of the country’s top specialist hospitals for orthopaedic, rheumatological and rehabilitative care. It hosted its first nursing conference to share successes and challenges in providing quality orthopaedic practice. Sessions covered subjects including limb reconstruction care, infection control, and dealing with pain following hip surgery.

July – Gifts turn into music for patients
Disabled patients at the Oxford Centre for Enablement got involved with a series of musical workshops run by the Oxford Philomusica group. Musicians visited the specialist neurological rehabilitation centre to give patients an opportunity to access classical music played to a professional standard.

Funding for the project is provided by a Grassroots grant from the Community Foundation and enables the hospital to provide workshops and activities for the patients at the OCE as part of its continuing Arts Programme.

August – Dreams come true for Romanian orphan
Following a six month fundraising campaign by hospital staff, Romanian orphan Nicoletta Vizi, 19, received specialist surgery at the NOC to straighten her severely deformed leg.

Nicoletta first met NOC Paediatric Consultants Mrs Rachel Buckingham and Mr Andy Wainwright when they travelled to Romania with the charity Foundation for the Relief of Disabled Orphans (F.R.O.D.O) in June 2009. Staff at the hospital successfully raised the £5,000 needed to bring Nicoletta to the UK and undergo the 4 hour operation to straighten her leg.

Vanessa Cummings, Chief Executive of F.R.O.D.O said: “Nicoletta’s dream has come true and her life for the future offers all sorts of new possibilities. I must give a huge thanks to all the team at the NOC for their support and magnificent fundraising.”

September – Local schools help NOC go green!
The hospital joined forces with the local community to highlight the NHS commitment to reduce its carbon footprint.

In September, local residents and pupils from Windmill Primary School, who run their own eco group, helped staff to plant eight apple trees and bulbs across the hospital site. They were joined by the out-going Chair of the NOC, Joanna Foster, to mark the hospital’s commitment to sustainability. A grant towards the cost of the trees was received from Oxford City Council and applied for by the Low Carbon Headington group.
October – Raising awareness of bone cancer

Two patients came back to the NOC to share their experiences of having bone cancer as part of the national Bone Cancer Awareness week which ran from 9th - 16th October 2010.

Abi Goodwin and Ben Durrant (pictured) joined the NOC’s Macmillan Musculoskeletal Cancer Nurse Specialist, Helen Stradling during annual awareness week run by the Bone Cancer Research Trust to highlight their stories and to promote research into the causes and treatment of primary bone cancer.

The Oxford Bone and Soft Tissue Tumour Service at the NOC is one of five nationally approved centres for the treatment of rare primary bone tumours and sarcomas. Around 60 Oxfordshire people are diagnosed with bone cancer each year – most of them aged between 10 and 20.

November – Farewell to long-serving Chair

On November 30, 2010, Joanna Foster CBE stepped down as Chair of the Nuffield Orthopaedic Centre (NOC) after nine years leading the Trust Board. Joanna served the maximum amount of time a Chair can be in post and has seen many changes, not least a major rebuild of the hospital which was completed in 2007.

Chris Goard, a non-executive director of the NOC Board, took over as the new Chair following a competitive selection process through the Appointments Commission.

December – Inspirational leadership

Trust Chief Executive Jan Fowler was named as the most inspirational leader in the NHS. During her three years as Chief Executive the Trust achieved a double ‘good’ in the annual performance ratings, consistently met waiting time targets, and has an exemplary infection control record.

Jan was commended for placing a high focus on the organisation being patient centred while achieving high standards in quality of care and financial performance.

January – New conference facilities

January saw the opening of a new conference centre at the Oxford Centre for Enablement (OCE) to provide a much-needed resource for educational and corporate events. In particular, the conference centre will enable OCE to expand its educational programme which provides clinical courses and seminars to a wide range of healthcare professionals.

February – Trust Boards agree to unite hospitals

The Trust Boards of the Nuffield Orthopaedic Centre and the Oxford Radcliffe Hospitals agreed at their public Board meetings in February to integrate their services and create a combined NHS Trust. The main purpose of merger is to deliver better patient care. By joining forces, the NOC and ORH will be better placed to improve care pathways and ensure patients receive access to the best treatments available. Both Trusts already have strong research partnerships and integration will strengthen the links between academic research, teaching and training and clinical service delivery.

March – NOC consultants take to the road

A new programme of GP educational events was launched comprising a series of roadshows held at GP surgeries across the county. In liaison with the GPs, the hospital’s consultants present on a range of musculoskeletal specialties. The purpose is to keep GPs abreast of new developments and updates in orthopaedic surgery and musculoskeletal medicine and to support them in managing patients in the community.
Patient and Public Involvement – a partnership approach

The Nuffield Orthopaedic Centre is committed to ensuring that it delivers excellence for its patients, its staff, the NHS and its partners in the community. This can best be achieved by the full participation of patients, carers, the public and its staff in the way that it shapes and delivers its services.

The Trust's Patient and Public Involvement Strategy includes the key principles and standards on which patient and public involvement at the NOC is based. A Patient and Public Involvement Steering Group meets quarterly and includes both staff and members of patient groups including the NOC Network group and the Patient Liaison Group and a representative from Oxfordshire Local Involvement Network (LINK).

Hearsay! workshop

LINks are independent networks with individuals representing the local people. They allow everyone to have a say in how health and social care services are planned, developed, implemented and delivered.

The NOC was involved in the first health ‘Hearsay!’ event in November 2010 organised by the Oxfordshire LINK. It gave patients an opportunity to share their experiences and discuss issues with hospital managers.

The workshop enabled the hospital to seek feedback and discuss issues relating to the hospital’s outpatient department as part of its ongoing patient engagement programme.

As a result of the health ‘Hearsay!’ event a list of five priorities were identified by patients:

- Time spent at Pre-Operative Assessment Clinic Appointment.
- Discharge care package communication with GP, including providing patients with copies of letters.
- Cancellation of operations.
- Disabled access.
- Explanation of processes and consistent communication.

An action plan has been developed to address these issues.
Working with our patient groups

We have a very enthusiastic group of people (patients, carers and others) involved at the NOC and are very grateful for the input they provide, both in their time and in providing the patient and public perception of how services work and how they might be improved.

These volunteers, who give their time free to support the Trust, have been involved in the following during 2010/11:

• Ward visits at weekends to look at cleanliness and nursing care – this gets fed back to the hospital so any action can be taken.

• Patient Environment Action Team – taking part in the annual inspection of the hospital which covers assessing the cleanliness, hygiene, privacy and patient feedback alongside representatives of the Trust.

• Food and nutrition surveys.

• Patient safety walkabouts to highlight safety issues from the patient’s point of view.

• Attendance at the Patient, Public Involvement Steering Group, Trust Board meetings and the Patient Information Group.

The NOC Network, formed in 2004, is made up of current and former patients, carers and members of the public who work to reflect patient and public interests in hospital plans and developments.

Its members provide valuable patient representation on a number of projects and steering groups such as the hospital’s research and development programme and public involvement initiatives. Members have been involved in supporting the production of patient information materials and website design and helped staff set up a support group at the NOC for patients with rheumatoid arthritis. Supported by the National Rheumatoid Arthritis Society this group provides support, education and information about rheumatoid arthritis and encourages self management.

The Patient Liaison Group ensures that the voice of patients, their families and visitors is considered in all aspects of the Trust’s activities. In particular, the group is involved in independent patient experience surveys. Patients are invited to give their views on cleanliness and tidiness, nursing care (including special services such as physiotherapy), trolley services, meal-time arrangements and facilities for visitors. Feedback included that there was a lack of canteen facilities for staff, visitors and patients at the weekend, and that arrangements for the transfer of patient belongings between the admission ward and inpatient wards could be better. The Trust is now considering how it might address these issues as part of a comprehensive action plan drawn up by the Patient Liaison Group with hospital staff.
The Nuffield Orthopaedic Centre Appeal

The Nuffield Orthopaedic Centre Appeal is an independent charitable trust that has since 1990 raised over £20 million to provide new buildings and facilities for the hospital. Some of these have included the Tebbit Centre, two adult wards the children’s ward and outside play areas, a hydrotherapy pool and the Botnar Research Centre. Fund raising has been continuing for Phase 2 of the Botnar Research Centre with building work due to start in the summer of 2011.

Money has been raised with the help and support of patients and their families, individuals, charitable trusts and companies. Events to raise funds have included a ‘Rock and Roll’ evening, a parachute jump, marathon runs, climbing Mount Kilimanjaro, a sponsored swim, a special display of Christmas lights, a golf match and very many coffee mornings, raffles and stalls.

