NHS Estates

Annual Report 2004–2005

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Ordered by the House of Commons to be printed 20 July 2005.
Presented to Parliament pursuant to section 4 (6) of the Government Trading Funds Act 1973
as amended by the Government Trading Act 1990.

NHS Estates

HC 230 London: The Stationery Office £15.00

Photography credits

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Gateway reference number 5211

Mission statement

We enable a world class environment for healthcare delivery

Vision

We are the trusted partners, enabling the best environment for healthcare. We contribute to a modern NHS by providing value added services

Chief Executive's overview

Chief Executive to 31 March 2005

This annual report for 2004/05 is the final report for NHS Estates, which will cease to exist on 30 September 2005. The new way forward for the Agency is set out in the next section.

Despite this being a very difficult and uncertain time for staff, NHS Estates has achieved a great deal in supporting the NHS during the 12 months to March 2005.

The past year has been a time of huge investment and reform in the NHS, which is bringing about radical change in the way healthcare services are delivered. Earlier in 2005, the Government announced an unprecedented £135 billion investment to improve NHS services and the health of the nation. Part of this historic investment will be used to increase capacity and improve access to health services.

The NHS estate is an intrinsic part of the reform and improvement of healthcare services. It is critical that the estate can respond to these challenges to support increased capacity and to provide greater access to safe, clean and comfortable environments for healthcare delivery, which promote healing and well-being for patients, staff and users.

In July 2004, the Secretary of State for Health boosted investment in the NHS estate by giving the "green light" for 15 new hospitals worth £4 billion. After years of under-investment the NHS is now in the middle of the biggest hospital building programme in its history to modernise the infrastructure of the healthcare estate and deliver healthcare facilities that can meet the demands of the 21st century. It has been our job at NHS Estates, as steward of the healthcare estate, to ensure that this investment is used wisely to support the delivery of improved services that put patients' needs first. This role will continue and become even stronger and influential as it moves back into the Department of Health (DH) later this year.

We know that patients expect to be treated in modern, bright and welcoming environments and that healthcare professionals expect to work in environments that can support them in their delivery of treatment and care to patients. NHS Estates is championing design quality and excellence in construction of healthcare buildings through evidence-based research and best practice from around the world.

The NHS Estates Centre for Healthcare Architecture and Design (CHAD) brings together design champions at Board level in NHS trusts to ensure that design quality is at the heart of healthcare facilities. CHAD offers best practice advice and guidance to the NHS through a collaborative approach with other leading healthcare architecture and design organisations. The Enquiry by Design programme, in partnership with The Prince's Foundation, invites stakeholders of a proposed development (including patient groups, NHS staff and members of the public) to get involved in the initial stages of a scheme to help the NHS deliver patient-centred, landmark healthcare facilities.

Well-designed buildings can create healthcare environments that promote healing. The NHS Estates 'Enhancing the Healing Environment' programme, in partnership with The King's Fund, has empowered the NHS to create inspiring environments for care that both staff and patients can be proud of. Teams

of NHS patients and staff throughout the NHS, funded by grants, have been transforming their facilities whether it be refurbishing a ward, waiting area, or garden, or creating quiet and comfortable spaces. Due to the success of the initiative, it has been extended to include more NHS trusts.

There is ever-increasing evidence that providing the right environments for care can promote patient recovery and can contribute to reducing a patient's stay in hospital as well as reducing stress levels in both patients and staff and maintaining staff morale. NHS Estates has gathered evidence-based research from around the world to inform the NHS and demonstrate the benefits of investing in healing environments. The Environment for Care conferences have proved extremely popular with the NHS and have brought together leading international experts in the fields of healthcare design and architecture and industry to share their knowledge and experience to build upon existing best practice.

As well as designing healing environments, NHS Estates recognises the need for safe environments. Healthcare Acquired Infection (HCAI) and cleanliness in hospitals have continued to make the headlines this year, and remain a top priority for the DH. The Chief Nursing Officer (CNO) said earlier in the year that it was her top priority to improve hospital cleanliness and combat MRSA and other healthcare infections. Through a joined-up approach, the DH and healthcare bodies, including NHS Estates, have launched a multi-pronged approach to combating HCAI. Campaigns such as the "Think Clean Day" have helped to drive home the message that simple measures and hygiene precautions can make a real difference. Progress is being made in the fight against HCAI; the 2004 Patient Environment Action Team (PEAT) results showed that 87.5% of hospitals have acceptable or better standards of cleanliness, and the DH reported the fewest cases of MRSA since records began.

The NHS Estates Centre for Healthcare Engineering (CHE) provides evidence-based strategic advice and guidance to the NHS on all aspects of infection control. CHE has established strong working relationships and partnerships with a range of other Government Departments such as the Department of the Environment, Food and Rural Affairs (DEFRA) and leading healthcare and engineering organisations such as the Chartered Institute of Building Services Engineers (CIBSE) and the Institute of Healthcare Engineering and Estates Management (IHEEM) to bring together expert knowledge to inform its policy and strategy.

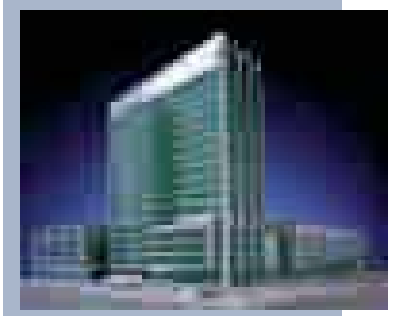
NHS Estates's Decontamination team is establishing joint ventures with the NHS and private sector to radically improve practices in the decontamination of surgical instruments. The first NHS decontamination super centre, servicing a number of NHS trusts from one central location, is now up and running, and various joint ventures are well on their way to completion.

