Full details of directors’ remuneration is given on page 35.

Details of compliance with the better payment practice code are given on page 30.

Details of management and administration costs are given on page 30.

ANNUAL REPORT
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In 2003/04 the pace of reform in the NHS increased.

In County Durham and Tees Valley performance was generally good and the great majority of targets were achieved. Waiting times and lists were reduced and preparations were made for the Choice programme. Lessons were learned from areas where we had less success, including plastic surgery waiting times at the South Tees Hospitals NHS Trust.

The long awaited revolution in Information Management and Technology moved closer as national contracts were signed with major suppliers in one of the largest IT procurements ever completed. Local preparations for the vital task of implementation began.

Pay reform was a major feature of the year with radical new contracts for general practitioners and consultants.

The process of service improvement gathered momentum as more services were re-designed to be centred on the needs of patients and carers. Workforce re-design is an essential feature of service improvement and entirely new groups of staff including emergency care practitioners were trained for the first time.

In June 2003 the Tees Review was launched and continued throughout the year exploring the sensitive and complex issues of service configuration with a particular focus on services north of the Tees. The review of services for people with mental health and learning disability was also started.

A major feature of the year was the opening of the James Cook University Hospital in Middlesbrough, replacing services provided at Middlesbrough General Hospital and North Riding Infirmary. The opening of the new facilities marked the culmination of many years of planning. Other important developments included the opening of the new Community Hospital in Chester-le-Street.

Patients and the public became more involved in their own care and in the planning and provision of services as the Patients Forums, the Patient Advice and Liaison Services and the new Scrutiny arrangements in Local Authorities, became a reality.

A great deal was achieved in 2003/04.
County Durham and Tees Valley Strategic Health Authority (SHA) was established in April 2002 as part of the government’s policy intended to devolve NHS decision-making away from Whitehall and to the NHS frontline organisations.

Our SHA covers a population of 1.2 million people within the boundaries of the seven district councils and the county council of County Durham and the five unitary borough councils in Tees Valley.

The SHA has three primary objectives:

- to establish a clear strategic direction for health services
- to performance manage the NHS organisations
- to make certain appropriate support is in place to ensure services continue to improve to meet public needs and expectations.

ABOUT COUNTY DURHAM AND TEES VALLEY STRATEGIC HEALTH AUTHORITY

The SHA employs around 70 people and also has responsibility for approximately 30 members of staff at the County Durham and Tees Valley Workforce Development Confederation.

The policy-making board of the SHA consists of the Chairman, Chief Executive, non-executive directors and executive directors.

The Chair and non-executive directors are all from the County Durham and Tees Valley area and are from a variety of professional backgrounds, each has a strong interest in the NHS.

The Chief Executive and executive directors are full time employees of the SHA.
THE ROLE OF THE STAFF OF THE STRATEGIC HEALTH AUTHORITY

CLINICAL
- Providing clinical advice across all directorates of the SHA and NHS organisations in the area
- Working with other directorates of the SHA and NHS organisations to develop new initiatives
- Ensuring a focus on patient care and any impact on front line staff.

DEVELOPMENT
- Acting as a champion of improvement and working with NHS organisations to build up local modernisation capacity
- Ensuring robust systems for clinical governance exist in NHS organisations
- Workforce planning and development, as well as organisational development.

FINANCE
- Ensuring the NHS organisations each achieve financial balance
- Receiving capital allocation, which is used for strategic capital development
- Prioritising and approving new capital schemes for implementation.

PERFORMANCE MANAGEMENT
- Ensuring NHS organisations deliver NHS Plan targets
- Analysing how local NHS services are performing
- Supporting continuous performance improvement
- Supporting activities to improve patient access to NHS services
- Ensuring the implementation of the Choice policy.
PLANNING

- Leading the creation and development of a coherent strategic framework and the interpretation of national policy in a local context
- Working with the NHS and other partner organisations to plan the delivery of local care.

PUBLIC HEALTH

- Leading on public health issues and support the other NHS organisations to deliver health improvement
- Providing professional advice to the authority on issues of public health
- Monitoring the public health performance and research activities of other NHS organisations.

CORPORATE AFFAIRS

- Supporting the running of the SHA, including HR support
- Handling complaints and the overall monitoring of complaints against other NHS organisations
- Developing public and patient involvement across the NHS in our area
- Ensuring effective communications with internal and external audiences
- Ensuring corporate governance arrangements within the SHA are effective.

THE WORKFORCE DEVELOPMENT CONFEDERATION

- Delivering the quantity of staff to meet the NHS Plan and provide care to patients
- Ensuring that workforce targets are met
- Assisting NHS organisations to identify and develop the skill mix of staff needed
- Leading workforce modernisation initiatives to improve services across all local health and social care organisations
- Forging partnerships with education providers to commission cost effective, high quality, accessible education and training for our workforce.
HEALTH

The health of the population of County Durham and Tees Valley is poor compared with the rest of the country. We experience higher mortality, ill health and disability than other parts of the UK. Over the last 20 years, in general there has been little change in the inequality of health between affluent and poor areas of the country. In the last few years we have even seen a small increase in the inequality gap nationally.

Across County Durham and Tees Valley we are making some progress. There has been a decrease in the disparity in the level of deaths from all causes between our area and the country as a whole in the last 10 years.

Closing the inequality gap remains a challenge but within this report we have detailed a number of significant developments which are now contributing to our progress.

DELIVERY OF SERVICES

The SHA does not directly provide services to patients but nevertheless is responsible for ensuring that Primary Care Trusts (PCTs) and NHS Trusts work together to deliver services to patients in the County Durham and Tees Valley area.

PCTs and Trusts in this area have a good record of delivering services and meeting NHS Plan targets. However, The NHS Improvement Plan: Putting People at the Heart of Public Services and the ‘National Standards, Local Action’ both set out the next stage of improving NHS services. In the light of these, the delivery challenges that we are facing and that we will plan to meet are as follows:

Health and well-being of the population – covering health promotion and ill health prevention, reducing the need for services.

Access to services – ensuring people have fair and prompt access to care, to the point where waiting should no longer be an issue for the majority of service users.

Long-term conditions – supporting health by promoting better self-care and treatment in a community setting or in people’s homes to avoid hospitalisation wherever possible.

Patient/User experience – promoting information and choice, as well as positive experience so that service provision is more consumer focused.

SYSTEM REFORM

The reforms across the NHS of systems and pay mechanisms are providing a significant challenge to the health economy.

The system changes include Payment by Results, Choose and Book and the National Programme for Information Technology. Implementation of all of these has already commenced. Although each of these reforms will improve services for patients, the challenge for the SHA, PCTs and NHS Trusts is to ensure that the system changes are proactively managed and implemented to ensure the health economy is not destabilised.

