



Annual Review 2009

Oxford Radcliffe Hospitals 
NHS Trust

Introduction

This summary of our Annual Review describes the highlights of an extremely successful year for the Trust. We were awarded 'excellent' in the Healthcare Commission's annual health check for the quality of our clinical care; we achieved all of the government's key targets aimed at reducing waiting times for patients, and we finished the year with a financial surplus.

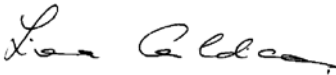
Perhaps even more importantly, however, we developed some significant new facilities for patients. Last year, we opened our new geratology ward, which provides comfortable and homely single rooms for older patients who are recovering from illness and preparing for life back in the community. The Oxford Cancer Centre, which opened in March at the Churchill Hospital, brings together under one roof cancer services which were previously provided at several locations and in buildings long past their expected lives. The new Centre, which has already won an award for its environmentally friendly nature, has been designed to provide a calm and tranquil environment for patients, at the same time as housing state-of-the-art equipment and facilities.

At the same time, building work on the Oxford Heart Centre, at the John Radcliffe Hospital, has progressed quickly and will soon be seeing its first patients. The Heart Centre has been built to accommodate the growing number of cardiac patients who can be treated at an early stage of their disease, and thus avoid major surgery later.

Our new buildings and other developments have attracted some prominent visitors during the year. In September, we were delighted to host jointly with the University of Oxford a visit by Health Minister Lord Darzi and NHS Chief Executive David Nicholson. This was an opportunity not only to demonstrate the high quality of our new facilities, but also to showcase some of the many ways in which we are working with the University of Oxford to ensure that patients have rapid access to new treatments and procedures pioneered through our Biomedical Research Centre. In November, Her Majesty The Queen and The Duke of Edinburgh celebrated the opening of the Children's Hospital and the new West Wing at the John Radcliffe Hospital. This was a memorable occasion,

involving over 1,000 staff and visitors, and again an opportunity to show the importance of our relationships with the University of Oxford and our many other local partners, and the benefits these bring to patient services, teaching and research. In February this year, the Prime Minister Gordon Brown paid a surprise visit to the Cancer Centre, where he met staff involved in its design and development.

In November, Sir William Stubbs retired as Chairman of the Trust. Sir William, who had been Chairman since 2003, made an enormous contribution to the organisation,

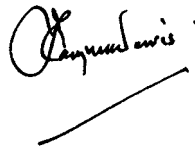


Dame Fiona Caldicott DBE
Chairman



leading it to a position of financial stability and the achievement of patient targets. This report is an opportunity for the Board to thank him for his determination, energy and leadership skills.

As we finalise this review of the previous financial year, we are contemplating our response to the tougher economic climate that lies ahead for the NHS. We face the future knowing that we have overcome many difficult challenges in the past, and that our staff have the skills and experience to achieve success.



Trevor Campbell Davis
Chief Executive





Our patients last year

- 609,656 people attended outpatient appointments
- 22,826 people were treated as inpatients
- 117,922 people attended the emergency departments
- 86,725 people were admitted as inpatients for emergency assessment or treatment
- 64,816 people were treated as day cases (111,734) if renal dialysis is included)
- 8,722 babies were delivered

In October 2008 the Trust was given the highest rating of 'excellent' by the Healthcare Commission's annual health check for the quality of patient care in 2007/08.

About the Oxford Radcliffe Hospitals

The Oxford Radcliffe Hospitals NHS Trust (ORH) is one of the largest acute teaching trusts in the UK, with a national and international reputation for the excellence of its services and its role in teaching and research. The Trust consists of three hospitals: the John Radcliffe and Churchill Hospitals in Oxford, and the Horton General Hospital in Banbury. We employed 10,283 people (equivalent to 8,052 full time posts) at the end of the financial year and had a turnover of £614 million.

The ORH works in close partnership with the University of Oxford's Medical Sciences Division and Oxford Brookes University's School of Health and Social Care, and is a renowned teaching and education base for doctors, nurses and other healthcare professionals. The Oxford Biomedical Research Centre (OxBRC) is now in its third successful year of bringing together the research expertise of the Trust and the University of Oxford.

The Trust provides general hospital services for people in Oxfordshire and neighbouring counties, and specialist services on a regional and national basis.

The main commissioner of our services is Oxfordshire Primary Care Trust (PCT). Other key commissioners are Buckinghamshire, Berkshire, Gloucestershire, Northamptonshire and Wiltshire PCTs.