Legacies continue to be of vital importance to help us to support the hospital and its research.

The Nuffield Orthopaedic Centre General Charity

The NOC’s own general charity continues to be supported by many grateful patients or family members and friends who wish to make donations to the Trust. The funds are a valuable resource for staff needing to improve patient or staff facilities in a way that goes beyond what the Trust’s own budgets can justify or afford. Donations play a vital role in funding small improvements that really improve quality of life. Donations can be sent to the Trust’s finance department with any specific instructions. Cheques should be made payable to the Nuffield Orthopaedic Centre General Charity. See our postal address on the back page of this report.

League of Friends and our army of volunteers

The NOC League of Friends continues to run a vital service for patients, visitors and hospital staff through fundraising and their hospital shops in the main atrium and in the Oxford Centre for Enablement which was recently refurbished.

Thanks to the tireless work of its loyal volunteers, the League has granted financial support to the tune of £150,000 over the past year which has provided funding for essential equipment and training.

This success is reflected in the NOC League being nominated for the Queen’s Award for Volunteering 2011.

Former patient, Sally Thorpe entered the British Gas Great London Swim and raised £555.
Research at the NOC

The NOC has a long-standing reputation in research and development, and teaching and training with excellent facilities on site.

We work closely with our university partners, and the University of Oxford has its Nuffield Department of Orthopaedics, Rheumatology and Musculoskeletal Sciences located within our hospital – it is the largest academic clinical department in orthopaedics in the UK.

Biomedical Research Unit in Musculoskeletal Disease

Many medical advances start life behind the scenes in the laboratory. It can take years of research and development before scientific breakthroughs come out of the laboratory and into hospital clinics. Much of this work is carried out by teams of medical staff and researchers working collaboratively as part of a Biomedical Research Unit (BRU).

The Nuffield Orthopaedic Centre in partnership with the University of Oxford receives funding for research into musculoskeletal disease through the Biomedical Research Unit. Its research teams are developing treatments for chronic bone and joint conditions such as osteoporosis and osteoarthritis and developing advances in joint replacement surgery. It is one of only three units in the UK dedicated to supporting this important clinical area.

BRUs, created and funded by the National Institute of Health Research (NIHR), are at the forefront of a national drive to prevent, diagnose and treat ill-health. The wider NIHR network also has BRUs looking at conditions from heart disease to hearing problems.

The Oxford unit is led by Professor Andy Carr who has a dual role as Professor of Orthopaedic Surgery at the University of Oxford. He is also a senior consultant specialising in shoulder surgery at the Nuffield Orthopaedic Centre.

Research activities are wide-ranging and over the past year have involved nearly 2,500 patients participating in 38 separate projects. This has involved clinical research and trials of new treatments for debilitating conditions such as arthritis, osteoporosis, and shoulder pain. In addition to the direct research projects, the unit also has an important role teaching many medical specialisms and supervises a number of post-graduate students.
Clinical trials and collaboration with the Kennedy Institute

To extend the facilities for the work of the BRU, a new clinical trials unit opened in May 2011. This will support the BRU’s clinical research with patient studies to inform developments in:

- Evaluating therapies in arthritis and osteoporosis
- Developing and evaluating new devices in orthopaedics

A new collaboration with the Kennedy Institute will also bring further facilities and expertise to Oxford. The Kennedy Trust is a charity supporting research into the mechanisms and treatment of rheumatic diseases such as rheumatoid arthritis and osteoarthritis. The creation of a new Kennedy Institute on Oxford University’s Old Road Campus adjacent to the hospital site will support a range of research programmes into inflammatory joint disease strongly aligned with the BRU research activities at the Nuffield Orthopaedic Centre.

Getting involved in healthcare science and research

As part of a programme to engage and inform the public of current and future musculoskeletal research plans in Oxford a series of talks and presentations called Joint Ventures are held at the hospital. These events aim to provide an informal and relaxed environment for the public to learn more about the research being undertaken by clinicians and researchers and how this relates to and benefits patient treatment.

The Biomedical Research Unit also took part in an open day as part of the Oxfordshire Science Festival in March 2011 to showcase some of its research. NOC trainee surgeon Mr Tanvir Khan was on hand to demonstrate arthroscopic surgery using the model of a knee. Hundreds of people attended the open day staged at Oxford’s Children’s Hospital.
People at the NOC

We are incredibly proud of our staff at the NOC, who deliver outstanding patient care whilst demonstrating flexibility to meet the challenge of change within the NHS. Our dedicated staff have established an outstanding reputation for care and innovative advances in research, teaching and technology.

Our Workforce

In a period of transition for the Trust, there has been a focus on improving productivity of our workforce whilst maintaining both high quality care, and services that we are proud of. The focus of the Human Resources and Organisational Development team has been to create conditions for our people to succeed and important pieces of work and key initiatives include:

• Implementation of Electronic Rostering to maximise the effectiveness of workforce deployment to deliver high quality care in a cost efficient manner.
• Recognising loyalty and length of service of staff.
• Introduction of a new staff handbook.
• Continued review and development of employment policies.
• Recruitment to a range of apprenticeship roles and NVQs for staff working in both clinical and administrative support roles.
• Launch of a series of briefing papers to inform managers on local or national policy and employment legislation from a HR and Organisational Development perspective.
The Nuffield Orthopaedic Centre employs just over 1,000 people or 804 whole time equivalents (wte). Below by broad staff groups is the composition of the Trust’s workforce.

<table>
<thead>
<tr>
<th>Main Staff Group</th>
<th>Headcount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative &amp; Clerical</td>
<td>244</td>
</tr>
<tr>
<td>Additional Clinical Support</td>
<td>201</td>
</tr>
<tr>
<td>Medical</td>
<td>110</td>
</tr>
<tr>
<td>Nursing</td>
<td>267</td>
</tr>
<tr>
<td>Allied health professionals</td>
<td>167</td>
</tr>
<tr>
<td>Scientific &amp; Professional</td>
<td>30</td>
</tr>
<tr>
<td>Technicians</td>
<td>43</td>
</tr>
<tr>
<td>Non Executive Directors</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total number of staff directly employed by the Trust</strong></td>
<td><strong>1068</strong></td>
</tr>
</tbody>
</table>

The Health and Wellbeing of our staff really matters to us and we have continued to develop our health and wellbeing programme to provide staff with advice and support on all aspects of their health and wellbeing, enabling them to achieve balance in their home and working lives. The programme integrates with the public health strategy for Oxfordshire, and by enhancing the health and wellbeing of staff the hospital is able to increase the quality of care given to the hospital’s patients and positively influence their experience at the NOC.

We have continued to focus on maximising the attendance of our staff and reducing levels of sickness absence. Our endeavours have been supported by our Occupational Health and Employee Assistance Programme providers together with a focus from board level down to measure the number of return to work discussions as a key performance indicator.

**Staff Sickness Absence**

<table>
<thead>
<tr>
<th></th>
<th>2010/11 Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Days lost</td>
<td>5721</td>
</tr>
<tr>
<td>Total Staff years</td>
<td>785</td>
</tr>
<tr>
<td>Average Working Days Lost</td>
<td>7.3</td>
</tr>
</tbody>
</table>

*(These figures are based on a calendar year)*

**Long serving staff deliver 70 years of NHS service!**

Two of the hospital’s longest serving members of staff retired after clocking up 70 years of service between them! Senior Orthopaedic Technician Bridget Mackey who began her NOC career as a plaster technician in 1974, boasted a 100% attendance record. Nurse Nelia Roper retired after working for more than 33 years on the hospital’s Bone Infection Unit, where she has seen the unit expand from five beds to its current 25-bed ward.
Staff Survey

Our staff took part in the national NHS staff survey with a response rate of 61% which is above average for acute specialist trusts and an 8% improvement on the response rate to the survey in 2009.

The survey was completed between September and December 2010 and responses show real progress has been made with the Trust benchmarking favourably against the wider NHS. Our key strengths include:

- 95% of staff agreed that the Trust effectively promoted the importance of hand washing (7% above the NHS average)
- 92% of staff felt that their role makes a real difference to patients. (2% above the NHS average)
- 89% of staff are satisfied with the quality of care they give (2% above the NHS average)
- 85% of staff said that if a friend or relative needed treatment, they would be happy with the standard of care provided by the Trust (19% above the NHS average)
- 82% of staff said that they had an appraisal in the last 12 months (7% above the NHS average)
- 80% of staff are willing to go beyond what is normally required
- 76% of staff agreed that they are able to deliver the patient care they aspire to (7% above the NHS average)
- 73% of staff said that they had taken part in taught courses (3% above the NHS average)

Top priorities

As a result of the survey, the Trust has identified three top priorities to enhance the staff experience. They include:

- To enhance staff engagement and motivation.
- To develop a culture in which all staff feel encouraged to contribute towards improvements at work.
- To enhance the communication between senior managers and staff.
Learning and Development

Learning and development in the Trust has prioritised the:

- Launch of e-learning and the Leadership On-line Academy
- Roll-out of customer care training for all frontline staff
- Management and Leadership Development programmes for aspiring leaders and particularly staff from BME backgrounds
- Coaching qualifications for staff at many levels to enable a coaching culture to support transformation
- The launch of a 360 degree feedback appraisal tool for managers’ based on Trust values.

