Leicestershire Partnership NHS

NHS Trust

Our Annual Report and Summary Accounts 2010/11

Contents

The Annual Report and Summary Accounts 2010/11 were approved by the Trust Board at its meeting on 8 June 2011.
Signed on behalf of the Board of Leicestershire Partnership NHS Trust
Antony Sheehan, Chief Executive

Welcome – from the Chairman and Chief Executive of LPT

We are very pleased to introduce Leicestershire Partnership NHS Trust's annual report and summary of accounts for 2010/11. During the last 12 months we made great strides towards achieving our ambitious targets to deliver the highest quality services to some of the most vulnerable people of Leicester, Leicestershire and Rutland. We couldn't have done this without the commitment of our talented staff who overcome challenges and embrace opportunities on a daily basis, and without the way we work in partnership with our service users, carers and our local communities to really see things from their perspective.

In the latter part of the year we began the huge task of preparing for the national Transforming Community Services (TCS) programme and the significant changes this would mean for the organisation as a whole. The TCS programme meant that on the 1st April 2011 we became responsible for a wider range of community services, previously provided by the two local Primary Care Trusts, plus an additional 3200 staff. We are extremely grateful for the excellent preparatory work staff undertook to ensure the successful and safe transfer of staff and services to LPT.

This transfer offers new and exciting opportunities for the organisation and our focus in the coming months is to achieve a genuine integration of services and to become a Wellbeing Trust. That is, a Trust able to treat, support and help people in numerous ways and at many levels but, crucially, in a joined-up way. More joined-up services, more local care, designed around the needs of individuals, families and their communities.

Investing in services

Our mission is to advance the health and wellbeing of the people in our communities and to become a healthcare provider of excellence. We strive to transform our community services and achieve excellence in our inpatient services. As a result, in 2010/11 we began the redesign of our community services and made further investment in new inpatient facilities.

Our investments supported major redevelopments to create a centre of excellence for acute mental health inpatient care at the Bradgate Mental Health Unit on the Glenfield Hospital site. We will be spending a total of £23 million on this long term development programme over a five year period.

We are proud to report the first phase of this development began in December 2009, with the opening of Heather Ward, our first female-only ward. We expanded on this success by going on to open our first male-only ward in December 2010 at the Bennion Centre, also on the Glenfield Hospital

site. This newly refurbished 24-bed Kirby Ward, developed at a cost of £1.5 million, caters for older people with acute mental illness. Looking forward, work has now started on extending and refurbishing another adult acute ward which we expect will open to patients at the end of 2011.

We have also supported our important engagement work with service users by opening a new Involvement Centre at the Bradgate Unit in March 2011. It provides a dedicated space for mental health and learning disability patients and carers, where they can meet, book space, network, and receive support and advice from peers and from voluntary and statutory organisations.

We also took particular pride in opening a specialist dementia care suite called the Oak Room at the Evington Centre, especially for patients who are seriously ill or nearing the end of their life. We developed the £85,000 suite in partnership with The Kings Fund charity, as part of the Enhancing the Healing Environment programme.

Independent living for people with a learning disability

In the last year, in response to the national Valuing People Now strategy we worked closely with local authority colleagues and health commissioners to manage the successful transfer of people with a learning disability who were previously living within NHS campus provision into new accommodation located in local communities, supported by a new and more independent living model. This successful transfer has followed a long and detailed programme of work and we thank those who helped facilitate this important move, which will help people with a learning disability lead more independent lives.

Foundation Trust

We are immensely proud to report that the Secretary of State for Health supported our application for NHS Foundation Trust status which allowed us to progress our application and hold elections for our Council of Governors. Monitor, the independent regulator for Foundation Trusts is very supportive of our application but we feel in light of the recent transfer of new services to the Trust there is some further work we could do in order to put the strongest application possible to Monitor when they make their decision. We are working with them to develop a new timeframe to reactivate our application. Our elected Council of Governors will remain in shadow form until the revised application is processed.

Quality accounts

This year, alongside this annual report and summary accounts we have published our second Quality Accounts, also covering the period 2010/11, which show how our services are performing in terms of quality of care and patient experience. Our Quality Accounts are available on our website www.leicpt.nhs.uk or on request (see page 52).

Tony Harrop

Finally we would like to thank Tony Harrop, our outgoing chairman who retired in March 2011 after four years of dedicated and excellent service to LPT. Board members agree that it has been a privilege and an honour to work with him during a time of considerable but positive change. Tony was always immensely impressed with the daily dedication and hard work of all our staff to provide the highest quality services to our patients. Tony will continue to support us by remaining a member of the Trust, and we wish him every success for the future.

Professor David Chiddick CBE

Chair

Professor Antony Sheehan

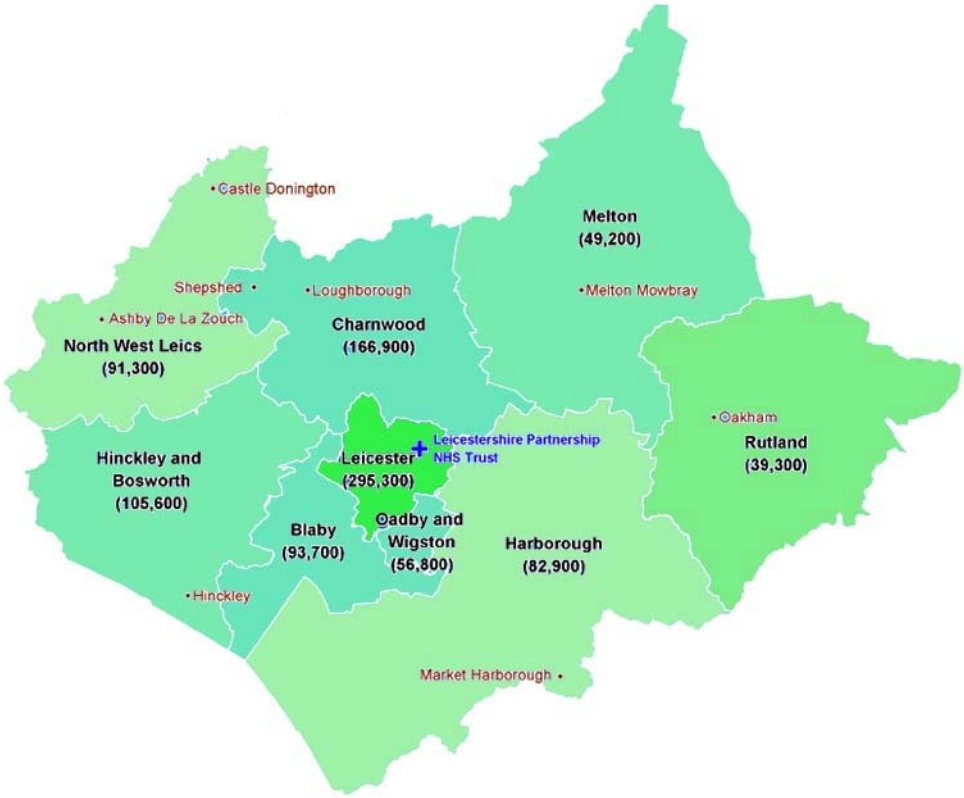
Chief Executive

Profile of the Trust in 2010/11

About us

LPT was established in 2002 and is one of the largest specialist mental health and learning disability trusts in England, offering mental health and learning disability services to the people of Leicester, Leicestershire and Rutland. We employ almost 2,700 staff, the vast majority of whom work in services providing direct clinical or social care. We have an annual income of around £138 million.

We serve a large (924,000) and very diverse population, in terms of ethnic origin, cultural heritage, affluence and deprivation, and the geographical area we cover is environmentally varied with inner city, market town, suburban and rural locations across Leicester, Leicestershire and Rutland.



We provide our services as part of the local health and social care economy, working with local authority social services, primary care and local hospitals. We deliver services from many different locations that include hospitals, longer term recovery units, outpatient clinics, day services, community team bases, GP surgeries, as well as in people's own homes. Most people are referred to our services by their GP and are cared for by services that are delivered in local communities.

Our services

Our clinical services are delivered through five business units:

Adult mental health services	
Inpatient services	The Bradgate Mental Health Unit The Brandon Mental Health Unit The Belvoir Unit Crisis resolution Acute recovery team Stewart House, Mill Lodge and The Willows – adult serious mental illness Mill Lodge - Huntington's Disease
Community based services	General psychiatric services (community mental health teams / day hospital) Crisis resolution Assertive outreach Liaison psychiatry (including perinatal) Homeless services Prison in-reach / court liaison Day care services Huntington's Disease service

Mental health services for older people (MHSOP)	
Inpatient services	The Evington Centre The Bradgate Mental Health Unit The Brandon Mental Health Unit
Community based services	Community mental health teams (CMHT) Intensive community assessment and treatment service (ICATs) Younger persons memory service

Child and adolescent mental health services (CAMHS)	
Inpatient services	Oakham House
Community based services	CAMHS community teams Tanglewood day hospital CAMHS learning disability service

Specialist mental health services	
Inpatient services	Drug and alcohol beds Herschel Prins – low secure Beaumanor Unit – eating disorders service
Community based services	Cognitive behavioural therapy (CBT) service Improving Access to Psychological Therapies Community drug and alcohol service Health psychology Dynamic psychotherapy service Eating disorders services (Beaumanor Unit; day hospital and community) Early intervention service (PIER) Personality disorders services (day hospital and outpatient therapy)

Learning disability services	
Inpatient services	The Agnes Unit (assessment and treatment unit) The Agnes Unit (intensive support) Health homes (closed in December 2010) Short breaks
Community based services	Community teams / day hospital

Providing high quality, effective care is at the heart of what we do and ensuring services are modernised and improved is a significant contribution to that aim. Over recent years the way we provide services has changed. Our emphasis is on caring for people within their local communities, to maximise their independence, feelings of inclusion and to minimise disruption to their lives. Even though the number of referrals to our services is generally increasing each year, the number of people who require treatment in hospital is decreasing and more people receive care closer to home. Often our services are provided in people's homes, but also in GP surgeries, health centres, day centres and outpatient clinics.

