Working to be known throughout the world as one of the top ten hospital Trusts in England and the Kent hospital of choice for patients and those close to them

Annual report 2005-06

East Kent Hospitals NHS

NHS Trust

Patients at Kent & Canterbury Hospital enjoying the sun.

Our vision:

To be known throughout the world as one of the top ten hospital Trusts in England and the Kent hospital of choice for patients and those close to them.

Our mission:

To provide safe, patient focused and sustainable health services with and for the people of Kent. In achieving this we acknowledge our special responsibility for the most vulnerable members of the population we serve.

Our values:

East Kent Hospitals NHS Trust people:

1 Take pride in delivering quality and put patients first

2. Act with integrity

3 Speak well of each other and celebrate diversity

4 Achieve great things when they work together

5 Are open, honest and communicate and involve people in their decisions; and

6 Are good citizens, look after the environment and pursue value for money in all that they do.

Welcome to East Kent Hospitals NHS Trust's Annual Report for 2005/06

This has been a particularly significant year for the Trust: a year of consolidation and a year of new and significant challenges.

- We completed the planned reconfiguration of our hospital services across East Kent, moving several services and opening new facilities
- We treated around 700,000 patients, including over 176,000 people attending our emergency departments, over 47,000 people who had planned treatment and nearly 450,000 people who were outpatients
- We set out our vision of what we are working towards as a Trust - to be known throughout the world as one of the top ten hospital Trusts in England and the Kent hospital of choice for patients and those close to them.

We, along with the rest of the NHS, have now begun a new era with the introduction of Patient Choice and Payment by Results. It is our responsibility to respond effectively to the challenges of an income that is no longer guaranteed and patient numbers that are no longer guaranteed, and we aim to do so effectively to ensure our patients have sustainable and excellent local hospital services for years to come.

George Jenkins, Chairman

David Astley, Chief Executive

Our front cover picture shows staff of the new Heart Centre in Queen Elizabeth The Queen Mother Hospital, Margate, with one of their first patients.

April • May • June • Improving services all the time

Brabourne Ward and the Cathedral Day Unit

The new £920,000 clinical haematology service - Brabourne Ward and the Cathedral Day Unit - opened at the Kent & Canterbury Hospital in June 2005.

Brabourne Ward brought the Haematology team from across the Trust together to one centre. It has been specially designed for often high dependency patients, with eight en-suite side rooms for patients requiring isolation and six ward beds. It also has a counselling room and patient lounge and waiting area.

Alongside Brabourne is the Cathedral Day Unit, for oncology and haematology outpatients needing chemotherapy and supportive treatments.

The Unit replaces the hospital's 16-year-old Mountbatten Centre, which the service had outgrown with the increase in both outpatient chemotherapy open to patients with a diagnosis of cancer and the availability of supportive treatments. The new Unit has room for 12 treatment chairs in light and spacious surroundings. The environment is much better for the patients, who can now enjoy a conservatory and a large courtyard while they receive treatment - some of which takes up to ten hours.

Celia Blakey Centre

At William Harvey Hospital, Ashford, the Celia Blakey Chemotherapy Centre was extended to provide room for four more treatment chairs, as well as a dedicated room for pre-chemotherapy assessment clinics.

Special children's area for A&E

In May, a dedicated children's area was opened in the William Harvey Hospital's A&E department so children and parents can wait and be treated in a child-friendly environment. The four-bed unit caters for around 40 children each day and comes complete with a children's waiting room with toys, a TV and video player.

The extension to the Celia Blakey Centre at William Harvey Hospital allows more patients to be treated.

The extension to the minor injuries children's area at William Harvey Hospital's A&E department is brightly coloured to interest its young patients.

July • August • September • Improving services all the time

Endoscopy suite

The new £1 million endoscopy suite at the Kent & Canterbury Hospital had its official opening in July 2005

"The new endoscopy suite is great because it's purpose designed for endoscopy, rather than being an alteration of another area (the old unit was formerly part of a ward)," explains Unit Manager Naomi Roads.

"We now have space - six more beds and two theatres rather than one, which also have the latest scoping equipment and better facilities. And the whole place is much more light and airy, and generally more relaxing and welcoming.

Canterbury Day Surgery Centre

After months of planning, preparing, building and finishing, the new Canterbury Day Surgery Centre at the K&C opened to treat its first patients in July 2005.

The new Day Surgery Centre looks and feels like a hotel.

Members of the endoscopy team.

The new £2.8 million Centre carries out a wide variety of day-case procedures including gynaecological, orthopaedic, pain relief, general surgery and dermatology.

"It feels like a first-class hotel, I really can't fault it," said Anne Rogers, the first patient to be treated at the Centre. "I think it's absolutely lovely and the staff have been great. It really is brilliant."

The new Centre has also already made a huge impression on its staff:

"We are really thrilled with the new Centre," said Graham Crew, Ward Manager of the new Day Surgery Unit. "Patients have mentioned how it looks and feels like a hotel, so if it makes a difference to them, it's making a difference to us."

Before the new Centre opened, day surgery was being carried out in the hospital's existing theatres, along with inpatient surgeries. Now day surgery at the K&C has its own dedicated theatres, more inpatient surgery can be carried out in the existing theatres.

Operating and Financial Review (OFR)

The OFR forms part of the annual report and provides an analysis of the business of the Trust through the eyes of the Board of Directors.

History of the Trust

In 1999 three acute hospital Trusts in East Kent merged to form East Kent Hospitals NHS Trust.

What we do

East Kent Hospitals NHS Trust is the country's sixth largest NHS Trust. It is made up of five hospitals:

- Buckland Hospital, Dover
- Kent and Canterbury Hospital, Canterbury
- Queen Elizabeth The Queen Mother Hospital, Margate
- Royal Victoria Hospital, Folkestone
- William Harvey Hospital, Ashford
- Plus many other teams of Health Care Professionals working in centres across East and West Kent. The Trust employs around 7000 staff and together we serve a population of approximately 608,000.

The table on the right describes the services that are provided by each of our hospitals.

Service	Kent & Canterbury Hospital, Canterbury	William Harvey Hospital Ashford	Queen Elizabeth The Queen Mother Hospital Margate	Buckland Hospital Dover	Royal Victoria Hospital Folkestone
Accident and Emergency		•	•		
24 hour Emergency Care Centre	•	•	•		
Minor Injuries Unit	•	•	•	•	•
Inpatient Dermatology	•				
Inpatient Breast Surgery		•	•		
Inpatient Child Health Services		•	•		
Child Ambulatory Services 9-5 pm	•	•	•	•	
Midwifery–led-low risk birthing Unit	•			•	
Inpatient Obstetric & Gynaecology		•	•		
Special Care Baby Unit		•	•		
Neonatal Intensive Care Unit		•			
Inpatient Clinical Haematology	•				
Inpatient Orthopaedic Services		•	•		
Inpatient Emergency Trauma services		•	•		
Day Surgery	•	•	•		
Inpatient emergency general surgery		•	•		
Inpatient Urology Services	•				
Inpatient Vascular services	•				
Inpatient Renal services	•				
Renal Dialysis	•		•	•	
Outpatient services	•	•	•	•	•
Inpatient medicine	•	•	•		
Elderly care Rehabilitation	•	•	•	•	•

The Trust Board

The Trust is directed by a Trust Board, which comprises a Chairman appointed by the Secretary of State for Health, six Non-Executive Directors (NEDs) appointed by the NHS Appointments Commission and five Executive Directors appointed by the Chairman and NEDs.

The Board is responsible to the Secretary of State for all aspects of the Trust's work, including maintaining standards, achieving targets set by the Government (eg, waiting time targets) and achieving financial balance. The Board meets seven times a year in public and papers for its public meetings are available on request. The Board also holds an Annual Public Meeting to report on the previous year. The next is being held at 7pm on Tuesday 26 September at Queen Elizabeth The Queen Mother Hospital, Margate.

The Board conducts some of its business through Committees for Audit, Finance and Charitable Funds, Governance, Human Resources and Strategic Development.

Two directors of the Trust are also directors of organisations having significant business interests with the Trust: The Trust Chairman George Jenkins is a Non-Executive Director of NHS Blood and Transplant, and Richard Sturt (Non-Executive Director) is also a Governor of Canterbury Christchurch University.