As we move forward, it is clear that the Government is striving to put patients at the heart of public services and to give them greater choice in how and where they receive their treatment. The healthcare estate is evolving to respond to this challenging agenda. Pioneering treatment centres have treated over 120,000 patients since their launch in 2002, flagship surgical centres lead the way in short-stay elective care, and super-surgeries serve local communities by bringing together a range of health and social care services under one roof.

Delivering the Government's agenda for reform in the NHS is only possible if we work together, and it is only through our collaborative partnerships and through the continued support from our NHS colleagues that NHS Estates has been able to achieve so much this year. I would like to pay tribute to all staff in NHS Estates for all their hard work during a year of enormous change for the Agency. With the new way forward, I am confident that we will be even better placed to play a more important and influential role in the delivery of the DH's objectives.

Peter Wearmouth

"Progress is being made in the fight against HCAI; the 2004 Patient Environment Action Team (PEAT) results showed that 87.5% of hospitals have acceptable or better standards of cleanliness, and the DH reported the fewest cases of MRSA since records began."



University College Hospital, University College London Hospitals NHS Foundation Trust

The new way forward

Acting Chief Executive from 1 April 2005

The Government is moving forward with its commitment to streamline the civil service and re-allocate public-sector jobs out of London in line with the Gershon and Lyons reviews. As part of this overall programme, the Secretary of State outlined the DH's strategy for reform to re-allocate resources to the front line and reduce bureaucracy in the NHS.

In July 2004, the DH published the 'Reconfiguration of the Department of Health's Arm's Length Bodies' report, which outlined its programme for reducing Arm's Length Bodies (ALBs) by approximately 50%, realising a saving of at least £500 million.

One of the outcomes of the report was to abolish NHS Estates as an Executive Agency. The Agency will close on 30 September 2005; however, most of the workstreams will carry on in other destinations and a core function for estates and facilities will be established within the DH.

NHS Estates is implementing a Reconfiguration Programme to meet the recommendations of the DH's report and to transfer its various workstreams and establish the DH Estates and Facilities function.

NHS Estates has been reviewing its function and direction, in light of the ALB report, to identify services that will fit in with the DH's structure and contribute to the DH's priorities and objectives.

The new DH Estates and Facilities Directorate, to take over from the close of NHS Estates, will adopt a more strategic-level approach to providing policy, advice and guidance on aspects of the healthcare estate. Its "Forward Plan" for the coming year is to ensure the strategic development of a flexible and responsive environment for health and social care.

The priority workstreams for DH Estates and Facilities are:

- Engineering, Technology and Environment
- Estates Design and Costing
- Knowledge and Information
- Strategic Estate Management and Property.

NHS Estates has taken the lead on a number of high-profile programmes, initiatives and DH commitments, and the good work that has been done to date will carry on in other destinations. Policy areas for the patient experience have moved to the Chief Nursing Office (CNO), and DH International has moved to the DH Commercial Directorate. Strategic estates services have transferred to cluster SHAs to ensure that the NHS continues to receive estates advice and support; however, work on the surplus retained estate (not transferred to English Partnerships) will continue for a limited period within the DH. Operational aspects of Cleanliness, Food and safe hospital design are in the process of transferring to the National Patient Safety Agency (NPSA).

Since NHS Estates was established in 1991, we have achieved a great deal and built a reputation to be proud of by taking the lead

and delivering many high-profile and priority programmes and initiatives. NHS Estates delivered many commitments of the NHS Plan including those for improving cleanliness standards in hospitals, better hospital food, introducing ward housekeeping services, and the installation of bedside TV and telephone systems in major hospitals. Our procurement framework, ProCure21, has received recognition from the highest areas of Government, and continues to be a beacon of best practice.

As a result of these changes the former roles of NHS Estates will be well placed to continue supporting reforms of healthcare services and to develop a patient-led NHS.

Tim Straughan

Emergency Department, John Radcliffe Hospital, Oxford Radcliffe Hospitals NHS Trust

Organisation and structure

Woodhaven Mental Health Unit, West Hampshire NHS Trust

Our Vision

"We are the trusted partners, enabling the best environment for healthcare. We contribute to a modern NHS by providing value added services."

Our Mission

"We enable a world class environment for healthcare delivery."

Values

The corporate values of NHSE are:

- **Partnership** – the relationships between two or more people or organisations that collaborate on the same activity.
- **Responsibility** – being empowered to make decisions independently.
- **Integrity** – the application of high moral principles or professional standards.
- **Dedication** – total commitment to all we do.
- **Enjoyment** – personal satisfaction from our work programme.

Description of the Agency's Business

NHS Estates is responsible for strategy and policy related to the healthcare built environment including non-clinical support services. Our diverse areas of work include:

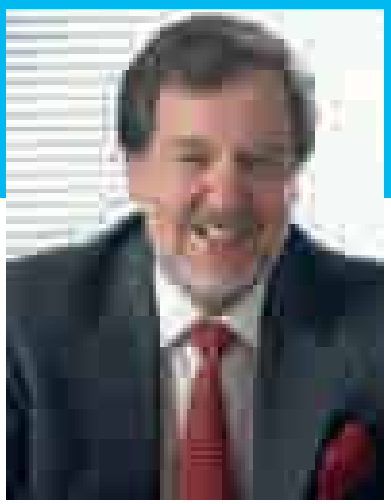
- capital planning and investment;
- construction procurement;
- design;
- strategic estate planning;
- operational management;
- best practice engineering;
- fire safety;
- the patient environment;
- food and cleanliness;
- key worker accommodation;
- workforce strategy and training for estates and facilities staff;
- property and environmental issues.