Our clinical services are helped by a range of corporate support services offering catering, communications, domestic, finance, human resources, information technology, procurement, property, research, risk management and training services.

Our mission, values and vision

Our core purpose is:

"Advancing health and wellbeing
through the development of communities, rights and inclusion."

This is more than just words. Engaging with communities, protecting and promoting people's rights and increasing inclusion are ways of working that we adopt in all spheres of our service activity.

Of course LPT is here to provide the highest quality care possible in mental health and learning disability services – care that is accessible by everyone who needs it, that considers people's general wellbeing and focuses on early intervention when people are ill. Our values describe the approach that every member of staff is expected to take when delivering those services, and they are:

R espect
I ntegrity
G ood quality care
H onesty
T rust
S ervice user driven

Our twin vision is to:

Transform our community services to provide a clear pathway and improve outcomes for service users and carers

and

To achieve excellence in inpatient services through an improved focus on inpatient pathways and service user experiences.

To transform our community services:

- we work closely with the communities we serve and our partners
- we provide LPT services to five localities
- we ensure respect for all our service users
- we work closely with local government and voluntary sector bodies.

To achieve excellence in inpatient services:

- we provide the service only when necessary - from centres of excellence
- we offer an environment that is sufficiently flexible to meet specific individual needs
- we ensure privacy and dignity
- we deliver the highest quality care

Looking ahead

In the closing months of 2010 -11, we were working to achieve a safe and sustainable transfer of a wide range of new community health services into the organisation. These were the majority of services provided by Leicester City Community Health Services and about 60 percent of the services provided by Leicestershire County and Rutland Community Health Services. In summary, they included children's services, health promotion and prevention, adult community nursing and therapy services, intermediate care and community hospital beds. The transfer was part of the national NHS Transforming Community Services programme, designed to secure the transfer of provider services from Primary Care Trust commissioning organisations into the most appropriate and willing provider organisations.

Following negotiations with NHS Leicester City and NHS Leicestershire County and Rutland to achieve a financially sustainable and legal transfer involving the minimum risk to LPT, the transfer of services took place on 1 April 2011. At that point, LPT's income increased from approximately £140 million to over £250 million a year and the number of staff employed increased from almost 2,700 to just under 6000.

LPT's primary objectives for 2011-12 relate to the transformational integration of the breadth of services which now make up the organisation – community health, mental health and learning disability services.

Our ambition for the new merged Trust is to create a truly integrated Wellbeing Trust where services are joined-up in new care pathways that are better able to address the complexity of health and wellbeing needs that individuals and families experience. The benefits of integrating these services are most apparent in the provision of care for children, families and older people.

The integration of services will take place over several months, beginning with a redesigned organisational and management structure that will facilitate integrated working across the three merged organisations. We expect the impact of integration to be most evident in locally based, community services. The redesign of community services will be focused on providing services in a more joined-up manner and as close to where people live as possible. It will also be influenced by new and existing relationships with GP commissioners, GP practices, local authorities and voluntary sector colleagues. We envisage community services being delivered and located in locations that reflect these relationships and the optimum partnership configurations for each of the services concerned.

We shall continue to invest in our vision of creating a centre of excellence for acute mental health inpatient care around the Bradgate Unit and Bennion Centre on the Glenfield Hospital site. The Trust Board approved funding in early 2011/12 to improve the environment of two further wards. Additional improvement plans will be supported by income from the planned sale of the former Towers Hospital site with corporate services currently on the site moving to alternative office accommodation and psychotherapy services being relocated together for the first time, on a hospital site.

Also in 2011 we shall review our strategic requirements for clinical information systems and estates and facilities management. We will also take forward our healthy organisation programme which supports staff through a range of initiatives.

In January 2011 the Trust agreed with Monitor (the Foundation Trust regulator) to postpone our application to become a NHS Foundation Trust, with the expectation that we will be in a position to go back to them in 2012, after the organisational integration is complete, with a refreshed application. This will be based on our new combined and integrated LPT organisation.

How we performed in 2010/11

We set ourselves 8 key objectives for 2010/11 which were developed as a result of listening to the needs and wishes of people who use our services, their families and carers and the views of staff.

Our objectives were to:

- **Deliver the highest quality care that is safe and effective**

We implemented a pilot for a new care pathway within our Learning Disability Service which will ensure patients receive the right care, at the right time, in the right place. This approach was well received, is continuing and will now be rolled out across the whole of the Learning Disability Service. Mental health services also have similar plans underway to develop clear and effective care pathways so that patients receive the highest quality individual care and treatment. Our centre of excellence development for adult acute mental health care is on schedule and is designed to improve the inpatient environment, helping care to be delivered with greater safety and more effectively.

- **Develop integrated locality services with our partners**

The Trust will open its first locality health 'hub' in 2011 in a shared location with Melton Borough Council and we are working closely with potential partners to discuss the benefits of other possible shared locations. The Trust is represented on all 8 Locality Partnership Boards and we are strengthening our relationships with colleagues in the community. Our services are continuing to look at ways and opportunities in which we can develop and further integrate our services within local communities.

- **Effectively involve service users and carers in our improvement plans and organisational development**

Service users and carers continue to be closely involved with the Trust and during 2010/11 they reviewed our Service User and Carer Strategy, setting out key areas for focus including the development of a new Involvement Centre, which successfully opened in February 2011 at the Bradgate Unit. Other focuses include the use of advance statements, involvement in training and research activities at the LPT Academy, and a reimbursement policy for service users.

- **Build sustainable engagement with our members and communities**

We continued to develop our engagement with members, ensuring that our membership is representative of local communities. Our shadow Council of Governors is now in place and is helping to shape the council's role within the Trust. We also actively supported a number of social enterprises this year, namely those developed by service users and those designed to support the needs of people with mental ill health or a learning disability.

- **Create an organisation and services that are easy to reach, demonstrating good citizenship and improved community wellbeing**

We are active contributors to local strategic partnerships, liaising with local partners such as the Leicestershire Constabulary, who we worked with to challenge and tackle hate crime through the Stamp it Out campaign during 2010/11. We also established a good relationship with Leicestershire Palliative Care Services working with them to review a national training package for care staff. We're also working closely with SISO (Safe Inside, Safe Outside) on a crime and disorder project.

- **Develop a workforce and environment rich in talent, diversity, experience and skill that advocates on behalf of the most vulnerable communities**

Each of our 5 business units developed workforce plans this year, which will help to determine the future staffing requirements and development needs of the organisation. We also began a series of leadership programmes to support leaders in the organisation and the first cohort of staff has completed the programme. Further cohorts are planned for 2011/12. We developed an organisational health and wellbeing strategy, to provide support, create a healthier workforce and improve staff experience. This will be overseen by a new Healthy Organisation Group.

- **Build our reputation and secure our market share**

During 2010/11 the Trust prepared for the safe, effective and successful transfer of £140m of community services on 1st April 2011. The Trust also successfully tendered to deliver health care for prisoners at HM Young Offenders Institution in Glen Parva. The Trust will begin the new contract on 1st June 2011.

- **Operate as a high performing organisation, held to account for living our values**

During 2010/11 we developed a patient experience survey to capture the views of black and minority ethnic service users and carers, to ensure they have a voice within the organisation. A new 'Delivering Racial Equality Toolkit' was also successfully piloted this year and will now be implemented across the Trust. We made good progress with our Foundation Trust application, which saw us successfully achieve approval from the Secretary of State for Health and elect a shadow Council of Governors. However, in view of the changes associated with the transfer to the Trust of a significant new range of services and staff in April 2011 we agreed to postpone the next stage of our application and are revising new timescales with Monitor, the regulatory body for Foundation Trusts.

Quality performance and targets

Achieving our key targets and excelling in our external assessments are very important goals for all our staff. We are pleased to report we have performed well over the last year.

Our quality, innovation, productivity and prevention (QIPP) strategy underpins the delivery of all our strategic goals and is central to our business unit planning. We continue to improve the quality of our services by improving our productivity and working with partner organisations to integrate care, ensuring service users are cared for in the most appropriate and cost effective setting.

For full details on our approach to quality, please refer to our Quality Accounts. For details on how to obtain a copy of this document please see page 52.

Our targets and key performance indicators contribute to delivering high quality services to everyone who needs them. We have rigorous methods in place to closely monitor our targets, which we review regularly. We ensure that accurate information is widely available to everyone, including service users, our staff and the public.

Access to services and waiting times

It is crucial that our service users are able to access help as quickly as possible. To enable this, our local target for waiting for a first appointment is six weeks and we continue to consistently achieve our target for most of our services. We monitor waiting times carefully, using these to support the continual review of how accessible our services are for the people who use them.

Some services, for example our improving access to psychological therapies service (IAPT), have specific targets and in the past year we have made enormous strides towards achieving these, whilst at the same time making our services much more widely available.

Other areas remain challenging, especially in a time of increasing demand. Where this is the case, we have worked hard to ensure our approach focuses on minimising waiting times, with strong monitoring arrangements in place to make sure improvements happen. Time taken to start treatment is a particular challenge for some of our specialist psychological therapies but we continue to make progress and this will remain a high priority for the year ahead.

We are now looking at how we can develop and improve patient appointments by aligning them more closely to individual care pathways and treatment options. This work is in its early stages but continues our approach of recognising there cannot be a ‘one size fits all’.

We also look at other issues relating to how people access our services, monitoring how long people wait for treatment after their initial appointment, as well as ensuring that factors such as where people live, their ethnicity or gender do not affect access to services.

Giving people choices

We continue to provide patients with as much choice as possible about the services they receive but know that there is still more to be done in this area. Our service users tell us that they like our approach; this is encouraging as it confirms we are moving in the right direction.

