

News Release

22 July 2010

Dorset County Hospital on the road to recovery

Dorset County Hospital NHS Foundation Trust is making good progress financially and is predicting breakeven in 2011/12, Governors were told today (July 22) at a public meeting to present the organisation's annual report and accounts for 2009/10.

The Trust's deficit for the year ending 31 March 2010 was £2.3million lower than initially predicted and plans are in place to balance the books by saving £27.5million over the next three years.

The Trust's Chairman Dr Jeffrey Ellwood told the meeting of the hospital's Board of Governors that the Trust was now in a strong position to get its finances under control and provide a secure future for patient services.

Dr Ellwood said: "It is no secret that it has been a tough year for the hospital, but there is also much to be positive about and I have every confidence that with the new permanent executive appointments we now have the skills and experience at Board level to take this organisation forward and build on the high quality services we provide for our patients.

"I would like to thank all the staff within the organisation for their forbearance during this difficult time and their ongoing commitment and dedication to providing the very best care we can for our patients. The Board is extremely grateful for their continued support.

"There has been much talk and speculation about the cost of the interim directors we employed to lead our recovery programme. The figures are presented openly in our annual report but do need to be put into context.

"We needed to recruit a strong team following the departure of key members of the Board. We were facing a £7.4million deficit and had no credible recovery plan in place. In that position it would have been extremely difficult to recruit a permanent Chief Executive or Finance Director, so we took the decision to appoint a team of experienced interims with proven track records in turning around organisations in financial difficulties. This team included an interim Chief Executive, Finance Director, Turnaround Director and Director of Human Resources. Together these appointments cost the Trust £647,000.

"I understand that many people will view the cost of the interims as high and feel we should have tried to recruit a permanent team earlier. A comparison with the costs of permanent executives shows that the Trust spent £315,000 more than permanent executives would have cost over the same period. I do not believe this is an excessive sum considering that under the leadership of the interims the Trust has developed a recovery plan which now stands us in very good stead for tackling our financial challenges.

“Before the arrival of the interims our predicted deficits were £7.4million for 2009/10, £12million for 2010/11 and £17million for 2011/12. We are now in a far better position with a £5.1million deficit for 2009/10, a predicted deficit of £3.5million for 2010/11 and breakeven for 2011/12 – and this puts their contribution into context.

“We are currently concentrating on implementing a range of efficiency projects to enable us to make the best use of our resources and to ensure that our operational and clinical standards are in no way compromised. Examples include reducing the length of time patients have to stay in hospital, improving theatre efficiency and optimising the Trust's use of temporary staff.”

The Trust's Interim Chief Executive Sue Sutherland emphasised that although the Trust had faced financial difficulties, the quality of patient care had remained high and a lot had been achieved during the year.

She said: “There is no doubt that despite the difficult fiscal situation the Trust's staff continued to focus on delivering a high quality of care to patients.

“This is evidenced by the fact that in the national patient survey 50.4% of patients rated their care as excellent, compared to 44.3% nationally. Furthermore, 92% of patients rated their care as excellent, very good or good compared to 90% nationally – a tremendous achievement given the difficult circumstances.

“The Care Quality Commission gave the hospital unconditional accreditation and the quality of services assessment rated the Trust as ‘good’.

“Hospital acquired infection rates have continued to fall with four cases of hospital acquired MRSA reported, a reduction of two on the previous year, and clostridium difficile infections reduced 19% on the previous year, which had already seen a massive reduction of 60%. This is good and reassuring news for patients.

“Unsurprisingly, given the difficult financial situation, the staff survey outcomes were mixed. The Trust recognised that the main area of concern expressed by staff related to its culture, which impacts on how staff feel about working for the Trust. Directors and managers embarked on an immediate programme to help improve morale and improve staff wellbeing that is ongoing.

“However, despite expressing these concerns there is no doubt that staff continued to put patients and their care at the heart of their work and it is staff's hard work and commitment to delivering high quality care that enabled the Trust to continue to improve the safety and quality of care as well as score so well in the patient satisfaction survey.”

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