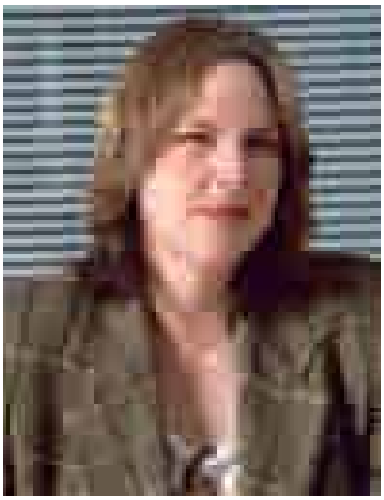
This programme is supported by a multi-disciplinary team of professional and technical managers, senior managers from the NHS, professional architects, engineers, surveyors and project managers.

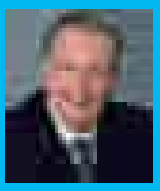
Our **aim** is to provide the best possible environment for patient care by supplying support and advice on the planning, design, procurement, operation, and disposal of healthcare buildings and facilities.

Our **objective** is to develop as a centre of excellence for building better healthcare by:

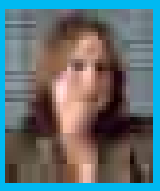
- providing experienced professional and technical staff who can advise and



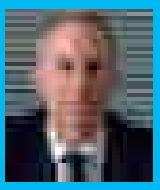




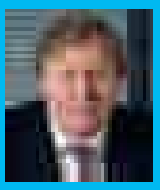
Chief Executive to 31 March 2005 – Peter Wearmouth; Chairman – Bill Murray



Executive Director of Policy and Development – Jane Riley; Non-Executive Director – Gail Monnickendam



Acting Chief Executive from 1 April 2005 – Tim Straughan; Non-Executive Staff Representative – Jane Crossley



Executive Director of Strategic Services – Terry Murphy; Non-Executive Director – John Evans

"Our aim is to provide the best possible environment for patient care by supplying support and advice on the planning, design, procurement, operation, and disposal of healthcare buildings and facilities"

University College Hospital, University College London Hospitals NHS Foundation Trust

troubleshoot on all aspects of the healthcare built environment;

- giving advice and expertise on delivering a better patient environment;
- sharing information about building on partnering and the benefits of our partnerships;
- disseminating examples of good practice, both national and international, and lessons learned from trusts through networking;
- releasing performance data for trusts;
- utilising our unique links to clinical policy;
- working in partnership with other healthcare-related organisations.

Responsibilities and Accountabilities

The Chief Executive is directly responsible to the Secretary of State for the management and disposal of the retained estate and policy development for non-clinical NHS services. NHS Estates is a trading fund and governed to ensure a moral and responsible approach to the management of the growing portfolio. The Agency's Senior Departmental Sponsor (currently the Department of Health's Director of Finance and Investment) oversees our activities and advises the Secretary of State on our business strategy and delivery of key tasks and targets.

The board of NHS Estates is chaired by a non-executive director and the remaining board members comprise both executive and non-executive directors and a staff nominee (with non-executive status). In accordance with our commitment to openness and transparency, all board meetings are "open" for staff to attend.

Civil Service Commissioners' Recruitment Code

Recruitment into the Home Civil Service is governed by the Civil Service Order in Council 1995. The Civil Service Commissioners provide a recruitment code on the interpretation and application of the principles for recruitment into the Civil Service. NHS Estates has procedures in place to ensure that each member of staff is recruited following the provisions set out in this code, and these procedures are subject to an annual independent audit check. To access a full version of the code, please go to