Because the Trust is a major teaching and research centre, it also provides a number of specialist services to a wider number of people, some of which are funded nationally rather than through local PCTs.

Our hospitals

The John Radcliffe Hospital in Headington, Oxford is the largest of the Trust's hospitals and the home of many departments of the University of Oxford's Medical Sciences Division, although medical students are trained throughout the Trust. It is the site of the county's main accident and emergency service and also provides acute medical and surgical services, trauma, intensive care and women's services. The Oxford Children's Hospital, the Oxford Eye Hospital and the new Oxford Heart Centre are also based at the John Radcliffe Hospital.

The Oxford Children's Hospital is devoted to the care of sick children and houses almost all the Trust's paediatric services. The facilities, from the atrium to the clinics and wards, have been designed specifically for the welfare of children and teenagers.

Children are treated here for a range of conditions, including heart disease, chest disease, childhood cancer, neurological disorders and those requiring general or specialist surgery. There is accommodation for parents to stay overnight, either next to their child's bed or in a dedicated accommodation suite.

The West Wing adjoins the Children's Hospital and houses the majority of services that were previously based at the Radcliffe Infirmary, including neurosciences (*neurology and neurosurgery, neurophysiology, neuropsychology, neuroradiology*), specialist surgery (*ear, nose and throat (ENT), plastic surgery, craniofacial surgery, ophthalmology*), critical care facilities for specialist surgery and neurosurgery, a new day surgery unit, state-of-the-art operating theatres and University of Oxford facilities.

The Oxford Heart Centre provides new facilities for the Trust's cardiac services, including additional single rooms, a cardiac intensive care unit, five catheter labs and teaching and conference facilities. This exciting £29m development provides facilities for research and treatment of people with heart disease. Trust staff already work closely with those of the University of Oxford, and have contributed significantly to advances in the delivery of care to heart patients. Oxford has also earned an excellent reputation for its valve surgery, congenital service, electrophysiology and day case activity, treating 26,000 patients a year.

The Churchill Hospital is a centre for cancer services and other specialties, including renal services and transplant, clinical and medical oncology, dermatology, haemophilia, infectious diseases, chest medicine, medical genetics palliative care and sexual health. The Hospital, together with the nearby John Radcliffe, is a major centre for healthcare research, housing departments of the University of Oxford's Medical Sciences Division and other major research centres such as Cancer Research UK. The new £109m Cancer Centre opened at the Churchill Hospital in March 2009.

The Oxford Cancer Centre enables patients living in Oxfordshire and the surrounding areas, to receive their cancer care in a dedicated purpose-built Centre, which brings together a wide range of medical and surgical services that were at the Churchill and John Radcliffe Hospitals. The new buildings comprise cancer and haematology, surgery and diagnostics and a private patient wing. It also offers a base for university research teams, enabling patients to have rapid access to new treatments and to take part in clinical trials.

The Horton General Hospital in Banbury provides services for the people of North Oxfordshire and surrounding counties. Services include an emergency department, acute general medicine and surgery, trauma, obstetrics and gynaecology, paediatrics, coronary care, and a cancer resource centre. The majority of these services have inpatient beds and outpatient clinics. Satellite outpatient clinics are provided in towns such as Chipping Norton in North Oxfordshire and Brackley in South Northamptonshire. There are also video-conference satellite links to Oxford and close integration of departments.

Better Healthcare Programme for Banbury and Surrounding Areas

The Trust is working with Oxfordshire PCT to develop plans for the future of paediatric services, obstetrics, gynaecology and the special care baby unit at the Horton General Hospital. In March 2008, the PCT established a programme of engagement with local people and stakeholders, including the Trust and other NHS organisations, to develop a plan for local health services.

Our services

We provide general hospital services for the population of Oxfordshire and neighbouring counties, specialist services to a wider catchment area and some very specialist care on a national basis.

General services provided to Oxfordshire and neighbouring counties include

- Ear, nose and throat services
- Paediatrics
- General medicine
- Services for older people
- General surgery
- Services for people with chronic disease
- Gynaecology
- Trauma
- Maternity and obstetrics
- Urology
- Ophthalmology

Services provided for local patients and patients from a wider catchment area, and which involve major academic research programmes, include

- Cancer services
- Gastrointestinal services
- Cardiac services
- Neurosciences
- Transplantation

Specialist services for patients on a regional or national basis include

- Critical care, including adult and paediatric intensive care
- Specialist children's services, including cardiac surgery, neurology, oncology and infectious diseases
- Specialist medicine, such as clinical genetics, specialist chest medicine and specialist infectious diseases
- Specialist surgery, including trauma, maxillo-facial, and vascular surgery
- Specialist women's services, including assisted reproduction and high-risk obstetrics

Becoming an Academic Health Science Centre and an Academic Foundation Trust

What is an Academic Health Science Centre (AHSC)?

