Annual Plan 2006/07

For Publication

Contents

1. Chief Executive's summary of the year (2005-06)

1.1 Past year performance and achievements

The past year has been a very successful one for the Trust, our first year since becoming a Foundation Trust on the 1st April 2005.

This has significantly changed the way in which we operate, granting us greater freedoms than NHS trusts but also greater responsibility to provide demonstrably high quality services and sound finances.

Once again we have performed extremely well against a wide range of indicators during 2005/06, meeting all of the key performance targets at the end of March 2006.

- Retained our three star rating, the highest possible quality score for the Trust
- 100% of urgent cancer referrals seen within 2 weeks, and achievement of the 31 and 62 day cancer waiting time standards,
- Meeting the target of 98% patients waiting less than 4 hours in Accident and Emergency,
- No patient waited more than 6 months for inpatient treatment by year end,
- No patient waited longer than 13 weeks for an outpatient appointment by year end,
- Short waits for most radiology investigations
- Reduced MRSA infection rates
- Proved value for money as our costs were 12% lower than the national average
- Achieved a 1% financial surplus (£1.6m)

In addition during the past year the Trust has developed across a broad range of areas. There are too many to list all of them, but a sample includes:

- Opening of the Dorset Heart Centre which has enabled life saving invasive cardiology procedures to be undertaken locally, rather than requiring local patients to go to Southampton or London.
- Being the first Trust in the South to produce and distribute all x-rays and scans electronically via its Picture Archive Communication Solution (PACS).
- Establishing a new Rehabilitation Directorate to help focus our rehab care, especially for older people.
- Becoming the first Trust in the Dorset and Somerset region to be given the 'Practice Plus' award for staff management – the highest award within the Improving Working Lives (IWL) standard,
- Becoming a pilot site for a new national Kitemark scheme which aims to recognise the excellent clinical governance practice which takes place within health care organisations. The Trust was chosen to participate due to the advances it has already made in this area.
- Undergoing National Peer Review of our cancer services, confirming the excellent services and facilities in place but also making recommendations to be taken forward.

1.2 Finance and income

The Trust has worked hard to maintain its financial performance in a difficult climate for the NHS across the UK. We have been successful in taking a £1.6m surplus forward into the next financial year, so we can re-invest in local services. This will be particularly important as our main purchaser has indicated they wish for us to reduce our services in 2006/7.

Over the last financial year patient activity continued to grow in line with previous years. The Trust's activity in patient numbers was:

New Outpatient Attendances	113,688
Follow-up Attendances	136,779
Day Case procedures	41,926
Elective Inpatients	13,229
Emergency Admissions	25,438

We continue to enjoy excellent relations with Primary Care Trusts (PCTs) in Hampshire who purchase our services on behalf of their local populations. We are however in dispute with our main purchaser, Bournemouth PCT, regarding unpaid bills and non-adherence to national policy. This could seriously affect local services, as is reported later on.

We remain confident this will be resolved favourably for local patients, given the multi-million pound reserves held by the Strategic Health Authority. Despite this difficult situation we continue to work to improve services with partners in Dorset.

1.3 Partnership working

Examples of partnership working last year include:

- Reducing long hospital stays for elderly patients. The discharge co-ordination team of Trust, PCT, social services and Help and Care, a local charity, is a unique combination allowing a more seamless care pathway for patients going home.

- Joint purchasing consortia to reduce the cost of goods. This includes work by this Trust that has saved hospitals in Dorset and Somerset over £1m in Orthopaedic supplies alone.

- Involvement in one of the first Joint Area Review for Children's Services (JAR) which reported favourably on local services. Our contribution included joint work in breast feeding and smoking in pregnancy.

- Support for services to keep patients out of hospital. These include the Christchurch Day Hospital, providing staff to the Orthopaedic Clinical Assessment Service (CAS) and extra clinics in the New Forest.

- Continued working through clinical networks for cancer, heart disease, diabetes, critical care and other professional channels.

- Worked with GPs and Primary Care Trusts to roll out "Choose and Book," the system designed to allow patients choice as to hospital, date and time for their outpatient clinic. As a Trust we are now rated 3rd highest in the country for Choose and Book usage by local GPs.