www.civilservicecommissioners.gov.uk

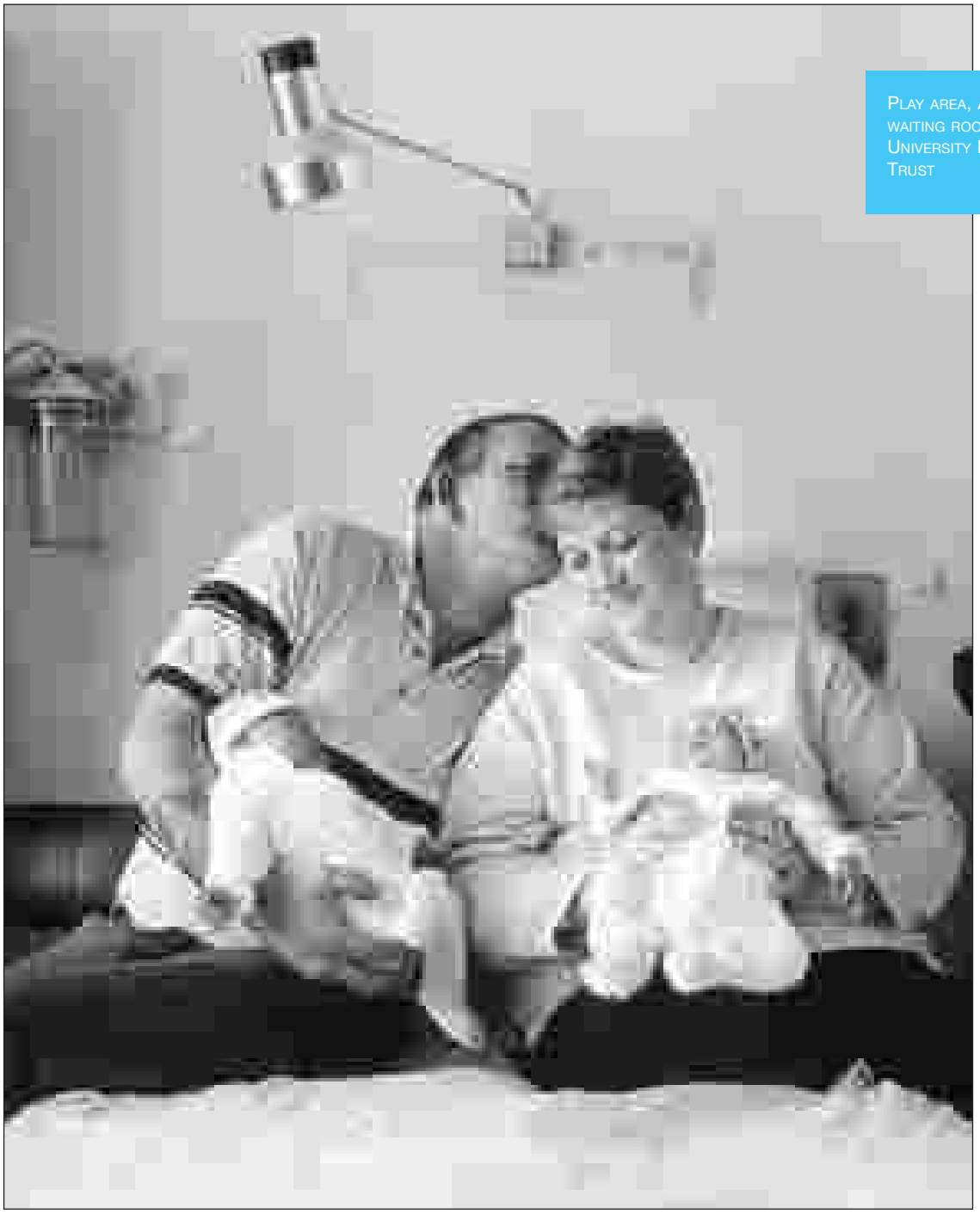
Appointments

In total, NHS Estates recruited five new members of staff (includes all types of recruitment) during the period April 2004 to March 2005. The table below provides information relating to the ethnic origin, disability and gender of those recruited.

Exceptions to the Code

During the period April 2004 to March 2005 there were appointments of secondees and extensions to existing appointments to ensure that projects requiring specialised experience and expertise were continued and delivered,

		Managerial Grades IP2U–IP4U	Administrative Grades IP1–IP2S
Ethnicity	White	4	1
	Other	–	–
Disability	Disabled	–	–
	Non-disabled	4	1
Gender	Male	4	–
	Female	–	1



Play area, Antenatal Clinic waiting room, Homerton University Hospital NHS Trust

and so that the Agency was able to fulfil its responsibilities to Ministers and stakeholders. During this period, NHS Estates made use of the following permitted exceptions to the code:

- Recruited 4 secondees from outside the Agency;
- Recruited 2 short-term appointees on contracts of up to 12 months;
- Extended 21 short-term appointments of up to 12 months up to a maximum of 24 months because project timescales were extended.

Achievements and objectives

Objective	Achievements in 2004/05
Delivering Environments for Healthcare	• Food – 2004 PEAT results show 58% of hospitals assessed have good or excellent standards, and overall 93% have acceptable or better standards of food provision. • Clean Hospitals – 2004 PEAT results show that 92% of hospitals assessed have acceptable or better standards of cleanliness. • Patient Power – At December 2004, 155 hospitals had an operational bedside TV and telephone system; this equates to 75,000 patients having access. All major hospitals that were targeted that did not have an operational system in place by December 2004 are either installing a system or have signed a contract with a supplier to install a system. • Ward Housekeeping – In hospitals with over 100 beds (which account for 86% of all beds), 70% now have housekeepers in post. In hospitals with 24 beds or more, this figure is 56%. This means that the majority of trusts (66%) with hospitals have introduced housekeepers and are seeing tangible benefits for patients and staff. • Matron's Charter – Launched an Action Plan for Cleaner Hospitals, in October 2004, which is a clearly-written no-nonsense guide for hospital staff which makes it plain that all have a role to play, whilst recognising the role of matrons in taking the lead for maintaining high levels of cleanliness. • "Think Clean Day" – To ensure that cleanliness is kept to the forefront of everyone's mind and encourage teams to work together towards a common goal, the Towards Cleaner Hospitals document identified a "Think Clean Day", with presentations and promotion packs available for all interested hospitals prior to the actual day on 28 February 2005.
Primary Care	• Over 2850 refurbished GP premises and 510 new one-stop primary care centres.
Design and Construction Services	• Appraisal of Strategic Outline Cases (SOCs), Outline Business Cases (OBCs) and Full Business Cases (FBCs) in line with the major capital building programme. • Undertaken 20 NHS Design Reviews of major capital schemes at two key stages from initial concept and prior to financial close. Four design workshops have now taken place to provide advice and guidance at the earliest stages of design development. • Managed the NHS Design Champions agenda. There are approximately 350 NHS Design Champions raising the profile of design at trust board level.