Development of the Trust - key changes in 2005/06

We have invested over £24 million as part of a three-year programme to improve services at our three acute hospitals. Over the last year we completed a range of different projects:

Kent and Canterbury Hospital

- A new Day Surgery Suite
- A new Children's Assessment Centre
- A new endoscopy suite
- Pharmacy has been modernised with a state-of-the-art robotic dispensary and a new, centralised aseptic suite (sterilised area for preparation of cancer drugs) has been built to serve the whole Trust
- Rupert and Paddington wards and 3 Bears House have been refurbished to house the new clinical haematology service.

Queen Elizabeth The Queen Mother Hospital

- A new two-storey building for a number of adult outpatient services and a range of support services
- A new operating theatre and recovery area
- The Maternity delivery suite has been refurbished
- A new Caesarean Section Theatre
- Minster ward moved to the site of the refurbished former children's ward. As a short stay (three-day) medical ward it now works closely with the adjacent expanded Clinical Decision Unit.
- Birchington Ward (gynaecology/gynaeoncology ward) moved to the former Minster Ward area and has been refurbished.
- Rainbow Ward – a brand new children's ward has been opened on the site of the former West Thanet suite and Birchington Ward. The new ward provides a range of facilities for children including dedicated outpatient rooms built in an adjacent area.
- A new Heart Centre – a state of the art facility including a cardiac catheter laboratory (a dedicated operating theatre containing highly specialised equipment that captures moving images of the beating heart).

William Harvey Hospital

- A new three-storey building to create bigger facilities for pathology (the laboratories where blood samples are tested) and an expansion to the special care baby unit, neonatal intensive care unit and new children's ward
- Maternity's delivery suite has also been refurbished
- 16 extra Trauma & Orthopaedic beds (for patients with bone, joint and limb injuries and conditions) have been created on Kings D2 Ward
- Padua Ward has been expanded into the former Brabourne Ward and a new 40 bed children's ward has been created.

Buckland Hospital Dover

£1m was invested in the renal satellite unit which provides services to the patients of Dover, Deal and the surrounding areas, who previously would have had to travel to Canterbury or Margate for dialysis.

Changes and challenges facing the Trust

April 2006 saw a fundamental and radical change in the way the Trust is funded. The new system, called Payment by Results, means that, for the majority of our work, the Trust receives a specific sum for each individual patient seen, rather than a single fixed amount at the beginning of the year regardless of how many patients we treat. In addition, local patients are being offered the choice of several hospitals in Kent for a first appointment with a consultant.

In Kent and Medway there are four NHS Hospital Trusts and two separate independent treatment centres (Maidstone and the Medway) as well a range of private healthcare providers such as BUPA and BMI. We are expecting many changes to the way healthcare is delivered, including patients receiving treatments and services from commercial organisations or in a different location other than a hospital.

The overall population across Kent is expected to grow substantially over the next 20 years. In addition, in keeping with the national trend, the population is predicted to age. Nearly all of the growth is expected to be in the over-45 age group and around two thirds of that growth accounted for by those aged over 65. More locally, over the next five year period the highest level of growth is predicted to be in the Ashford area and along the East Kent coastline, with only a very minor growth in the areas around Canterbury and the south coastal towns.

A strategy is being developed to guide the Trust in future years.

Our strategic objectives

- **To develop a future clinical service implementation plan**

  Partially achieved.
  The initial analysis and outline of our plan is complete.

- **To become a local and national employer of choice**

  2005/06 Milestone
  Produce a workforce plan
  Achieved

- **To establish an estate infrastructure that is fit for purpose which facilitates integrated service delivery in hospitals and community settings and offers patients and staff a quality environment and access to continued professional development**

  The initial 3-year reconfiguration programme was completed in 2005/06.

  2005/06 Milestone
  To complete the public consultation for Buckland Hospital leading to the production of site control plans and the overall strategic development plan

  Partially achieved. A discussion period was held in early 2006 and public consultation on health and social care services to be provided in Dover commenced on 16 June 2006 and ran until 8 September (led by East Kent Coastal Teaching Primary Care Trust).

- **To ensure patients, carers, the public and staff have an increasingly significant role in the development and monitoring of the Trust's services**

  2005/06 Milestone
  Implementation of review of partnership programme as set out in the Patient & Public Involvement strategic implementation plan

  Achieved

- **To exploit information and communication technology to support and facilitate service improvement**

  2005/06 Milestone
  Implementation of Picture Archiving and Communication System and Choose & Book technologies

  Achieved

- **To build, short, medium and long term education and training capacity to the Trust to deliver its strategic objectives to become a leading university hospital**

  2005/06 Milestone
  Establish a process to assist in the application for University status

  Achieved

- **To co-operate with local government, PCTs and other relevant local organisations to promote, protect and improve the public health of the residents of Kent and Medway**

  2005/06 Milestone
  To achieve compliance against the Public Health domain under the Standards for Better Health

  Achieved

- **To influence the provision of services beyond healthcare where they directly relate to the services provided by the Trust**

  2005/06 Milestone
  To produce a strategic plan encompassing future options for services at Buckland Hospital Dover

  Partially achieved

2005/06 objectives, targets and performance

As part of the 2005/06 Business Plan the Trust Board agreed the following objectives within an overall aim of reducing the time people wait for our services and improving the experience people have of our services:

- Achieving and maintaining compliance with Healthcare Commission standards in each of the seven domains
- Using the Improving Partnership of Hospitals Programme to underpin service improvement and change
- Completing the capital build programme to support the reconfiguration of services agreed by the Secretary of State and improve the environment for care
- Improving the working environment and working lives of our staff.

Underpinning these high-level objectives are a broad range of 'hard' numerical targets relating to numbers of patients waiting to be seen, patients treated and financial targets, as well as measures of quality of care. The key non-financial performance indicators used by the Trust in 2005/06 to manage and measure performance are set out on page 8, together with the targets for the coming year.

The total number of patients using a bed was 5,900 higher than the target for the year. The total number of patients attending A&E and outpatients was 3,740 greater than we anticipated.

The Payment by Results system is being introduced in stages. This meant that for 2005/06 we were paid in line with a national tariff for elective inpatient and daycase activity. For 2006/07, the vast majority of our work will be paid on a per-patient basis.

Key Performance Indicator (KPI)	Target 2005/06	Actual 2005/06	Variance from target	Target 2006/07
Total number of patients attending A&E	176,100	176,400	0.2%	175,430
Total number of GP and Other referral requests for first Outpatient appointments	173,700	175,200	0.9%	159,518
Total number of new Outpatient attendances (first attendance following referral)	146,500	155,533	6.2%	157,755
Total number of Outpatient Follow-Up attendances	297,300	291,707	-1.9%	293,896
Total number of patients waiting more than 13 weeks from GP referral to outpatient appointment (from Dec 05)	0	1	0.01%	0
Total number of inpatients using a hospital bed for less than 2 nights (0-1 night length of stay) not planned in advance	25,700	31,736	23.5%	31,735
Total number of inpatients using a hospital bed for 2 or more nights not planned in advance	34,600	36,571	5.7%	36,571
Total number of inpatients using a hospital bed for at least one night, where the admission was planned in advance	16,600	15,623	-5.9%	14,575
Total number of patients admitted for treatment and discharged on the same day, whose admission was planned in advance	32,511	31,417	-3.4%	28,341
Total number of patients waiting more than 6 months (from Dec 05) for treatment as an inpatient or day case after being added to the waiting list	0	22	0.06%	0
Total number of patients waiting a maximum of 2 weeks from urgent GP referral to first outpatient appointment (as a percentage of all GP urgent cancer referrals.)	100%	99.7%	-0.3%	100%
DNAs: Patients who did not attend an Outpatient appointment without giving notice (expressed as a percentage of first attendances.)	8.8%	8.7%	-0.1%	5%
Average length of stay (in days) for unplanned admissions	5.6	5.3	-0.3	6.3
Average length of stay (in days) for planned admissions	3.5	3.3	-0.2	3.8
Total number of written complaints responded to within 20 working days as a percentage of total number of complaints received.	80%	72%	-8.0%	80%
Percentage of staff time lost due to sickness absence	4.0%	4.4%	0.4%	4.0%

Main trends and factors for the future

When considering how our services should be developed we have identified our strengths and weaknesses as well as the threats and opportunities that we may need to plan for. This analysis has also identified key risks and uncertainties.