This has been an exciting time building on the achievements from the previous year with the launch of the above programmes offering higher levels of services for both our staff and patients.

In 2009/10 we launched our apprenticeships scheme and 2010/11 has seen the successful completion of Business Administration and Customer Care Apprenticeships with 100% pass rates.

The Sanctuary – multi-faith room

The Sanctuary continues to be used and is much appreciated as a place of peace to meet the emotional and spiritual needs of everyone, regardless of faith or not.

The Trust’s chaplain arranges events for staff, visitors and patients. The sanctuary has been used to celebrate Christian festivals eg Maundy Thursday and Christmas with the traditional carol singing taking place with St Gregory the Great school choir. A Buddhist meditation group also meets monthly in the sanctuary.

Equality & Diversity

We continue to make progress on diversity matters with policies and procedures being updated in light of the Equality Act which came into effect on the 1 October 2010. Our Equality and Diversity Steering Group ensures that our ongoing commitment to promote and value equality and diversity is translated into action using the Single Equality and Human Rights Scheme which has also been updated this year. Key activities have included:

- The provision of a leadership development programme which has enabled the Trust to harness and grow its own BME talent and enabling our BME staff to progress to senior management levels within the NOC and continue to enhance the patient experience.
- Partnership working with the Oxfordshire Safeguarding Board to develop a suite of internal training programmes for both Child Protection and Safeguarding Adults
- The first ‘Breaking Through’ in Oxfordshire conference was launched to promote awareness of development opportunities for black and minority ethnic NHS employees in Oxfordshire by working in partnership with other organisations.
Our priorities in 2011/12

These annual corporate objectives have been shaped by our overarching strategic goals and provide a snap-shot of our intentions for service and organisational development over the coming year.

Trust Strategic Aims and our objectives for 2011/12

1. To become a customer-focused organisation, improving the patient experience

*Involving patients is integral to how we design and deliver services, research projects and educate staff.*

We will:

- Pledge that no patient has their admission or appointment cancelled more than once.
- Listen to our patients and ensure that everyone has the opportunity to give patient experience feedback. We will measure our success from the patient’s viewpoint.
- Ensure that all our patients, in all specialties and pathways, receive their treatment within 18 weeks of their referral.
- Implement a process to allow appointments to be directly booked online via the national Choose and Book system, giving patients more flexibility in managing their hospital schedules.

2. To become a high reliability organisation by 2012

*To ensure that we deliver care in a safe environment with high quality clinical outcomes.*

We will:

- Continue to achieve targets for hospital acquired infections and surgical site infections.
- Maintain high ratings in the Patient Environment Action Team (PEAT) assessment of the hospital’s cleanliness, hygiene, privacy and dignity, and patient food.
- Ensure care is delivered in a safe environment, achieving full compliance with Care Quality Commission standards, and particularly the Hygiene Code.
- Ensure 95% of operation lists start within ten minutes of their planned start time.
- Demonstrate quality assurance by achieving compliance against mandatory training standards.
3. To develop a fully engaged workforce
   *Our aim is to nurture our talent and create the conditions for people to succeed.*

   We will:
   - Ensure career transition for staff affected by the integration of the NOC and the Oxford Radcliffe Hospitals NHS Trust.
   - Implement a full action plan to address key issues following annual staff survey.
   - Enhance clinical leadership and ensure staff engage with the values of the Trust.

4. To become a digital hospital by 2012
   *To use existing and emerging technology to transform our models of care.*

   We will:
   - Standardise our procedures ensuring patients understand their care and treatment pathway at every step, improving safety and effectiveness.
   - Implement an electronic solution for the reporting of clinical indicators from hospital ward to Trust Board.
   - Ensure electronic processes are fully integrated to enable speedier and more effective management of patient pathways and administration.
   - Progress technical upgrades to the Trust’s Care Records System (CRS) and develop plans to digitise patient medical records.

5. To achieve a financially sustainable position to enable appropriate investment in services
   *To continue to deliver high quality care that offers good value for money.*

   We will:
   - Deliver ‘excellent’ value for money evaluation by the local auditing process.
   - Deliver our sustainable development plan and achieve carbon reduction proposals.
   - Review all contracts for opportunity to enhance value for money.
   - Deliver cost improvement plans and savings targets for 2011/12.

6. To be able to identify, adapt and adopt clinical innovation
   *Use clinical innovation to drive improvements in strategic service development.*

   We will:
   - Seek opportunities to work with our partners to develop community based (Tier 2) service models that will provide treatment and care in community locations for Oxfordshire patients.
   - Develop neuro-rehabilitation services at the Oxford Centre for Enablement.
   - Work to develop an integrated clinical pathway with our NHS partner organisations for patients requiring spinal surgery.
   - Tender for musculoskeletal service contracts that enable us to meet the growing needs of our local population.
Our Trust Board

The Nuffield Orthopaedic Centre (NOC) is managed by a Trust Board comprising a team of Executive and Non-executive Directors.

**Chris Goard**, Chair (from December 2010)

**Jan Fowler**, Chief Executive

**Joanna Foster** CBE, Chair (stepped down November 2010)

**Executive Directors**

Dr Tony Berendt, *Medical Director*

Kevin Davis, *Acting Director of Finance*

Beverley Edgar, *Director of Workforce and Organisational Development*

Jennifer Howells, *Director of Finance and Commercial Development (up to March 2011)*

Sara Randall, *Director of Operations and Performance*

**Non-executive Directors**

Non-executive Directors are appointed by the NHS Appointments Commission and bring a wealth of experience from both within and outside the NHS. The Non-executive team attends all Board meetings; they participate, and in some cases chair, a range of Board Committees including Audit, Governance, and our General Charity Committee. They, also, alone, make up the Trust’s Remuneration Committee.

<table>
<thead>
<tr>
<th>Non-executive Directors and their committee membership</th>
<th>Remuneration Committee</th>
<th>Audit Committee</th>
<th>General Charity</th>
<th>Integrated Governance committee</th>
<th>Projects Board</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michael Rogerson</td>
<td>√</td>
<td>Chair</td>
<td>Chair</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professor Andy Carr</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chris Goard (appointed to Trust Chair in December 2010)</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td></td>
<td>√</td>
</tr>
<tr>
<td>Dr Angela Coulter</td>
<td>√</td>
<td>√</td>
<td>√</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dale Haddon</td>
<td>√</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

During 2010/11 **Sue Dopson** acted as advisor to the Board. Sue is a faculty member of the Oxford Said Business School and is involved in a number of research projects including assessing how developments in genetic science will influence clinical practice and healthcare policy.

Further details about the background of the Non-executive Directors and Board Committees are available from the Trust’s website www.noc.nhs.uk.

The Audit Committee, chaired by Michael Rogerson, comprises all the Non-executive Directors with the Chair attending by invitation. The committee met four times in 2010/11. The main priority was to take a wide overview for the scrutiny of risks and controls covering all aspects of the organisation's business. The committee again considered its effectiveness during the year and has submitted an Annual Report to the Trust Board.

The Trust Board meets bi-monthly, usually on the first Monday of the month in the Trust’s Board Room and members of the public are invited to attend. Board papers are available either by downloading them from the Trust’s website or by contacting the Board Secretary on 01865 737562.
Financial review

Financial Performance

Summary
The Trust has had another successful year in 2010/11 and it has successfully achieved its financial objectives. The Trust finished with a surplus of £882,000 at the end of the financial year (March 31), before the technical adjustments due to impairments and IFRIC 12, against an original plan to achieve a surplus of £100,000. This figure was then adjusted for impairments and IFRIC 12 resulting in a surplus under IFRS of £397,000. This is an excellent achievement and a credit to staff who have worked hard to achieve this position through containing costs and delivering improved productivity.

A glossary of technical financial terms used in this report is shown later in this report.

Summary financial statements are included on page 41-43, these may not contain sufficient information to fully understand the Trust’s financial position.