For example:

- We give everyone a choice of date, time and place for their appointment. Where appropriate and agreed with the service user, we send appointment reminders. This has helped to reduce the number of missed appointments.
- We give people choices about the treatment they receive once they are in the care of our services.

Changes in activity in our learning disability services

In the table below, the differences between 2009/10 and 2010/11 reflect the development of our services. Outpatient, community and day care attendances have changed because although we are moving towards delivering as much care as possible in a community setting with an increased emphasis on providing services through social care, we have refined our data recording following the implementation of a new information system, ensuring greater accuracy.

Hospital bed activity has increased because the Agnes Unit, our assessment and treatment facility, was commissioned to provide additional beds. This has enabled service users with high levels of need to return to local services instead of being treated outside the area and for us to support them in their treatment pathway so they can return to the community.

Inpatient care in the health homes has reduced following the transfer of patients from NHS health homes to independent living arrangements with new housing and care providers in the community. This was part of a national requirement for all NHS residential accommodation to cease by the end of 2010.

Activity in learning disability services	2009/10	2010/11
Hospital occupied bed days	5,263	6,329
Occupied bed days in health homes	26,805	16,852
Outpatient/community attendances	22,926	19,327
Day care attendances	10,229	8,733

Changes in our mental health services activity

We are establishing our new models of care but demand for beds has remained high, resulting in a slight increase in the number of people admitted to hospital. Our community services continued to focus on delivering care as close to home as possible.

Our day hospital activity has grown significantly with the remodelled service for older people providing more intensive input and also additional work to ensure our data better reflects the work we actually do.

Services for other user groups have remained stable.

Activity in mental health services	2009/10	2010/11
Occupied bed days	141,842	143,667
Outpatient/community team attendances	327,656	313,129
Day hospital attendances	42,283	62,073

Community mental health survey – majority of our patients rated our care as good or better

Finding out what our patients think about their treatment is very important if we are to maintain and continuously improve the standards of our care. It highlights what we are good at and what we could do better. The independent Care Quality Commission surveyed patients who were referred to one of our outpatient clinics or local community mental health teams last year, capturing their views about their experiences.

Results showed:

- Care provided by LPT was rated as good or better by 83 percent of people
- 94 percent of patients felt they were treated with respect and dignity
- 89 percent said that staff listened carefully to them
- 87 percent felt their care and services are co-ordinated well

We are very pleased that patients are experiencing a better service than they reported in the previous survey. This survey is a valuable and informative tool and indicates that our patients have trust and confidence in our staff, and the care they receive is well co-ordinated.

However, LPT recognises there are some areas for improvement and clinicians and managers are planning how to address these. Work will include looking at how LPT can provide more effective support for patients with carer responsibilities and ensuring all community patients are given out of hours contact information.

Good corporate citizenship and sustainable development

LPT recognises that how we behave as an employer, a purchaser of goods and services, a manager of transport, energy, waste and water, as a landlord and commissioner of building work and as an influential neighbour in the communities we serve, can make a big difference to people's health and the wellbeing of our society, the local economy and the environment.

To support these aims and achieve statutory requirements we have put in place a sustainable development strategy. Sustainable development is the achievement of a better quality of life through the efficient use of resources, in a way that meets current needs without compromising the ability of future generations to meet their own needs.

Our sustainable development strategy is supported by an active champions group, chaired by LPT's chief operating officer. This group is exploring ways in which we can be more supportive of the local environment and work in a more sustainable way. The group meets quarterly to share ideas and sets up projects where as an organisation, we might be able to reduce our carbon footprint and reduce our negative impact on the environment. We take this responsibility very seriously and examples of the ways we have already started to reduce our impact on the environment are through areas such as lighting, waste and travel.

Key achievements

- An organisation-wide sustainability awareness campaign launched
- The development of a sustainable development intranet site to provide information and act as a focal point for staff's new ideas and initiatives
- Energy surveys at LPT's main sites
- The implementation of a waste recycling programme
- The installation of smart energy metering to improve our energy management and performance
- The introduction of a staff 'cycle to work' scheme
- Installation of energy efficient lighting
- A plan to reduce paper usage and centralise printing
- A plan to plant trees at LPT properties.

We have also worked with partner organisations such as the Nottingham Energy Partnership to identify further savings and initiatives and have agreed to work with the Carbon Trust in 2011 to produce a five year Trust-wide carbon reduction plan that will, in the long term, benefit the delivery and quality of LPT's services, as well as the community we serve.

Emergency planning

As an NHS organisation LPT is required to have and maintain a robust emergency plan that describes how we would respond to an emergency. An emergency can be an event or situation that threatens serious damage to human welfare, to our environment, national security or a serious interruption to our own service delivery.

LPT is a member of the Leicester, Leicestershire and Rutland Local Resilience Forum (LRF) as well as working at local and regional level with our healthcare partners. The LRF is a partnership planning forum which includes membership from the emergency services, armed services, local authorities and healthcare organisations and which has a role in keeping the public informed. We take part in joint planning and emergency exercises to make sure we are ready to respond to any emergency. This planning looks at how we would communicate with everyone in our area to let them know what to do, as well as covering how we would function and recover from an emergency.

In partnership with other healthcare organisations, over the winter we dealt with a higher than usual incidence of flu and respiratory illnesses. We responded to this by implementing a vaccination plan, as well as ensuring that those seriously affected had access to specialised treatment. Our joint planning and flexible working proved effective in dealing with this situation. We remain vigilant to the potential for further outbreaks and their impact on our services, along with other emergencies.

Risk management - identifying and responding to potential risks

Patient safety is our top priority. To this end we manage strategic and operational risks by maintaining a robust system of internal control. We do this by proactively identifying and responding quickly and efficiently to potential risks.

Risk may be associated with many aspects of the health care system, for example buildings, equipment, hazardous substances, medicines, people, systems and processes and management practices.

Our strategy for managing risk is an integral component of our system of governance, which includes quality, risk, performance and guidance for our staff in effectively managing risk.

Our board assurance framework is a system designed to identify and manage risk to LPT's strategic objectives to an acceptable level. We have a clear structure of accountability and a rigorous process that identifies and prioritises risks.

We have a set of roles, responsibilities and reporting arrangements from Board level down, as illustrated in the accompanying table.

Role	Responsibility
Trust Board	Ultimate responsibility for risk management. Agrees the annual statement on internal control. As part of the Board assurance framework, needs to be satisfied that appropriate policies and strategies are in place and that systems to reduce risk are functioning well.
Audit Committee	Reviews our systems and processes. Confirms their effectiveness to LPT's Board.
Chief executive	Ensures an effective risk management system is in place, statutory requirements are met and Department of Health guidance is followed.
Director of quality performance and planning	Supports the chief executive. Manages the strategic approach to risk management. Ensures the risks against the delivery of our strategic objectives are identified at all levels of our organisation.
Executive directors	Corporate responsibility for the day-to-day management of risk against strategic objectives. Ensure that systems are in place to manage risks and monitor performance against delivery of mitigations.
Performance and Assurance Executive (PAE)	The risk management sub-committee of LPT's Board. Scrutinises our performance against all national and local targets. Needs to be assured that LPT is achieving the required performance levels against all national targets. Where we don't achieve the required level, they need to be assured that appropriate plans are in place to achieve it within agreed timescales.

Our risk management strategy and supporting processes enable our business units to operate and maintain their risks within a business unit risk register held alongside the centralised electronic risk register database. Business units manage their risk registers directly from this system using a web based interface.

Information governance

Information governance establishes principles for the way we handle all organisational information within LPT. Specifically it sets standards for how we manage personal and sensitive information relating to all our service users and also to our employees.

We operate rigorous policies and procedures to ensure that we comply with the legal requirements of information governance, such as the Data Protection Act 1998, the Freedom of Information Act 2000 and NHS requirements for information safeguarding and sharing.

Improvements this year included:

- A review of our publication scheme (required under the Freedom of Information Act 2000), so that additional information about LPT is now routinely available on our website.
- Annual reviews and updates of key information governance policies and procedures, together with a staff communication exercise, so staff are clear about their responsibilities for information handling and are reminded of the processes to follow.
- The introduction of a national e-learning package on information governance for all staff, to raise the awareness of its importance.

Data losses

The security of patient data and confidentiality is taken very seriously by LPT.

During 2010/11 we had no incidents in relation to mishandling of personal identifiable data classified with a severity rating of three to five, which are described as serious untoward incidents. Also during this period we had no incidents relating to other personal data classified with a severity rating of one to two.

We continually review our policies relating to information security to ensure they reflect best practice and national guidance and have reminded staff of our policies and their requirements.

Freedom of Information

As a large public sector organisation, we are committed to being open, transparent and accountable. We are fully supportive of the aims of the Freedom of Information Act 2000 which allows anyone to find out whether we hold any information on a particular subject and to receive that information in the format requested. The Act does include some exemptions, which cover information that legally we are not required or permitted to release.

We respond to requests for information in line with the Act. During 2010/11, LPT received 103 requests for information under the Freedom of Information Act 2000.

Complaints and how we learn from them

Complaints are a crucial way of evaluating if we are successfully meeting the needs and expectations of the patients who use our services. We are proud to have a culture where patients or their representatives feel they can raise their concerns with our staff and often it is possible to resolve these issues locally.

A leaflet is also available which explains what service users need to do to lodge a formal complaint. They can do this verbally or in writing, to any member of staff, to a ward matron, to the complaints manager or to the Patient Advice & Liaison Service (PALS).

The way in which we respond to complaints is now standardised nationally, meaning we can respond to complaints more quickly and personally. The procedure includes putting into practice the Principles of Remedy - good practice guidance issued by the Parliamentary and Health Service Ombudsman.

This includes:

- getting it right
- being customer focused
- being open and accountable
- acting fairly and proportionately
- putting things right
- seeking continuous improvement.