Strengths

- Clinical services – provision of a broad range of services not always available elsewhere, reconfiguration of services completed
- Clinical performance – high 2 star trust achieving targets
- Our staff – excellent clinical teams with a low turnover of staff
- Stakeholder and external relations
- Geographical location

Weaknesses

- Some services are under pressure from waiting times
- Need to understand more fully how the patient is managed by other parts of the NHS outside the hospital
- Need to understand GP and patients' needs and wishes better
- Our existing estate is very dispersed

Opportunities

- Look to consider how best we can work with other partners – both public and private
- Capacity to improve efficiency
- Communicate to patients and GPs better.

Threats

- Impact of specialist commissioning for some of the services we currently provide
- Some patients may choose to go elsewhere for treatment
- Difficulty in recruitment in some areas
- Competition from private sector and London Hospitals.

The Trust is also working to forecast what the future demand for our services is likely to be – as patients begin to choose where they would like to be treated for some operations, how many will come to our hospitals? This will help us invest in the right services over the next five years.

There is compelling evidence locally for a new approach to the care and wider support for people with long-term conditions, sometimes known as chronic diseases. One such long-term chronic disease is renal failure and the Trust is delighted to report that it has secured major capital investment which will enable it to progress its strategy for renal services across Kent.

Working in partnership

Work is ongoing with all local Primary Care Trusts to identify the most sustainable level of services that can be safely provided from Buckland Hospital, Dover, and Royal Victoria Hospital, Folkestone.

In addition to working closely with the PCTs, we have continued to work with the Kent and Medway NHS and Social Care Partnership Trust, local Social Services and a wide variety of organisations across the private and voluntary sector. We will continue to work with our partners to ensure we continue to provide seamless care services to all our patients.

Social and community working

The Trust has worked actively with public sector, private and voluntary sector partners to improve health of local people more generally. For example, we are supporting the development of Local Compacts – written agreements between the statutory and voluntary and community sectors in each district within East Kent.

Environmental matters

The Trust is committed to complying with all environmental legislation and the broad sustainable agenda with the NHS. This is evidenced by:

- Adoption of an Environmental Policy in 2004 by the CEO
- Implementation of a Green Transport Plan
- Energy efficient estate audited by The Carbon Trust
- Total Waste Management Contract with in-built recycling targets
- NEAT Assessment applied to all construction projects (NHS Environmental Assessment Tool)
- Year on year investment in energy conservation projects
- E-training module for staff on environmental management within the Trust.

Emergency planning

The Trust has in place a Major Incident Plan to cover incidents generating significant numbers of casualties that is fully compliant with the requirements of "Handling Major Incidents: An Operational Doctrine" and all associated guidance, and with any subsequent or revised guidance.

Managing risks

The Trust's approach to the management of risk is set out in its annual Statement on Internal Control (SIC) which forms part of the Annual Accounts; a summary is included in this Annual Report. The SIC describes the system of internal control, and how the Board is provided with assurance that risks are identified, quantified, controlled and mitigated in all areas of the Trust's work.

The Corporate Risk Register sets out the most significant risks to the Trust that have been identified, and provides details of how they are being addressed and managed. It includes risks identified through the Trust's internal risk assessment processes, and those identified in the Assurance Framework, which specifically establishes what risks there are to the achievement of the Trust's annual objectives. The Corporate Risk Register is updated regularly and progress is considered at the Trust Board's Governance Committee which meets every two months.

Working to be a first class employer

East Kent Hospitals NHS Trust is an Improving Working Lives Practice Plus accredited Trust. This means it has improved the working lives of its staff since its Practice status assessment in October 2002. An external validation team visited the Trust in November 2005 and commended the Trust in a number of areas including:

- robust policies and procedures which were clearly communicated to staff
- an inclusive equality and diversity organisation culture
- excellent opportunities for flexible working
- a wide range of training for all staff which was of a very high standard.

Moving staff to new national terms and conditions

During the year, the Trust has successfully transferred its non-medical workforce (ie, all staff other than doctors) to a new set of national terms and conditions (Agenda for Change). This has been delivered with minimal upheaval and through a partnership approach with management and trade unions working together.

Staff involvement and communication

The Trust enjoys healthy working relationships with its recognised trade unions. There is a regular monthly formal meeting with management and staff side representatives to discuss issues and agree policies and procedures.

Staff receive regular updates from the Trust through a weekly newsletter, a monthly briefing from the Chief Executive, a staff magazine and the Trust's intranet. There are open sessions for any member of staff to "Meet the Director". Senior executives regularly walk the floor to visit departments and make themselves available to staff.

Financial Statements and Analysis

Equality and diversity

The Trust is committed to ensuring equality of opportunity regardless of race, colour, disability, gender, sexual orientation, age, religious belief, culture or family commitments. Staff are actively supported by a number of policies, including flexible working, disability, harassment and equalities policies.

Our Black and Minority Ethnic Network Group is well established. Our Disability Forum has been in place since September 2004 and regularly discusses issues which affect disabled staff. This group is making preparations for the publication of the Government Disability Equality Scheme in December 2006.

We are a "Positive About Disability" employer. This means that all applicants with a disability who meet the minimum criteria for a vacancy will be interviewed; disabled employees are provided with a mechanism to discuss how they can develop and use their abilities; and the Trust will make every effort to retain employees who become disabled.

We are making preparations for age discrimination legislation later in 2006 by making sure that all of our policies are compliant.

Health and Safety

The Trust's Occupational Health department works to support staff who suffer accidents at work and deals with work-related health issues. Its services to staff include assessing risks in the workplace and health and safety education.

Lost time due to sickness absence has improved this year; 4.4% in 2005/06 compared with 5% in 2004/05.

The financial statements in this report are only a summary.

The full accounts are available on request through the Trust's Freedom of Information Office (e-mail FOI.recordsoffice@ekht.nhs.uk). A copying charge may be levied. The information can also be found on the Trust's internet site at www.ekht.nhs.uk.

Summary Financial Statements

The four key financial statements of the Trust are set out below.

Income and Expenditure Account	2005/06 £ 000's	2004/05 £ 000's
Income	**352,455**	338,498
Operating Expenses (continuing operations)	**(346,329)**	(331,341)
Operating Surplus	**6,126**	7,157
Profit (Loss) on disposal of fixed assets	**47**	(86)
Surplus Before Interest	**6,173**	7,071
Net interest receivable	**386**	541
Other finance costs	**(311)**	(49)
Public Dividend Capital dividends payable	**(8,854)**	(7,110)
Retained Surplus/(Deficit) for the Year	**(2,606)**	453
Planned financial support included in retained surplus for the year	**0**	1,200
Retained deficit for the year excluding financial support	**(2,606)**	(747)

Note to Income and Expenditure Account

The Trust had a deficit of £2.606m for the year ended 31st March 2006. As part of the settlement for locally-priced services the Trust received payments totalling £4.808m that are non-recurrent in nature. In 2006/07 the majority of these services will be paid for under the National Tariff. The change from local to National prices has resulted in a loss of income of £10m that has contributed to an increase in the Trust's underlying financial pressures.

The year ended 31st March 2006 was the fourth year of a five year Financial Recovery Plan, which has been agreed with the SHA. At 31st March 2006 the Trust has a cumulative Income & Expenditure deficit of £12.465m which has to be eliminated by 31 March 2007 for the Trust to achieve its statutory break-even duty.

Whilst the Trust achieved its annual break-even target in 2003/04, and 2004/05, the Trust has not achieved the annual break-even target during 2005/06.

Looking to the future, the Trust is planning to achieve at least £20m of savings in 2006/07. Neverthless, the 2006/07 in-year break-even duty will be breached unless external support can be agreed. A plan has been submitted to the Department of Health requesting £17m cash support for the 2006/07 financial year. This has been scrutinised by the Department of Health and the Trust has been advised that formal approval can be expected.

The Trust does not have a plan to eliminate the accumulated deficit by 31st March 2007 which has arisen principally from the Government's Resource Accounting and Budgeting Rules; these are under review.