Academic Health Science Centres will lead the field in the UK in the provision of high-quality patient services, teaching and research, and will compete internationally for talented staff and students and significant research investment.

The ORH is committed to becoming an AHSC and we were disappointed by our unsuccessful application earlier in 2009. However, the application process has given us much to build upon and a clear idea of what we need to do to achieve AHSC status in the future. Our partners for the Oxford AHSC include the University of Oxford, Oxford Brookes University and other NHS Trusts in Oxfordshire, and together we are committed to aligning high quality clinical services with education and research because of the benefits this will bring to our patients, current and future health professionals, and the wider community.

The international panel which assessed our application acknowledged the outstanding science and biomedical research carried out in Oxford and the excellent potential foundations for an Oxford AHSC. They also made several

specific suggestions, including the need to demonstrate a greater focus on developing research to benefit patients in primary care as well as secondary care. We have been invited to apply again and plan to do so.

What is an Academic Foundation Trust (AFT)?

An Academic Foundation Trust, is a new type of healthcare organisation, still fully part of the NHS but with more freedom to determine its own future and more accountability to staff, patients and the public.

The ORH continues to work towards becoming an AFT and we have been recruiting members and organising events that enable people to become more involved. We aim to have about 6,000 public members (1% of the population of Oxfordshire) by the time of first elections to the Council of Members, and 13,000 staff members including those from the University of Oxford's Medical Sciences Division and the Trust's PFI partners.

If you would like to know more about the membership scheme, and our work to become an Academic Foundation Trust, please contact our Foundation Trust Membership Office on 01865 743491 or email orhmembers@orh.nhs.uk

Our values

Our values reflect what patients and staff have told us the ORH should stand for; we strive to demonstrate these values in everything we do.

Safe quality care – we will continue to improve our high standards of care and treatment, ensuring that they are safe, leading-edge and informed by evidence.

Academic excellence – we will carry out and support world-class research, education and teaching, to benefit patients now and in the future.

A healthy environment – we will continue to invest in the quality of the built environment, and make sure that it is clean, well-maintained and safe.

Involving our patients – we will involve our patients in their care through good communication and providing information to enable them to take informed decisions and make choices: we aim to meet expectations with humanity, dignity and honesty. We will engage with patients, stakeholders and the public when planning our services.

Valuing and caring for our staff – we will help staff to fulfil their potential so that they in turn can care fully for our patients. We will also help our staff to balance their home and their working lives.

Working with others – we will work together to build effective teams and develop our partnerships within the local community, for the benefit of all patients and stakeholders.

Listening and learning – we will continue to be a learning organisation, building on the experiences of other health providers, nationally and internationally. We will build on the feedback from our patients, commissioners and the wider community.

Board of Directors

Non-executive Directors



Dame Fiona Caldicott
Chairman



Professor
Alastair Buchan



Ms Caroline Langridge



Dr Colin Reeves ,CBE



Mr Brian Rigby, CBE



Professor
Adrian Towse

Executive Directors



Trevor Campbell Davis
Chief Executive



Mr Chris Hurst
*Director of Finance
and Procurement*



Dr James Morris
Medical Director



Mr Andrew McLaughlin
*Chief Operating Officer
(from 1 April 2009)*



Mr Andrew Stevens
*Director of Planning
and Information*



Ms Elaine Strachan-Hall
*Director of Nursing and
Clinical Leadership*

Trust Board meetings are held in public.

Visit our website for times and dates

www.oxfordradcliffe.nhs.uk

Sustaining performance and developing services

The Trust has finished the financial year having succeeded in meeting all of the national elective and emergency targets including the four hour emergency department target (despite one of the busiest winters in a decade), and waiting times for urgent suspected cancer referrals. The Trust achieved the 18-week referral to treatment patient pathway nine months ahead of the Government target of April 2008, and this has been sustained for the year.

As part of meeting these headline waiting times, we have continued to improve the underlying elements of care. For example, the average length of stay in hospital has fallen, and the percentage of operations cancelled at the last minute for non-clinical reasons has remained as low as last year at just 0.7%. At the same time, the efficient use of our operating theatres has increased, and 90% of our patients now come in to hospital on the day of their operation rather than having to stay the night before.

