

# St Michael's hospice

## Annual Review 06



### **Introduction** by the Chairman

I am very pleased to report that the Hospice is in a good financial position, having generated a cash surplus to 31st March 2006 of £230,487, equivalent to 19 days running costs. The financial health, success and good reputation of the Hospice owe much to two people who have together devoted many years of unstinting service to St Michael's and St Augustine's. Derek Norcross retired at the last AGM in January 2006, having been on the Board for 14 years, the last 8 of which he served as Chairman. This report is a tribute to his inspired leadership, and his commitment to insuring that those living in Hastings and Rother could receive high quality palliative care, not only as in-patients or through day care support, but also at home at any time of day or night. His consistent support for holistic care – and for the establishment of the Sara Lee Trust which offers our patients complementary therapy – has also been important for our development. John Hollands, who also retired at last January's AGM having served on the Board since 1992, has been extremely influential. He was a driving force in ensuring the Hospice Company had a balanced budget as well as in establishing and growing our fundraising activities, including our successful Lottery, which now produces a substantial contribution to our funding needs.

Derek Blackman, Nigel Harper and Julia Parsons joined the Board at the end of 2005. They bring a broad range of skills and experience and have already made their mark in a number of different ways. We have been very fortunate that they have agreed to join us.

While it is pleasing to report that our finances are sound, there is no room for complacency. We work very hard to control costs, focusing our resources on patient care and keeping any increase in our expenses to an absolute minimum, while at the same time needing to offer competitive nursing and medical salaries. Nevertheless, it now costs £4.5 million just to maintain our current level of services – more than 75% of this going to front-line patient care. Grants received from the local Primary Care Trusts contribute close to 25% leaving us with more than £3 million to raise from alternative sources each year. I must here also record my thanks to the St Michael's Development Trust who, over the course of the year under review, have raised the capital sums to fund the extension to our day care services and the purchase of vital equipment, and also supported special sanctuary days for patients and staff.

What mere facts and figures cannot express is the extent to which we are dependent upon the hugely dedicated and professional staff who work at the Hospice, as well as those who work for us on a voluntary basis, now in excess of seven hundred and fifty. Nor should we forget all those others who support the work of the Hospice throughout Hastings and Rother in so many different ways. On behalf of the Board and all those who use the services of St Michael's may I say a heartfelt thank you to you all. Without you we would achieve nothing.

**Julian Avery**

## Our Services

St Michael's Hospice Company offers a range of palliative care services for local people in Hastings and Rother. Our services in St Michael's and in St Augustine's Nursing Unit include:

- In-patient care
- Respite and day care support
- Long-term or continuing care
- 24 hour community outreach support (Hospice at Home)

Our services aim not only to offer high quality medical and nursing support but also the flexibility that this range of services provides for patients. It means we can offer a package of support that meets the needs of an individual and his/her family at any particular time. This could include an in-patient stay on a short-term basis for respite or symptom control, longer-term care, also offering chaplaincy, social work and a range of therapeutic support and/or support to enable patients to stay at home through day care or the Hospice at Home team.

Over the past year, we gave the following support:

- 400 in-patients a year
- 2,500 booked day care attendances
- Over 3,000 Hospice at Home visits
- 1,000 patients seen in out-patient clinics
- Over 200 domiciliary visits made by our Medical Consultant

## How have we performed?

*"We aim to provide the highest standards of palliative care."*

(Extract from St Michael's Strategic Aims)

### Patient satisfaction

Patients' surveys showed a very high rate of satisfaction with each of our services. We continue to receive hundreds of letters and cards showing an appreciation of the care received. While "compassion" and "professionalism" were some of the most frequent comments used, these were often accompanied by a value placed on "friendliness" and "respect" and the support given to the family:

*"Very high standards of dedication and professionalism. It is a job only a few can do, but you all managed to do it even better."*

### Patient involvement

We are seeking to involve patients more in our work. We have already established a Patients' Representative Group, which has helped review some of our public information. We involve patients in our training and would like a patient to join our Ethics Committee but have not yet been able to find a representative.