A full sets of accounts is available on request from the Director of Finance. Alternatively they can be downloaded from our website at www.noc.nhs.uk

Review of 2010/11 and outlook for future years
The Trust commenced the year with a requirement to deliver planned efficiencies of £6m resulting from the potential loss of commissioned activity. However, during the year, demand for services increased over the level anticipated, a number of anticipated cost pressures did not arise and a number of the planned efficiencies were successfully introduced. The overall result was that the Trust was able to achieve a surplus of just under £0.9m at the year end. The out-turn is a significant achievement for the Trust and means that once again the Trust met its statutory duty to breakeven both in year and cumulatively over a three year period.

This also continues the successful trend to deliver ‘savings’ which the Trust has demonstrated over a number of years as illustrated by the graph at the bottom of the previous column.

For 2011/12 the Trust is again planning on substantial cost improvements and has plans to find nearly £6m. The continuing need for significant savings reflects the financial constraints that are facing the whole public sector. Within the Oxfordshire Health economy, the Trust is working with the PCT, GPs and our partners in Social Services to deliver a plan for Oxfordshire that does not simply move the financial problems from one organisation to another but seeks to find the best solution for the whole health economy. This initiative, called “Creating a Healthy Oxfordshire” (CAHO), means that the Trust needs to continue to reduce its costs and seek alternative ways to deliver services if it is to remain in financial good health.

Vital to the continued success of the Trust is the management of risks which could affect service delivery. The Integrated Governance Committee is key to the timely and robust identification of risks, the formulation of mitigation plans / action plans and the monitoring of risks. The principal risks to the Trust are managed through two key mechanisms – the Corporate Risk Register and the Trust Assurance Framework. The Corporate Risk Register is used to identify risks relating to trust-wide priorities and corporate issues – for example, it identifies risks relating to delivery of Trust objectives such as access targets and how these will be managed.

The Trust Assurance Framework builds on the Risk Register in that it assesses the effectiveness of the controls in place to ensure delivery against each of the Trust’s objectives. Gaps in controls and assurance are identified in the document and, where required, action plans are put in place to address identified weaknesses. The South Central Strategic Health Authority have recently concluded their year-end evaluation of the Trust’s Assurance Framework for 2010/11 and awarded it a category ‘A’ assessment.

The highest organisational risks, as identified within the Assurance Framework and which may impact on the Trust’s strategies and development, were reported to the Trust Board in March and are recorded in the Statement of Internal Control.
**Income from Commissioners and other sources**
The Trust's income increased by £3.3m (4.1%) over the previous year and the main components of the Trust's income for 2010/11 of £82m are shown in the table below. As can be seen from the table, over 80% of the Trust's resources come directly from Primary Care Trusts. The increase in income from PCTs arose because the Trust was able to meet the demand for more patient care services than was originally envisaged.

<table>
<thead>
<tr>
<th>Our income sources</th>
<th>2010/11 £000s</th>
<th>2009/10 £000s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Health Authorities</td>
<td>84</td>
<td>138</td>
</tr>
<tr>
<td>NHS Trusts and FT’s</td>
<td>20</td>
<td>38</td>
</tr>
<tr>
<td>Dept of Health</td>
<td>1034</td>
<td>1185</td>
</tr>
<tr>
<td>Primary Care Trusts</td>
<td>69251</td>
<td>66734</td>
</tr>
<tr>
<td>Non NHS including RTA</td>
<td>1394</td>
<td>1797</td>
</tr>
<tr>
<td>Education &amp; Research</td>
<td>6241</td>
<td>4921</td>
</tr>
<tr>
<td>Other non-patient services</td>
<td>2229</td>
<td>2284</td>
</tr>
<tr>
<td>Other</td>
<td>1934</td>
<td>1837</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td><strong>82187</strong></td>
<td><strong>78934</strong></td>
</tr>
</tbody>
</table>

(source notes 5 & 6 of Annual accounts)

**Operating Expenses**
The Trust spends on average just over £210,000 each and every day or £1.4m per week. The largest item of expenditure continues to be staff costs and the next most significant is clinical supplies and services. Staff costs increased as the Trust had to put in place the staff to enable it to treat more patients. The graph below shows an analysis of how much of each pound spent is attributable to staff costs and the other main expenditure headings.

**Sources of income 2010/11**

Looking forward to 2011/12, it is envisaged that there will be an overall decrease in the contract income as commissioners are unable to fund the level of activity undertaken in 2010/11 recurrently. These contracts are likely to be the last agreed by the Trust as an independent entity as, in future, commissioning will be undertaken as an integrated function across the new merged organisation.
Capital Resources

The capital programme is a key resource of funding to enable modernisation and to ensure that our services are delivered in a safe and well maintained environment. The Trust has to generate sufficient surplus cash flow to finance capital investment by the retention of cash generated through operations (principally depreciation) for reinvestment and, subject to the demonstration of its ability to service debt, it can borrow to finance further capital investment. Borrowing is subject to a prudential borrowing code. In common with foundation trusts, the Trust has been set a prudential borrowing limit based on the prudential borrowing code.

Over £2m was expended in 2010/11 and the chart below provides an indication of the areas of investment the Trust pursued in the year.

### Capital expenditure 2010/11

<table>
<thead>
<tr>
<th>Area</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biomedical Research Unit</td>
<td>22%</td>
</tr>
<tr>
<td>OCE Mezzanine Floor</td>
<td>7%</td>
</tr>
<tr>
<td>Estates Lifecycle</td>
<td>4%</td>
</tr>
<tr>
<td>Care Records System</td>
<td>16%</td>
</tr>
<tr>
<td>Clinical equipment replacement</td>
<td>9%</td>
</tr>
<tr>
<td>Information Management &amp; Technology (IM &amp; T)</td>
<td>36%</td>
</tr>
<tr>
<td>Other Committed (inc Estates Lifecycle)</td>
<td>22%</td>
</tr>
</tbody>
</table>

(Source month 12 report to Projects Board)

The plan for 2011/12 can be summarised as follows; total funding of £2.8m is anticipated and it is proposed to use this for:-

<table>
<thead>
<tr>
<th>Area</th>
<th>£000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clinical Equipment replacement</td>
<td>900</td>
</tr>
<tr>
<td>Information Management &amp; Technology (IM &amp; T)</td>
<td>500</td>
</tr>
<tr>
<td>Care Records System</td>
<td>300</td>
</tr>
<tr>
<td>Estates Life Cycle</td>
<td>215</td>
</tr>
<tr>
<td>Clinical Trials Building</td>
<td>100</td>
</tr>
<tr>
<td>Neuro Behavioural facility</td>
<td>100</td>
</tr>
<tr>
<td>Other Committed (Inc PFI Lifecycle, retentions etc)</td>
<td>685</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2800</strong></td>
</tr>
</tbody>
</table>

(Source Trust Board Paper -agenda item 16 28.3.11)

Further details can be found in the annual operating plan for 2011/12 submitted to the Trust Board on 28th March 2011.

Cash Flow & Interest Rates

The Trust has a good record in recent years for retaining a healthy level of cash through management of its working capital and capital programme. Assuming that savings are achieved, financial balance maintained, and debt is managed then the cash position should remain stable. The forecast annual cash flow position for 2011/12 indicates that the Trust will end next year with £0.5m more cash than at the start of the year. This is because the cash generated through depreciation and the I&E surplus will not be fully committed on capital expenditure next year.

Summary Financial Statements

These accounts for the year ended 31st March 2011 have been prepared by the Nuffield Orthopaedic Centre NHS Trust under section 98 (2) of the National Health Service Act 1977 (as amended by sect 24 (2)), schedule 2 of the National Health Service and Community Care Act 1990 in the form which the Secretary of State has, with the approval of the Treasury, directed.

The financial statements that follow are only a summary of the information contained in the Trust’s annual accounts. Full copies of the accounts are available from the Corporate Services section of the Trust’s website www.noc.nhs.uk or by contacting the Finance department at the Nuffield Orthopaedic Centre. The Trust is required to include a Statement on Internal Control, which is shown at the end of this document.

Signed: .......................................................