The NHS is also in the process of implementing the most major reform of pay and terms and conditions in the history of the NHS. Reforms include the new consultant contract, the new GMS (General Medical Services) contract, Agenda for Change and the new dental and pharmaceutical contracts in primary care.

All of these initiatives entail a radical overhaul of the NHS and afford significant opportunities to deliver improvements in efficiency but require careful management to ensure affordability.
The SHA alone cannot tackle health deprivation nor achieve many of the national targets, it requires the contribution of all our colleagues in the NHS, local government and the statutory and voluntary sector.

There are 15 NHS organisations in our area: 10 primary care trusts (PCTs) and five NHS Trusts.

- PCTs bring together doctors, nurses and other health professionals. They are responsible for how the majority of NHS money is spent locally.
- NHS Trusts provide acute hospital services and mental health and learning disability services.

Within County Durham and the Tees Valley the NHS employs 29,500 people and has a budget of £1.1 billion to spend each year.

Our objective is to contribute to the tackling of these challenges by:

- Providing a framework within which the NHS can build capacity and give patients greater choice in where, when and how they are treated.
- Supporting the development of PCTs and Trusts to ensure commissioning and delivery of key services.
- Providing a focus for local and regional regeneration work.
PERFORMANCE AGAINST
NATIONAL TARGETS 2003/04

Overall the Strategic Health Authority health economy has performed very well during the year. However, a small but significant number of breaches of outpatient and inpatient waiting list time targets have affected the overall position.

The Strategic Health Authority achieved in 2003/04:

- Over 90% of patients waited four hours or less in A&E from arrival to admission, transfer or discharge.
- At the end of March 2004 there were no patients waiting over 17 weeks for an outpatient appointment or over nine months for inpatient or day case admission.
- The national target of 90% of patients being seen by a Primary Health Care professional within one working day and a GP within two working days has been achieved.
- All key cancer targets were achieved. Throughout the year very good progress has been made in the delivery of cancer services.
- All of the key targets relative to coronary heart disease (CHD) were achieved. There were no patients waiting over six months at the end of March for revascularisation and more patients than expected received thrombolysis within an hour of the initial call.
- In mental health services the target number of people to receive early intervention, assertive outreach and crisis resolution services has been achieved.
- Levels of delayed transfers of care have significantly reduced over the year.
- All patients referred for treatment for drugs misuse were seen within the maximum two-week waiting time.
- The target number of additional consultants and GPs to be in post by the end of March 2004 has been achieved.
Over half of the health service organisations in our area maintained their ranking in the 2003/04 star ratings published by the Healthcare Commission.

For the fourth year running North Tees and Hartlepool NHS Trust received the maximum three stars, and Durham and Chester-le-Street PCT received three stars for the second year running. County Durham and Darlington Acute Hospitals NHS Trust also received three stars. Sedgefield PCT gained an extra star, going from one star to two. County Durham and Darlington Priority Services NHS Trust successfully maintained its two stars as did Derwentside, Durham Dales, Darlington, Middlesbrough, Hartlepool, Easington and Langbaurgh PCTs.

Tees and North East Yorkshire NHS Trust dropped from three stars to two and South Tees Hospitals NHS Trust and North Tees PCT have dropped from two stars to one. In Tees and North East Yorkshire Trust, this related to not meeting two of the key criteria set out by the Healthcare Commission for assertive outreach services and integrating community mental health services. South Tees Hospitals’ drop in rating was caused by breaches of waiting time targets for outpatients and inpatients and financial problems. A tremendous amount of work has been carried out between PCTs and the Trust to ensure that breaches are avoided. North Tees PCT did not meet one of the targets relating to out-patient waiting times and some of the health improvement targets, such as low take up of MMR immunisations and flu vaccinations. The health improvement agenda is being addressed by the PCT.
TACKLING INEQUALITIES AND IMPROVING HEALTH

Over the past twelve months we have made good progress in tackling poor health and the significant health inequalities suffered by our local communities. However, the challenge of improving people's health remains as significant today as it was a year ago.

We have worked to make action on health improvement a higher priority for the NHS, locally and nationally. Melanie Johnson, Junior Minister, visited two of our PCTs (Middlesbrough and Easington) to see first hand some of the excellent work being undertaken locally. We have also put in place a framework that makes clear the local priorities for action on health improvement for the NHS and our partners, and we will be able to report on this more fully next year.

The NHS is a key partner in economic development. We are one of the largest employers and spend millions of pounds on goods and services in the local economy. Work has begun on a "widening participation" strategy which will help ensure that people from some of our most deprived communities have the opportunity to work for the NHS.

We have also worked with the North East Chamber of Commerce, One North East and NHS Trusts to promote opportunities for local businesses to supply goods and services to the NHS.

Many people across the SHA are out of work as a result of poor health. We have begun work to look at how the NHS can work with Job Centre Plus and others to help people back into employment.

In 2003/04, we also led work looking at how we can improve transport to help people on Teesside access the health care they need. As a result, we have developed an action plan supported by the PCTs, NHS Trusts and Local Authorities. Local partners have secured funding from the Government’s Rural and Urban Bus Challenge schemes to improve access to health care in Teesside. Work in Durham has also continued, led by the PCTs.

A REVIEW OF PROGRESS

A Healthy Eating session hosted by Darlington PCT
Over 8,600 people have been helped to give up smoking (the best rate of any SHA in the country).

The teenage pregnancy rate fell to 52.3 per 1,000 females aged 15 to 17 years.

The death rate from cancer fell from 167 to 152 deaths per 100,000 population.

4,121 mothers began to breastfeed their newborn children.

The immunisation targets were met (71%).

The death rate from coronary heart disease fell from 182 to 145 deaths per 100,000 population.

Prevention of disease is an important component of our strategy to reduce inequalities. We have brought together the diverse public health resources of the NHS into a managed public health network to maximise the effectiveness of our public health services. All of our 10 PCTs contribute to the network, which is supported by a public health intelligence function and a health library. The network has a formal structure with governance arrangements and a business plan. The network is now starting to lead work at a supra PCT level in areas such as health protection, health screening, tackling obesity and tobacco control.

The SHA has introduced a performance framework for 2004 to enable PCTs to identify areas for prioritisation in the health inequalities agenda and to monitor improvement in public health programmes and health outcomes.

SMOKING is the single biggest preventable cause of death and serious disease in the UK, particularly in less affluent communities. County Durham and Tees Valley now has the most effective smoking cessation services in the country. Between April 2003 and March 2004, 949 people in our area were helped to stop smoking compared with an average of 514 in other SHAs. The SHA is collaborating with PCTs and Local Strategic Partnerships throughout the region and with the Government Office North East to develop a joint tobacco control strategy.
Service improvement work continued under the auspices of the cancer services improvement partnerships, with a particular focus on addressing bottlenecks in the system so that patients can have faster access to treatment. This included work on maximising efficiency and capacity in the key diagnostic services, endoscopy and radiology.