We have embedded these Principles of Remedy across the organisation by putting them into practice in a number of ways, including training for our staff. If someone remains dissatisfied after following our complaints process, they can ask for an independent review by the Health and Parliamentary Ombudsman.

Getting feedback from service users and their families is invaluable as it helps us to develop and improve our services, including making them more accessible.

In order to learn from people's experiences, we include details on the complaints received in a number of monthly, quarterly and annual reports. The LPT-wide TRAIL (Talk, Reflect, Act, Improve, Learn) report includes lessons to be learned from incidents and complaints. It is just one way of sharing and learning and increasing staff confidence in the handling process.

Compliments

Receiving compliments from patients and their families is not just a good morale boost, they help us to identify areas of good practice - sometimes small actions that worked very well. We ensure we share these across LPT.

For more information about compliments and complaints please refer to the Quality Accounts (see page 52).

Social responsibility and involvement in the work of the communities we serve

LPT has for a number of years, passionately recognised its role and responsibilities in relation to social responsibility and involvement. There is a clear understanding that in order for our services to meet the expectations and needs of the people who use them, the views and experiences of service users, carers, the public and staff need to be sought in order to shape and influence future service design and development.

This fundamental perspective underpinned a number of initiatives within our organisation over the last twelve months including the design of our quality strategy, which is informed by the patient experience revolution project being piloted in our learning disability services and child and adolescent mental health services.

The service user and carer involvement strategy continues to be a focal point for LPT, with business units developing their own action plans for how they will ensure that service user and carer involvement runs right through their services. This work allowed staff to listen carefully to the views of people who use our services, and reach agreement about how we will work with people in the future.

Our membership continued to act as a community of influence within LPT. With more than 9,700 service user, carer and public members and over 2,500 staff members, the input they provided has been unprecedented. Members were involved in patient environment action team (PEAT) inspections, Quality Account design, integrated equality team consultation, involvement centre development and many other areas. In the autumn of 2010, the members elected a shadow council of governors. Once LPT becomes a NHS Foundation Trust the Council of Governors will have a statutory responsibility to hold LPT to account for delivering services to meet the needs of local people. We have the privilege of working with 29 shadow governors who include people who use our services, carers, members of the public, community sector organisations, a youth group and members of staff.

We are also working closely in partnership with other community and public sector organisations to support some of the people who use LPT's services in their ambition to set up their own social enterprises. Five of these social enterprises were supported over the last 12 months and are going from strength to strength winning grants and contracts and delivering services for their communities.

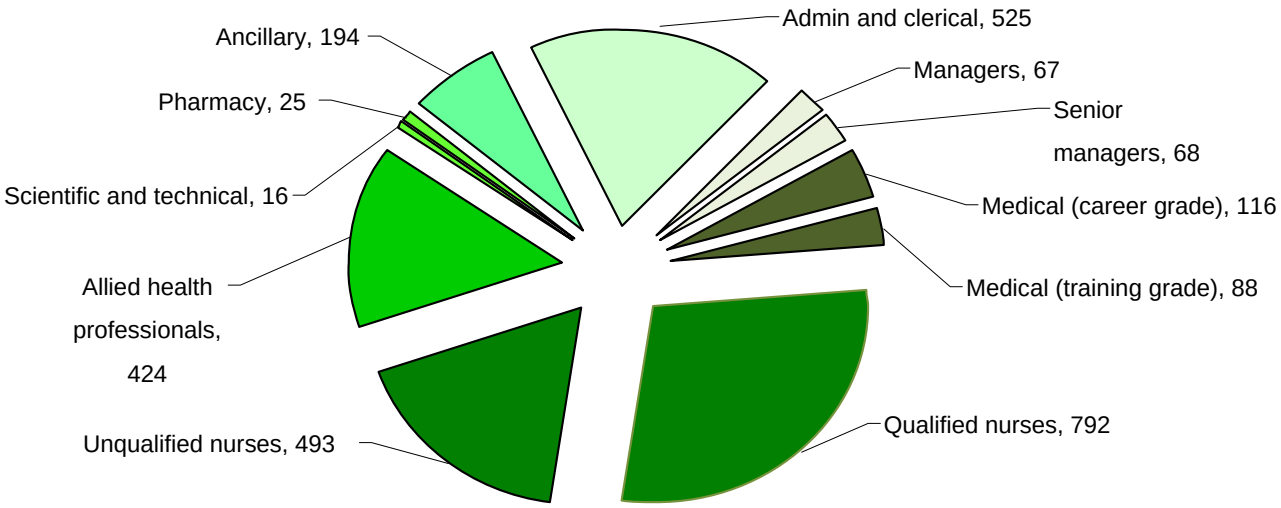
Our staff – the key to our success

LPT appreciates its success is built on its workforce and recognises how important it is for staff to feel valued and enjoy their work. We nurture a culture of opportunity, in which we aim to give staff at every level of the organisation chances to further their careers so they are able to flourish and excel at what they do. We aim to give them the help to grow their skills, access to training and the most appropriate development opportunities.

Our workforce

We have a diverse, highly skilled and experienced workforce that helps us meet the varied needs of the communities we serve. In March 2011 we employed 2,679 people, equating to 2,364 full time posts, ranging from administrators to accountants, psychiatrists to psychologists. In addition we have a number of bank staff and volunteers engaged in our service.

2010/11 average headcount by staff group



Supporting our staff

Our human resources policies clearly set out that we give our staff equal opportunities for employment and promotion, based on abilities, qualifications and suitability for the post.Our equal opportunity policy and our policy about disabled employees form the bedrock of all our employment practices.

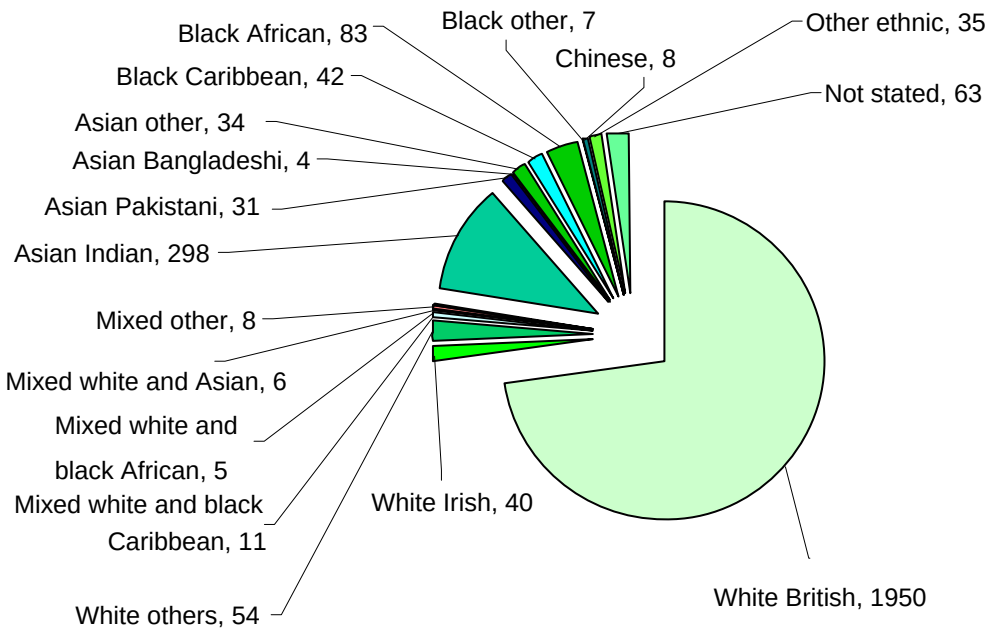
As well as being part of the national Mindful Employer workplace scheme, which helps to increase mental health awareness at work, we have started work with Stonewall, a national organisation which aims to achieve equality and justice for lesbians, gay men, bisexual and transgender (LGBT) people, to determine how we can better support LPT employees who are LGBT.

This year we successfully launched an apprenticeship programme and appointed our first apprentices to LPT. We will be building on this success by continuing to encourage younger people to join the NHS.

Embracing diversity

There is a huge variation in ethnic backgrounds and different cultures in the population we serve. We encourage applications from all sections of the local community we serve, to ensure our staff reflect this rich diversity. We believe the diversity of cultures and lifestyles represented in our workforce helps our understanding and awareness of the very varied needs of the people who use our services.

Staff headcount by ethnicity (as at March 2011)



Working flexibly

We understand that achieving a good work life balance is important to everyone, so our approach is to accommodate as many requests for flexible working as we can. We are proud to have staff who have chosen to work part-time, to job-share, have annualised hours and also to work during term-time only.

Support and advisory services

We meet regularly with staff representatives who advise us and ensure all LPT staff continue to have access to the appropriate range of support and advisory services, such as:

- the occupational health service - which offers staff a friendly, listening ear
- the confidential counselling employee assistance helpline (AMICA)
- the disabled staff support group
- the black and minority ethnic staff support group
- the carers support group
- the sexual orientation equality group.
- the lesbian, gay, bisexual, transgender group

If a member of staff has concerns about an issue that affects our delivery of services or patient care, they can contact LPT's staff ombudsman for advice. If they have concerns about a work issue, they can contact their trade union representative or a member of our human resources team.

Managing staff attendance

We are pleased to report that during 2010-11 our absence rates remained under our target of six percent*. We rolled out the supervisor self service scheme, which allows managers to instantly record absence directly onto the reporting systems, thus providing more real time data. We also started to roll out employee self service allowing our staff to input directly to the system.

*The average number of working days lost reduced to 12 days in 2010/11, compared with 13 working days lost in the previous year. To be consistent with "Cabinet Office" data reported by Central Government, this data is based on calendar years (January 2010 to December 2010) not financial years (April 2010 to March 2011). The Department of Health considers this to be a reasonable proxy for financial year equivalents.

Valuing our employees

Our staff are fundamental and vital to the delivery of high quality services. We pay a lot of attention to the experiences and opinions that staff express in the annual staff survey carried out by the independent Care Quality Commission. Our Quality Account (see page 52) highlights findings from the survey and the actions we have put in place to ensure our staff feel supported in delivering top quality care.