1.4 Other important issues

Quality measures
The Trust has submitted its self assessment for 2005/6 against the Healthcare Commission's "Standard for Better Health." This is an extensive list of quality and performance measures and replaces the star rating system. We have strong evidence in every field, and should also perform well in the section on use of resources. As such we have declared ourselves compliant on all measures. This will be subject to external review later in 2006/7.

Staffing
As well as receiving the Practice Plus award for our staff management we were also named as one of the best hospitals to work in by The Nursing Times, Centenary Top 100 survey. We were able to recruit virtually all of the nurses who graduated from Bournemouth University. We continue to remain able to recruit well to all areas of the Trust.

19 consultant appointments were made in 2005/6, 10 of which were additional posts. These included three cardiologists, two gynaecologists, two dermatologists and three anaesthetists (particularly to strengthen intensive care services). We were also pleased to recruit a nurse consultant to our award winning stroke service. These additions to our already excellent clinical workforce leave us well placed to continue to develop modern, high quality services.

Levels of sickness have fallen throughout the year due to a range of measures. These included additional training for managers and staff side representatives, use of the Bradford Scoring system to highlight persistent, short term absences, and towards the end of the year the introduction of the accelerated treatment scheme for staff waiting for diagnosis or treatment.

Service changes
Services continued to develop and adapt. Notable changes included:

- the reprovision of gynae inpatient surgery and cancer work to our neighbouring hospital in Poole,
- relocation of Orthopaedic, Vascular and Urology beds within the main hospital,
- changes to older peoples' services at Christchurch re-using resources from closed beds to provide better care through the Day Hospital services.

Board of Directors
Changes to the Board of Directors over 2005/6 included the following non executive directors who have left John Millward (retired 30/06/05), Andrew Marchington (1/7/05 to 31/12/05) and Ian Birch, (01/07/05 to 15/08/05).

Peter Rawlins has joined the Board from June and Frances Outram from October 2005. Two non-executive vacancies are currently being recruited.

Sheila Collins, (Chairman), Ken Tullett, (Vice chairman), Brian Ford and Lindsey Dedden have continued as Non Executive Directors.

Simon Parvin, Vascular Surgeon, became Medical Director in June 2005.

The only other executive director changes are that Richard Renaut started as the new Director of Service Development in April 2006, replacing Keith Walker, who retired.

2. Summary of Financial Performance

2.1 Overview of 2005/06

Performance was better than plan in each key area and, consequently, our overall risk rating improved in year from 3 to 4. Expenditure was significantly higher than anticipated due to two factors. Agenda for Change was a more costly pay restructuring than originally anticipated. Our second pressure was that patient activity ran over the indicative volumes set by both our main commissioners (Bournemouth Teaching PCT for Dorset and New Forest PCT for Hampshire). The increase in income from New Forest PCT, when added to extra interest earned and other non-contract income, was enough to more than compensate for extra expenditure. The net surplus rose from a planned £0.1 million to £1.6 million.

The other major issue of note is that £4.9 million of other Payment by Results income is still due from Bournemouth Teaching PCT. We are in dispute as to whether the financial sum in our contract was indicative or represented a fixed "cap" on activity. We believe the national rules and guidance to be clear that if referrals are made and the patient is treated, then payment should follow. The PCT do not accept this. We have made full provision for non-payment so the £1.6 million is a worst-case scenario. The year's true performance could be £6.5 million surplus if we are totally successful at arbitration.

The following is a high level comparison between historical plan performance and actual performance:

	2005/06 Plan £'million	**2005/06 Actual £'million**
Income:		
Clinical income	146.50	157.00
Non-clinical income	16.80	14.50
Total income	163.30	171.50
Expenses:		
Pay costs	(102.80)	(106.17)
Non-pay costs	(49.00)	(53.53)
EBITDA	11.50	11.80
Interest/Depreciation	(11.40)	(10.20)
Net surplus	0.10	1.60

2.2 2006/07 Financial Plan

The expenditure forecasts are robust with detailed planning after full discussions with budget managers. There is a significant Cash Releasing Efficiency Saving (CRES) programme (Appendix 1) but it has clear leads and realistic targets. Monitoring will be at Board of Director level and variances will be quickly followed-up. This Trust has an exceptional 20 year history of sound budgetary control. Expenditure is expected to be controlled to affordable levels.