McAuley Building, Mater Hospital, Belfast Health and Social Services Trust

Objective	Achievements in 2004/05
Design and Construction Services (contd)	• Partnered with The Prince's Foundation to carry out the Enquiry by Design process with NHS trusts, inviting stakeholders of a proposed development to collaborate in producing a strategic development framework plan. • Partnered with CABE, working to raise the profile of design, with schemes being procured through Local Improvement Finance Trusts (LIFT). • To highlight the Government's drive for construction excellence in the public sector, NHS Estates and the DTI Construction Unit held a joint "Innovation in Healthcare Construction" Workshop. • ProCure21: 249 registered schemes amounting to £2.3 billion 58 projects on site amounting to £542 million 29 projects complete amounting to £112 million. • NHS Estates ProCure21 was announced winner of the "Most Admired Public Sector Client" award. This prestigious award was given at the Construction Client Convention on Friday 30 April in the Cafe Royal in London.
Healthcare and Public Health Engineering	• The establishment of the Engineering & Science Advisory Committee on the Decontamination of Surgical Instruments including Prion Removal (ESAC-PR). The work of this group, chaired by our Chief Engineer, will have a direct impact on future decontamination practices in the NHS. • Developing a new core suite of technical healthcare-specific guidance. This major restructuring exercise, the first for over 30 years, will ensure that HTMs will continue to support the NHS in delivering a world-class environment for care. • Continuing to develop national occupational best practice standards relating to engineering disciplines as part of the developing capacity strategy. The intention is to address recruitment and retention issues relating to a modern apprenticeship. This is being expanded to include health-specific competencies for critical engineering services, for example medical gases. • Providing funding to support the work by NICE on assessing the risk of transmission of vCJD/CJD via surgical instruments as well as contributing to the technical, managerial and policy development of this work. • Working closely with DH Emergency Planning Division and the Ministerial Committee of Defence and Overseas Policy, Sub-Committee on International Terrorism, Ministerial Group on Consequence Management and Resilience (DOP(IT)(R)) on electrical resilience within the critical national infrastructure. • Continuing to work on issues surrounding infection control and the built environment. This has included developing new engineering ventilation models for use in isolation, setting up a working group to develop features that will reduce reservoirs of infection, supporting the work to improve standards in clinical practice, funding research around reducing HCAI rates, as well as speaking at a number of international conferences.

Objective	Achievements in 2004/05
Decontamination Policy and National Programme	• Established the NHS decontamination supercentre, based on King George's Hospital, Ilford and opened a redeveloped sterile services department at Scarborough. These new facilities are part of the Decontamination team's commitment to radically improve decontamination services in the NHS. • Currently, nine decontamination joint ventures (JVs) covering 34 NHS trusts are in the process of choosing private sector partners to develop new facilities following the EU procurement rules. This represents potential investment by the private sector of some £90m. • After having taken advice from the Chief Dental Officer, the Department of Health (DH) allocated £6m in 2004/05 to Dental Schools to improve their decontamination services. • The National Decontamination Training Programme has been developed for NHS staff directly involved in the decontamination of surgical instruments, and those who require an appreciation of decontamination principles. This e-learning package was launched at a series of roadshows in the Autumn of 2004 and will see approximately 13,000 staff receiving training over the next two years.
Key Worker Accommodation	• 3895 healthcare workers had completed on purchasing their own homes under the Government's Starter Home Initiative (SHI) scheme by the end of October 2004. This scheme has now finished. • A new key worker programme, Key Worker Living, started on 1 April 2004. It focuses on those delivering frontline public services, such as health workers and teachers, where there are significant recruitment and retention issues. It builds on the foundations of the SHI and extends housing assistance to key workers at different life-stages, not just first-time buyers. Within health, staff groups have been prioritised for assistance, with clear emphasis on clinical grades. • The response from key workers to the Key Worker Living scheme has been very good. Monitoring reports to the end of April 2005 show that 1359 health workers have completed on property purchases, or exchanged, and a further 461 are at an advanced stage of home purchase. In addition, a further 540 health staff have been helped with intermediate renting under the scheme. • A national NHS housing web site (http://www.nhs.uk/housing) and helpline (0845 6040240) are fully operational, providing information about housing for NHS staff.

Objective	Achievements in 2004/05
Stewardship of the NHS	• Income for the sale of surplus estate was c£75m, which was in accordance with the NHS Estates key task and target of £75m. • Agreement concluded on 6 April 2005 with English Partnerships for the transfer of around 100 properties to support the sustainable communities agenda, including the provision of key worker housing. • Liaised with ODPM officials on changes to the town planning system to ensure the interests of the NHS are protected. • Continued to work with English Partnerships on the Register of Surplus Public Sector Land and advised the NHS when new properties were added to it by other public bodies. • Undertook research into alternative means of asset ownership for the NHS estate to release capital for NHS modernisation.
*e*fm-Information	• In November 2004, following detailed consultation with the NHS and professional bodies, Ministers launched the new 'Risk-based methodology for establishing and managing backlog' document and software. • We have worked in partnership with the NHS to produce feedback on each trust's ERIC data, with the Strategic Health Authorities through our Strategic Estates Advisors, to give them access to data on all their trusts, and with many other stakeholders including the Healthcare Commission. • As part of the approval process for new Foundation Trusts, we have contributed data and analyses on the quality and profile of the applicant's estate. This will ensure that successful applicants have the right estate to support their services. • In 2003/04, several new *e*fm modules came on-line, including Fire Incident Reporting, Unwanted Fire Signals Incident Reporting, and Defects & Failure Incidents Reporting. Other modules will be introduced in early 2005/06. Additionally, a new reporting tool, Dynamic AI, was introduced to speed up and improve analyses.
Guidance	• A major task was undertaken to refresh Health Building Notes (HBNs) and Health Technical Memoranda (HTMs). This work was completed at the end of the last financial year. Some 25 new or updated titles were produced in 2004/05. • Development of a content management system has commenced, drawing the benefits of greater consistency and easier updating than hitherto, as well as greater integration between ADB, HBNs, HTMs, DCAGs and SoAs.