The work of the CHD collaborative, improving services for cardiac patients, is now part of the revamped coast-to-coast Cardiac Network so that improvements are closely aligned with service priorities. The new network is chaired by a PCT Chief Executive.

Recent investments in diagnostic services such as angiography and imaging services have contributed to reductions in waiting times for cancer and coronary heart disease patients and to more rapid treatment.

Two PCT Chief Executives also chair the Tees Valley Critical Care Network, now localised following its groundbreaking work as part of the national modernisation programme.

Service improvements were well supported by modernisation leads, both in major programmes and local developments. The need for a generic, whole systems approach to service improvement has become paramount during the year, and this is well illustrated by the Improvement Partnership for Hospitals, which asks local health systems to examine variation in patient care and address the fundamental causes; this has led to work on more effective planning for emergency and elective care and bed and theatre management.

The future of service improvement is to spread and embed what we know works successfully; where a system or process has been improved, we need to ensure that all patients experience the improved service as a result.
CRIMINAL JUSTICE AND SUBSTANCE MISUSE

The number of drug users in structured treatment became a key performance indicator for PCT star rating purposes. This SHA had 3,935 users in treatment during 2003/04 as validated by a national audit early in 2004/05. The target was to double the numbers in treatment by 2008 from the 1998 baseline figure of 1,362 and thus the target has been met well ahead of schedule. During the year there was increased investment from Government with an emphasis not only on the health needs of individuals but also the impact that PCTs could have on reducing crime by attracting increased numbers into treatment.

The aim of the SHA is to support PCTs to continue to improve the quality of services in partnership with the Drug Action Teams and provider organisations, to provide adequate capacity in terms of primary care prescribing services to substance misusers and increase pharmacy services to give supervised medication where appropriate. We will also encourage PCTs to increase their harm minimisation programmes, to enable high uptake of Hepatitis A and B vaccination and to implement the national Hepatitis C strategy when it is published in 2004.

During 2003/04, it was announced that responsibility for the commissioning of prison health services is being transferred from the Prison Service to PCTs. The SHA has been supporting the PCTs in preparing for this major change which involves additional investment in prison health services with the intention to modernise and provide an equality of service with that in the community.

MENTAL HEALTH AND LEARNING DISABILITIES

Mental health policy and guidance is still focused on delivering key national service framework (NSF) and NHS Plan targets for mental health. We have been working alongside PCTs, NHS Trusts and Social Services to support this agenda.

In the past year work has included establishing a whole systems network across all health and social care partners where key mental health performance issues are discussed. This group has successfully developed plans to hit local performance targets associated with the local delivery plan. We commissioned an audit of suicide prevention strategies across the authority area and the performance network is developing a performance monitoring plan as a result of that audit.

We delivered the annual autumn assessment of mental health services. This national process is well regarded by partners and the 2003 Assessment was felt to be extremely successful. A new reporting format was developed which helped focus on key performance issues arising out of the review.

The “Passionate People” project tackles the stigma of mental health through education across Tees and North Yorkshire.
We ran a multi-agency workshop in the summer of 2003 on social exclusion and mental health. This aspect of the workshop was fed directly to the Prime Minister’s Social Exclusion Unit as part of the national consultation of social exclusion.

Valuing People remains the national policy document for learning disability. We have been working alongside local partners to support this agenda. Major achievements have included the final residents of Earls House Hospital in Durham being resettled in the community, the culmination of six years planning with the Health Authority as a key partner at the beginning. We also allocated £500,000 to support capital projects for learning disability.

**OLDER PEOPLE’S HEALTH**

The National Service Framework for Older People has provided the work programme for developing services in 2003/04. Achievements have included: the implementation of the single assessment process across health and social care for older people who require additional support; the provision of more intermediate care beds particularly in Darlington, Middlesbrough and County Durham; and specialist stroke services are now available in all the local acute Trusts.

Local Implementation Teams are in place in all areas of County Durham and Tees Valley and continue to take forward the National Service Framework and the Older People’s programme. These teams are being supported in their work by the establishment of a Learning Network facilitated by the Nuffield Institute for Health. The aim of the Learning Network is to share good practice and support learning based on policy and practice.

Continuing Care has remained a key work area throughout the year, particularly in respect of implementing the recommendations of the Health Service Ombudsman’s special report published in 2003, training of staff across all organisations in implementing the continuing care criteria and joint working across health and social services particularly in respect of the provision of care to people with significant support needs.

*District nurse Jill Taylor – many improvements in care for older people have been achieved this year*
INFORMATION FOR HEALTH

The NHS and patients depend on the right information to make the best decisions about care for individuals, plan services, measure progress and improve performance.

In 2003/04, a new national approach to the development and use of Information Technology systems was introduced. Together with neighbouring Strategic Health Authorities, a major programme is being developed to replace the current multitude of different, stand alone patient record systems with the National Care Records Service (NCRS) over the next five years. This is a highly specified, reliable and fully integrated electronic record service that supports the needs of health professionals and patients within a modernised NHS.

During 2003/04 the initial implementation plan for County Durham and Tees Valley has been developed in collaboration with Trusts and PCTs. The first components of the new system will be installed in South Tees Hospitals NHS Trust, Tees and North East Yorkshire NHS Trust, and a small number of GP practices during 2004/05.

The SHA has supported the recruitment of additional staff to support the management of the programme and future training requirements, which will be key to getting the systems to work as well as possible.

Although the new national systems provide the main focus for development, the Strategic Health Authority has continued to encourage innovations which pave the way, including a shared diabetes care record pilot, various approaches to single assessment systems, and IT support for the modernisation of pathology services in Tees.

We have also supported the expansion of the Shared IT Services team so that a common service is provided to PCTs across the SHA area.

Advances in information technology have improved the service that GP practices provide
The clinical team works across all functions and directorates of the SHA. This year the clinical team has been involved in a variety of internal and external projects including:

- Access Project Team - looking at all aspects of the patient's journey from first contact to hospital waiting times.

- New GP Contract - working with PCTs to implement the new quality led contract in primary care.

- Medicines Management in Hospitals - looking at the performance of local acute Trusts and developing action plans to improve the use of medicines for patients.

- Development of Clinical Governance - this has involved the role that the SHA has to play in the lessons to be learned from untoward incidents, accidents and complaints and working with PCTs and NHS Trusts to ensure that good practice and lessons learned are disseminated across all organisations.

- Preparation for new contracts for dentists and community pharmacists - as negotiations at the Department of Health progress, the Clinical Team has assisted the SHA policy leads and performance managers to work with PCTs on the implementation and consequences of these new contacts as they will be introduced in the near future.