Balance Sheet	31/3/06 £ 000's	31/3/05 £ 000's
Fixed Assets		
Tangible Assets	**288,894**	264,982
Current Assets		
Stocks and Work in progress	**5,414**	4,480
Debtors	**20,814**	12,599
Cash at bank and in hand	**713**	842
Creditors falling due within one year	**(39,451)**	(29,029)
Net Current Liabilities	**(12,510)**	(11,108)
Creditors falling due after more than one year	**(27)**	(27)
Provisions for liabilities and charges	**(2,462)**	(4,507)
Total Assets Employed	**273,895**	249,340
Financed by Capital and Reserves		
Public dividend capital	**174,615**	152,455
Revaluation Reserve	**95,826**	90,802
Donated Asset Reserve	**10,155**	10,504
Income & Expenditure Reserve	**(6,701)**	(4,421)
Total Capital and Reserves	**273,895**	249,340

Statement of Total Recognised Gains and Losses	2005/06	2004/05
	£ 000's	£ 000's
Surplus for the financial year before dividend payments	**6,248**	7,563
Fixed asset impairment losses	**(11,984)**	0
Unrealised surplus on fixed asset revaluations/indexation	**17,557**	40,852
Increase in donated asset reserve due to receipt of donated assets	**227**	508
Total gains and losses recognised in the year	**12,048**	48,923

Note: Reductions in the donated asset reserve due to depreciation, impairment and disposal of donated assets are not now required to be reported in this statement (2004/05 £-662k)

Cash Flow Statement	2005/06	2004/05
	£ 000's	£ 000's
Net Cash Inflow from Operating Activities	**10,216**	10,943
Returns on Investments and Servicing of Finance		
Net Interest received	**386**	541
Capital Expenditure	**(23,947)**	(21,601)
Dividends Paid	**(8,854)**	(7,110)
Net cash inflow before financing	**(22,199)**	(17,227)
Financing	**22,387**	16,635
Increase (decrease) in cash	**188**	(592)

David Astley
Chief Executive

Rupert Egginton
Finance Director

Financial Commentary and Financial Targets

Income & Expenditure

All NHS Trusts are required to 'break even' on income and expenditure taking one year with another. This means that the costs of running our hospitals, paying staff and providing clinical care must be covered by charges made to each Primary Care Trust (for treating patients resident in their area) and charges to visitors, staff and other organisations who use our sites and services. In 2005/06 the Trust incurred a deficit of £2.6m.

The Trust's income increased from £338.5m in 2004/05 to £352.5m in 2005/06, an increase of 3.8 per cent. Prices for contract income increased by 7 per cent for inflationary pressures (£21.1m) less 1.7 per cent for efficiency improvements (£5.1m), resulting in a net price increase of 5.3 per cent. Services to the value of £3.3m were transferred to Primary Care Trusts. These were the Community Access and Rehabilitation Teams (CARTS), Dietetics and the Minor Injuries Unit at Royal Victoria Hospital, Folkestone. The Trust incurred a further loss of income of £4.0m from the introduction of a national tariff for inpatient and day case elective services. This loss was partly offset by £3.6m of price support from commissioners. The Trust also benefited from a £0.4m carry over of surplus from 2004/05.

Operating Expenditure between the two years increased from £331.3m to £346.3m, an increase of £15m or 4.5 per cent. There was also a £1.7m (24.5 per cent) increase in Public Dividend Capital dividends, being an increase in repayment of the cost of capital. This increase mainly related to capital expenditure on the major reconfiguration of services and the revaluation of assets. There were significant cost pressures in the year in excess of £20m, the vast majority of which were unavoidable. This included £6.9m for pay awards, £0.6m for the new Consultant Contract (this was in addition to £3.7m in 2004/05), £3.9m for 'Agenda for Change' (the new pay system for the NHS), £3.1m for drugs, £1.5m for energy costs and £1.0m for depreciation of assets. A further increase in expenditure arose from service developments in excess of £3m, which were funded either through price increases or additional activity. Reductions in expenditure to partly offset these increases came from the £3.3m of costs relating to service transfers (see above) and the achievement of savings targets. Despite delivering savings of £15.8m during the year, many of these are one-off in nature and therefore the Trust has an underlying deficit that must be addressed.

Financial Outlook

Looking forward into 2006/07, the Trust faces a number of new financial challenges in addition to eliminating the underlying deficit. The introduction of the expanded Payment by Results Tariff will reduce the Trust's income by £10m (£5m of which will impact in 2006/07). The efficiency requirements built into the National Tariff will reduce income in real terms by 5% and the deficit from 2005/06 must also be managed. The Trust has therefore submitted a plan to the Strategic Health Authority that projects a £17m deficit in 2006/07 with a return to a financial surplus in 2008/09.

A dedicated 'Fit for the Future' Team is leading the development of a programme of savings to reduce costs and improve efficiency by £35m over two years. In addition, further strategic options are being developed across Kent through a Strategic Health Authority led programme designed to develop financially sustainable services.

Capital Resources

The Trust is given a Capital Resource Limit (CRL) which it is not permitted to overspend. For 2005/06 the total CRL was £31.6m. This included £8.4m 'block capital', £6.5m carried forward from 2004/05, and a further £16.7m mainly received from the Strategic Health Authority to support the completion of the reconfiguration work and other major schemes. Also, a £4.7m contribution to the introduction of the PACS (Picture Archiving and Communication System) for Radiology. We completed a substantial programme of works with a small underspend of £782k, which will be carried forward to the new financial year.

NHS Trusts have to make a return on capital of 3.5% (known as the Capital Cost Absorption Rate). The Trust achieved 3.5% in 2005/06.

How the Trust is financed

The Department of Health provides Public Dividend Capital (PDC) to enable Trusts to buy their buildings and other assets when the Trust is created, and also to allocate funding for approved strategic developments. During 2005/06 the Trust's PDC was increased by more than £22m to £174.6m. At 31 March 2006 the Trust owned the following capital assets worth £288.9m in all:-

	£m
Land	57.4
Buildings (including work in progress)	204.6
Plant & Machinery	23.7
IT equipment	2.6
Furniture & fittings	0.6

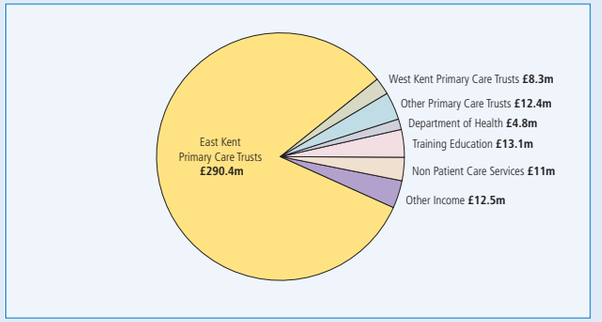
During the year the Trust asked the District Valuer to perform a 'good housekeeping' exercise to revalue buildings which had been constructed or materially altered since the last revaluation. This resulted in a reduction of almost £6m in the value of the Trust's assets.

The cash requirements of NHS Trusts are controlled by the Department of Health through an External Financing Limit (EFL) which determines the minimum amount of cash a Trust must hold in its bank accounts on the last day of the financial year. We achieved the EFL target with a closing bank balance of £713k, which was £188K higher than our target. The Trust has commercial bank accounts and a Government (Paymaster) Account. Bank interest of £386k was received in 2005/06.

Further analysis

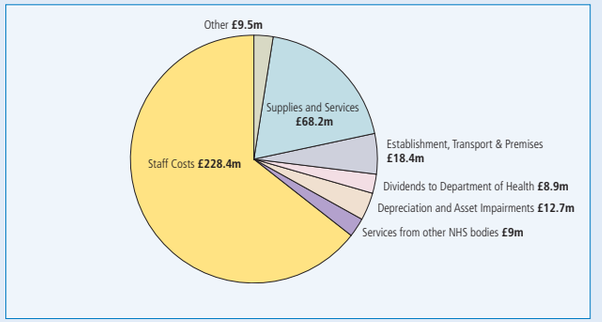
The following charts analyse Trust income, expenditure, staff costs by pay group and direct costs for clinical directorates.

Revenue Income



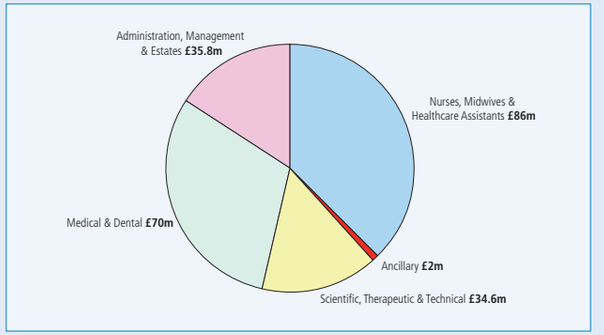
The Trust received £352m of income in 2005-06 (i.e almost £1m per day). Approximately 88% of income came from service agreements with PCTs for direct patient care and general service provision.