Evelina Children's Hospital, Guy's and St Thomas' NHS Foundation Trust

Key tasks and targets 2003/04, 2004/05, 2005/06

Key Target Areas	Targets, Outturns & Achievements for 2003/2004	Targets, Outturns & Achievements for 2004/2005	Targets for 2005/2006
Priorities for Health	To oversee and lead the estates and facilities management deliverables outlined in the Priorities and Planning Framework 2003/06, ie Clean Hospitals, Food, TV and telephones, and primary care building premises. **Achieved:** • **Basic Care Services Networks established in all 28 SHAs, and taking the lead in delivering the NHS Plan commitment of introducing ward housekeeping service in 50% of all hospitals by 2004.** • **Privacy & Dignity – 98% of wards now meet single-sex accommodation guidelines.** • **Bedside TVs – 117 hospitals have an operational Patient Power System. 58 hospitals are currently installing a system. 42 hospitals have signed a contract with a supplier. 24 hospitals have selected a preferred supplier and eight hospitals are in discussions with suppliers.** • **Clean Hospitals – PEAT results for 2003 show a further improvement, with all hospitals being assessed as providing acceptable performance and almost 80% receiving a "Green" (good) rating.** • **Hospital Food – PEAT results for 2003 showed an improved performance with over 40% of hospitals being assessed as providing good services and all others rated as acceptable.** • **Primary Care – by end of December 2003, 1950 GP premises had been replaced or refurbished.**	To oversee and lead the estates and facilities management deliverables outlined in the Priorities and Planning Framework 2003/06, ie Clean Hospitals, Food, TV and telephones, and primary care building premises. **Achieved:** • **Food – 2004 PEAT results show 58% of hospitals assessed have good or excellent standard and overall 93% have acceptable or better standards of food provision.** • **Clean Hospitals – 2004 PEAT results show that 92% of hospitals assessed have acceptable or better standards of cleanliness.** • **Patient Power – At December 2004, 155 hospitals had an operational Bedside TV and telephone system, this equates to 75,000 patients having access. All major hospitals that were targeted that did not have an operational system in place by December 2004, are either installing a system or have signed a contract with a supplier to install a system.** • **Ward Housekeeping – In hospitals with over 100 beds (which account for 86% of all beds), 70% now have housekeepers in post. In hospitals with 24 beds or more, this figure is 56%. This means that the majority of trusts, (66%) with hospitals, have introduced housekeepers and are seeing tangible benefits for patients and staff.** • **Primary Care – Over 2850 GP premises have been refurbished or replaced and 510 new one-stop primary care centres created.**	Not applicable.

West Wing, St Bartholomew's Hospital, Barts and the London NHS Trust

Key Target Areas	Targets, Outturns & Achievements for 2003/2004	Targets, Outturns & Achievements for 2004/2005	Targets for 2005/2006
	NHS Plan commitment to introduce a ward housekeeping service in 50% of all hospitals by 2004. **Achieved:** • **53% of hospitals with over 100 beds have a ward housekeeping service in place, and 40% overall have a ward housekeeping service in place.**		
Provision of extra unit of nurse accommodation in London	National commitment to ensure delivery of the Government funded Starter Home Initiative (SHI) scheme for health staff. To ensure that the national commitment on additional rental accommodation is met. To work closely with the Office of the Deputy Prime Minister, especially in preparation for the launch of the new Key Worker Living scheme (which replaces SHI). To further establish the NHS accommodation website and helpline as an aid to NHS staff in seeking accommodation. **Achieved:** • **3452 healthcare workers had completed on purchasing their own homes under the Government's Starter Home Initiative (SHI) scheme by the end of February 2004.** • **Over 2000 additional rental units have been made available to NHS staff.**		Not applicable.

Key Target Areas	Targets, Outturns & Achievements for 2003/2004	Targets, Outturns & Achievements for 2004/2005	Targets for 2005/2006
Partnership on the Retained Estate	NHS Estates key task and target to deliver the solution to the national commitment for the one-off sale of the Retained Estate. **Delayed:** • **A change in policy has resulted in a Ministerial decision to transfer the property portfolio to ODPM. This will deliver thousands more affordable homes, growth and regeneration.** NHS Estates key task and target to deliver its quinquennial review objective of alternative solutions for the non-core trading functions to be achieved through a Real Estate Partnership. **Delayed:** • **As a result of the Retained Estates Partnership not proceeding, alternative options for Inventures are now being considered.** NHS Estates key task and target to achieve gross cash land sale receipts of over £120m. **Achieved:** • **£142m cash received for land sales in 2003/04.**	NHS Estates key task and target to complete a successful transfer of surplus properties to other Government departments to achieve policy objectives. **Achieved:** • **In April 2005 NHS Estates successfully transferred the surplus NHS estate property portfolio to English Partnerships to be used as part of the ODPM's Sustainable Communities Plan.** NHS Estates key task and target to achieve gross cash land sale receipts of £270m. **Achieved:** • **A transfer to English Partnerships of the first tranche of around 65 surplus properties as part of a wider transfer of approximately 100 properties was completed on 6 April 2005.** **Reflecting this transfer, gross cash land receipts of £300m.**	Not applicable.
Estate	To support the Foundation Trust Programme in relation to Estate and Facilities Management Services. **Achieved.** • **Throughout the year, NHS Estates has provided efm services support and written guidance to the DH Foundation Trusts Directorate and its sub-groups, as well as the Office of the Independent Regulator.**		Not applicable.