Income should be more than adequate to support the stated level of expenditure if PBR income matches expected activity. However, we have not reached final agreement with our main commissioner, Bournemouth Teaching PCT. Their current offer leaves a gap of £3.1 million against the projected income level shown in our 2006/07 plan.

The mitigating strategies are mainly outlined above but, to summarise, the options are the following, or some combination of each:

a) Settlement 2005/06 dispute:
   Monies due
   Provision (costs)
b) Reduce infrastructure of Trust (re lower activity levels)
c) Agree minimal, realistic contract with Dorset PCTs
d) Pursue PbR compliance for projected referrals

This is considered to be a robust and resilient financial business plan with several achievable options if income or expenditure vary adversely from the levels forecast.

2.3 Capital Programme, including investment and disposal strategy

Last year's plan referred to the potential disposal of the Trust's Sterile Services Department, as part of the market testing programme brought about by the National Decontamination Project. This joint venture project, involving partners from the South & South West of England continues, with a Board decision on the future of the service and the capital assets likely to be around February 07.

Given the possible constraints on activity in this financial year, the Trust has taken a conservative view of capital expenditure for 06/07, but the Programme does include items arising from perceived business opportunity or from identified risk.

Scheme	06/07 £000
PATH/WARDS 10/11 (design costs)	100
BUILDING MAINTENANCE	300
ELECTRICAL INFRASTRUCTURE - HV - NEW SUPPLY	620
ELECTRICAL INFRASTRUCTURE - HV - SWITCH ROOM	250
ENDOSCOPY ACCOMODATION	600
ENERGY SAVING CONTROL SYSTEM	100
HOSPITAL SECURITY	150
I.T. - STRATEGY	450
BLOOD TRACKING SYSTEM	250
MEDICAL EQUIPMENT – BLOCK (including Endoscopy)	900
MEDICAL RECORDS STORE EXTENSION	670
OPD REDEVELOPMENT	350
SAXON SQUARE	1500
SSD - DIRTY AREA	150
TOTAL	**6390**

The Capital Programme allows for ongoing works to the Trust's electrical infrastructure, significantly reducing the business continuity risks identified in the Estate Strategy, and likewise ongoing expenditure on I.T. systems and equipment is funded.

Endoscopy is seen as a potential growth area, subject to agreement with our commissioners, and because of the national bowel screening program. The plan identifies capital for the development and associated additional equipment. Medical equipment more generally is accommodated with a sum set aside for allocation by the Medical Equipment Committee. In addition to this expenditure, the Trust needs to acquire a blood tracking system in order to fully meet new guidance, and reduce risk.

The leasing of accommodation in a former Health Centre in Christchurch, Saxon Square is ongoing, though the transfer from English Partnerships (NHS Estate's successor in this respect) has been somewhat tortuous. As indicated last year, the 1st floor of the building is also being secured, as part of the Trust's resolution of a Health Records storage problem.

Work to improve Outpatients at the Royal Bournemouth is also likely to commence in-year, with possible development of a central pre-assessment area which would allow greater standardisation efficiency and release of clinical space across wards, expenditure to improve security of Bournemouth & Christchurch hospital sites. The accommodation for cancer patients on the Bournemouth site is also planned to allow for improvement and extension, and detailed planning will commence this year for the work to be undertaken probably in next year's Capital Plan. Charitable fundraising is underway to raise funds towards this.

There are no PFI projects at the Trust and no plans to embark on any during the three years of this plan.

There are no other significant investments in new business planned for 2006/07 and none at all for non-UK or non-healthcare projects for the life of the plan.

3. Future Business Plans

3.1 Strategic overview

Our vision is to continue to be the provider of choice for local patients and GPs, to be achieved by putting patients first in all the work we do. We also aim to meet and exceed all healthcare performance and quality standards.

The Trust has six key strategic goals, consistent throughout its strategic planning. These are:

- **Provide Patient Centred Services that Reflect Patient Choice**
  As Patients are given more power to chose their hospital so we need to step up our listerning and responding mechanisms, for patient and their GPs. We also need to reach and maintain excellence in all our services, and be able to prove this to the public.