In 2010/11 we launched the Healthy Organisation Group to lead the organisational development programme for the Trust and refocus improvement activity to areas which staff highlighted as priorities through the staff surveys and other feedback routes. This group aligns improvement activities from across LPT and recognises the important link between individual, team and organisational health.

The group developed a staff health and wellbeing strategy which will be translated into a framework for local initiatives to promote health and wellbeing at work, using 'Live Well, Work Well' branded communications. The leadership for change programme was launched with the objective of building our capability to engage and lead teams effectively so we will be well-positioned and ready to deliver our future strategic plans.

Communicating and engaging with staff

A crucial part of our work at LPT is the two way dialogue of engaging and involving our staff. We aim to keep all staff as informed as possible about our future direction and vision.

We regularly hold meetings, which we invite all members of staff to attend. The topics of the meetings are varied but often cover specific items such as LPT's latest developments and objectives. These meetings are a way of ensuring that all teams are aware of LPT's strategy and how we will reach our goals. They also offer staff an open forum to give feedback and raise any concerns with senior management, and also provide staff with the chance to understand the reasons behind changes and improvements taking place and how they can contribute.

We encourage staff to participate in planning, improvements and innovation as we are very clear that staff need to be informed, actively involved in discussions and supported through learning and development to effectively play their part in making service improvements happen. This year we introduced a new organisational development programme called leadership for change, and 350 leaders attended an intensive three day programme, which will be repeated for additional staff in 2011-12.

Three or four meetings are held each year for the senior leadership group, which provide opportunities for leaders from all areas of LPT to meet, discuss and share the issues that we are dealing with.

Regular written weekly communications are provided, as well as ad-hoc briefings and updates, which are issued to all staff to keep them up-to-date on the news from across LPT.

We continued to develop the staff intranet 'e-Source' during 2010/11. There are now over 60 web publishers who update the content, helping to ensure staff have the latest information at their fingertips.

In the last few years clinical leadership has been strengthened to ensure that their voices are heard when developing and delivering services. We have devolved greater responsibility for this clinical engagement to the clinical directors and locality general managers who lead our clinical business units.

The majority of our workforce are also formal members of our organisation, in preparation for LPT becoming a NHS Foundation Trust. As members, they elected 3 people as staff governors to sit on our future council of governors. Through these representative governors, who are currently operating in shadow form; staff will have direct input to discussions on the future strategies and plans of the organisation.

Involving our staff is a continuous process and we are developing our staff engagement to continue to build on our success. We strive to ensure every employee feels well informed and involved in the future of LPT – understanding plans and inputting to their development, knowing why decisions are made and appreciating that they are all key to moving us forward and improving the quality of our services.

How we are organised

Corporate governance and clinical governance are the terms used in the NHS to describe the framework through which NHS organisations are accountable for improving the quality of their services, safeguarding high standards of care and managing public resources effectively. It also describes the way in which senior managers execute their responsibilities and authority, in relation to the assets and resources entrusted to them, and ensure compliance with statutory legislation.

Our Trust Board is made up of executive directors and non-executive directors. A number of key sub-committees provide assurance to the Board about different aspects of our work.

Remuneration committee (At least twice yearly)

- Ensures there is a fair and transparent procedure for developing and maintaining our policy on executive remuneration and for fixing the remuneration packages of individual directors.
- Monitors and evaluates executive and senior directors' performance.
- Advises on contractual arrangements.

Communities rights and inclusion committee (Monthly)

- Provides assurance on delivering our communities, rights and inclusion programme and achieving our strategic objectives and statutory duties relating to community engagement, rights and inclusion with both internal and external stakeholders.

Performance and assurance executive (Monthly)

- Formally reviews and monitors our performance relating to the Monitor compliance framework
- Reviews and monitors Care Quality Commission annual health check, our board assurance framework, our corporate objectives and our commissioners' contracts.

Audit committee (not less than 3 times yearly)

- Reviews regular reports from risk management, internal audit, external auditors, counter fraud services.
- Lead committee for limited assurance reports.

Current LPT Trust Board 2011/12

Professor David Chiddick
Chairman

Mrs Anna Vale
Non Executive

Professor Panayotis Vostanis Non Executive

Mr John Short
Chief Executive

Mr Roger Miller
Non Executive

Dr Sab Bhaumik
Medical Director

Ms Jackie Ardley
Director of Quality and Innovation/Chief Nurse

* Mr Tony Burnell
interim Director of Human Resources & OD

Mr Christopher Burns
Non Executive

*Mr Frank Lusk
Director of Corporate Affairs/Trust Secretary

Mr Nigel Sudborough
Deputy Chairman and Non Executive

Mr Paul Farrimond
Chief Operating Officer

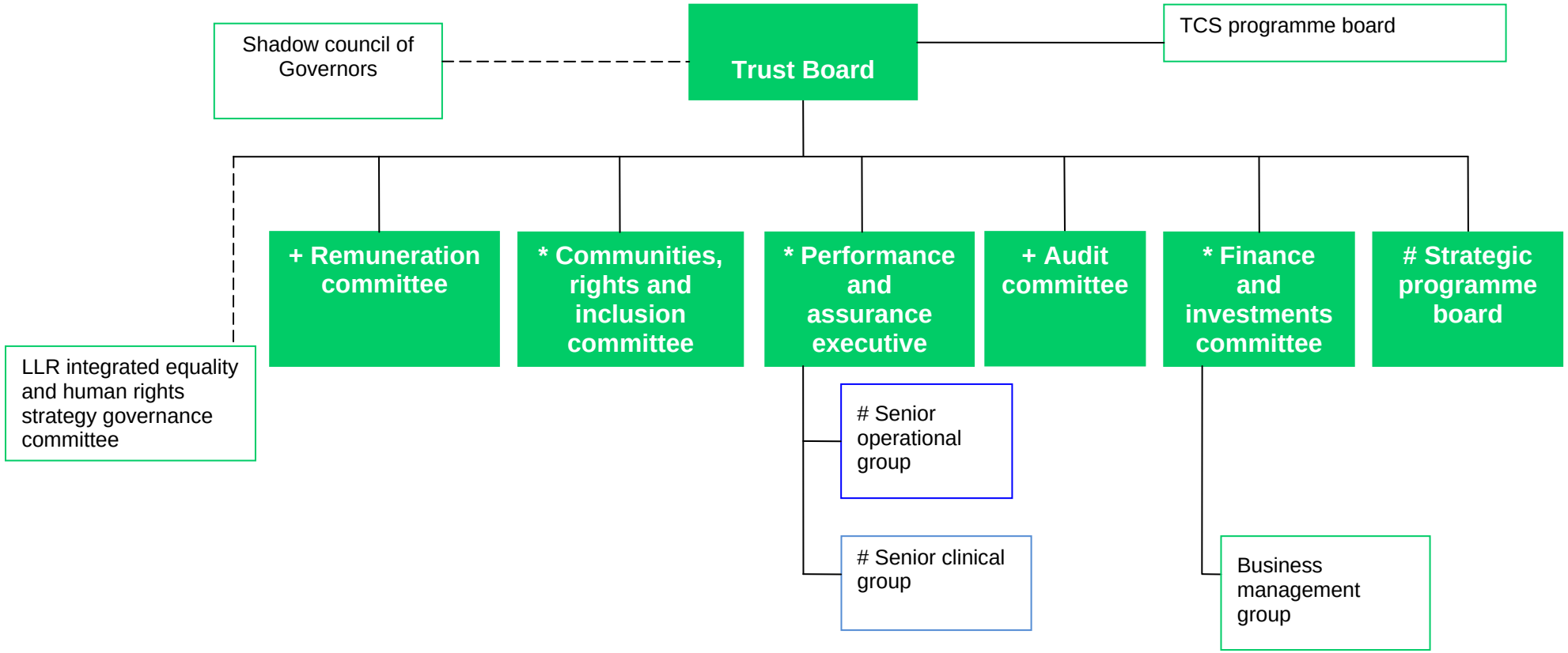
Mr Nagesh Bhayani
Non Executive

Ms Sue Hitchenor
Director of Finance, Performance & Information/Deputy Chief Executive

Ms Cheryl Davenport
*Director of Business Development

* – Non voting board member

Trust Board and its sub committees (as at 31/3/11)



KEY

\# Executive director chair
\+ Non executive director committee
* Non executive director chair

In addition, the executive team meets weekly to consider key operational and strategic issues needing their executive action, or corporate governance consideration.

Finance and investments committee (Monthly)

- Carries out financial reviews, including capital planning.
- Ensures actions to mitigate any major financial risks facing LPT are appropriate.
- Provides an assessment of annual plan proposals, including for capital, future business opportunities.
- Makes recommendations to the Board for approval of future plans and mitigation strategies.

Strategic programme board (Monthly)

- Leads the development and delivery of our strategic programme, including working with our Primary Care Trust and local authority partners.
- Leads our Foundation Trust application.

Transforming community services (TCS) programme board (Monthly)

- Oversees the TCS acquisition process, the safe transfer of services.
- Provides assurance to the Trust Board in relation to programme delivery.

Our reporting cycle

All our senior governance committees, listed above, report key issues to their parent committee and to our Audit Committee. Our Audit Committee also receives regular reports from executive directors to gain a more detailed understanding of the work of various committees and to have the opportunity to further test assurances on process and delivery.