Thanks to efforts to inform patients about the importance of attending appointments and the launch of a text message reminder service, the number

of patients failing to attend their appointments has fallen from 7.2% to 5.5%. Apart from the obvious benefits for patients in being seen more quickly, this also saves administration costs and clinicians' time.

All of these things directly benefit patients and increase the smooth running of our hospitals because they mean less time spent in hospital, less waiting, and as little disruption as possible to people's lives.

Research

The Oxford Biomedical Research Centre (OxBRC) is a partnership between the research expertise of the ORH and the University of Oxford. The OxBRC was founded in April 2007 through a competitively awarded grant of £57.5m over five years from the Department of Health's National Institute for Health Research (NIHR), under the programme Best Research for Best Health. The OxBRC is tasked to undertake "translational research", which means first time studies in patients of innovations that are intended to improve healthcare.

Almost two years on, the OxBRC is now funding, or part funding, 185 research projects across 14 therapeutic areas, eight of which are complete; and employs 300 (part and full-time) staff in posts ranging from principal investigators, data entry clerks, research nurses, and finance support staff.



Operating and financial review

For the second consecutive year the Trust made an operating surplus in the year and an underlying (normalised) operating surplus for the third consecutive year. At £2.4m its final retained surplus for the year was marginally better than its planned surplus of £2.3m. In addition, in the face of a deteriorating economic environment, the Trust successfully took action to strengthen further its cash position (liquidity) in the second half of the financial year. As a result, it started 2009/10 with a strong underlying cash position. This is essential given the scale of financial challenges which can be expected to face public services over the next five years.

The table below summarises the income and expenditure position for the last two years:

| | 2009 | 2008 |
|---|------------------|---------------|
| | £000 | £000 |
| Income from activities | 499,533 | 455,553 |
| Other operating income | 114,838 | 97,545 |
| Operating expenses | (598,538) | (536,305) |
| OPERATING SURPLUS (DEFICIT) | 15,833 | 16,793 |
| Profit/(loss) on disposal of fixed assets | (223) | (851) |
| SURPLUS/(DEFICIT) BEFORE INTEREST | 15,610 | 15,942 |
| Interest receivable | 1,134 | 1,218 |
| Interest payable | (1,124) | (1,034) |
| Other finance costs – unwinding of discount | (21) | (21) |
| SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR | 15,599 | 16,105 |
| Public dividend capital dividends payable | (13,194) | (11,794) |
| RETAINED SURPLUS (DEFICIT) FOR THE YEAR | 2,405 | 4,311 |

Summary of financial duties

The Trust's performance measured against its statutory financial duties is summarised as follows:

- **Break-even on income and expenditure** (*a measure of financial stability*)
The Trust reported an in-year surplus of £2.4m, which is better than the plan agreed with the Strategic Health Authority (SHA) prior to the start of the year. The Trust will not fully satisfy the requirements of the NHS Trust five year break-even duty until March 2012. The SHA accepts that it would be unreasonable to expect the Trust to make a sufficient surplus in 2009/10 and 2010/11 to fully recover the five year break-even duty. The Trust is now in recurrent surplus and can generate surplus and can generate cash to repay its past loans. Future surpluses are expected to offset fully earlier deficits, but over seven and not five years.
- **Capital costs absorption rate** (*a measure of balance sheet management*)
NHS Trusts are targeted to absorb the cost of capital at a rate of 3.5% of average relevant net assets (as reflected in their opening and closing balance sheets for the financial year). A tolerance of 0.5% is set around this target. In 2008/09 the Trust met the duty with an absorption rate of 4.0%.
- **External Financing Limit** (*an overall cash management control*)
The Trust was set an External Financing Limit (EFL) of £15.2m in 2008/09. Its actual external financing requirement was £0.1m, that is £15m within its EFL.

The full Annual Review 2009

The Annual Review 2009 is now available on the ORH website
www.oxfordradcliffe.nhs.uk

You can see the full set of audited financial statements including

- the Statement of the Accounting Officer's responsibilities
- the Primary Financial Statements and notes
- the Audit opinion and Report

Hard copies can be requested from: Director of Finance,
Oxford Radcliffe Hospitals NHS Trust, Headley Way, Headington, Oxford OX3 9DU

It is also available in CD format from the Media and Communications team.

Email media.communications@orh.nhs.uk

Telephone 01865 228932



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NHS Trust

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Large print versions of this review and copies of the full annual review are available on the Trust website (www.oxfordradcliffe.nhs.uk) or from the Media & Communications Office, John Radcliffe Hospital, Headley Way, Headington, Oxford OX3 9DU. Tel 01865 228932