- Nursing, Midwifery and Allied Professions – leading a network of nursing, midwifery and allied professions to improve and develop the professions to modernise the services according to policy direction and including the development of an SHA Allied Professions Strategy.

- Nursing Collaborative – initiating a nursing collaborative to involve front line nurses and nurse leaders to improve the patient journey within an agreed quality improvement framework.

- Nurse Consultants and Modern Matrons – ensuring that new roles in Nursing and Allied Professions, such as consultant and modern matron posts are supported throughout the SHA area and form networks and learning sets to do so.
**PRIMARY CARE**

Primary care is facing the best opportunity to reshape and improve services since the inception of the NHS. Significant investment will aid the development of Primary Care allowing new roles, new premises and new ways of working. The ultimate aim being to make access to services easier and quicker for patients and to make services more responsive to patients’ needs.

Across the SHA area 100% of the new General Medical Services contracts were signed by 31st March 2004. This success was down to the commitment of the PCTs to implement national agenda locally.

Personal Medical Services schemes are now permanent and over the last year innovative ways of delivering services have been developed, such as services for asylum seekers, substance misuse services and nurse led services for the elderly in residential housing.

PCTs have been working with other agencies towards fully integrated Out of Hours services. Emergency care practitioners and other roles have been developed.

In our area there is also a great deal of modernisation of primary care premises through the Local Initiative Finance Trust (LIFT) or the investments through the Premises Programme Board.

Although the development of primary care will be a challenge for the coming year and beyond, significant progress has been made with the establishment of local implementation groups. The SHA will continue to work alongside PCTs to provide support where needed.

**CHILDREN’S HEALTH**

Improved outcomes remains one of the priorities for children’s health. The SHA continues to work alongside the PCT’s, NHS Trusts, education, social services and police to support the children’s agenda. Some of the achievements during last year include:

1. The development of a local performance framework for children’s health services
2. The delivery of child specific leadership development programmes for:
   - Those working within children’s services
   - PCT and Trust’s Boards to increase awareness of the children’s agenda
3. Implementation of SHA wide procedures for Serious Case Reviews to ensure reporting is robust and lessons learned and good practices are shared.

4. Supporting all local children’s and young persons’ strategic partnerships as they develop into children’s trusts.

As children’s issues rise on the agenda of all public sector agencies, the speed of change will continue to increase. The challenges that lie ahead can only be tackled through robust partnership arrangements and the SHA will support these requirements.

**EMERGENCY CARE**

Our two Emergency Care Networks took ownership of the planning of emergency care services and undertook work to improve speed of treatment and patient flow in Accident and Emergency (A&E) departments, to understand the reasons for increases in unplanned admissions to hospital and to develop a whole systems approach to unscheduled care. The objective is for all patients to be able to access the "Right Place First Time" when they need urgent or emergency care.

A particularly successful innovation has been the development of the Emergency Care Practitioner, a new specially trained professional who can quickly see and treat patients requiring primary care services out of hours, referring on those patients who need to see a doctor to the on call service.

**ACCESS TO SERVICES**

Throughout 2003/04 work has been focused around improving access to health services for patients and meeting the associated targets. Work in this area has concentrated on reducing waiting times for inpatient and daycase admission to hospital, improving the time it takes to see a GP or primary health care professional, ensuring that the majority of patients are treated in A&E Departments within four hours of arrival, enabling patients to prebook inpatient and outpatient appointments and reducing the time taken for patients to be investigated and treated for suspected cancer.

*Colorectal Nurse Clare Westwood - The launch of a nurse-led endoscopy service has helped reduce waiting times at Darlington Memorial Hospital*

*The Emergency Care Network has worked to ensure better access to emergency services*
Overall performance on improving access has been good. However, a small number of patients waited longer for inpatient and outpatient treatment during the year than we would have wished in one speciality at one Trust. The Strategic Health Authority, PCTs and Trust worked together to rectify the situation and there have been no reoccurrences of patients waiting longer than planned since November 2003. Performance on all other aspects of access has been amongst the best in the country.

Recognising the importance of this area, an Access Project Team was set up with the responsibility for directing and co-ordinating all the SHA’s activities and efforts in supporting, developing and performance managing PCTs and Trusts to improve access to services for patients.

Examples of work that we have supported include improved waiting list management, supporting capacity and demand analysis, the establishment of GPs with special interests able to receive referrals of patients from their colleagues, "Clinically Prioritise and Treat" which allows hospitals to check that they are admitting routine patients in order of referral and are selecting for treatment those who have waited the longest, and encouraging the increased use of day surgery. The coverage of patients booked for their outpatient, inpatient or day surgery has also improved, and we have achieved 99% of day cases booked at March 2004.

**RESEARCH ACTIVITIES**

The SHA has been working closely with local universities to build up research and development activity through the County Durham and Tees Valley Research and Development Liaison Group which aims to bring together those interested or engaged in research in the NHS with researchers in the Universities. A number of research groupings have been established and local research is showcased at an annual research conference. A joint post has been established between the SHA and the office of the Dean of the new Durham/Newcastle Medical School to facilitate collaborative working.

**CHOICE**

It is the aim of the NHS to give more choice to patients over how they are treated and where. The first two strands of fulfilling this aim relate to offering a choice of alternative hospitals for patients waiting over six months for inpatient or daycase treatment and as part of the referral process offering patients a choice of four or five alternatives.

During 2003/04 work was progressed with PCTs and Trusts to enable patients who had been waiting longer than six months in most specialities for inpatient or daycase treatment to be offered the opportunity to receive their treatment at an alternative hospital sooner than they would if they continued to wait. The new arrangements became operational on 1st April 2004.
THE TEES REVIEW

In June 2003 the Tees Services Review was established. It was a review of health services across Teesside and south Durham with the terms of reference to:

review services across health and social care across Teesside, in order to ensure sustainable solutions to managing service demand, delivery of NHS Plan targets and modernisation, while taking account of the need to maintain services, now and for the future. (August 2003).

There were a number of reasons for the review, the most important being:

- Addressing the pressures facing primary care, particularly the recruitment and retention of GPs and practice nurses, as numbers of staff are far lower than the national average. This coupled with high levels of deprivation and very high average list sizes means that workload pressures in primary care are enormous.

- The development of primary and community care services, providing more services to people closer to their homes.

- Emergency services working better together including the ambulance services, NHS Direct, GP out of hours services and A&E.

- Addressing the pressures for change facing hospital services particularly north of the Tees.

Since June 2003 a great deal of work has been done involving patients and members of the public, doctors, nurses and other staff, PCTs, NHS Trusts, local authorities and a distinguished External Panel which included leading doctors and other nationally recognised professionals.