Revenue Expenditure



Almost two-thirds of the Trust's income is used to pay staff. All other expenditure is classed as 'non-pay'. This includes clinical and general supplies needed to provide patient care, running costs for buildings and equipment, and the dividend payment to the Department of Health.

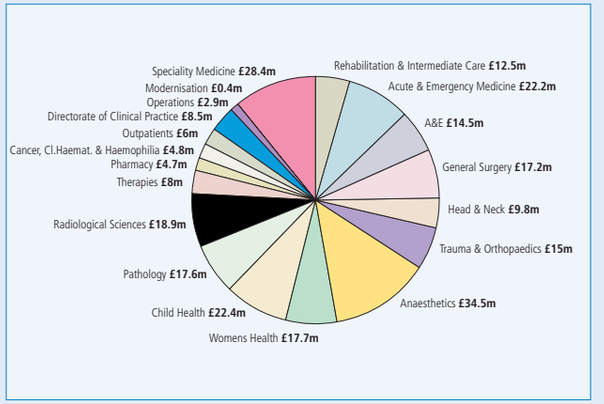
Staff Pay Costs



Pay costs are shown by staff group based on the total cost incurred in 2005/06.

Staff costs include the Trust's contribution to the NHS pension scheme which all employees are entitled to join. The accounting policy for the NHS Pension scheme is set out in detail in the full set of Annual Accounts.

Clinical Directorates Direct Costs



Budgets for the direct costs of patient services are managed by clinical directors. This chart shows the costs incurred in 2005/06.

Management costs

	2005/06 £ 000's	2004/05 £ 000's
Management costs	**14,383**	13,196
Income	**344,653**	329,214

Management costs are defined as those on the management costs website at www.dh.gov.uk/PolicyAndGuidance/OrganisationPolicy/FinanceAndPlanning/NHSManagementCosts/fs/en

Paying suppliers

NHS Trusts are required to pay suppliers in accordance with the CBI Better Payments Practice Code which states that all undisputed NHS and commercial trade creditors should be paid within 30 calendar days of receipt of goods or a valid invoice, whichever is later. The Trust's performance by volume and value is set out below:-

	2005/06 Number	2005/06 £ 000's
Non-NHS trade invoices paid in the year	70,159	111,659
Non NHS trade invoices paid within target	64,642	104,029
Percentage of Non-NHS trade invoicespaid within target	**92%**	**93%**
NHS trade invoices paid in the year	4,111	47,607
NHS trade invoices paid within target	3,243	33,751
Percentage of NHS trade invoices paid within target	**79%**	**71%**

Charitable Funds

The Trust administers charitable funds, comprising donations and legacies gifted to the Trust to benefit patients and staff. The Trust's Charity is registered with the Charities Commission which ensures that all the funds are administered in accordance with the Charities Act. The Trust Board is the Trustee of the funds.

A separate set of accounts and annual report are produced for the Trust's charitable funds. Both of these documents will be available on request from the Finance Department from 1 December 2006.

External charities (League of Friends, lottery funds, and Charity Shop) also contributed £560k during the year for the purchase of specific items of equipment, etc for Trust use.

The Trust Board wishes to record its thanks on behalf of patients and staff to the public and to the business community within East Kent for their continued generous support which enables the quality of services to be sustained and enhanced.

Extract from 2005/06 Charitable Funds Annual Accounts (unaudited)

Income	£ 000	Expenditure	£ 000
Cash donations	203	Contributions to the NHS	472
Legacies	175	Patients welfare & amenities	24
Investment income	148	Research	41
Income from activities	11	Staff welfare and amenities	83
Other income	23	Property management costs	16
Gain on revaluation and disposal of investment assets	817	Management & administration costs	67
		Investment managers' fees	23
Total income	**1377**	**Total expenditure**	**733**

Remuneration Report

Directors' remuneration

The following information relates to directors of the Trust in accordance with the following definition:

"Those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS body. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments." The Chief Executive has confirmed that this covers only executive and non-executive directors of the Trust as set out in the following tables. Disclosures in the report relating to named individuals can only be made with their prior consent. One director has withheld consent in relation to all disclosures.

The Human Resources Committee is a Committee of the Trust Board and fulfils the role of the mandatory Remuneration and Terms of Service Committee. It determines the remuneration and conditions of service of Executive Directors ensuring these properly support the objectives of the Trust. Membership of this Committee is: Margaret Davis (NED and Committee Chair), Britta Pearlman (NED) and George Jenkins (Trust Chairman). David Astley (Chief Executive) is also a member except when his own post is under discussion.

The Committee's policy on directors' remuneration has been to consider the market rate through comparative analysis with other trusts of a similar size. There is no intention to change this approach in the future.

All directors' contracts are permanent with six months notice required. No additional payments are given on termination. Performance is assessed through individual appraisal. There is no system of performance-related pay.

David Astley
Chief Executive

Table of salaries & allowances

Name	Title	2005/2006 Salary (bands of £5000) £000	2005/2006 Other Remuneration (bands of £5000) £000	2005/2006 Benefits in Kind** (rounded to the nearest £00) £000	2004/2005 Salary (bands of £5000) £000	2004/2005 Other Remuneration (bands of £5000) £000	2004/2005 Benefits in Kind** (rounded to the nearest £00) £000
George Jenkins	Chairman	5-10	0	0.5	20-25	0	0
Leslie Bulman	Non-Executive Director	5-10	0	0.2	0-5	0	0
Alan Clark	Non-Executive Director	5-10	0	0.6	5-10	0	0
Margaret Davis	Non-Executive Director	5-10	0	0	5-10	0	0
Britta Pearlman	Non-Executive Director	5-10	0	0.1	5-10	0	0
Richard Sturt	Non-Executive Director	5-10	0	0.2	5-10	0	0
Nicholas Wells	Non-Executive Director	5-10	0	0	5-10	0	0
David Astley	Chief Executive Officer	140-145	0	5.6	120-125	0	5.6
Rupert Egginton	Finance Director (also Deputy Chief Executive*)	100-105	0	0.8	95-100	0	0.0
Kim Hodgson	Deputy Chief Executive and Director of Operations (left 09-10-05)	50-55	0	0.3	100-105	0	1.2
Howard Jones	Facilities Director	80-85	0	0.8	70-75	0	3.5
Matthew Kershaw	Director of Operations (from 16-01-06)	20-25	0	0.3	0	0	0.0
Peter Murphy	Human Resources Director	75-80	0	0.7	70-75	0	1.0
Noel Padley	Medical Director	#	#	#	#	#	#
Elizabeth Shutler	Director of Strategic Development	75-80	0	0.9	70-75	0	0.9
Elaine Strachan-Hall	Director of Nursing, Midwifery & Quality	85-90	5-10	0.8	80-85	0	0.0

* In an acting capacity from October 2005 and substantive since 13/01/06 ** Benefits in kind relate to lease vehicles, travel and telephone costs # Consent to disclose has been withheld

Table of Pension Benefits

Name	Title	Real increase in pension at age 60 (bands of £2,500) £000	Lump sum at age 60 related to real increase in pension (bands of £2,500) £000	Total accrued pension at age 60 at 31 March 2006 (bands of £5,000) £000	Lump sum at age 60 related to accrued pension at 31 March 2006 (bands of £5,000) £000	Cash equivalent transfer value** at 31 March 2006 £000	Cash equivalent transfer value at 31 March 2005 £000	Real increase in CETV £000
David Astley	Chief Executive Officer	10.0-12.5	30-32.5	55-60	170-175	934	706	148
Rupert Egginton	Finance Director (also Deputy Chief Executive*)	0-2.5	5.0-7.5	20-25	70-75	285	243	25
Kim Hodgson	Deputy Chief Executive and Director of Operations (left 09-10-05)			5-10	20-25	110	87	8
Howard Jones	Facilities Director	0-2.5	5.0-7.5	30-35	90-95	529	473	31
Matthew Kershaw	Director of Operations (from 16-01-06)			10-15	35-40	123	0	3
Peter Murphy	Human Resources Director	0-2.5	2.5-5.0	5-10	15-20	80	59	14
Noel Padley	Medical Director	#	#	#	#	#	#	#
Elizabeth Shutler	Director of Strategic Development	0-2.5	2.5-5.0	10-15	40-45	149	129	11
Elaine Strachan-Hall	Director of Nursing, Midwifery & Quality	2.5-5.0	12.5-15.0	25-30	85-90	370	295	47

Note: There are no entries for the Chairman and Non-Executive Directors as their remuneration is not pensionable.