2010/11 membership of key committees

Trust Board Member	Remuneration committee	Communities rights and inclusion committee	Performance and assurance executive	Audit committee	Finance and investments committee	Strategic programme board	TCS programme board	Trust Board meeting attendance 2010/11*
Tony Harrop							✓ (chair)	12 of 12
Nigel Sudborough	✓				✓ (chair)			11 of 12
Roger Miller	✓ (chair)		✓ (chair)	✓				9.5 of 12
Panos Vostanis	✓							10 of 12
Nagesh Bhayani				✓ (chair)				10 of 12
Christopher Burns	✓			✓			✓	11 of 12
Lord Kamlesh Patel (non voting)		✓ (chair)						0 of 12
Anna Vale	✓		✓		✓			12 of 12
Fiona Darby (non voting)								3 of 12
Antony Sheehan			✓		✓	✓ (chair)	✓	12 of 12
John Short			✓			✓	✓	10 of 12
Sue Hitchenor			✓		✓	✓	✓	12 of 12
Jackie Ardley		✓	✓			✓	✓	12 of 12
Sabayaschi Bhaumik			✓			✓	✓	10 of 12
Frank Lusk (non voting)						✓	✓	12 of 12

*Extraordinary Trust Board on 10 June 2010 not included

Financial report and statement

None of us can be in any doubt that this is a challenging time for publicly funded organisations, or that the situation is likely to improve for some time to come. It therefore makes me very proud to highlight what our organisation achieved financially in 2010/11 in the following pages, as we delivered another strong performance. As a reader of the accounts, I hope you will also feel reassured that we are working to produce a strong financial base, to see us through those difficult times which still lie ahead.

Overall we produced a surplus (before the adjustments for changes to the valuations of land and buildings) of £1.7m, and an 'Earnings Before Interest, Taxation, Depreciation and Amortisation', or EBITDA margin of 6.3% .This is a very creditable result, given that 2010/11 was the first year of the tightened financial climate, and the NHS as a whole worked under a 'flat cash 'regime whereby all new cost pressures had to be found from within existing resources. For LPT, this meant we had to find efficiencies of over £5m to fund pay and non pay pressures, but I am very pleased to say that our staff did achieve this, and I want to say a very big thank you to them for doing this. Delivering efficiencies is not an easy process, and we have worked hard to make sure that we do so in a clinically safe manner.

The reason why we worked to produce a surplus is so that we can reinvest these resources to improve services and the environment in which we deliver them. This annual report sets out some of the new facilities we were able to open in 2010/11 and it is great to see old and outdated facilities being transformed into something bright, airy and clean and much more appropriate for 21st century healthcare.

The economic downturn has continued to have an impact on the values of our major land and buildings however. You will see in the summary accounts that we have had to make some significant adjustments to valuations, particularly for the buildings on the Towers Hospital site, to more fairly reflect what they are worth in this current climate. Keeping a close focus on the valuation of our property will continue be an important task for us in the future.

Next year's accounts will look very different as they will incorporate the impact of the transfer into LPT of the Leicester City and Leicestershire and Rutland Community Health Services from 1 April 2011. This will see the organisation grow financially to a turnover of more than £250m, with almost 6000 staff, and will give us the opportunity to take some significant steps on our journey to become a Wellbeing Trust .

But for now, thank you to everyone who has worked so hard in 2010/11 to deliver our goals.

Sue Hitchenor
Managing Director of Finance / Deputy Chief Executive
June 2011

Financial Performance Targets

The Trust achieved its four statutory targets for 2010/11, as detailed in Table 1.

Table 1: Financial targets

Financial Target	Measure	Performance	Achieved
Achieve a break-even position (excluding impairment and IFRS costs)	The Trust has met its statutory break-even duty if it has a retained surplus for a 3 year period (taking the current and previous 2 years together) The Department of Health has additionally set a separate target for Trusts to achieve break-even in each and every year (although this is not a legal requirement)	£1,700,000 surplus	✓
Absorb the cost of capital at a rate of 3.5% of average net relevant assets (a measure of how much the Trust owns)	This is calculated as the percentage that dividends paid to the government bears to the actual average relevant net assets	3.5%	✓
Manage within notified External Financing Limit (EFL).	The EFL is a cash limit (determined by the Department of Health) on the amount of external finance a Trust may access or repay in any one year (to support capital costs and asset transfers). The Trust's EFL was a negative £1,145,000 (mainly relating to the Learning Disability asset transfers to NHS Leicestershire County & Rutland PCT). Due to an increased cash balance at the end of the year (£6,100,000) the Trust was able to undershoot this limit by £1,179,000.	£1,179,000 undershoot (undershoots are permitted)	✓
Manage within notified Capital Resource Limit	Gross capital expenditure for the year was £5,965,000. This comprised of a capital resource limit of £5,392,000 plus the net book value of asset disposals, £584,000, resulting in an underspend of £11,000.	£11,000 underspent (underspends are permitted)	✓

Statement of Comprehensive Income

The Statement of Comprehensive Income (Table 2) records the Trust's income and expenditure for the year, together with any other recognised gains and losses. It includes cash-related items such as expenditure on staff and supplies, as well as non-cash items such as a change in value of the Trust's assets. If income exceeds expenditure the Trust has a surplus; if expenditure exceeds income, there is a deficit.

The retained deficit of £9,900,000 is inclusive of impairment charges and IFRS costs. Table 3 shows the achievement against the Trust's break-even duty which excludes these charges.

Table 2: Statement of Comprehensive Income

Revenue		
Revenue from patient care activities	**120,904**	122,397
Other operating revenue	**17,562**	16,476
Operating expenses	**(144,399)**	(141,033)
Operating surplus/(deficit)	**(5,933)**	(2,160)
Finance costs:		
Investment revenue	**28**	14
Other gains and losses	**101**	(11)
Finance costs	**(894)**	(660)
Surplus/(deficit) for the financial year	**(6,698)**	(2,817)
Public dividend capital dividends payable	**(3,202)**	(3,675)
Retained surplus/(deficit) for the year	**(9,900)**	(6,492)
Other comprehensive income		
Impairments and reversals	**61**	(10,257)
Gains on revaluations	**80**	4,202
Reclassification adjustments:		
- Transfers from donated and government grant reserves	**0**	(1)
Total comprehensive income for the year	**(9,759)**	(12,548)

Table 3: Achievement against break-even duty

	2010-11	2009-10
	£000	£000
Retained surplus/(deficit) for the year	**(9,900)**	**(6,492)**
IFRIC 12 adjustment	**(5)**	**116**
Impairments	**11,605**	**8,108**
Reported NHS financial performance position [Adjusted retained surplus/(deficit)]	**1,700**	**1,732**

Income

The Trust receives the majority of its income from Primary Care Trusts (PCTs). Table 4 details the main sources of income from activities, and other operating income of Leicestershire Partnership NHS Trust.

Table 4: Analysis of income from activities and other operating income

	2010/11 £000	Pence in every £ received
Income from Activities		
NHS Leicestershire County and Rutland	62,283	45
NHS Leicester City	44,204	31.9
Leicester City Council	4,766	3.4
University Hospitals of Leicester NHS Trust	777	0.6
All other Income from Activities	8,874	6.4
Sub-total	**120,904**	87.3
Other Operating Income		
Education, training and research	9,090	6.6
Non patient care services to other bodies	4,549	3.3
Other income	3923	2.8
Sub-total	**17,562**	12.7
TOTAL INCOME	**138,466**	100

Expenditure

Operating expenses and management costs are shown in Tables 5 and 6.

Table 5: Analysis of staffing and non-staff costs

	2010/11 £000	Pence in every £ spent
Staffing Costs		
Nursing Staff	44,723	31
Medical Staff	18,782	13
Scientific, Therapeutic and Technical Staff	15,131	10.5
Administrative Support Staff	11,174	7.7
All Other Staff	14,098	9.8
Sub-total	**103,908**	72
Non-Staff Costs		
Establishment, Premises and Transport	12,764	8.8
Supplies and Services	13,821	9.6
All Other Non-Staff Costs	2,301	1.6
Sub-total	**28,886**	20
TOTAL OPERATING EXPENSES BEFORE IMPAIRMENTS	**132,794**	92.0
Impairments charge	11,605	8
TOTAL OPERATING COSTS	**144,399**	**100**

Table 6: Comparison of management costs against income

	2010-11 £000	2009-10 £000
Management costs	**9,928**	9,702
Income	**138,466**	138,873
Management costs as a percentage of income	**7.17%**	6.99%

Table 7: Exit packages (for staff leaving in 2010/11)

Restructuring within organisations due to the economic climate has increased the likelihood of redundancies across all sectors. Trusts are now required to disclose summary information on their use of exit packages agreed in the year. Exit packages include compulsory and voluntary redundancies.

	Number of compulsory redundancies	**Number of other departures agreed**	**Total number of exit packages by cost band**
	Number	**Number**	**Number**
<£20,001	0	0	**0**
£20,001 - £40,000	2	1	**3**
£40,001 - 100,000	0	0	**0**
£100,001 - £150,000	2	0	**2**
£150,001 - £200,000	0	0	**0**
>£200,000	0	0	**0**
Total number of exit packages by type	**4**	**1**	**5**
Total resource cost (£000s)	333	32	**365**

This disclosure reports the number and value of exit packages taken by staff leaving in the year. The expense associated with these departures may have been recognised in a previous period.

No exit packages were taken by staff in the previous year (2009/10).

Table 8: Statement of financial position

The statement of financial position is shown below and is a statement of the Trust's assets and liabilities. There were no material post balance sheet events.

	£000	£000
Non-current assets		
Property, plant and equipment	**95,720**	113,004
Intangible assets	**52**	71
Trade and other receivables	**118**	67
Total non-current assets	**95,890**	113,142
Current assets		
Inventories	**199**	193
Trade and other receivables	**3,559**	4,565
Cash and cash equivalents	**6,100**	4,066
	9,858	8,824
Non-current assets held for sale	**8,701**	657
Total current assets	**18,559**	9,481
Total assets	**114,449**	122,623
Current liabilities		
Trade and other payables	**(9,389)**	(9,102)
Borrowings	**(599)**	(137)
Provisions	**(2,226)**	(1,088)
Net current assets/(liabilities)	**6,345**	(846)
Total assets less current liabilities	**102,235**	112,296
Non-current liabilities		
Borrowings	**(9,569)**	(7,732)
Trade and other payables	**(650)**	(569)
Provisions	**(1,297)**	(2,302)
Total assets employed	**90,719**	101,693
Financed by taxpayers' equity:		
Public dividend capital	**83,160**	84,375
Retained earnings	**(18,568)**	(8,896)
Revaluation reserve	**26,126**	26,213
Donated asset reserve	**1**	1
Total taxpayers' equity	**90,719**	101,693

Table 9: Statement of changes in taxpayers' equity

Taxpayers' equity is the public funds invested in the Trust. It comprises of public dividend capital, retained earnings, revaluation reserve and donated asset reserve.