Kevin Davis, Acting Director of Finance
**STATEMENT OF COMPREHENSIVE INCOME FOR**
**THE YEAR ENDED 31 March 2011**

<table>
<thead>
<tr>
<th></th>
<th>2010-11 £000</th>
<th>2009-10 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue from patient care activities</td>
<td>71,783</td>
<td>69,892</td>
</tr>
<tr>
<td>Other operating revenue</td>
<td>10,404</td>
<td>9,042</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(77,266)</td>
<td>(75,635)</td>
</tr>
<tr>
<td>Operating surplus/(deficit)</td>
<td>4,921</td>
<td>3,299</td>
</tr>
<tr>
<td>Finance costs:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment revenue</td>
<td>21</td>
<td>15</td>
</tr>
<tr>
<td>Other gains and losses</td>
<td>0</td>
<td>(10)</td>
</tr>
<tr>
<td>Finance costs</td>
<td>(2,634)</td>
<td>(2,614)</td>
</tr>
<tr>
<td>Surplus/(deficit) for the financial year</td>
<td>2,308</td>
<td>690</td>
</tr>
<tr>
<td>Public dividend capital dividends payable</td>
<td>(1,911)</td>
<td>(1,866)</td>
</tr>
<tr>
<td>Retained surplus/(deficit) for the year</td>
<td>397</td>
<td>(1,176)</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impairments and reversals</td>
<td>0</td>
<td>(1,876)</td>
</tr>
<tr>
<td>Gains on revaluations</td>
<td>3,345</td>
<td>5,061</td>
</tr>
<tr>
<td>Receipt of donated/government granted assets</td>
<td>44</td>
<td>59</td>
</tr>
<tr>
<td>Reclassification adjustments:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Transfers from donated assets and government grant reserves</td>
<td>(239)</td>
<td>(235)</td>
</tr>
<tr>
<td>Total comprehensive income for the year</td>
<td>3,547</td>
<td>1,833</td>
</tr>
</tbody>
</table>

**Reported NHS financial performance position**
**[Adjusted retained surplus/(deficit)]**

<table>
<thead>
<tr>
<th></th>
<th>2010-11 £000</th>
<th>2009-10 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained surplus/(deficit) for the year</td>
<td>397</td>
<td>(1,176)</td>
</tr>
<tr>
<td>IFRIC 12 adjustment</td>
<td>533</td>
<td>633</td>
</tr>
<tr>
<td>Impairments</td>
<td>(46)</td>
<td>854</td>
</tr>
<tr>
<td>Reported NHS financial performance position</td>
<td>882</td>
<td>311</td>
</tr>
</tbody>
</table>

**STATEMENT OF FINANCIAL POSITION AS AT**
**31 March 2011**

<table>
<thead>
<tr>
<th></th>
<th>2011 £000</th>
<th>2010 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>100,301</td>
<td>91,871</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>190</td>
<td>50</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>1,672</td>
<td>1,739</td>
</tr>
<tr>
<td>Total non-current assets</td>
<td>102,163</td>
<td>93,660</td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>2,180</td>
<td>1,957</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>3,186</td>
<td>5,573</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>6,322</td>
<td>3,735</td>
</tr>
<tr>
<td>Total current assets</td>
<td>11,688</td>
<td>17,026</td>
</tr>
<tr>
<td>Total assets</td>
<td>113,851</td>
<td>110,686</td>
</tr>
<tr>
<td>Current liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>(8,690)</td>
<td>(8,228)</td>
</tr>
<tr>
<td>Borrowings</td>
<td>(1,141)</td>
<td>(1,142)</td>
</tr>
<tr>
<td>Provisions</td>
<td>(283)</td>
<td>(60)</td>
</tr>
<tr>
<td>Net current assets/(liabilities)</td>
<td>1,574</td>
<td>7,596</td>
</tr>
<tr>
<td>Total assets less current liabilities</td>
<td>103,737</td>
<td>101,256</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings</td>
<td>(32,399)</td>
<td>(33,475)</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>(570)</td>
<td>(575)</td>
</tr>
<tr>
<td>Provisions</td>
<td>(533)</td>
<td>(518)</td>
</tr>
<tr>
<td>Total assets employed</td>
<td>70,235</td>
<td>66,688</td>
</tr>
</tbody>
</table>

**Financed by taxpayers’ equity:**

<table>
<thead>
<tr>
<th></th>
<th>2011 £000</th>
<th>2010 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public dividend capital</td>
<td>29,365</td>
<td>29,365</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>7,888</td>
<td>7,356</td>
</tr>
<tr>
<td>Revaluation reserve</td>
<td>24,042</td>
<td>21,200</td>
</tr>
<tr>
<td>Donated asset reserve</td>
<td>8,940</td>
<td>8,767</td>
</tr>
<tr>
<td>Total taxpayers’ equity</td>
<td>70,235</td>
<td>66,688</td>
</tr>
</tbody>
</table>
### STATEMENT OF CHANGES IN TAXPAYERS’ EQUITY FOR THE YEAR ENDED 31 MARCH 2010

<table>
<thead>
<tr>
<th>Public dividend capital (PDC)</th>
<th>Retained earnings</th>
<th>Revaluation reserve</th>
<th>Donated asset reserve</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
</tbody>
</table>

**Balance at 31 March 2009**

- As previously stated: 29,365 8,501 17,486 9,503 64,855
- Prior period adjustment: 0

**Restated balance**

- 29,365 8,501 17,486 9,503 64,855

**Changes in taxpayers’ equity for 2009-10**

**Total comprehensive income for the year:**

- Retained surplus/(deficit) for the year: (1,176) 0
- Transfers between reserves: 31 (31) 0 0
- Impairments and reversals: (1,131) (560) (1,876)
- Net gain on revaluation of property, plant, equipment: 5,061 0 5,061
- Receipt of donated/government granted assets: 59 59

**Reclassification adjustments:**

- Transfers from donated asset reserve: (235) (235)

**Balance at 31 March 2010**

- 29,365 7,356 21,200 8,767 66,688

### STATEMENT OF CHANGES IN TAXPAYERS’ EQUITY FOR THE YEAR ENDED 31 MARCH 2011

<table>
<thead>
<tr>
<th>Public dividend capital (PDC)</th>
<th>Retained earnings</th>
<th>Revaluation reserve</th>
<th>Donated asset reserve</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
</tbody>
</table>

**Changes in taxpayers’ equity for 2010-11**

**Balance at 1 April 2010**

- 29,365 7,356 21,200 8,767 66,688

**Total comprehensive income for the year:**

- Retained surplus/(deficit) for the year: 0 397 0 0 397
- Transfers between reserves: 0 135 (135) 0 0
- Impairments and reversals: 0 0 0 0 0
- Net gain on revaluation of property, plant, equipment: 0 0 2,977 368 3,345
- Receipt of donated/government granted assets: 44 44

**Reclassification adjustments:**

- Transfers from donated asset reserve: (239) (239)

**Balance at 31 March 2011**

- 29,365 7,888 24,042 8,940 70,235

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2011

<table>
<thead>
<tr>
<th></th>
<th>2010-11</th>
<th>2009-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
</tbody>
</table>

**Cash flows from operating activities**

- Operating surplus/(deficit): 4,921 3,299
- Depreciation and amortisation: 3,808 3,703
- Impairments and reversals: (48) 854
- Transfer from donated asset reserve: (239) (235)
- Interest paid: (2,634) (2,614)
- Dividends paid: (1,561) (1,866)
- Increase/decrease in inventories: (1,561) (56)
- Increase/decrease in trade and other receivables: 2,103 89
- Increase/decrease in trade and other payables: 457 774
- Increase/decrease in provisions: 238 (129)

**Net cash inflow/(outflow) from operating activities:**

- 6,822 3,819

**Cash flows from investing activities**

- Interest received: 21 15
- (Payments) for property, plant and equipment: (3,010) (2,437)
- (Payments) for intangible assets: (170) (41)
- Net cash inflow/(outflow) from investing activities: (3,159) (2,463)
- Net cash inflow/(outflow) before financing: 3,663 1,356

**Cash flows from financing activities**

- Capital element of finance leases and PFI: (1,076) (1,023)
- Net cash inflow/(outflow) from financing activities: (1,076) (1,023)
- Net increase/(decrease) in cash and cash equivalents: 2,587 333
- Cash (and) cash equivalents (and bank overdrafts) at the beginning of the financial year: 3,735 3,402
- Cash (and) cash equivalents (and bank overdrafts) at the end of the financial year: 6,322 3,735
Public Interest and Other reports

1 Management Costs
Management costs, using the Audit Commission definitions, were as follows:

<table>
<thead>
<tr>
<th></th>
<th>2010/11</th>
<th>2009/10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management Costs</td>
<td>4265</td>
<td>4395</td>
</tr>
<tr>
<td>Trust’s Relevant Income</td>
<td>82187</td>
<td>78934</td>
</tr>
<tr>
<td>Management Costs as % of relevant Trust income</td>
<td>5.2%</td>
<td>5.6%</td>
</tr>
</tbody>
</table>

2 Better Payment Practice Code
In accordance with the CBI prompt payment code, the Trust’s payment policy is to pay all creditors within 30 days of receipt of goods or a valid invoice unless other payment terms are agreed. The performance for 2010/11 is set out below:–

<table>
<thead>
<tr>
<th></th>
<th>2010/11</th>
<th>2010/11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total NHS trade invoices paid</td>
<td>19790</td>
<td>41049</td>
</tr>
<tr>
<td>Total Non –NHS trade invoices within target</td>
<td>19051</td>
<td>40111</td>
</tr>
<tr>
<td>% Non –NHS trade invoices paid within target</td>
<td>96%</td>
<td>98%</td>
</tr>
<tr>
<td>Total Non –NHS trade invoices paid</td>
<td>671</td>
<td>12169</td>
</tr>
<tr>
<td>Total NHS trade invoices within target</td>
<td>572</td>
<td>9337</td>
</tr>
<tr>
<td>% NHS trade invoices paid within target</td>
<td>85%</td>
<td>77%</td>
</tr>
</tbody>
</table>

The Trust has not yet signed up to the Prompt Payment Code, which is a payment initiative developed by Government and which was referenced in a letter from the NHS Chief Executive on 18 May 2009, because it wishes to have the systems in place to be able to deliver across the code before it signs up.