* In an acting capacity from October 2005 and substantive since 13/01/06

** 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 Real Increase in CETV 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.

Consent to disclose has been withheld

Statement on Internal Control for 2005/06 (abridged)

The Board is accountable for internal control. As Accountable Officer, and Chief Executive of the 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.

Final responsibility for establishing the appropriate accountabilities for risk management rests with the Trust Board and these are exercised through two Board sub committees: the Governance Committee and the Audit Committee. The Governance Committee oversees all aspects of governance and risk management (corporate, clinical and non clinical) on behalf of the Board. The Audit Committee provides verification on the systems in place for risk management and internal control. In addition, the work of the Strategic Development Committee continues to underpin the role of risk management in service developments and future planning. This has been particularly relevant in 2005/06 with the completion of the self assessment as part of the preparation for Foundation Trust status.

In support of the committee structures, the Trust has identified key players within the risk and governance agendas. As Chief Executive I have ultimate responsibility for the management of risk within the organisation. I have devolved executive responsibility for providing assurance on the management of risk to the Director of Nursing, Midwifery & Quality. I have also identified that all Directors have key roles in the maintenance of systems of internal control and the provision of assurance regarding their effectiveness, in addition to providing strategic direction with responsibility for individual corporate objectives.

The Trust values the involvement of partner organisations within the Health Economy and actively seeks opportunities of working with local government , the SHA, PCTs and other relevant local organizations to promote, protect and improve the Public Health of the residents of Kent & Medway. In addition to this the Trust continues to value the input of public and patient involvement in projects and the future roles they may have in shaping future service delivery.

The system of internal control is designed to manage risk to a reasonable level rather than 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 has been in place in the East Kent Hospitals NHS Trust for the year ended 31 March 2006 and up to the date of approval of the annual report and accounts.

The Trust's risk management strategy sets out an overall vision incorporating good risk management practice into general management principles and embedding it in the culture of the organisation. A demonstration of this entrenchment is the support afforded to the Risk Management strategy by key committees. The risk management framework is systematic in the identification, assessment and prioritisation of risk issues. Risk management is evident at a corporate and operational level within East Kent Hospitals. Firstly, at a corporate level the Assurance Framework has identified the key risks to the Trust's objectives and necessary controls. This process has been used to inform the Statement on Internal Control and prioritise the corporate risk register. Secondly, the completion of risk assessments at a Directorate level has contributed to the development of prioritised Directorate risk registers and an improved understanding of operational risks. Collectively it is these registers that the Trust has used along with board discussions to inform the initial self assessment for Foundation Trust status in 2005/06. In order to maintain the systems of internal control, the Governance Committee receives reports every two months on changes to the risk register and every four months on progress against the Assurance Framework.

A key advantage of the framework is that we have been able to achieve a holistic approach to risk management within the Trust. This approach integrates risk management within the corporate culture and provides a comprehensive overview of the resources and capabilities required for managing risk and reporting performance to the Trust Board.

Consequently the Trust Board can be confident in the risk performance summarised and disclosed in the Assurance Framework, and I as Accountable Officer can report with confidence on all aspects of corporate risk management and governance in the Statement on Internal Control.

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed in a number of ways. The head of internal audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of the internal audit work. Directors and Managers within the organisation who have responsibility for the development and maintenance of the system of internal control provide me with assurance. The Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed. My review is also informed by the assurance provided by external review bodies on the effectiveness of systems of internal control. In the past year assurance has been provided by the Healthcare Commission and the Audit Commission.

The Trust Audit and Governance Committees have overseen work in key areas in the last year led by its Directors. This has included:

- Submission of a declaration of compliance against each of the core standards under the Healthcare Commission's Standards for Better Health.
- Ongoing involvement of patients and members of the public in service developments and changes to service delivery.
- Approval of audit plans and scrutiny of the Trust's response to agreed actions
- Review and approval of the annual accounts and associated audit reports

- Oversight of the adequacy of controls relating to the provision of services to the Trust by the Finance Consortium and Health Informatics Service.

The following key actions have been identified for 2006/07:

- Strengthening the role of risk management in the business planning process in particular the assessment and selection of business cases.
- Maintaining compliance against the core standards of the Standards for Better Health whilst working towards compliance against the developmental standards.
- Continue to develop the corporate risk register to ensure that all risks that pose a significant threat to the organisation are identified, assessed, controlled and monitored.
- Review, update and publicise the Risk Management Strategic Implementation Plan
- Identify and assess risks associated with the implementation of the Service Development Strategy
- Continue to develop and implement savings plans to address the income and expenditure shortfall in order to achieve sustainable savings and ongoing financial stability.
- To improve Trust capabilities to assess income and activity risks through the use of capacity and scenario planning tools.

A more detailed action plan is under development to meet specific target dates.

The Trust recognises that many of its Risk Management programmes are ongoing including its financial recovery plan. The Trust has agreed a "Fit for the Future" savings programme led by myself with dedicated support and formal management structures to oversee the delivery of the programme during 2006/07 and 2007/08.

The Trust will continue its programme of embedding Risk Management and Governance within the organisation, and will ensure that the necessary assurances are provided to underpin the Statement on Internal Control in 2006/07.

On the basis of the advice I have received I am satisfied as to the effectiveness of the system of internal control.

David Astley 3 July 2006
Chief Executive

Audit

The following Non-Executive Directors are members of the Trust's Audit Committee:-

Leslie Bulman (chair), Alan Clark and Margaret Davis.

The Trust's External Auditors are the Audit Commission based at Sevenoaks. The District Auditor is Lindsey Mallors. In 2005/06 the cost of work performed by the Audit Commission was £196k.

Independent Auditor's Report to the Directors of East Kent Hospitals NHS Trust on the Summary Financial Statements

I have examined the summary financial statements of East Kent Hospitals NHS Trust set out on pages 10 to 16.

This report is made solely to the Board of East Kent Hospitals NHS Trust, in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 36 of the Statement of Responsibilities of Auditors and of Audited Bodies prepared by the Audit Commission.

Respective responsibilities of directors and auditors

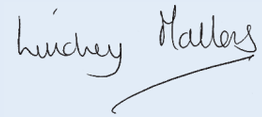
The directors are responsible for preparing the Annual Report. My responsibility is to report to you my opinion on the consistency of the summary financial statements within the Annual Report with the statutory financial statements. I also read the other information contained in the Annual Report and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

Basis of opinion

I conducted my work in accordance with Bulletin 1999/6 'The auditors' statement on the summary financial statement' issued by the Auditing Practices Board.

Opinion

In my opinion the summary financial statements are consistent with the statutory financial statements of the Trust for the year ended 31 March 2006.



Lindsey Mallors

District Auditor
Audit Commission, 16 South Park, Sevenoaks, Kent TN13 1AN

Date: 5 September 2006

This Auditor's Report does not apply to charitable funds accounts, which are subject to separate audit.