	Public dividend capital (PDC)	Retained earnings	Revaluation reserve	Donated asset reserve	Total
	£000	£000	£000	£000	£000
Balance at 1 April 2010	**84,375**	**(8,896)**	**26,213**	**1**	**101,693**
Total comprehensive income					
Retained surplus/(deficit) for the year	0	(9,900)	0	0	(9,900)
Transfers between reserves	0	228	(228)	0	0
Impairments and reversals	0	0	61	0	61
Net gain on revaluation of PPE*	0	0	80	0	80
New PDC received	30	0	0	0	30
PDC repaid in year	(1,245)	0	0	0	(1,245)
Balance at 31 March 2011	**83,160**	**(18,568)**	**26,126**	**1**	**90,719**

* PPE - property, plant and equipment

Major Capital Expenditure

A capital programme was developed for 2010-11 to ensure statutory and imperative requirements were met; to ensure services were maintained; to provide premises for agreed service developments; and to continue the infrastructure modernisation.

Table 10: Major capital expenditure

	2010/11 £000	2009/10 £000
Upgrades and improvements to patient facilities	2,373	4,622
Health and safety	125	109
Statutory standards	800	551
Equipment	218	60
Information management and technology schemes	740	443
LIFT schemes (St Peters)	1,375	0
Other	334	355
Total capital expenditure	**5,965**	**6,140**
Less disposal of assets	(584)	(2,094)
Net capital expenditure	**5,381**	**4,046**
Capital resource limit	5,392	4,046
(Over)/underspend against capital resource limit	**11**	**0**

Better Payment Practice Code – Measure of compliance

The Late Payment of Commercial Debts (Interest) Act 1988 gives effect to the Government's commitment to introduce a statutory right for businesses to claim interest on the late payment of commercial debts. Unless other agreed terms apply, all undisputed bills are to be paid within 30 days of receipt of goods/services or a valid invoice, whichever comes later. Table 11 provides more details.

Table 11: Better Payment Practice Code – Measure of compliance

	2010-11		2009-10	
	Number	**£000**	Number	£000
Total Non-NHS trade invoices paid in the year	**30,567**	**28,083**	28,896	29,319
Total Non NHS trade invoices paid within target	**28,994**	**25,880**	27,073	26,367
Percentage of Non-NHS trade invoices paid within target	**94.9%**	**92.2%**	93.7%	89.9%
Total NHS trade invoices paid in the year	**732**	**22,671**	666	22,078
Total NHS trade invoices paid within target	**645**	**22,046**	617	21,541
Percentage of NHS trade invoices paid within target	**88.1%**	**97.2%**	92.6%	97.6%
Grand total trade invoices paid in the year	**31,299**	**50,754**	29,562	51,397
Grand total trade invoices paid within target	**29,639**	**47,926**	27,690	47,908
Percentage of total trade invoices paid within target	**94.7%**	**94.4%**	**93.7%**	**93.2%**

Cash Flow

Table 12 shows how the Trust generated and utilised cash during 2010-11. In order to remain financially viable it is essential that funds are available to meet commitments throughout the year.

Table 12: Statement of cash flows

	2010-11 £000	2009-10 £000
Cash flows from operating activities		
Operating surplus/(deficit)	**(5,933)**	(2,160)
Depreciation and amortisation	**3,176**	3,126
Impairments and reversals	**11,605**	8,108
Transfer from donated asset reserve	**0**	(1)
Interest paid	**(852)**	(625)
Dividends paid	**(3,381)**	(3,675)
(Increase)/decrease in inventories	**(6)**	1
(Increase)/decrease in trade and other receivables	**1,134**	1,440
Increase/(decrease) in trade and other payables	**1,167**	1,632
Increase/(decrease) in provisions	**90**	(1,863)
Net cash inflow/(outflow) from operating activities	**7,000**	5,983
Cash flows from investing activities		
Interest received	**28**	14
(Payments) for property, plant and equipment	**(5,389)**	(5,949)
Proceeds from disposal of plant, property and equipment	**685**	2,083
Net cash inflow/(outflow) from investing activities	**(4,676)**	(3,852)
Net cash inflow/(outflow) before financing	**2,324**	2,131
Cash flows from financing activities		
Public dividend capital received	**30**	580
Public dividend capital repaid	**(1,245)**	(585)
Loans received from the DH	**1,300**	0
Loans repaid to the DH	**(217)**	0
Other capital receipts	**0**	57
Capital element of finance leases and PFI	**(158)**	(117)
Net cash inflow/(outflow) from financing	**(290)**	(65)
Net increase/(decrease) in cash and cash equivalents	**2,034**	2,066
Cash (and) cash equivalents (and bank overdrafts) at the beginning of the financial year	4,066	2,000
Cash (and) cash equivalents (and bank overdrafts) at the end of the financial year	**6,100**	4,066

Funds held on trust (Charitable Funds)

At 31 March 2011 the Trust had £139,192 of funds held on trust. The majority of charitable funds received during 2010-11 were from donations. Charitable funds are mainly used to support, improve and provide additional comforts for service users which could not normally be afforded through public funding. During 2010-11 funds were mainly spent on the development of the Oak Room project (including the purchase of a specialised bath and furnishings to

enhance the environment), entertainment equipment for the patients (e.g. new televisions), furniture for patient areas, parties and treats for the patients and training and development for staff. NHS Leicestershire County and Rutland administers the charitable funds on behalf of the Trust. The charitable funds accounts are subject to audit later in the year.

Trust Board remuneration

Table 13 shows the remuneration (excluding employer's National Insurance contributions) of the Trust's Board of Directors.

The Remuneration Committee, which comprises of members of the Non Executive Directors, annually reviews the salaries of its most senior managers taking into account market rates and the pay awards determined nationally for all other groups of staff. The policy for the remuneration of the Trust's senior managers for current and future financial years is as follows:

Executive Directors: pay is based on national guidance and is agreed by the Trust Remuneration Committee.

Non–Executive Directors: pay is determined by the Appointments Commission.

Performance of the Executive Directors is assessed through the Trust annual individual performance reviews. Performance related pay is not part of the remuneration package.

The summary and explanation of the Trust policy on the duration of contracts, notice periods and termination payments is as follows:

Executive Directors are on permanent employment contracts. The notice period that the Trust is required to give the Executive Directors is 6 months. The notice period the Executive Directors are required to give the Trust is 3 months.

Non-Executive Directors serve tenure of 3 or 4 years, appointed by the Appointments Commission.

There is no provision for compensation due to early termination of contracts.

Antony Sheehan

Chief Executive

Table 13 Salaries and allowances of senior managers

Name and title	2010/11			2009/10		
	Salary (bands of £5,000)	Other remuneration (bands of £5,000)	Benefits in kind (Rounded to the nearest £00)	Salary (bands of £5,000)	Other remuneration (bands of £5,000)	Benefits in kind (Rounded to the nearest £00)
	£000	£000	£00	£000	£000	£00
Jackie Ardley, Director of Quality, Performance and Planning*	110-115	0	0	100-105	0	10
Dr Sabyasachi Bhaumik, Medical Director **	100-105	105-110	0	90-95	115-120	0
Nagesh Bhayani, Non-Executive Director	5-10	0	0	5-10	0	0
Tony Burnell, Director of Human Resources	0	0	0	30-35	0	0
Chris Burns, Non Executive Director	5-10	0	0	5-10	0	0
Fiona Darby, Associate Non-Executive Director	5-10	0	0	5-10	0	0
Tony Harrop, Chairman	20-25	0	0	20-25	0	0

Sue Hitchenor, Managing Director of Finance / Deputy Chief Executive *	**115-120**	**0**	**10**	**115-120**	**0**	**11**
Frank Lusk, Director of Corporate Services/Trust Secretary ***	**80-85**	**0**	**0**	**80-85**	**0**	**0**
Roger Miller, Non-Executive Director	**5-10**	**0**	**0**	**5-10**	**0**	**0**
Lord Kamlesh Patel, Associate Non-Executive Director	**5-10**	**0**	**0**	**5-10**	**0**	**0**
Prof Antony Sheehan, Chief Executive *	**155-160**	**0**	**20**	**145-150**	**0**	**0**
John Short, Chief Operating Officer	**110-115**	**0**	**0**	**110-115**	**0**	**0**
Nigel Sudborough, Non-Executive Director	**5-10**	**0**	**0**	**5-10**	**0**	**0**
Anna Vale, Non-Executive Director	**5-10**	**0**	**0**	**5-10**	**0**	**0**
Professor Panayotis Vostanis, Non-executive Director	**5-10**	**0**	**0**	**5-10**	**0**	**0**

* The nature of the benefit in kind was for the provision of leased cars
** Other remuneration relates to clinical sessions, honoraria payments and clinical excellence awards
*** In attendance at Board Meetings but not an Executive Director

The data included in the remuneration and pension tables are subject to and have been audited

Table 14 Pension entitlements of senior managers

Name and title	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at aged 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2011 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2011 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2011	Cash Equivalent Transfer Value at 31 March 2010	Real increase in Cash Equivalent Transfer Value
	£000	£000	£000	£000	£000	£000	£000
Jackie Ardley, Director of Quality, Performance & Planning	2.5-5	7.5-10	40-45	130-135	819	843	(25)
Dr Sabyasachi Bhaumik, Medical Director	5-7.5	17.5-20	80-85	240-245	1831	1807	24
Sue Hitchenor, Managing Director of Finance/ Deputy CEO	0-2.5	2.5-5	20-25	65-70	342	372	(31)
Frank Lusk*, Director of Corporate Services/ Trust Secretary	0-2.5	2.5-5	5-10	15-20	111	101	9
Antony Sheehan, Chief Executive	(2.5)-(5)	(12.5)-(15)	55-60	165-170	816	1011	(194)
John Short, Chief Operating Officer	0-2.5	2.5-5	30-35	100-105	572	620	(47)

* In attendance at Board Meetings but not an Executive Director

In the budget of 22nd July 2010 the Chancellor announced that the up rating (annual increase) of public sector pensions would change from the Retail Price Index (RPI) to the Consumer Prices Index (CPI). As a result the Government Actuaries Department undertook a review of all transfer factors. The new CETV factors have been used in our calculations and are lower than the previous factors we used therefore the value of the CETV's for some members has fallen since 31.03.2010.