3 Audit Disclosure
The Trust’s external auditors are the Audit Commission. The statutory audit fee for the year ended 31st March 2011 was £102,670. The Trust also paid £2,700 to the Audit Commission for work connected with the Charitable Funds accounts. The Audit Commission auditors report to the Audit Committee, which is a sub committee of the Trust Board chaired by a non-executive director and whose membership is limited to the non-executive directors of the Trust. Under the governance arrangements of the Audit Commission, the district auditor and senior audit manager are rotated every 5 years.

In line with current guidance, each director has given a statement that as far as they are aware, there is no relevant audit information of which the Audit Commission, (the Trust’s Auditors) are unaware. They have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Audit Commission are aware of that information.

4 Declarations of Interests
All directors complete a declaration of interests stating whether they hold any significant interests held in companies likely to do business, or seeking to do business, with the NHS and where this might conflict with their managerial responsibilities.

No director of the Trust has any such interest which conflicts with their managerial responsibilities.

5 Land values
During the year the Trust Board decided that the land at Littlemore should no longer be classified as an asset held for sale. Accordingly, in line with international accounting standards it was reclassified as a non-current asset and its valuation was based on the fair value on the basis of the Market Value for existing use for the land.

6 Charging for Information
The Trust has complied with Treasury’s guidance on setting charges for information as specified within the Treasury guidance set out in appendix 6.3 of Managing Public Money.

7 Pension Liabilities
Nuffield Orthopaedic Centre staff are members of the National NHS Pension scheme. Further details about the scheme are available in Note 9 to the full accounts and in the remuneration report.

Remuneration Report for 2010-11
The Secretary of State for Health determines the remuneration of the Chairman and Non-executive Directors nationally. Remuneration for Executive Board members is determined in the light of Trust performance by the Trust's Remuneration Committee.

Remuneration Committee
Membership of the committee comprises Non-Executive Directors and the Chairman with the Chief Executive and Director of Human Resources in attendance (unless the agenda items referred to them personally) but only in an advisory capacity. The Remuneration Committee is chaired by the Trust Chairman and meets at least annually to agree the remuneration policy and practice for Executive Directors and other senior staff. The terms of reference for the committee are to ensure that senior managers are fairly remunerated for their individual contribution to the organisation, with consideration to affordability and public accountability. The Trust's Non-Executive Directors all serve on the committee. Details of the Directors' remuneration are given in the tables on the following pages.

Membership of the committee during 2010/11
Chris Gaod (Chairman from 1.12.10)
Joanna Foster (Chairman until 30.11.10)
Andy Carr
Angela Coulter
Dale Haddon
Michael Rogerson

Performance is monitored through appraisal and personal development both annually and through an ongoing appraisal process. Details of the Trust’s policies on contracts, notice periods and termination payments, as well as details of the dates of contracts and notice periods, and compensation for early retirement or awards made to former senior managers are available by writing to the Director of Human Resources at Trust Headquarters.

The remuneration report includes the table of salaries and allowance of senior managers and the table of pension benefits of senior managers. These tables together with the related narrative notes are required to be audited.
### Notes to Tables

#### Salary Table
- Other remuneration relates to:-
  - the salary entitlement of the Medical Director for the performance of his clinical duties.

#### Pension Table
- As Non-Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive members.
- Where a senior manager has either joined or acted up for part of a year, no comparative figures are available. In this case pension figures are for their full entitlement including that for previous service in another role, and do not reflect only the part relating to their senior management post within the Trust.

### Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member’s accrued benefits and any contingent spouse’s pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries. The Government Actuary Department (“GAD”) factors for the calculation of Cash Equivalent Transfer Factors (“CETVs”) assume that benefits are indexed in line with CPI which is expected to be lower than RPI which was used previously and hence will tend to produce lower transfer values.

### Real Increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.

### Accounting Policy

The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS Body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

### 1. Salaries and allowances

<table>
<thead>
<tr>
<th>Name and Title</th>
<th>Salary (bands of £5000)</th>
<th>Other Remuneration (bands of £5000)</th>
<th>Benefits in Kind Rounded to nearest £100</th>
<th>Salary (bands of £5000)</th>
<th>Other Remuneration (bands of £5000)</th>
<th>Benefits in Kind Rounded to nearest £100</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joanna Foster (1)</td>
<td>Chair</td>
<td>10-15 0 0 15-20 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td></td>
</tr>
<tr>
<td>Chris Goard (2)</td>
<td>Chair</td>
<td>10-15 0 0 15-20 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td></td>
</tr>
<tr>
<td>Prof Andrew Carr</td>
<td>Non-Executive Directors</td>
<td>5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td></td>
</tr>
<tr>
<td>Michael Rogerson</td>
<td>Non-Executive Directors</td>
<td>5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td></td>
</tr>
<tr>
<td>Dale Hadden (3)</td>
<td>Non-Executive Directors</td>
<td>5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td></td>
</tr>
<tr>
<td>Angela Coulter (4)</td>
<td>Non-Executive Directors</td>
<td>5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td></td>
</tr>
<tr>
<td>Jan Fowler</td>
<td>Chief Executive</td>
<td>110 - 115 0 0 110 - 115 0 0</td>
<td>90 - 95 0 0 90 - 95 0 0</td>
<td>90 - 95 0 0 90 - 95 0 0</td>
<td>90 - 95 0 0 90 - 95 0 0</td>
<td></td>
</tr>
<tr>
<td>Jennifer Howells (5)</td>
<td>Director of Finance &amp; Commercial Development</td>
<td>85-90 0 0 90-95 0 0</td>
<td>85-90 0 0 90-95 0 0</td>
<td>85-90 0 0 90-95 0 0</td>
<td>85-90 0 0 90-95 0 0</td>
<td></td>
</tr>
<tr>
<td>Kevin Davis (6)</td>
<td>Director of Finance</td>
<td>0-5 60-65 0 0 5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td>5-10 0 0 5-10 0 0</td>
<td></td>
</tr>
<tr>
<td>Sara Randall</td>
<td>Director of Operations &amp; Performance</td>
<td>80-85 0 0 80-85 0 0</td>
<td>80-85 0 0 80-85 0 0</td>
<td>80-85 0 0 80-85 0 0</td>
<td>80-85 0 0 80-85 0 0</td>
<td></td>
</tr>
<tr>
<td>Bev Edgar</td>
<td>Director of Workforce and Organisational Development</td>
<td>75-80 0 0 75-80 0 0</td>
<td>75-80 0 0 75-80 0 0</td>
<td>75-80 0 0 75-80 0 0</td>
<td>75-80 0 0 75-80 0 0</td>
<td></td>
</tr>
<tr>
<td>Dr Tony Berendt (7)</td>
<td>Medical Director</td>
<td>85-90 70-75 0 0 80-85 65-70 0 0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Notes
1. Joanna Foster stepped down as Chairman on 30th November 2010.
2. Chris Goard was appointed Chairman from 1st December 2010 before which he was a non executive director.
3. Dale Hadden was appointed as a Non-Executive director from November 2009.
4. Angela Coulter was appointed as a Non-Executive director from August 2009.
5. Jennifer Howells resigned on 13 March 2011 and hence the figures are not for a full year.
6. Kevin Davis was appointed acting Director of Finance from 14th March 2011.
7. Tony Berendt other remuneration relates to his clinical duties.