### Inspections

Many businesses feel the rising tide of regulation and we are no exception. Inspections have included visits from the Healthcare Commission (St Michael's), the Commission for Social Care (St Augustine's), Environmental Health (kitchens), the University of Brighton (training for student nurses) and Sussex Downs College (training for National Vocational Qualifications), not forgetting the Inland Revenue (Gift Aid). However, results were, I am pleased to say, very positive and we recognise the importance of external accountability. High quality services will only be maintained if we review our work and constantly look at ways in which we can make improvements.

The Commission for Social Care Inspection looked at a range of services, including care planning, commenting:

*"The care plans are comprehensive and reflect personal and social needs."*

## Our Volunteers

“We aim to recognise, encourage and develop the essential contribution of volunteers.” (Extract from St Michael's Strategic Aims)

Volunteers continue to make an enormous and essential contribution to our work. Volunteers fundamentally affect the ethos of the way we run, giving us a quality of patient care that is not only seeking clinical excellence, but is friendly, full of warmth and humour. Without volunteers, too, our income would be significantly less. Our shops and restaurant could not run without them, nor could the myriad of fundraising activities that raise such essential funds for us.

### 2005-2006

Number of volunteers	750
Estimated hours worked	79,872
Estimated value*	£718,848

\*using the national average rate estimated by Help the Hospices

## Working in Partnership

“We aim to promote the highest standards of palliative care through collaboration with other healthcare professionals.” (Extract from St Michael's Strategic Aims)

We are fully committed to working closely with other statutory and voluntary organisations to ensure that services improve. For example, we regularly attend the local Cancer Action Group and are involved in improving lymphoedema services for patients with a cancer diagnosis, with the aim of improving mobility and quality of life. Ways of improving communication and referrals from the Conquest Hospital are also under active discussion. We also continue to develop our work with patients with non-malignant diseases, for example chronic heart disease.

## Planning for the future

The world in which we live and work is changing. The NHS is developing new systems which will affect where patients receive their care, planning changes that could affect our local Conquest Hospital and bring in new primary care structures. Each of these changes could profoundly affect the Hospice, our services, referrals and the way we are funded.

We have, therefore, to be prepared for change. To enable us to meet these challenges, we are:

- Upgrading patient areas so they meet higher standards
- Reviewing all our costs, looking closely at every budget heading
- Developing our fundraising activities
- Supporting local planning groups in relation to cancer and non-cancer services
- Supporting greater patient choice in relation to end of life care.

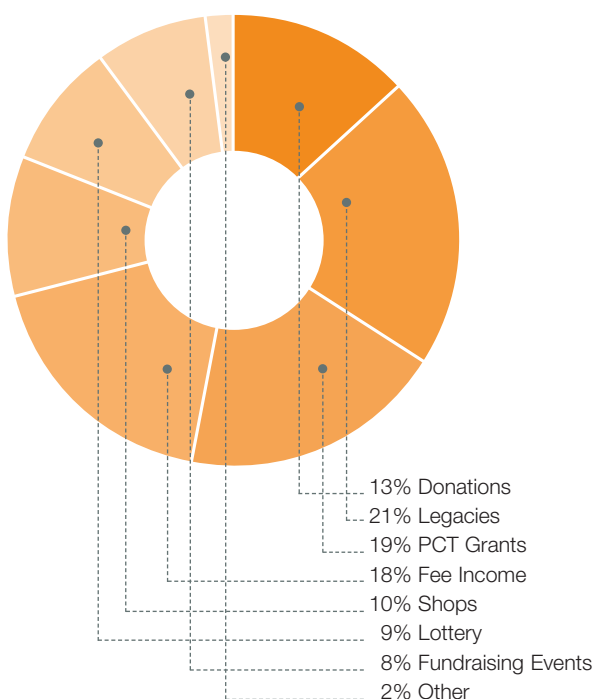
Funding is at the heart of our service developments. As costs rise, our income (particularly legacies) has not consistently risen to the same extent. We want to extend our marketing and fundraising to all areas of Hastings and Rother, working with as many local supporters as possible, so that we can continue to ensure that local people can access the high quality palliative care services they need and deserve.