Huge development for kidney stone sufferers

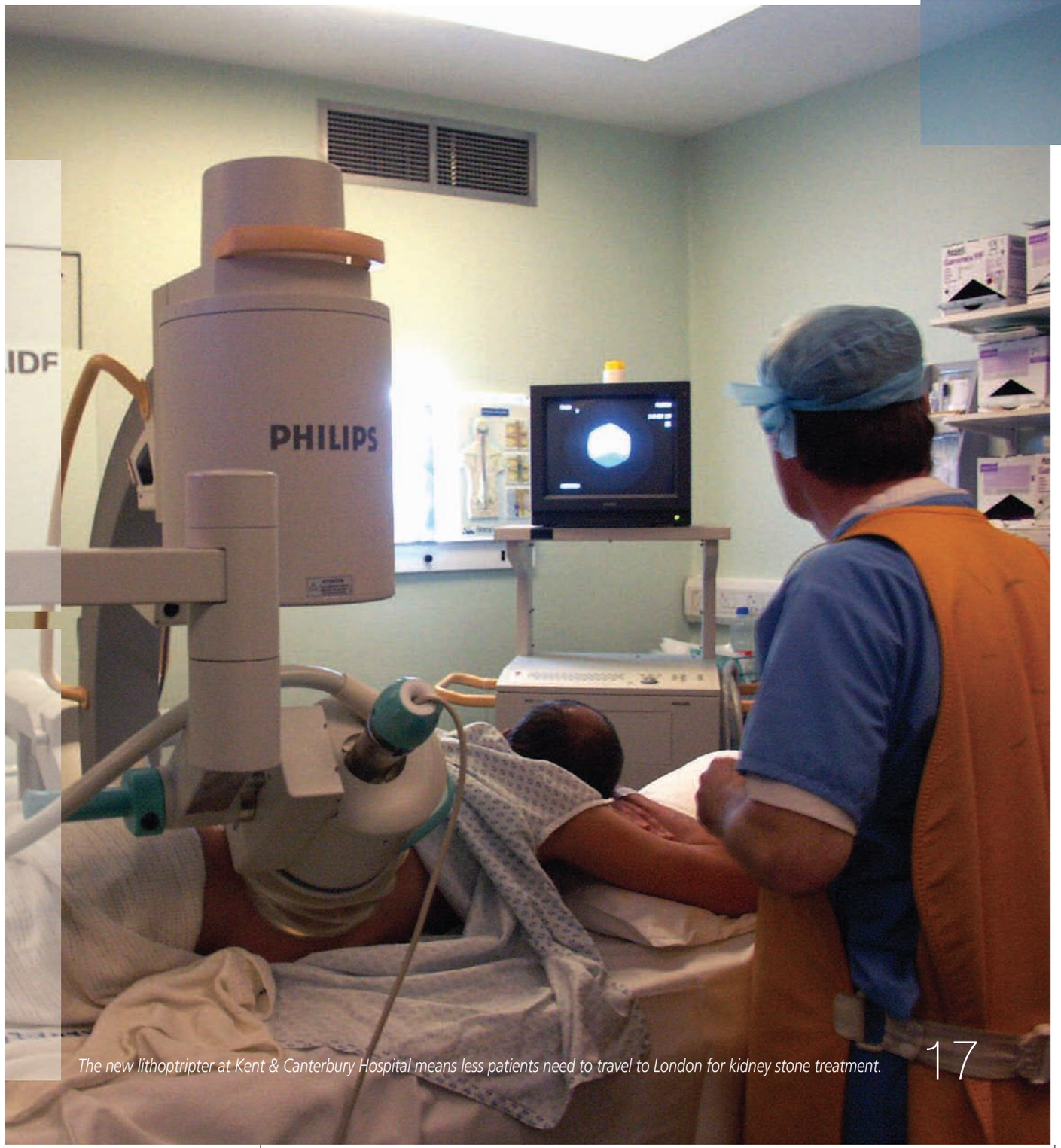
A state-of-the-art machine was installed at the Kent & Canterbury Hospital, which meant patients who suffer with kidney stones no longer have to travel to London for treatment.

The machine is called a Lithotripter and works by focusing shock waves onto the kidney stones to cause them to disintegrate. The fragments are then passed in the urine, meaning the patient does not need to be anaesthetised or undergo an operation and the procedure can be carried out as a day case.

Kidney stones are mostly lumps of calcium, and can be very painful. Without the use of a lithotripter, they have to be removed surgically.

Royal opening for new operating theatre

HRH the Duke of Gloucester officially opened the new operating theatre and recovery area at the Queen Elizabeth The Queen Mother Hospital, Margate, during the hospital's 75th anniversary celebrations in July 2005.



The new lithoptripter at Kent & Canterbury Hospital means less patients need to travel to London for kidney stone treatment.

October • November • December • Improving services all the time

Heart treatment first for Kent

Staff at the state-of-the-art East Kent Cardiac Catheter Laboratory, based at William Harvey Hospital, have been working to provide a coronary angioplasty service - a delicate procedure to treat narrowing of the arteries surrounding the heart.

Patients from Kent have traditionally had to travel to London for the procedure, but in November 2005, 50-year-old Mark Burnside became the first Kent patient to benefit from the new service.

"I couldn't believe how fast the treatment was and how efficiently I was dealt with," he said.

New children's ward

Months of planning and preparations were realised when Rainbow Ward at the Queen Elizabeth The Queen Mother Hospital moved to its new location.

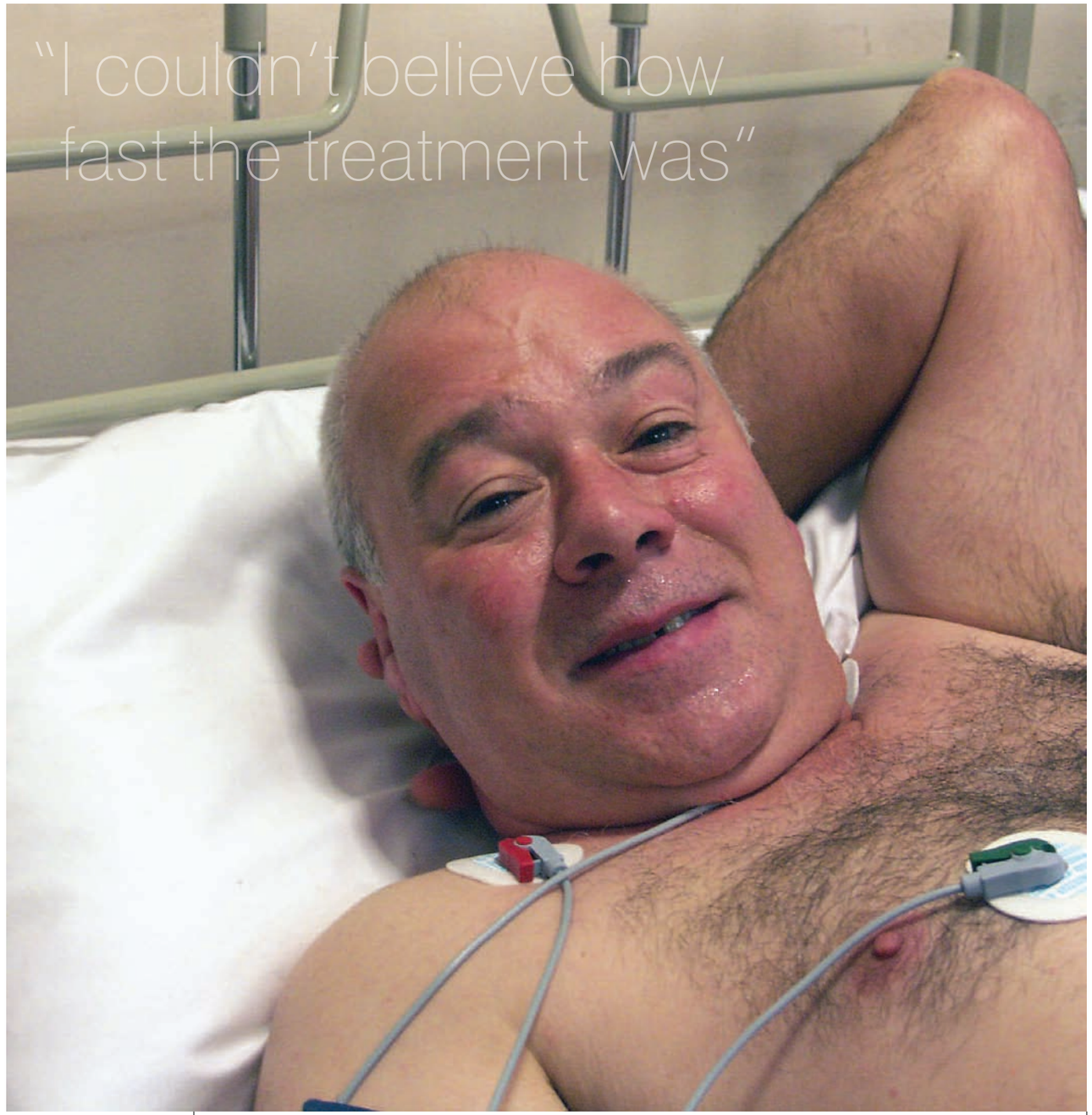
Wide corridors, plenty of natural light, sensitive decoration and of course, the ever-cheerful staff, have all made the new ward look and feel great. The self-contained Unit is accessed by entry phone only and has a total of 28 beds, including 10 cubicles of which one is for high-dependency patients.

"The new ward is better than we could have ever expected," said Lizzie Worthen, Matron of Rainbow Ward. "We have had two years of input into this refurbishment and are delighted with the result. It's just a much better environment to treat and work in and it just feels like a place that could make you feel better."