#### 2. Pension Benefits

<table>
<thead>
<tr>
<th>Name and Title</th>
<th>Real increase in pension at age 60 (bands of £2500)</th>
<th>Real increase in lump sum at age 60 (bands of £5000)</th>
<th>Total accrued pension at age 60 at 31 March 2011 (bands of £5000)</th>
<th>Cash Equivalent Transfer Value at 31 March 2011 (bands of £5000)</th>
<th>Real Increase in Cash Equivalent Transfer Value (bands of £5000)</th>
<th>Employer’s Contribution to stakeholder pension to nearest £100</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joanna Foster (1)</td>
<td>Chair</td>
<td>(0.2-5)</td>
<td>(0-2.5)</td>
<td>45-50 135-140 767 824</td>
<td>-99 0</td>
<td>45-50 135-140 767 824</td>
</tr>
<tr>
<td>Jennifer Howells</td>
<td>Director of Finance &amp; Commercial Development</td>
<td>0-2.5 2.5-5 10-15 30-35 126 129</td>
<td>0-2.5 2.5-5 10-15 30-35 126 129</td>
<td>0-2.5 2.5-5 10-15 30-35 126 129</td>
<td>0-2.5 2.5-5 10-15 30-35 126 129</td>
<td>0-2.5 2.5-5 10-15 30-35 126 129</td>
</tr>
<tr>
<td>Kevin Davis</td>
<td>Director of Finance</td>
<td>n/a</td>
<td>n/a</td>
<td>5-10 15-20 150</td>
<td>n/a 0</td>
<td>5-10 15-20 150</td>
</tr>
<tr>
<td>Sara Randall</td>
<td>Director of Operations &amp; Performance</td>
<td>(0.2-5)</td>
<td>(0-2.5)</td>
<td>30-35 95-100 550 594</td>
<td>-74 0</td>
<td>30-35 95-100 550 594</td>
</tr>
<tr>
<td>Bev Edgar</td>
<td>Director of Workforce &amp; Organisational Development</td>
<td>0-2.5</td>
<td>0-2.5 5-10 15-20 106</td>
<td>99 2 0</td>
<td>0-2.5</td>
<td>0-2.5 5-10 15-20 106</td>
</tr>
<tr>
<td>Dr Tony Berendt</td>
<td>Medical Director</td>
<td>0-2.5 2.5-5 50-55 160-165 979 1014</td>
<td>-85 0</td>
<td>0-2.5 2.5-5 50-55 160-165 979 1014</td>
<td>-85 0</td>
<td>0-2.5 2.5-5 50-55 160-165 979 1014</td>
</tr>
</tbody>
</table>
Certificates
Statement of Directors’ Responsibility with respect to Internal Control

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

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

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

The full statement of internal control is included within the Trust’s published and audited annual accounts which can be accessed through the Trust website at www.noc.nhs.uk or by contacting the Director of Finance on (01865) 737569 or the Corporate Offices on (01865) 737563.

Signed ………………………………………………………….. Date: June 2011.
Jan Fowler, Chief Executive Officer (on behalf of the Board)

INDEPENDENT AUDITOR’S REPORT TO THE DIRECTORS OF NUFFIELD ORTHOPAEDIC CENTRE NHS TRUST


This report is made solely to the Board of Directors of Nuffield Orthopaedic Centre NHS Trust in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 45 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the Annual Report. My responsibility is to report to you my opinion on the consistency of the summary financial statement within the Annual Report with the statutory financial statements.

I also read the other information contained in the Annual Report and consider the implications for my report if I become aware of any misstatements or material inconsistencies with the summary financial statement.

I conducted my work in accordance with Bulletin 2008/03 “The auditor’s statement on the summary financial statement in the United Kingdom” issued by the Auditing Practices Board. My report on the statutory financial statements describes the basis of my opinion on those financial statements.

Opinion

In my opinion the summary financial statement is consistent with the statutory financial statements of the Nuffield Orthopaedic Centre NHS Trust for the year ended 31 March 2011. I have not considered the effects of any events between the date on which I signed my report on the statutory financial statements 8 June 2011 and the date of this statement.

Phil Sharman
Officer of the Audit Commission

Audit Commission
Unit 5 ISIS Business Centre, Horspath Road, Oxford OX4 2RD
30 June 2011

Explanation of financial terminology

The format of the accounts is specified by the Department of Health and reflects the adoption of the International Financial Reporting Standards (IFRS) by the NHS. A glossary of the terms used in the Annual Report is outlined below. This covers the terms used in the financial statements and in the Financial Review.

Full copies of the accounts are available from the Corporate Services section of the Trust’s website (www.noc.nhs.uk) or by contacting the Finance Department at the Nuffield Orthopaedic Centre.

The four primary statements as specified by the NHS Trust Manual for accounts are:

- Statement of Comprehensive Income
- Statement of Financial Position (previously known as the Balance Sheet)
- Statement of Changes in Taxpayers Equity
- Statement of Cash Flows

The annual accounts also include:

- A foreword
- Notes to the accounts
- The Directors’ Statement of Responsibilities
- The Statement on Internal Control
- The auditor’s report.

The Statement of Comprehensive Income records the Trust’s income and expenditure for the year, together with any other recognised gains and losses in summary form. It includes cash-related items such as expenditure on staff and supplies as well as non-cash items such as a change in value of the Trust’s assets. If income exceeds expenditure, the Trust has a surplus for the year and if expenditure exceeds income, there is a deficit.

Terms used within the Statement of Comprehensive Income:

- Revenue for patient care activities: This includes all income from patient care, the largest element of which is from the Primary Care Trusts (PCTs). Other sources of income include private patient income and overseas patients.
- Other operating revenue: includes non-patient related income including education, training and research funding.
- Operating expenses: this includes the costs of staff, supplies, premises and services received from other organisations.
- Investment revenue: This shows the interest received from bank accounts.
- Other gains & losses: This shows the gain or (loss) on the sale of an asset compared with the asset’s value as recorded in the Statement of Financial position.
- Finance Costs: this includes any bank interest payable and the interest on PFI obligations.
- Public Dividend Capital Dividends payable: this is the dividend payable to the Department of Health to reflect the public equity invested in the Trust.
- Impairments & reversals: This shows reductions (or impairments) compared to asset values previously recorded in the Statement of Financial Position.
- Gains on revaluation: This shows increases compared to asset values previously recorded in the Statement of Financial Position.
- Receipt of donated / government granted assets: is the value of assets donated during the year to the Trust or financed by non-Department of Health government grants.

The Statement of Financial Position which was formally known as the balance sheet provides a snapshot of the Trust’s financial position at a specific date, which in this case is the end of the financial year. It lists assets (what the trust owns or owned), liabilities (what the Trust owes) and taxpayers equity (the amount of public funds invested in the Trust). At any given time, the trust’s total assets less its total liabilities must equal the taxpayer’s equity.

Terms used in the statement of Financial Position:

- Non current assets: These are assets which the Trust expects to keep for more than one year.
- Intangible assets: are assets such as computer software licences and patents which, although they have a continuing value to the Trust, do not have a physical existence.
• Trade & other receivables: are amounts owed to the NHS Trust and are analysed between those due over 12 months (non current) and those due within 12 months (current).
• Current assets: are assets which the Trust expects to keep for less than one year.
• Inventories: are stock such as theatre consumables.
• Non-current assets held for sale: are long term assets (such as land) which the Trust expects to sell shortly.
• Current Liabilities: reflect monies the Trust owes, including invoices it has not yet paid but which it expects to pay within a year.
• Trade & other payables: are amounts which the NHS Trust owes and are analysed between those due to be paid within 12 months (current) and those due to be paid after more than 12 months (non-current).
• Borrowings: are amounts which the NHS Trust owes and are analysed between those due to be paid within 12 months (current), and those due to be paid after more than 12 months (non-current), they include items such as bank overdrafts, loans and the loan element of PFI schemes.
• Provisions: are liabilities where the amount and / or timing are uncertain. Whilst there has been no cash payment, the Trust anticipates making a payment at a future date and so its net assets are reduced accordingly.
• Non Current Liabilities: reflect monies the Trust owes that it expects to settle after more than 12 months.
• Public Dividend Capital: The taxpayer's stake in the Trust, arising from the government's original investment in the Trust when it was first created.
• Retained earnings: are the aggregate surplus or deficit the trust has made in former years.
• Revaluation reserve: shows the increase in the value of the assets owned by the Trust.
• Donated asset reserve: shows the value of assets donated to the Trust.

The Statement of changes in Taxpayers' Equity essentially shows the movement from the previous year on reserves and public dividend capital. It represents the taxpayer's investment in the Trust.

• Prior Period Adjustment: reflects adjustments made in an accounting period prior to that to which the statement refers.
• Impairments & reversals: reflects reductions in asset values compared to asset values previously recorded in the Statement of Financial Position.