# Financial Performance 2005-2006

## Financial overview

Overall, we had a satisfactory year in terms of financial performance. Originally forecasting a deficit, we introduced procedures to ensure value for money in relation to all areas of our work. Purchasing systems were tightened up; training was introduced for managers; particular attention was paid to staffing costs; and a number of contracts were renegotiated, for example in relation to utilities. All of this resulted in savings. The forecast of income from legacies was particularly low by the end of the third quarter, but recovered to an unexpected – and beneficial – level in the last six weeks of the year, which resulted in a year end of surplus of £230,487.

### St Michael's Hospice Company Income £4.778M



Income rose from £4.44 million in 2004-05 to £4.78 million in 2005-06. We rely on our supporters for the majority of our income, whether from donations or the results of trading fundraising activities. Without them and the money they raise our palliative care services would close. We are also extremely grateful for the support of Hastings and St Leonard's and Bexhill and Rother Primary Care Trusts and value our close working partnership with them.

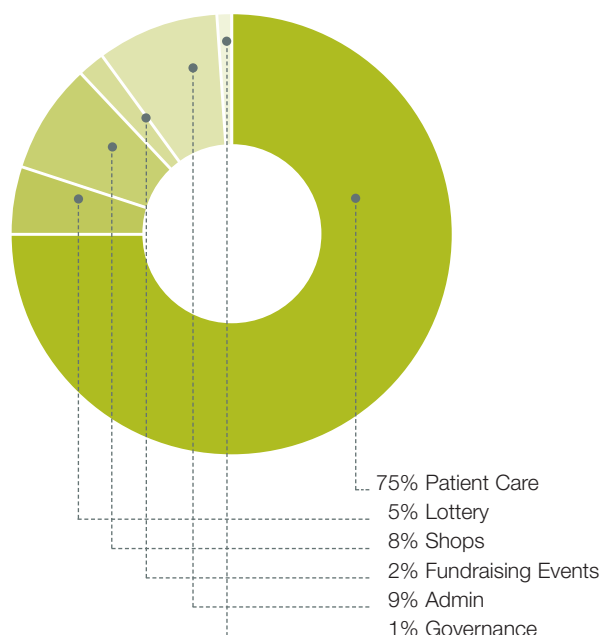
#### Key areas of income were:

**Legacies:** These were up by 19% as a result of some unexpected legacies in March

**Fundraising:** This has made a remarkable improvement of 43% in terms of cash income up by £112,221 for an increase in investment of £36,387 creating a net increase of income of £75,843

**Trading:** The shops turnover was up by 7% and there is a continued encouraging trend of improvement, demonstrating the effort of the shops volunteers.

### St Michael's Hospice Company Expenditure £4.548M



Overall, our expenditure rose by £189k (4.3%) to £4.55 million. Generally, direct patient care costs amounted to £3.39 million, 75% of our total expenditure. Management and administrative costs fell to 9.3%, a small but positive reduction from the previous year when they represented 9.7%.

#### Key areas of expenditure were:

**Fundraising:** Overall, for every £1 spent on fundraising, £4 is raised.

**Staff costs:** overall, staff costs rose by 4.6% in the past year, both because of inflation at 3% but also due to an additional 1.6% required for pension contributions.

**Building improvements:** a considerable amount of work was carried out to the main hospice site, chiefly the new Day Care facility, the Observer Ward, improving the entrance drive and painting the front and side of the building. In addition, we started a programme of refurbishment throughout our shops.