Amongst the brand new assisted bathrooms and treatment rooms on the ward, a state-of-the-art playroom has been created. With direct access to a secure garden and play area, the playroom features an interactive wall chart, provided by Medirest, to help promote healthy eating for patients and their families.

The Ward also has specially designed areas for adolescent patients, with more mature curtain designs and decorations. There is also a 'parents' room' with a bed, kitchen and shower, so that parents can choose to stay in the hospital but not on the Ward.

"We really feel so pleased, not only for the children of Thanet but for all across East Kent, that they now have a Ward to be proud of, should they ever need to be seen here," says Lizzie.



January • February • March • Improving services all the time

The digital revolution

In February 2006, the X-ray system at East Kent's hospitals went digital, which means X-ray results (including MRI, CT and ultrasound results) are available much more quickly.

The digital images are also better quality, making diagnosis easier.

"Old X-ray films had to be filed, tracked (a system which tells hospital staff which department had the film last should they need to find it), and transported between departments or sometimes even hospitals - sometimes they could take up to a week to get to the right place," explains David Payne, the manager in charge of the project. "Now any department in any of our hospitals can call up the image onto a computer screen in seconds."

If, for example, a patient comes to A&E with a suspected broken arm, the patient is sent to X-ray as usual, and the X-ray takes place as usual. But rather than printing the image onto film, the radiographer sends the digital image direct to the hospitals' image store as soon as the X-ray is finished, as though they were sending an e-mail. The patient is given a slip to take back to A&E to say they have had the X-ray. Once the A&E staff are ready to view the X-ray, they search for the patient on the computer system and the image is called up onto the screen.

The new system is particularly useful when patients are being reviewed or treated at different East Kent hospitals, as images can be called up on computer at any of the hospitals at any time.

Children's Assessment Centre

A new Children's Assessment Centre opened at Kent & Canterbury Hospital in March 2006.

The Centre brings all the hospital's children's services together in one specially-designed building.

It includes a day unit, where young patients 'come and go' to receive treatment rather than stay in hospital overnight.

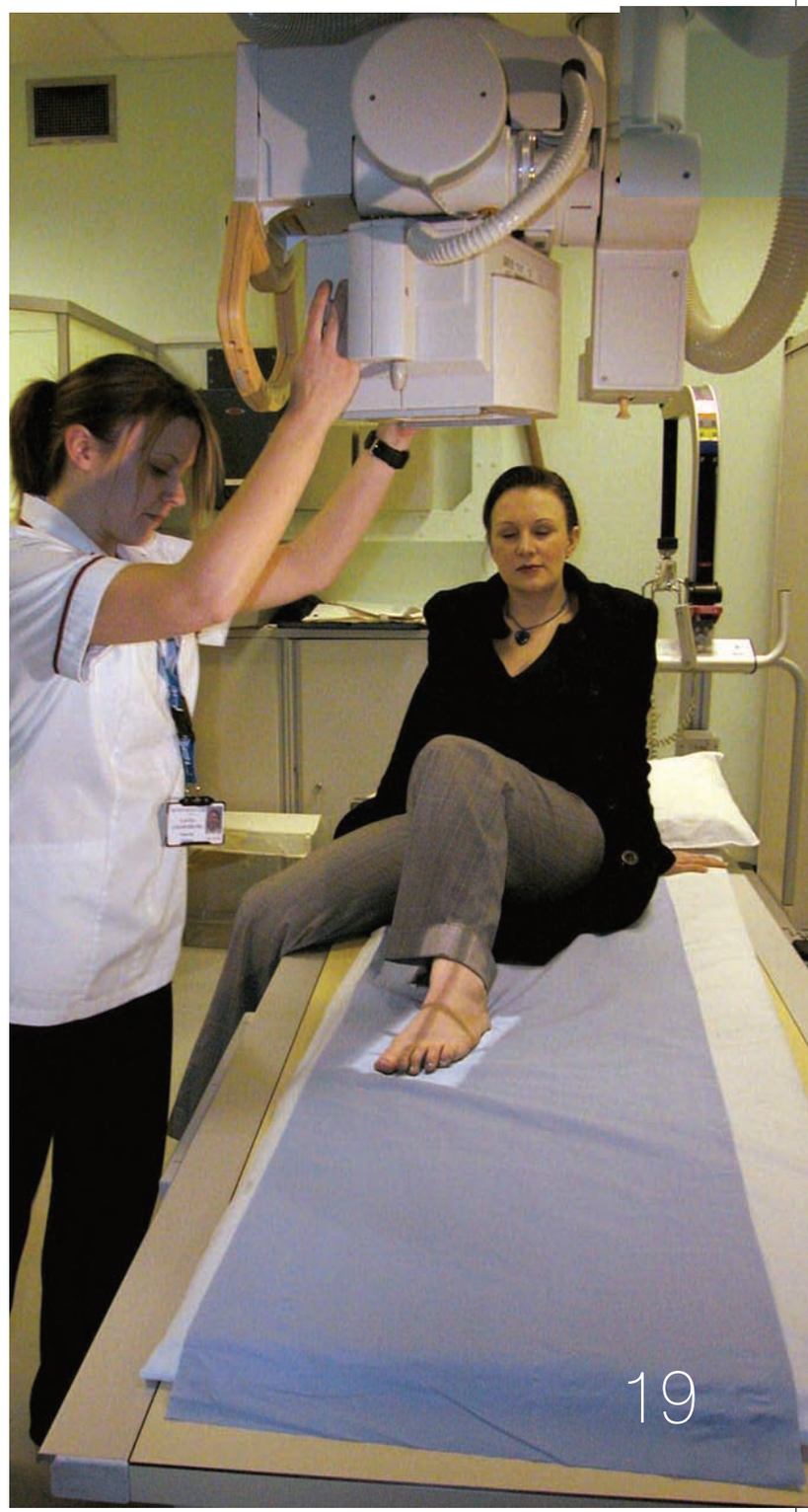
Children come to the day unit if they have an appointment with a paediatrician (specialist children's doctor), for day case surgery (a minor operation for which they don't need to stay in hospital overnight) and certain tests.

The Mary Sheridan Centre, which serves children with special educational needs, physical disabilities and a range of neuro-developmental conditions including Epilepsy and Autism, has moved into the new Centre from its old building on the New Dover Road. The new purpose-built building is far better for its patients.

The building has been made as child-friendly as possible, with play areas, parent rooms and quiet waiting rooms, as well as an information room for parents.

The Centre was opened by HRH the Countess of Wessex.

'Hello time' at the Centre's Honey Bears' nursery.



New Heart Centre

The latest advance in the battle to tackle heart disease has come to the Queen Elizabeth The Queen Mother Hospital, Margate, in the form of a brand new, purpose-built, state-of-the-art Heart Centre.

The new Centre, which mainly serves patients from Thanet, Canterbury and the surrounding areas, houses a £3.6 million cardiac catheter laboratory and is also now home to the hospital's cardiology department.

The first patient to be treated at the Centre was Michael Griffiths from Broadstairs, and he had nothing but praise for the Centre and the staff:

"Everyone has been fantastic," said Michael. "Considering this is the first day of opening, everything has gone really smoothly and the staff have been wonderful."

Patients are benefiting from shorter waiting times and shorter journeys, because the cardiac catheterisation procedures now carried out at QEQM were previously only available at the East Kent Cardiac Catheter Laboratory at the William Harvey Hospital, Ashford, or at major London hospitals.

Dr Heppell shows off the Heart Centre's state-of-the-art equipment.

Dunkirk Renal Satellite Unit

Dunkirk Renal Satellite Unit opened at Buckland Hospital, Dover. The unit provides haemodialysis services to local patients who have to come in to the unit three times a week for up to four hours at a time.

The new unit is an incredible transformation from the old Dunkirk Ward, which had been unused for 10 years. It is now a bright, modern, spacious environment, housing 10 dialysis stations, two barrier rooms, consultation rooms and a waiting area.

"The new unit is set up closer to the homes of people in the Dover, Deal and Folkestone area," says Karen Brent, Manager of the Satellite Unit. "Because dialysis has such an impact on the lives of patients, it is important that treatment centres are located closer to their homes, which is why we work on a 'satellite' basis - with the main centre at Canterbury as our 'hub'.

"Already the unit here has made such a difference to our patients because they don't have to travel so far for treatment."

Dunkirk Renal Satellite Unit Manager Karen Brent with patient Beryl Brownsword.