The Statement of Cash Flows summarises the cash flows of the Trust during the year. It analyses the cash flows under the headings of operating, investing and financing cash flows.

Terms used in the statement of Cash Flows:
• Depreciation & amortisation: These are the non-cash items included within the operating surplus and they need to be removed to give the movement in cash during the year. As an example, depreciation is an accounting charge to reflect the use of capital assets and does not involve cash; hence it is added back to the operating surplus / deficit.
• Impairments & reversals: reflects reductions in asset values compared to asset values previously recorded in the Statement of Financial Position. These are the non-cash items included within the operating surplus and they need to be removed to give the movement in cash during the year.
• Increase / (decrease) in provisions: Provisions are liabilities where the amount and / or timing are uncertain. Whilst there has been no cash payment, a change in the amount set aside for provisions impacts on the operating surplus and hence needs to be adjusted for to calculate the movement in cash during the year.
• Net cash inflow from operating activities: reflects the amount of cash received resulting from the Trust's operating activities.
• Net cash inflow / (outflow) from investing activities: reflects the amount of cash received / (paid) as a result of cash transactions that are not directly related to operating activities, for example purchasing new assets.
• Capital element of Finance leases and PFI: Where an asset is financed through PFI or a finance lease, a liability is shown on the Statement of Financial Position. This is the annual repayment of the capital part of that loan which is part of the unitary payment but not recorded as an expense in the statement of Comprehensive Income.
• Net cash inflow / (outflow) from financing: reflects the amount of cash received / (paid) as a result of cash transactions that are related to the financing of the Trust.

Glossary of NHS terms and abbreviations

Acute Services
Medical and surgical interventions provided in hospitals.

Annual Health Check
The annual health check is an important element of the Care Quality Commission's activities to drive improvements in healthcare for patients. It involves assessing and rating the performance of each NHS trust in England during the financial year from 1 April to 31 March. When doing so, they look at a wide range of areas, from the overall quality of care – including safety of patients, cleanliness and waiting times – to how well trusts manage their finances.

Assurance Framework
The Assurance Framework provides organisations with a simple but comprehensive method for the effective and focused management of the principal risks to meeting their objectives. It also provides a structure for the evidence to support the Statement on Internal Control.

Audit Commission
They are an independent public body responsible for ensuring that public money is spent economically, efficiently, and effectively in the areas of local government, housing, health, criminal justice and fire and rescue services. They appoint the External Auditors.

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

Break-even (duty)
A financial target. In its simplest form it requires the Trust to match income and expenditure.

Capital
Expenditure on the acquisition of land and premises, individual works for the provision, adaptation, renewal, replacement and demolition of buildings, items or groups of equipment and vehicles, etc. In the NHS, expenditure on an item is classified as capital if its costs exceed £5000 and its useful life expectancy is greater than one year.

Capital Absorption rate
The Capital Absorption rate is determined by dividing the PDC dividend (from the Statement of Comprehensive Income) by the average net relevant assets (owned assets of the trust at the beginning and end of the year less current liabilities & cash). The Trust achieves the target if it achieves a rate of return of 3.5 per cent.

Capital Resource Limit (CRL)
NHS Trusts are given a Capital Resource Limit (CRL) each year. They must not make capital expenditure in excess of this limit.

Care Quality Commission (CQC)
The Care Quality Commission was set up in April 2009 and it replaced the Healthcare Commission. It is an independent regulator to help improve the quality of healthcare. It does this by providing an independent assessment of the standards of services, whether provided by the NHS, the private sector or voluntary organisations.

Charitable Funds
Our charity, registered number 1060660 includes a General Amenity Fund (unrestricted) and several restricted funds. Within these funds are held many individual accounts, and these are used to enhance the services of the relevant departments/services within the hospital.

Clostridium difficile (C difficile)
Clostridium difficile is a bacterium that can cause an infection of the gut and is the major infectious cause of diarrhoea that is acquired in hospitals. It does this by providing an independent assessment of the standards of services, whether provided by the NHS, the private sector or voluntary organisations.

Corporate Trustee
A corporate trustee is a corporation which has been appointed to act as a trustee of a charity. In the case of the NOC, the NHS Trust Board is the corporate trustee of our charitable funds.

Creating a Healthy Oxfordshire (CAHO)
This is an initiative involving all parties within the Oxfordshire Health Economy designed to improve quality and efficiency of health services in Oxfordshire in the context of the current economic climate and the challenges it faces in the next few years.
requirements of patients as commissioned by PCTs.

Directors. NHS trusts are part of the NHS and provide services based on the needs and wishes of their local people. Foundation Trusts have a membership drawn from the community which they serve and an elected Governors’ Council. They also enjoy some financial freedoms not available to NHS Trusts.

The three main functions of a Primary Care Trust are:
- engaging with its local population to improve health and well-being;
- commissioning a comprehensive and equitable range of high quality, responsive and efficient services, within allocated resources, across all service sectors; and
- directly providing high quality responsive and efficient services where this gives best-value.

Primary Care Trust (PCT)

The three main functions of a Primary Care Trust are:
- engaging with its local population to improve health and well-being;
- commissioning a comprehensive and equitable range of high quality, responsive and efficient services, within allocated resources, across all service sectors; and
- directly providing high quality responsive and efficient services where this gives best-value.

Primary Care Trusts commission a range of services from Nuffield Orthopaedic Centre NHS Trust, which provides the majority of our income.

Prudential Borrowing Code (PBC)

This is the code provided by Monitor to determine the limit on the total amount of borrowing of an NHFT and the same principles are applied by the Department of Health to NHS trusts.

Prudential Borrowing Limit (PBL)

This is the maximum cumulative borrowing a trust may have outstanding at any time and is set based on prudential borrowing code.

Risk Register

A register of all the risks identified by the organization, each of which is assessed to determine the likelihood of the risk occurring and the impact on the organization if it does occur.

Secondary Care

Care provided in hospitals.

Service Level Agreements

A Service Level Agreement (SLA) is the main mechanism for service provision between NHS Trusts and Primary Care Trusts for NHS services. An SLA is an agreement that sets out formally the relationship between service providers and customers for the supply of a service by one or another.

Statement of Internal Control (SIC)

The Chief Executive as the Accounting Officer is required to make an annual statement – the “Statement on Internal Control” (SIC) – alongside the accounts of the Trust which provides a high-level summary of the ways in which staff are trained to manage risk and of how risk has been identified, evaluated and controlled, together with a confirmation that the effectiveness of the system of internal control has been reviewed and that the results of the effectiveness review have been discussed by the Accounting Officer with the board, the Audit Committee (and the risk committee if one exists in the body). In addition, disclosure is required in relation to any “significant internal control issues”.

Strategic Health Authority (SHA)

The Strategic Health Authority. It is accountable to the Secretary of State for Health via the Chief Executive of the NHS and has a role in performance manage PCTs and local health systems, work to improve public health and reduce inequalities and ensure robust and integrated emergency planning.
Contact Details
Nuffield Orthopaedic Centre
Windmill Road, Headington, Oxford OX3 7LD
www.noc.nhs.uk

If you have a question you wish to ask, please get in touch. You may find the following contacts helpful:

SWITCHBOARD
For all general enquiries or if you are not sure who you need to speak to:
Tel: 01865 741155  Fax: 01865 742348

PATIENT ADVICE & LIAISON SERVICE (PALS)
PALS can provide advice and assistance in resolving any problems or concerns that you may have about the hospital’s service:
Tel: 01865 738126  Email: pals@noc.nhs.uk

If you would like this information in a different language or large print format please contact the Trust’s Patient Advice and Liaison Service (PALS) on 01865 738126

Are we speaking your language?
If you would like information in another language or format, please call 01865 738126

Bengali
তাপনী কী স্বল্প জ্ঞান এবং তামাকী প্রকৃত অফার, নাম: 01865 738126 নাম: নাস্তে নকন

Hindi
गर्व का आय प्रति महत्व में बावकारी पाए हैं, तो
कृपया 01865 738126 पर टॉलफ्राइड करें

Urdu
اگر معلومات کسی اورین سے متعلق ہیں تو پر 01865 738126 رکھ کر

Polish
Proszę dzwonić pod numer 01865 738126 w celu zasięgnięcia informacji w innych językach

Portuguese
Se pretender informações neutra língua, contacte 01865 738126

Punjabi
ਡੀ ਹੁਣ ਜਿੱਡੇ ਹੋਣਾ ਦੂਰ ਕਰਨਾ ਵਿੱਚ ਉੱਪਰ ਕੁਝ ਹੁਣ ਜਿੱਡੇ ਹੋਣਾ ਦੂਰ ਕਰਨਾ

Urdu