- **Improve Health and Well Being**
  Improving health and well-being underpins the quality of care provided by the Trust and our work to help reduce illness. We are focusing on implementing the targets of the National Service Frameworks, the NHS Cancer Plan and in reducing inequalities in service provision within our local healthcare community. We have now become a fully non-smoking hospital. We are also working to improve the health of our staff.

- **Provide Fast and Convenient Access**
  This goal builds upon the strength of our short waiting times, to provide a fast and convenient service as well as delivering a number of service developments. There is however a lot of work still to do to achieve the 18 week GP referral to treatment target by 2008.

- **Deliver High Standards for Better Health**
  The Trust is committed to delivering high quality care, and being able to prove this. Our aim is to meet all the Healthcare Commission's national standards as set out in 'Standards for Better Health'. We will develop local agreements to support high standards, recognising the importance of maintaining individualised care, dignity and privacy whilst offering the opportunity for informed decision making.

- **Further Develop Partnership Working**
  It is clear that working with our partner organisations can significantly improve the services provided to patients. Therefore partnerships, including clinical networks and relationships with GP practices, will be extended and further developed. The Trust is continuing to remain an integral partner and contributor to our local Social and Health Economy and the Bournemouth Partnership.

- **Strong, Patient-focused Governance and Risk Management**
  Having systems in place so that we learn from patients, staff and partners, that identify and manage risks, and can demonstrate quality improvement is all part of Clinical Governance and Risk Management. We will continue to strengthen these arrangements, with particular regard to Patient Forums.

A seventh goal has been added this year, regarding the need **to provide efficient and effective health care,** by delivering year-on-year savings. This can be achieved through reducing the costs of goods and services we purchase, avoiding duplication and delay, harnessing information and medical technology advances, benchmarking our services against the best to find new ways of doing things, and as ever relying on our staff, volunteers, partners and patients to help us do things better, first time.

During 2006/07 the Trust intends further to build on the work which has already taken place to progress the strategic goals identified. Work with the Council of Governors, Trust Management Board (made up of our Clinical Directors), as well as the Board of Directors will undertake a review of our five year plan, to better equip us for the future in the light of the changing environment and requirements facing the Foundation Trust.

3.2 Patient Choice and the environment in which we operate

National policy, local actions
National policy continues to be a major driver in informing our priorities. Patient Choice, where patients can choose their hospital, links with Payment by Results (PbR) so that successful hospitals are rewarded for the work they do. This in turn allows hospitals that can respond to patient demand to be able to further drive up standards. To support these policies a national IT system called "Choose and Book" allows patients to choose a convenient hospital and book appointments following a referral by their GP.

Our clinicians, local GPs and other health professional have strong relationships based upon good quality services and consistently putting patients first. This approach will be developed further this year with the introduction of Practice Based Commissioning (PBC). GP practices are incentivised to manage demand for services and to provide local services in their own practices or nearby, using a variety of other providers. The Trust will respond positively to this policy, and that of the White Paper "Care Outside of Hospitals." This is a real opportunity to make the most of the opportunities for closer working, reducing barriers and duplication, and making services more responsive to patients and GPs.

Whilst such plans are at an early stage, the following areas continue to be ones where there are significant benefits to patients, the Trust and the wider health community, and as such

work is under way within each area:

- reducing emergency hospital admissions
- reducing long lengths of stay in hospital, especially for the elderly
- reducing referrals for certain services the PCT wishes to spend less on, such Orthopaedics and Dermatology
- reducing duplication of effort, for instance by better use of IT

The new Lymington Hospital PFI scheme will be completed by January 2007 offering a new facility on the edge of our catchment area. The tender for the private provider of emergency and elective services based there is underway. Planning to assess the impact on us is underway.

Bournemouth PCT will merge with Poole PCT later in 2006/7. This will offer opportunities for a more strategic approach to conurbation wide issues and acute commissioning. South and East Dorset PCT will join to become part of the Dorset PCT, which is co-terminal with Dorset County Council. Here there is a concern Christchurch, and East Dorset may not get the same focus as previously, given the geographic size of the county. Work with the new PCT and the GP practices in the area will seek to avoid this.

3.3 Contract Negotiations for 2006/7

The major issues affecting the business planning for the Trust in the year ahead is the lack of a signed agreement for the new levels of activity and income for Dorset patients, who cover 85% of our work.