The review is developing proposals for a limited number of service changes to the University Hospital of Hartlepool and the University Hospital of North Tees, in essential areas that could no longer be sustained at both hospitals safely and reliably due to the pressures of increasing specialisation and changes in medical staffing.

The population south of the Tees are served by the new James Cook University Hospital and no changes were proposed to these services.
Proposals are being developed for innovative changes in primary care, which is key to modernising the NHS. The review is looking at providing local, modern primary care facilities such as new GP practices and treatment centres which will offer more minor surgery, x-ray and other tests, and better community based care for people with long-term illnesses, instead of people having to go to hospital.

Further work is required on the review to see how the fullest range of services can be maintained at the University Hospital of Hartlepool. We will be helped with this work by Professor Ara Darzi, one of the UK’s most distinguished surgeons.

On completion of this work, there will be a period of public consultation on the proposed changes.

**REVIEW OF MENTAL HEALTH AND LEARNING DISABILITY SERVICES**

In 2004, a review of mental health and specialist learning disability services across County Durham and Tees Valley was started.

The SHA is leading the review in partnership with the three local Mental Health Trusts, ten Primary Care Trusts, six local Social Services Departments and the Acute Trusts. The review will also involve doctors, nurses, social services and other specialist health and social care staff and they are all committed to fully involving local service users, carers and the independent sector.

The review will map what specialist services are currently available, identify the needs of local people, and highlight any gaps in specialist services.

Both County Durham and Darlington Priority Services NHS Trust and Tees and North East Yorkshire NHS Trust, which provide local mental health and learning disability services, currently have ambitious plans for improvement.

However, all the partners involved in this review believe that the development of local mental health and specialist learning disability services need to be built on a shared vision, which could influence how services are funded in the future.
We are committed to including patients and the public at the heart of the development of services. We do this by working with NHS organisations in our area, the Commission for Patient and Public Involvement and the local Overview and Scrutiny Committees.

Ours is a strategic role and in 2003/04 we built on the relationships that we had started to develop in previous years. From this baseline, we have been promoting, developing and supporting the Patient and Public Involvement (PPI) agenda and related issues. For example, we have worked with the local Primary Care Trusts and NHS Trusts to both develop a baseline assessment of PPI activity and ensure that all organisations have a PPI Strategy in place.

The 2005/06 – 2007/08 Health and Social Care Standards and Planning Framework refers to patient/user experience as a priority area. We have set up a team to work on this, to contribute to the achievement of national priorities and targets in this area. The team will work with local NHS organisations to improve the whole experience of individuals with particular attention to tailoring services for patients with long-term conditions, promoting independence for older people and supporting self care and the ‘expert patient’.

The development of the PPI strategy brings together patients, members of the public and health professionals to discuss health services.
IMPROVING WORKING LIVES

We started the year knowing that by the end of it we needed to achieve Improving Working Lives Practice level accreditation. This is awarded by the Department of Health following an external assessment of the organisation.

Throughout 2003/04, a team from across the SHA/WDC worked together to put in place the necessary human resource policies and procedures. Many of these had not been in place in what was still a new organisation. In addition, the results of the 2003 NHS Staff Survey pointed to a number of areas and issues where improvements were required.

The assessment took place during March 2004 and lasted a total of four days, after which we were delighted to hear that the national panel awarded the SHA/WDC Practice status.

The award of Practice is only the start of the journey. Plans are well advanced for the work necessary to achieve Practice Plus. The target date for that is November 2005. That journey will be a much tougher one as it seeks to turn us into an 'Employer of Choice'.

RACE EQUALITY AND DIVERSITY

During 2003/04 the SHA developed a Race Equality Scheme. The Scheme has been reviewed by the Commission for Racial Equality and we will continue to work with them and the Northern Strategic Health Authorities Race Equality network.

HEALTH AND SAFETY

During 2003/04 the SHA developed a Health and Safety Policy, a comprehensive document ensuring the health and safety of staff and visitors to our premises. All staff have been trained on the requirements of the document.
THE HSJ MANAGEMENT CHALLENGE

In 2003 the SHA entered the Health Service Journal Management Challenge and succeeded in being one of the winning cluster for the Managing Communications and Public Relations category.

The team played the role of a County Council Social Services Department in a particularly challenged health community. The day’s events involved negotiating with teams representing other agencies, holding press conferences and managing public and patient involvement.

EQUALITY STATEMENT

We are fully committed to equality of opportunity. As employers, we are committed to making full use of the talents and resources of all those working for us and providing an environment which will encourage good working practice. The Authority has in place an equal opportunities policy aimed at removing any forms of discrimination from its operations, and promoting equal opportunities and facilities for employees with a disability. The Authority is similarly committed to supporting and developing its staff and encouraging them to take advantage of training and educational opportunities to develop their careers.

The Authority is committed to meeting all of the legislative requirements stipulated by the Race Relations (Amendment) Act 2000. The Authority has in place a Race Equality Scheme which aims to achieve positive outcomes for both the public / patients and employees by providing:

- Demonstrable commitment to valuing diversity
- Improved community satisfaction and equality of opportunity
- Greater workplace satisfaction and a more diverse workforce representing the community served
- Increased confidence and respect for one another, contributing to improved community cohesion and a better understanding of cultural differences between racial groups.
CORPORATE GOVERNANCE

The SHA aims to achieve the highest levels of corporate governance in all of its functions. During 2003/04, we have developed an Assurance Framework. This Framework covers all of the SHA’s functions, identifying potential risks and the controls and assurance in place to mitigate those risks. The Framework is used at Board level to identify any areas where further work is required to mitigate risk or build controls and assurance into our systems.

CONTINUING CARE

Following the publication of four cases investigated by the Health Service Ombudsman in February 2003, approximately 200 requests for reviews of continuing care funding have been received by the SHA, PCTs and social service departments in County Durham and Tees Valley.

Arrangements for continuing care assessments and multi-disciplinary decision making have been improved and are more robust and transparent. We have also recruited and trained independent chairs and panel members, alongside developing a process for appeals.

The Continuing Care Steering Group, chaired by the SHA, has continued to give advice and support to the local health and social care community. The steering group is continuing to meet to address outstanding continuing care issues for individuals with a learning disability and/or mental health problems amongst others.

Almost all enquiries were investigated and provided with a written decision by April 2004. All the appeals will be dealt with by early October 2004.

COMPLAINTS

Complaints against the NHS are dealt with at a local level. Therefore, complaints about a service or treatment would be directed to the relevant PCT or NHS Trust.

It is our role to monitor overall complaints activity in local NHS organisations and ensure that we use the complaints experiences to help improve our services and share good practice.

No formal complaints have been made against the SHA.

MAJOR INCIDENT PLANNING

The SHA has in place a major incident plan which is fully compliant with major incident preparedness and planning guidelines.
The auditor of the County Durham and Tees Valley Strategic Health Authority is Paul Burdon, Audit Manager, Audit Commission.