Members of the Trust Board during 2010-11

Non Executive Directors

Tony Harrop (Chair)

Mr Nigel Sudborough (Deputy Chair)

Mr Nagesh Bhayani

Mr Christopher Burns

Mr Roger Miller (Senior Independent Director)

Mrs Anna Vale

Professor Panos Vostanis

Executive Directors

Professor Antony Sheehan, Chief Executive

Ms Jackie Ardley, Director of Quality, Performance and Planning/Chief Nurse

Dr Sab Bhaumik, Medical Director

Ms Sue Hitchenor, Managing Director of Finance/Deputy Chief Executive

Mr John Short, Chief Operating Officer

Non-voting members of the Trust Board

Ms Fiona Darby

Mr Frank Lusk, Director of Corporate Services/Trust Secretary

Lord Kamlesh Patel of Bradford

Related party transactions

Leicestershire Partnership NHS Trust is a body corporate established by order of the Secretary of State for Health.

During the year none of the Board Members or members of the key management staff or parties related to them has undertaken any material transactions with the Trust.

The Department of Health is regarded as a related party. During the year Leicestershire Partnership NHS Trust had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. The majority in value of transactions with these other entities were conducted with the two local Primary Care Trusts (PCTs), NHS Leicester City and NHS Leicestershire County and Rutland.

Summary Financial Statements

These financial statements are a summary of the information provided in the Trust's full set of accounts. Copies of the full accounts, including the statement of internal control, are available free of charge, from:

Sue Hitchenor

Managing Director of Finance / Deputy Chief Executive

Leicestershire Partnership NHS Trust

George Hine House

Gipsy Lane

Leicester LE5 0TD

Telephone 0116 225 6544

Directors' Statements

Statement of the Chief Executive's responsibilities as the Accountable Officer of the Trust

The Secretary of State has directed that the Chief Executive should be the Accountable Officer to the Trust. The relevant responsibilities of Accountable Officers, including their responsibility for the propriety and regularity of the public finances for which they are answerable, and for the keeping of proper records, are set out in the Accountable Officers' Memorandum issued by the Department of Health.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an accountable officer.

08 June 2011

Antony Sheehan

Chief Executive

Statement of directors' responsibilities in respect of the accounts

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure of the Trust for that period. In preparing those accounts, the directors are required to:

- Apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury
- Make judgements and estimates which are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

By order of the Board

08 June 2011	**08 June 2011**
Antony Sheehan	**Sue Hitchenor**
Chief Executive	**Managing Director of Finance / Deputy Chief Executive**

Independent auditor's report to the Directors of the Board of Leicestershire Partnership NHS Trust

I have examined the summary financial statement for the year ended 31 March 2011 which comprises the statement of comprehensive income, the statement of financial position, the statement of cash flows and statement of changes in taxpayers' equity.

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

Respective responsibilities of directors and auditor

The directors are responsible for preparing the Annual Report.

My responsibility is to report to you my opinion on the consistency of the summary financial statement within the Annual Report with the statutory financial statements.

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

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

Opinion

In my opinion the summary financial statement is consistent with the statutory financial statements of the Leicestershire Partnership NHS Trust for the year ended 31 March 2011.

John Cornett

Engagement Lead

Audit Commission

Rivermead House
7 Lewis Court
Grove Park
Enderby
Leicestershire, LE19 1SU

8 June 2011

Do you need this information in a different format?

We can provide the information in this document in other formats such as Braille, audio tape, disc, large print or in other languages on request. Please contact us on 0116 225 6485 to make a request.

HINDI

इसी प्रलेख पर हम एक अन्य प्रारूप जैसे विस्तृत प्रिंट ब्राइली प्रत्याभाय भाषा या श्रवण माध्यम में समाचार दे सकते है। उपरोक्त किसी एक विकल्प को इस्तमाल करके संपर्क विभिन्नता और मानव हक मण्डली को कृपया सम्पर्क करें।

ARABIC

تستطيع تقديم المعلومات المذكورة في هذه الوثيقة بنماذج و أشكال مختلفة فيمكن أن تقدم بطريقة بريل أو في شكل طباعي آخر بحجم أكبر أو بلغة أخرى بديلة و يمكن حتى تقديمها كنسخة ملف صوتي مسجل .
في حالة وجود أي استفسارات يرجى الاتصال بجمعية المساواة بين الشعوب المختلفة والمحافظة على حقوق الانسان عن طريق وسائل الاتصال المذكورة أعلاه .

URDU

ہم اس دستاویز میں معلومات کو دوسری شکل میں بھی جیسے بڑے پرنٹ' بریل' کسی اور متبادل زبان یا آڈیوشکل میں بھی فراہم کرسکتے ہیں۔ براہ کرم' ایکوالیٹی' ڈائیورسٹی اینڈ ہیومن رائٹس ٹیم (مساوات' تکثیریت اور انسانی حقوق ٹیم) سے ربط مندرجہ بالا طریقوں میں سے کسی بھی ذریعے سے پیدا کیجئے۔

POLISH

Informacje w tym dokumencie możemy udostępnić w innym formacie takim jak duża czcionka, alfabet Braille'a, inny język czy wersja audio. Prosimy o kontakt z Zespołem ds. Równości, Różnorodności i Praw Człowieka przy pomocy jednej z powyższych możliwości.

SOMALI

Waxaan ku siin karnaa faahfaahintan iyadoo far waaweyn ah, iyadoo qoraalka dadka indhoolaha ah, iyadoo luuqad kale ah ama iyadoo duuban oo aad dhageysan karto. Fadlan la soo xiriir Equality, Diversity and Human Right Team adigoo isticmaalaya mid ka mid ah arinta aan kor ku soo qornay.

CHINESE

我們可以在本檔中以另外格式如大號字體，盲文，某一替代語言文字或音頻版本提供此資訊。請選用上述任何選項，與平等，多樣性和人權小組聯繫。

PUNJABI

ਅਸੀਂ ਕਿਸੇ ਹੋਰ ਰੂਪ, ਜਿਵੇਂ ਵੱਡੇ ਪ੍ਰਿੰਟ, ਬ੍ਰੇਲ, ਕਿਸੇ ਵਿਕਲਪਕ ਭਾਸ਼ਾ ਜਾਂ ਆੱਡਿਓ ਸੰਸਕਰਨ, 'ਚ ਇਸ ਦਸਤਾਵੇਜ਼ 'ਚ ਮੌਜੂਦ ਜਾਣਕਾਰੀ ਪੇਸ਼ ਕਰ ਸਕਦੇ ਹਾਂ। ਕਿਰਪਾ ਕਰਕੇ ਉੱਪਰ ਦਿੱਤੇ ਗਏ ਕਿਸੇ ਵਿਕਲਪ ਦੀ ਵਰਤੋਂ ਕਰਦੇ ਹੋਏ ਸਮਾਨਤਾ, ਵਿਵਿਧਤਾ ਅਤੇ ਮਾਨਵ ਅਧਿਕਾਰ ਦਲ ਨਾਲ ਸੰਪਰਕ ਕਰੋ।

GUJARATI

આ દસ્તાવેજ ની માહિતી ને અમે બીજી રચના-શૈલી માં ઉપલબ્ધ કરાવી શકીએ છીએ . જેમ કે મોટું મુદ્રણ, બ્રેઇલ, વૈકલ્પિક ભાષા અથવા શ્રાવ્ય (ધ્વનિ) સંસ્કરણ. કૃપયા ઉપર ના કોઈ પણ વિકલ્પો નો ઉપયોગ કરી સમાનતા, વિવિધતા અને માનવ અધિકાર દળ નો સંપર્ક કરો.

BENGALI

এই ডকুমেন্টে আমরা তথ্যটি অন্য ফরম্যাটে দিতে পারি যেমন বড প্রিন্ট, ব্রেইল, একটি বিকল্প ভাষায় অথবা অডিও ভারশানে। অনুগ্রহ করে ইকোয়ালিটি (সমকক্ষ), ডাইভারসিটি (বৈচিত্র) এবং হিউম্যান রাইটস্ (মানবাধিকার) দলের সঙ্গে যোগাযোগ করুন **উপরোক্ত অপশনগুলির** যে কোনো একটি ব্যবহার করে।

How to contact us

The Trust welcomes your questions or comments on the issues raised in this report or its services generally.

Comments should be sent to:

Chief Executive
Leicestershire Partnership NHS Trust
George Hine House
Gipsy Lane
Leicester
LE5 0TD
Telephone: 0116 225 6485
Fax: 0116 225 3684
Email: feedback@leicspart.nhs.uk

Quality Accounts

You may also be interested to read our Quality Accounts for 2010-11, which complement and are referred to in this Annual Report and Summary Accounts.

Copies of the Quality Accounts and extra copies of this document are available from Christine Palmer, Head of Communications, also at the above address.

Both documents are also available on our website at www.leicspt.nhs.uk