Clarity from our main commissioner, Bournemouth PCT is still being sought, on two key points:

- Dorset PCTs funding levels, and as a consequence which services they wish us to reduce, by when and how patients affected will be managed
- Implementation of national policy such as “Payment by Results” and the Code of Conduct underpinning this

Resolution of both of these issues is critical to the future of patient services at the Trust. Currently there are a series of suggestions the PCT have made including significant reductions in operations we undertake, of at least 7,000 operations, although we estimate this to be nearer 10-12,000 operations. They are also proposing significant reductions in expensive drug treatments for certain patients.

Whilst the SHA has a large financial surplus we continue to request payment for work undertaken in 2005/6 and a reasonable settlement for the 2006/7 to allow us to plan ahead for patient services. Work is underway within the Trust to plan the estimated £3.1m in service reductions if the Dorset PCTs are unable to recover funds allocated to them to purchase hospital services.

National policy dictates that patients sent here and requiring treatment will be paid for, at a nationally set price. Enforcement of this is important to avoid the Trust getting into serious financial difficulty. Refusal to pay on grounds of not wishing to exceed PCT planned budgets is not allowed.

Agreement with New Forest and Eastleigh PCTs is very close with both sides estimates of required activity being very similar. Also there is a mutual understanding that Payment by Result and the Code of Conduct are fundamental aspects of the relationship.

3.4 Possible service development plans

Given the uncertainty over the funding no decisions on service developments can be made. Resolution is needed with Bournemouth PCT as to service levels they plan to commission from us, and for us to see the corresponding reduction in the work they send us.

The attached financial schedules are based upon the known levels of income from our purchasers, and the unavoidable costs of providing care. This demonstrates a £3.1m predicted deficit, even after use of the transitional relief. The Trust is developing plans to reduce services to ensure a break-even position is maintained, and to use the surplus from 2005/6 to cover the period until those changes take effect.

However if Bournemouth PCT apply the national rules on Payment by Result and either recover the £10m reduction in funding, or can access the reserves held by the SHA, then those service cuts will not be required.

In the light of the genuine demand for treatments covered by Payment by Results, and the quality improvements that need internal funding, two lists have been agreed by Trust Management Board. These are the top priorities should additional funding be made available.

Payment by Results funded schemes (subject to funding)
1. Development of Endoscopy service and appointment of 4th Gastroenterologist.
2. 3rd Interventional Cardiologist and associated infrastructure,
3. Orthopaedic capacity expansion to meet 18 week target

Quality developments (non-PBR funded, so requiring internal funding)		
Directorate	**Proposal**	**Cost**
1. General	Tissue Viability Nurse	£35,000
2. Radiology	Additional Consultant Radiologist capacity	£14,000
3. Pharmacy	Weekend Pharmacy Service	£70,000
4. Medicine	Acute Lung Unit	£479,000
5. Anaesthetics	An additional ITU bed	£300,000
6. Anaesthetics	Increasing theatre staffing	£219,000
7. Radiology	Fourth Interventional Radiologist	£105,000

Charitable support
It is very encouraging that the charitable support for the Trust's services remains strong. Major areas of support are:

- The local Macmillan Trust has agreed a very large three year investment in cancer services, including a consultant and nursing staff.

- The Bournemouth Chest Charity is proposing to contribute significantly to plans for the Acute Lung Unit.

- The Jigsaw appeal has completed its significant targets for investment in diagnostic equipment. In the coming year they will be refocusing on fundraising with Tenovous, the cancer charity, on a redevelopment of the cancer & haematological care wards 10&11.

- The League of Friends organisations continue to make significant donations, particularly for equipment used across the Trust.

4. Risk analysis

4.1 Governance risk

4.1.1 Effective risk and performance management

The Trust has an active risk register that is regularly reviewed by the Governance and Risk Management Committee and the Board of Directors. The Board of Directors gives a high priority to risk and all risks on the register are assigned a Board level lead. A standard risk scoring system is utilised and all significant risks, based on this scoring system, are presented to the board on a monthly basis as part of the Trust's performance management framework.

The on-going management of risk is undertaken by the Governance and Risk Management Committee, which meets on a monthly basis and reports directly to the Board of Directors. The GRMC consists of key stakeholders in the organisation and both executive and non-executive directors represent the Board.