Key Target Areas	Targets, Outturns & Achievements for 2003/2004	Targets, Outturns & Achievements for 2004/2005	Targets for 2005/2006
Management Process	NHS Estates key task and target to strengthen the use of EFQM through the provision of training and the regular updating of EFQM objectives and reporting to the Agency Board (monthly). To build on the EFQM score established in 2002/03 through an independently verified process. **Achieved:** • **Agency scored 396, an improvement upon last year's score of 390.**	NHS Estates key task and target to strengthen the use of EFQM through the provision of training and the regular updating of EFQM objectives and reporting to the Agency Board (monthly). • **Cancelled:** **Due to the recommendation of the "Reconfiguration of the Department of Health's Arm's Length Bodies" report to abolish NHS Estates, the Agency changed its Governance procedures to complete a Reconfiguration and Decommissioning Programme.** NHS Estates key task and target to improve on the EFQM score established in 2003/04 through an independently verified process. **Cancelled:** • **Due to the recommendation of the "Reconfiguration of the Department of Health's Arm's Length Bodies" report to abolish NHS Estates, the Agency changed its Governance procedures to complete a Reconfiguration and Decommissioning Programme.**	Not applicable.
Business Focus	DH commitment to work towards and support the changing NHS landscape and changes in DH, through partnerships with SHAs, NHS Trusts, PCTs, the Regulator, CHAI and others. **Achieved:** • **NHSE has now refocused its activities to take account of the new NHS landscape and systems reform agenda.**		Not applicable.

Key Target Areas	Targets, Outturns & Achievements for 2003/2004	Targets, Outturns & Achievements for 2004/2005	Targets for 2005/2006
	DH commitment to support the NHS and Ministers by implementing a new star system to standardise quality control scoring in conjunction with CHAI. **Achieved:** • **Discussions have been held with Professor Kennedy (Chair of CHAI) and officials from CHAI to ensure that the importance of the environment of care in future performance assessment processes is recognised. A scoping exercise has been undertaken by Joint Commission Resources Inc (part of the Joint Commission on Accreditation of Healthcare Organisations) on the possible shape of future inspection/accreditation processes.**		
Annual Results	NHS Estates key task and target to continuously improve the financial health and efficiency of the Agency by achieving a cumulative operating surplus on ordinary activities before interest and dividends of at least 0.6% of the value of sales during the period from 1 April 2001 to 31 March 2004. **Achieved:** • **Target of 0.6% exceeded**	NHS Estates key task and target to continuously improve the financial health and efficiency of the Agency by achieving a cumulative operating surplus on ordinary activities before interest and dividends of at least 0.6% of the value of sales during the period from 1 April 2004 to 31 March 2005. **Cancelled:** • **Due to the recommendation of the "Reconfiguration of the Department of Health's Arm's Length Bodies" report to abolish NHS Estates, the Agency changed its Governance procedures to complete a Reconfiguration and Decommissioning Programme**	Not applicable.

Key Target Areas	Targets, Outturns & Achievements for 2003/2004	Targets, Outturns & Achievements for 2004/2005	Targets for 2005/2006
Improving Building and Construction in the NHS	NHS Estates key task and target to deliver a £400m construction programme using NHS ProCure 21 through the use of world-class procurement practices. To generate quality improvements and cost and time efficiencies by the NHS working as a Best Client. **Exceeded:** • **Pilot studies have closed having achieved a throughput of over £600m in one year, compared to the original target of £300m over four years.** – **National rollout took place in October 2003. Twelve PSCPs selected and placed on a national framework.** – **Over 130 schemes registered amounting to over £1 billion.**	NHS Estates key task and target to continue the roll out of the NHS ProCure 21 programme to encourage NHS organisations to use NHS ProCure 21 as the capital programme of choice in publicly funded schemes. NHS Estates will set and develop the best practice standards. **Achieved:** **Progress to date:** • **249 registered schemes amounting to £2.3 billion;** • **58 projects on site amounting to £542 million;** • **29 projects complete amounting to £112 million.**	Not applicable.
Healthcare Building Design	DH commitment to develop and implement a framework to modernise Health Building Notes and Health Technical Memoranda guidance. **Achieved:** • **The Design Centre is part of an agency-wide programme for a rapid refresh, modernisation and long-term strategy for Estates and Facilities Management standards.** NHS Estates key task and target to develop and implement partnership programmes with The King's Fund, CABE, The Prince's Foundation, the Major Contractors Group (MCG), Confederation of British Industry (CBI) and others to improve the quality of healthcare building design. **Achieved:** • **We have continued to provide a joined-up, value-added process for the NHS, developing and implementing partnerships with The Prince's Foundation, CABE, The**	DH commitment to appraise business cases of major capital schemes at three key stages. **Achieved:** • **Appraisal of Strategic Outline Cases (SOCs), Outline Business Cases (OBCs) and Full Business Cases (FBCs) in line with the major capital building programme.** DH commitment to deliver NHS Estates Design Reviews of major capital schemes at two key stages. **Achieved:** • **Undertaken 20 NHS Design Reviews of major capital schemes at two key stages from initial concept and prior to financial close. Four design workshops have now taken place to provide advice and guidance at the earliest stages of design development.** NHS Estates key task and target to provide advice, tools and practical projects to support	Not applicable.

Key Target Areas	Targets, Outturns & Achievements for 2003/2004	Targets, Outturns & Achievements for 2004/2005	Targets for 2005/2006
	King's Fund, RIBA, MCG, CBI and others, to deliver quality design solutions. Our Centre for Healthcare Architecture and Design (CHAD) has also developed outline business case design brief guidance.	the modernisation of the environment of care. • **To add to the research base, we have funded a number of independent studies, and also established a new "Pathfinders" programme. This programme supports a number of projects that test out the effect of changes to the environment, and will provide robust, scientific evaluations to support decision-making.** • **NHS Estates has provided a further £1 million to the extremely successful King's Fund 'Enhancing the Healing Environment' programme to enable 23 trusts to participate in the scheme that provides funding and training for teams to make improvements to patient spaces.**	

Developing world-class environments for healthcare delivery

Test rig for electrical equipment, County Durham and Darlington Priority Services NHS Trust

Achieving design excellence

Achieving design excellence in the provision of fit-for-purpose, patient-centred, landmark facilities underpins the delivery of a modern health service.