The cost of the work performed by the auditors was £164,000 and was wholly statutory audit.

The non-executive directors forming the Audit and Risk Management Committee are:

Russell Hart - Chairman
Dr Brian Docherty
Rita Taylor
Michael Cardew
Margaret Kirby
FINANCIAL PERFORMANCE

The Strategic Health Authority has a statutory duty to keep within its Revenue Resource Limit and achieve operational financial balance. In 2003-2004 the SHA achieved a surplus of £1,439,000 and details are set out below.

In addition the SHA also has a duty to keep within its financing requirement (cash limit) for the year. In 2003/04 the SHA had a financing requirement of £124.321 million, of which £124.146 million was drawn down from the Department of Health, thereby achieving this duty.

SUMMARY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004

The Summary Financial Statements are merely a summary of the information in the full accounts and comprise the Operating Cost Statement, Balance Sheet, Cash Flow Statement and Statement of Recognised Gains and Losses for the year. These are set out on the following pages. The Statement on Internal Control is contained within the full set of accounts which can be obtained without charge from:

A Foster, Director of Finance
County Durham & Tees Valley Strategic Health Authority
Teesdale House, Westpoint Road, Thornaby
Stockton-on-Tees. TS17 6BL. Telephone: 01642 666725
OPERATING COST STATEMENT
FOR THE YEAR ENDED
31 MARCH 2004

<table>
<thead>
<tr>
<th>Expenditure</th>
<th>2003-04 £000</th>
<th>2002-03 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health care and related services</td>
<td>0</td>
<td>28,731</td>
</tr>
<tr>
<td>Authority administration</td>
<td>6,269</td>
<td>17,153</td>
</tr>
<tr>
<td>Authority programme expenditure</td>
<td>109,768</td>
<td>95,640</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td>116,037</td>
<td>141,524</td>
</tr>
<tr>
<td>Miscellaneous income</td>
<td>-3,546</td>
<td>-6,057</td>
</tr>
<tr>
<td><strong>Net operating costs</strong></td>
<td>112,491</td>
<td>135,467</td>
</tr>
</tbody>
</table>

SUMMARISED BALANCE SHEET
AS AT 31 MARCH 2004

<table>
<thead>
<tr>
<th></th>
<th>2003-04 £000</th>
<th>2002-03 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total fixed assets</td>
<td>44</td>
<td>46</td>
</tr>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>17,661</td>
<td>12,613</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>1</td>
<td>88</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>17,662</td>
<td>12,701</td>
</tr>
<tr>
<td><strong>Current liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creditors - falling due within 1 year</td>
<td>-4,294</td>
<td>-8,728</td>
</tr>
<tr>
<td><strong>Net current assets</strong></td>
<td>13,368</td>
<td>3,973</td>
</tr>
<tr>
<td><strong>Long term liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creditors - falling due after more than 1 year</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Provisions for liabilities and charges</td>
<td>-473</td>
<td>-2,979</td>
</tr>
<tr>
<td><strong>Total long term liabilities</strong></td>
<td>-473</td>
<td>-2,979</td>
</tr>
<tr>
<td><strong>Total net liabilities</strong></td>
<td>12,939</td>
<td>1,040</td>
</tr>
</tbody>
</table>

**Financed by:**

<table>
<thead>
<tr>
<th></th>
<th>2003-04 £000</th>
<th>2002-03 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>General fund</td>
<td>12,938</td>
<td>1,040</td>
</tr>
<tr>
<td>Revaluation reserve</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>12,939</td>
<td>1,040</td>
</tr>
</tbody>
</table>
## STATEMENT OF RECOGNISED GAINS AND LOSSES

**FOR THE YEAR ENDED 31 MARCH 2004**

<table>
<thead>
<tr>
<th></th>
<th>2003-04 £000</th>
<th>2002-03 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrealised surplus on the revaluation of properties</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Transfer to NHS bodies and Department of Health</td>
<td>0</td>
<td>10,197</td>
</tr>
<tr>
<td>Fixed asset impairment losses</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Recognised gain/(loss) for the year</strong></td>
<td><strong>1</strong></td>
<td><strong>10,197</strong></td>
</tr>
</tbody>
</table>

---

## CASH FLOW STATEMENT

**FOR THE YEAR ENDED 31 MARCH 2004**

<table>
<thead>
<tr>
<th></th>
<th>2003-04 £000</th>
<th>2002-03 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net operating costs</td>
<td>(112,491)</td>
<td>(135,467)</td>
</tr>
<tr>
<td>Adjust for non-cash transactions</td>
<td>257</td>
<td>8,577</td>
</tr>
<tr>
<td>Adjust for movements in working capital other than cash</td>
<td>(9,482)</td>
<td>7,791</td>
</tr>
<tr>
<td>Utilisation of provisions</td>
<td>(2,506)</td>
<td>(804)</td>
</tr>
<tr>
<td>Transfers from donated asset reserve</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Net cash flow from operating activities</strong></td>
<td><strong>(124,222)</strong></td>
<td><strong>(119,903)</strong></td>
</tr>
<tr>
<td>Capital expenditure and financial investment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments to acquire fixed assets</td>
<td>(11)</td>
<td>(46)</td>
</tr>
<tr>
<td>Receipts from the sale of fixed assets</td>
<td>0</td>
<td>878</td>
</tr>
<tr>
<td><strong>Net cash inflow/(outflow) from investing activities</strong></td>
<td><strong>(11)</strong></td>
<td><strong>832</strong></td>
</tr>
<tr>
<td><strong>Net cash (outflow) from all activities</strong></td>
<td><strong>(124,233)</strong></td>
<td><strong>(119,071)</strong></td>
</tr>
<tr>
<td>Analysis of Financing:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>From Department of Health</td>
<td>124,146</td>
<td>118,992</td>
</tr>
<tr>
<td>Donations</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Capital element of finance lease rental payments</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Increase/(decrease) in cash</strong></td>
<td><strong>(87)</strong></td>
<td><strong>(79)</strong></td>
</tr>
</tbody>
</table>
## Authority Administration and Programme Expenditure