The active risk register is divided into those risks that are soluble with resource allocation, those risks that are directly linked to the Trust's Assurance Framework, and those risks that are present in the system continuously. The register addresses general and clinical risk, financial risk and mandatory service risk. Detailed reports can be produced for individual risks and this is done on a regular basis for all significant risks.

In the coming year, we will also be preparing for the new version of CNST level 2 approval. This is in a pilot phase, with formal accreditation likely to be in 2007/8

4.1.2 Significant risks

The Trust Risk Register contains no significant risks relating to Governance.

The Trust completed the final declaration for the Healthcare Commission Annual Health Check in April 2006. Following approval by the Board of Directors, the Trust declared full compliance across all the core standards and the full Board supported the declaration. Significant work has gone into producing an evidence base for the standards, which has been used as the basis for Board assurance. This is viewed as a dynamic document and will be updated and reviewed on an ongoing basis.

The Trust has produced a detailed Governance Development Plan for 2006/7 to further improve current arrangements in place for compliance with the Healthcare Commission core standards. The plan also identifies action plans for progress on implementation of the developmental standards and, in particular, the Trust will be working with local stakeholders to agree joint strategies for those standards covered by:

- safety
- clinical
- cost effectiveness
- patient focus
- public health domains

A robust Annual Audit Programme that includes both internal and external reviews further supports implementation of the Plan.

4.2 Mandatory service risk

4.2.1 Significant risks

The Trust has a small number of significant mandatory service risks relating to either clinical, service delivery or service development risk on the Trust Risk Register. Such risks include:

- maintaining waiting times in the light of commissioner funding reductions.
- managing delayed discharges;
- reducing MRSA rates in line with National targets,
- ensuring the effective implementation of patient choice;
- meeting National Institute of Clinical Excellence (NICE) guidelines for the provision of HDU facilities (associated with the provision of an acute lung unit);
- maintaining an efficient power capacity for essential services
- meeting national cancer waiting times.

For the majority of these risks the level of risk relates to the potential severity of an adverse event if it did occur rather than the actual likelihood of occurrence. In each case mitigating strategies have been identified to either reduce the likelihood or mitigate the severity. For all identified risks the Board has been provided with assurances on the controls in place and regular monitoring is undertaken to ensure that any gaps in controls are immediately identified and resolved.

4.3 Financial risk

4.3.1 Significant risks

The Trust has a number of significant financial risk issues currently on the Trust Risk Register. Such risks include:

- failure by Bournemouth PCT in implementation of the national Tariff and Payment by Results policy
- unforeseen expenditure risks
- the agreement and management of contracts with local commissioners
- delivery of cost improvement programme efficiencies.

In each case mitigating strategies have been identified and assurances on controls and the monitoring of gaps in controls provided. The Director of Finance is the Board lead for all financial risks on the Trust Risk Register. Further details are covered within the finance section of this plan.

4.4 Risk of any other non-compliance with terms of authorisation

Following a failure to achieve Level 1 compliance with the Clinical Negligence Scheme for Trust (CNST) standards for Maternity the Trust has identified this as a significant action plan for 2006/7 and has placed this issue on the Trust Risk Register. The Trust is confident of regaining Level 1 accreditation at the next assessment.

4.5 Other risks

Other risks to consider are:

Legality of constitution
The Trust will review its constitution during the year by means of a committee with representation from Executive and Non Executive Directors and Governors. The purpose of the review is to identify areas of the constitution that would benefit from amendment in the light of experience during the first year of operation; in particular, to remove any ambiguities or gaps that have become apparent in year. Any changes recommended by the committee will be considered by the Council of Governors and the Board of Directors and if agreed will be presented to the annual members meeting for approval prior to submission to Monitor for final approval.

Representative membership
In the coming year the Council of Governors' membership sub group has the aim of developing its understanding of the local public and staff demographics. This is with the intention of targeting its approach to ensuring representative membership.

For example, the local resident catchment population is distinguished by higher proportions of people aged over 60 and over 75 than the national averages. These age groups tend to be more frequent users of hospital services and this is reflected in the Trust's current membership. However, there needs to be a better informed understanding of the detailed make-up of the catchment population to ensure fair representation of the diverse population the Trust serves.

It is intended this will be achieved through accessing local PCT public health expertise and external advice on community engagement. Therefore, while Governors and the Trust generally are committed to growing the public membership over time, the priority for the year ahead is a need to understand better the characteristics of the existing membership and the communities that are represented.

Appropriate Board roles and structures
The Board of Directors is conscious of the need for appropriate individuals in Executive and Non Executive roles and has taken steps to ensure this through development plans for Non-Executive appraisals, and a thorough selection process for the two current NED vacancies.

There are established reporting arrangements for delegated roles to be performed outside of Board and appropriately reported back. The Board will continue to consider the effectiveness and appropriateness of these arrangements and will make changes as and when necessary to ensure that it remains properly informed about performance in its various forms.

5. Declaration of self-certification

5.1 Board statements

The Board confirms that the statements as set out in the annual plan appendix are true and accurate

6. Membership

6.1 Membership Report

Public constituency	**Last year (plan)**	**Last year (actual)**	**Next year (estimated)**
At year start (April 1)	12,330	13,995	13,995
New members	1,572	1,934	100
Members leaving	N/A	93	100
At year end (31 March)	13,902	13,995	13,995
Minimum number of members required under Schedule 1	4 members per constituency	4 members per constituency	4 members per constituency
Staff constituency	**Last year (plan)**	**Last year (actual)**	**Next year (estimated)**
At year start (April 1)	1167	965	994
New members	195	76	47
Members leaving	N/A	47	47
At year end (31 March)	1167	994	994
Minimum number of members required under Schedule 1	4 members per class of the constituency	4 members per class of the constituency	4 members per class of the constituency

6.2 Membership commentary

6.2.1 Constituencies

Public membership of the Foundation Trust is open to those people over the age of 16 years who live in one of the following local authority areas:

- Bournemouth
- Poole
- Christchurch, East Dorset and Purbeck (combined)
- New Forest

There is no separate patient or carer constituency.

As of 31 March 2006 there were 13,995 public members in the following constituencies:

Bournemouth	10,003
Poole	1,237
Christchurch, East Dorset and Purbeck	2,223
New Forest	532

The Trust has recruited 1,665 new public members during 2005/06, in line with its estimated plan for the public constituency of 1,572 new public members. The New Forest constituency proved the most difficult to recruit new members; it is suggested that this is due to the Trust serving the mainly south west corner of the area defined by the New Forest District Council boundary. However, the two public governors for this area remain keen to engage with and recruit more members.

Staff membership is open to individuals employed by the Trust under a contract of employment or who exercise the functions of someone so employed for at least 12 months.

There are 995 members within the staff constituency in the following classes:

Administrative and Clerical	255
Allied Health Professional and Scientific and Technical	174
Estates and Ancillary	84
Medical	87
Nursing and midwifery	395

The staff constituency has increased by only 76 against a plan for the year of 195. Engagement of staff has been difficult and while the option remains to adopt an opt-out system of membership, there continues to be a preference for voluntary sign up for staff as for public members.

6.2.2 Future public membership and engagement

In light of both the substantial public membership (in comparison with other Foundation Trusts) and the difficulty in recruiting beyond the opening staff membership on authorisation, the Council of Governors feel that their efforts in 2006/07 should focus on a better understanding of the extent to which the they represent their communities rather than growing the numbers across the board. The intention is therefore that the membership remain broadly as it is for the coming year, with the potential to target particular areas of our public and staff community in the future.

6.2.3 Work plan for the year ahead

The Governors will be agreeing a work plan for the year ahead. As well as covering the work outline above there will be formal Governor meetings. In addition the sub groups will cover the following areas:

- Membership development
- Patient and Public Involvement
- Transport
- Ad hoc working groups

The Director Of Nursing is also preparing a draft plan to improve joint working between the Board of Directors and the Governors to ensure both bodies' work is clarified, co-ordinated and adds value to the delivery of care to patients. This will form the basis of further work between Governors and Directors.

Development of a renewed five year strategy for the Trust will also feature as a significant area of focus for the Governors, as well as other key bodies, such as the staff side representatives on the Joint Consultative and Negotiating Committee (JCNC).

6.2.4 Election of Governors

Public Governors were first elected in February 2005 and further by-elections were held in January 2006 by secret ballot of the public membership, using the single transferable vote system. The Board of Directors confirms these elections were held in accordance with the election rules, as stated in the constitution.