For Year Ended 31 March 2004

<table>
<thead>
<tr>
<th>Description</th>
<th>2003-04 £000</th>
<th>2002-03 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-executive members’ remuneration</td>
<td>60</td>
<td>48</td>
</tr>
<tr>
<td>Other salaries and wages</td>
<td>3,154</td>
<td>4,068</td>
</tr>
<tr>
<td>* Pension costs pre 1995 early retirements</td>
<td>0</td>
<td>8,249</td>
</tr>
<tr>
<td>Supplies and services</td>
<td>0</td>
<td>109</td>
</tr>
<tr>
<td>Establishment expenses</td>
<td>427</td>
<td>421</td>
</tr>
<tr>
<td>Transport and moveable plant</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Premises and fixed plant</td>
<td>254</td>
<td>229</td>
</tr>
<tr>
<td>External Contractors</td>
<td>827</td>
<td>750</td>
</tr>
<tr>
<td>Capital charges</td>
<td>257</td>
<td>211</td>
</tr>
<tr>
<td>Auditors remuneration</td>
<td>164</td>
<td>193</td>
</tr>
<tr>
<td>Unwinding of discount on provisions</td>
<td>14</td>
<td>0</td>
</tr>
<tr>
<td>Training (Workforce Development Confederation)</td>
<td>109,768</td>
<td>95,640</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>1,110</td>
<td>2,875</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>116,037</strong></td>
<td><strong>112,793</strong></td>
</tr>
</tbody>
</table>

* One off expense centrally funded
The SHA is required to pay its non NHS trade creditors in accordance with the Better Payment Practice Code. The target is to pay non NHS trade creditors within 30 days of receipt of goods or a valid invoice (whichever is the later) unless other payment terms have been agreed with the supplier. Details of the SHA’s performance are given in the table above.

**PAY FOR SENIOR MANAGERS**

The Strategic Health Authority has contained senior managers pay awards within the pay ceiling advised by the Department of Health.

**BETTER PAYMENT PRACTICE CODE**

<table>
<thead>
<tr>
<th></th>
<th>£000</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total bills paid 2003/04</td>
<td>12,860</td>
<td>8,031</td>
</tr>
<tr>
<td>Total bills paid within target</td>
<td>12,320</td>
<td>7,682</td>
</tr>
<tr>
<td>Percentage of bills paid within target</td>
<td>95.8%</td>
<td>96%</td>
</tr>
</tbody>
</table>

The SHA is required to pay its non NHS trade creditors in accordance with the Better Payment Practice Code. The target is to pay non NHS trade creditors within 30 days of receipt of goods or a valid invoice (whichever is the later) unless other payment terms have been agreed with the supplier. Details of the SHA’s performance are given in the table above.
INDEPENDENT AUDITOR’S REPORT TO THE DIRECTORS OF COUNTY DURHAM AND TEES VALLEY STRATEGIC HEALTH AUTHORITY ON THE SUMMARY FINANCIAL STATEMENTS

We have examined the summary financial statements set out on pages 27 to 30.

This report is made solely to the Board of County Durham & Tees Valley Strategic Health Authority in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 54 of the Statement of Responsibilities of Auditors and of Audited Bodies, prepared by the Audit Commission.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the Annual Report. Our responsibility is to report to you our opinion on the consistency of the summary financial statements with the statutory financial statements. We also read the other information contained in the Annual Report and consider the implications for our report if we become aware of any mis-statements or material inconsistencies with the summary financial statements.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 1999/6 ‘The auditor’s statement on the summary financial statements’ issued by the Auditing Practices Board for use in the United Kingdom.

OPINION

In our opinion the summary financial statements are consistent with the statutory financial statements of the Strategic Health Authority for the year ended 31 March 2004 on which we have issued an unqualified opinion.

Date 13 September 2004

Paul Burdon, Audit Manager
Audit Commission, Nickalls House, Metro Centre, Gateshead, NE11 9NH
The directors are required under the National Health Service Act 1977 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 organisation and the net operating cost, recognised gains and losses and cash flows for the year. In preparing these accounts, Directors are required to:

i. apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury;

ii. make judgements and estimates which are reasonable and prudent;

iii. 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 organisation 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 health authority and hence for taking reasonable steps for the prevention 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 financial statements.

By order of the board.

Dated 29 June 04

Signed

Accountable Officer

Dated 29 June 04

Signed

Finance Director
THE BOARD

COUNTY DURHAM AND TEES VALLEY STRATEGIC HEALTH AUTHORITY

1. Tony Waites
   Chairman
2. Ken Jarrold
   Chief Executive
3. Carole Langrick
   Director of Performance Management
4. Dr Brian Docherty OBE
   Non-executive director
5. Dr Ian Ruffett
   Head of Primary Care Professional Advice
6. Rita Taylor
   Non-executive director
7. Alan Foster
   Director of Finance
8. Russell Hart
   Non-executive director
9. Katie Bosworth
   Non-executive director
10. John Williams
    Non-executive director
11. Helen Byrne
    Director of Planning
12. Celia Weldon
    Director of Corporate Affairs
13. Dr David Walker
    Director of Public Health
14. Christina Edwards
    Director of Nursing
15. Dr Margaret Stewart
    Director of Development
**DIRECTORS HAVE DECLARED THE FOLLOWING INTERESTS**

<table>
<thead>
<tr>
<th>Name</th>
<th>Interests</th>
</tr>
</thead>
</table>
| Bosworth, Katie | Vice President, Chartered Society of Physiotherapy  
Therapy Management Consultant, Self Employed  
Commission for Health Improvement (CHI) Reviewer |
| Byrne, Helen   | Board Director, South Tyneside Arts Studio (MH project)                                                                                   |
| Cardew, Michael| MD and owner, Cardew Communications Ltd.                                                                                                   |
| Docherty, Brian| Doctor, HM Prison Service                                                                                                                                 |
| Edwards, Christina | Nil                                                                                   |
| Foster, Alan   | Council of Healthcare Financial Management Association (Charity)                                                                             |
| Hart, Russell  | Directorship, H/S Medical Ltd  
Ownership, Highnam Hall & JR Hart & Co Consultancy Ltd  
Board Member (until 31/03/03), Cleveland Police Authority  
Councillor (until 01/05/03), Hartlepool Borough Council |
| Jarrold, Ken   | Honorary Visiting Professor, University of Salford  
Honorary Visiting Professor, University of York                                                                                           |
| Kirby, Margaret| Nil                                                                                                                                         |
| Langrick, Carole | Nil                                                                                   |
| Pickering, Helen| University of Teesside  
Member, Tees Valley Learning & Skills Council  
Governor, Cleveland College of Art and Design  
Member, Northern Arts  
Middlesbrough Town Centre Company |
| Ruffett, Ian   | Part-time Medical Advisor (3 days per week) Schlumberger Sema  
Medical Examiner for various insurance companies & off-shore employers                                                                     |
| Slater, Barry  | Nil                                                                                                                                         |
| Stewart, Margaret | Nil                                                                                   |
| Taylor, Rita   | Employed by DBC SSD as Children’s Policy and Performance Manager  
Mr Taylor is employed by TENYAS as an Ambulance Technician                                                                               |
| Waites, Tony   | Director, Visage Holdings Ltd  
Trustee, Teesside Hospice Care Foundation  
Director, Teesside Hospice Trading Company Ltd  
Member of Tees Valley Partnership Board |
| Weldon, Celia  | Nil                                                                                                                                         |
| Walker, David  | Nil                                                                                                                                         |
| Williams, John | Leader, Darlington Borough Council (DBC)  
Member, Tees Valley Learning & Skills Council (until 13/12/02)  
Member, Tees Valley Partnership Board  
Deputy Chair, One North East (until 13/12/02) |
<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Age</th>
<th>Salary (bands of £5,000)</th>
<th>Other remuneration (bands of £5,000)</th>
<th>Golden hello/compen-sation for loss of Office</th>
<th>Real increase in pension at age 60 (bands of £2,500)</th>
<th>Total accrued pension at age 60 at 31 March 2004 (bands of £5,000)</th>
<th>Benefits in kind (rounded to the nearest £00)</th>
</tr>
</thead>
<tbody>
<tr>
<td>T A Waites, JP</td>
<td>Chairman</td>
<td>60</td>
<td>£000</td>
<td>20-25</td>
<td>0</td>
<td>0</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>R J Hart, JP</td>
<td>Non Executive Director &amp; Chair Audit and Risk Management Committee</td>
<td>56</td>
<td>£000</td>
<td>5-10</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Dr T B Docherty</td>
<td>Non Executive Director</td>
<td>58</td>
<td>£000</td>
<td>5-10</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>H Pickering</td>
<td>Non Executive Director</td>
<td>57</td>
<td>£000</td>
<td>5-10</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>J Williams</td>
<td>Non Executive Director</td>
<td>56</td>
<td>£000</td>
<td>5-10</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>K Bosworth, JP</td>
<td>Non Executive Director</td>
<td>61</td>
<td>£000</td>
<td>5-10</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>L Taylor</td>
<td>Non Executive Director</td>
<td>54</td>
<td>£000</td>
<td>5-10</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>M Cardew, JP</td>
<td>Non Executive Director from 01.11.03</td>
<td>48</td>
<td>£000</td>
<td>0-5</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>M R Kirby</td>
<td>Non Executive Director to 04.05.03</td>
<td>44</td>
<td>£000</td>
<td>0-5</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>K W Jarrold</td>
<td>Chief Executive</td>
<td>55</td>
<td>£000</td>
<td>120-125</td>
<td>0</td>
<td>0</td>
<td>2.5-3.5</td>
<td>50-55</td>
</tr>
<tr>
<td>A Foster</td>
<td>Director of Finance</td>
<td>46</td>
<td>£000</td>
<td>90-95</td>
<td>0</td>
<td>0</td>
<td>0-2.5</td>
<td>30-35</td>
</tr>
<tr>
<td>Dr D I Ruffett</td>
<td>Head of Primary Care</td>
<td>56</td>
<td>£000</td>
<td>28-30</td>
<td>0</td>
<td>0</td>
<td>0-2.5</td>
<td>25-30</td>
</tr>
<tr>
<td>C E Edwards</td>
<td>Nursing Director</td>
<td>60</td>
<td>£000</td>
<td>30-35</td>
<td>0</td>
<td>0</td>
<td>0-2.5</td>
<td>0-5</td>
</tr>
<tr>
<td>Dr M O Stewart</td>
<td>Director of Development</td>
<td>52</td>
<td>£000</td>
<td>70-75</td>
<td>0</td>
<td>0</td>
<td>0-2.5</td>
<td>25-30</td>
</tr>
<tr>
<td>H Byrne</td>
<td>Director of Planning</td>
<td>39</td>
<td>£000</td>
<td>75-80</td>
<td>0</td>
<td>0</td>
<td>0-2.5</td>
<td>15-20</td>
</tr>
<tr>
<td>C Langrick</td>
<td>Director of Performance Management</td>
<td>41</td>
<td>£000</td>
<td>85-90</td>
<td>0</td>
<td>0</td>
<td>0-2.5</td>
<td>20-25</td>
</tr>
<tr>
<td>Dr D R Walker</td>
<td>Director of Public Health</td>
<td>41</td>
<td>£000</td>
<td>90-95</td>
<td>0</td>
<td>0</td>
<td>2.5-5</td>
<td>15-20</td>
</tr>
<tr>
<td>B Slater</td>
<td>Director of Corporate Affairs to 31.01.04</td>
<td>51</td>
<td>£000</td>
<td>80-85</td>
<td>Cost of Secondment</td>
<td>0-2.5</td>
<td>0-5</td>
<td>2</td>
</tr>
<tr>
<td>C Weldon</td>
<td>Director of Corporate Affairs from 02.02.04</td>
<td>43</td>
<td>£000</td>
<td>5-10</td>
<td>0</td>
<td>0</td>
<td>0-2.5</td>
<td>0-5</td>
</tr>
</tbody>
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**Workforce Development Confederation**

- A G Cowie, Chief Executive WDC
- A L Hume, Workforce Development Director
- K Gillen, Director of Education

All benefits in kind relate to provision of lease cars.

* Member of the Remuneration Committee

† Member of the Audit and Risk Management Committee

JP Justice of the Peace
EXPERT ADVICE FOR THE NHS IN COUNTY DURHAM AND TEES VALLEY

A fitting end to the year was a visit to the North East by Chief Medical Officer, Sir Liam Donaldson and four of the National Clinical Directors, organised by the SHA.

Around 400 medical professionals and managers attended the event to hear each of the guests speak on their field of expertise.

Sir Liam Donaldson, who is also Group Director Standards and Quality, gave a presentation on public health and health inequalities, and the need to tackle "causes and the causes of the causes". Sir Liam also spoke about the need for improving patient safety and improving clinical governance.

Professor Sir George Alberti, National Director for Emergency Access commented on the national success in emergency care services, but said that there are two key factors involved in meeting the needs of patients: ensuring that the whole system of emergency care is integrated and that the pathways to care are seamless.

Dr Roger Boyle, National Director for Heart Disease presented a detailed analysis of the reductions in Coronary Heart Disease mortality rates. Dr Boyle discussed the improvements that have been made in prevention of CHD through primary care initiatives and the improvements in acute care, including investments at The James Cook University Hospital which he described as one of the best cardiac treatment units in the country.

Dr David Colin-Thome OBE, National Clinical Director for Primary Care spoke in depth about the benefits to patients of having their first contact with general practitioners in primary care. Dr Colin-Thome stressed the importance of focusing on the values of patients and suggested that as the ones responsible for commissioning services, PCTs should be challenging the systems.

Professor Ian Philp, National Director for Older People’s Services outlined changes to the National Service Framework for older people, a major element of which is the all-encompassing assessment of the patient’s needs, covering social, safety and care needs.

Sir Liam Donaldson addresses the County Durham and Tees Valley NHS