The Design Centre provides an estates and facilities function leading on estates capital appraisal, design and costing advice, guidance and standards to facilitate the drive to achieving design excellence.

Through the professional and technical estates appraisal of business cases, the Design Centre can ensure adequate design quality, estates deliverability, and affordability, and advises trusts on the timetable and project management arrangements of capital schemes. The appraisal process is a component of the comprehensive approvals process of major capital schemes undertaken by the Department of Health and Strategic Health Authorities.

The Design Centre's cost intelligence analysis forms a key component of the appraisal of major capital schemes, and is used to measure and assess the cost-effectiveness and value for money of business cases for major capital schemes.

In addition, a range of advice and guidance in the form of technical standards and frameworks, produced with a collaborative approach with industry experts and leading design and architecture bodies, is provided to ensure that major capital schemes have access to current requirements and best practice.

Amongst the achievements of the Design Centre over the past year are the following projects, which demonstrate the Design Centre's commitment to delivering a far-reaching agenda to improving design quality in the NHS:

- Appraisal of Strategic Outline Cases (SOCs), Outline Business Cases (OBCs) and Full Business Cases (FBCs) in line with the major capital building programme.
- Undertaken 20 NHS Design Reviews of major capital schemes at two key stages from initial concept and prior to financial close. Four design workshops have now taken place to provide advice and guidance at the earliest stages of design development.
- Managed the NHS Design Champions agenda. There are approximately 350 NHS Design Champions raising the profile of design at Trust board level.
- Partnered with The Prince's Foundation to carry out the Enquiry by Design process with NHS trusts, inviting stakeholders of a proposed development to collaborate in producing a strategic development framework plan.
- Partnered with CABE, working to raise the profile of design with schemes being procured through Local Improvement Finance Trusts (LIFTs).

Construction and property

Innovation in healthcare construction

The Department of Trade and Industry published 'Competing in the Global Economy: the Innovation Challenge' in December 2003. The report set out the direction for innovation, and Chapter 5 of the report, "Innovation Policies across Government", highlighted the need for Government to use its huge power as a major purchaser to improve people's well-being through better public services. As part of this agenda, NHS Estates and the Department of Trade and Industry (DTI), through the ProCure21 programme, began to look at how to draw innovation in healthcare construction through the supply chain.

The award-winning ProCure21 framework is enabling the NHS to deliver healthcare capital schemes with predictability on time and to budget, but at the same time keeping design and construction quality and procurement best practice at the heart of its approach.

To highlight the Government's drive for construction excellence in the public sector, NHS Estates and the DTI Construction Unit held a joint Innovation in Healthcare Construction Workshop. The event took place at the RAC Club in London. It brought together over 100 senior colleagues from the NHS, the construction industry, architecture and design, suppliers and academics, as well as Government Departments and other key bodies.

Sir Michael Latham, Chairman of the Construction Industry Training Board, chaired the event. It also heard keynote addresses from Nigel Griffiths, Parliamentary Under Secretary of State for Construction, Small Business and Enterprise, and from Lord Warner, Parliamentary Under Secretary of State for Health (Lords). Lord Warner added his voice to that of Nigel Griffiths in emphasising the importance both Ministers saw in innovation in healthcare construction.

Lord Warner went on to say that ProCure21 had been met with great enthusiasm by the NHS and in its first year had generated over £1 billion of construction work.

NHS ProCure21

NHS Estates has taken forward the NHS ProCure21 initiative to improve building and construction of healthcare facilities in the NHS to deliver schemes with predictable certainty on time, to budget, achieving value for money and incorporating best design. This helps meet the Government's objective to deliver public-sector buildings using world-class procurement practices and delivering value-for-money schemes.

The national roll-out took place in October 2003, and NHS Estates has worked to encourage NHS organisations to use NHS ProCure21 as the capital programme of choice in publicly-funded schemes.

The National Framework of Principal Supply Chain Partners (PSCPs) comprises eleven of the largest construction companies in the UK together with the best design teams, healthcare planners, building contractors and a range of healthcare specialists.

NHS organisations can approach PSCPs to deliver their capital programmes, without further tendering through the OJEU route, thereby saving up to a year on the conventional capital procurement tendering process.

The key elements of the programme are:

- Best client: Developing the client to embrace up-to-date techniques to deliver high-quality solutions. The whole programme rests on a knowledgeable client working with the highly-skilled supply chain to deliver best value.
- Effective scheme management through a partnering process with NHS organisations and PSCPs.
- Cost certainty to ensure that clients are given a guaranteed maximum price. The client is offered the "final account" before the contract is agreed.
- Time certainty to ensure that the project is completed on the agreed timeline.
- Design quality – PSCPs have designated Design Champions to ensure best design is built into the project.
- Construction quality is an integral part of the process. PSCPs are demonstrating this by

providing best practice and by posting details of completed schemes on the NHS ProCure21 website.

- Open book accounting and an audit process to check performance of PSCPs and their supply chain members forms an ongoing part of the programme.
- A free VAT recovery service is offered to the client.

Progress to date:

- 249 Registered schemes amounting to £2.3 billion
- 58 Projects on site amounting to £542 million
- 29 Projects complete amounting to £112 million.

ProCure21 Wins "Most Admired Public Sector Client"

NHS Estates – ProCure21 was announced as the winner of the "Most Admired Public Sector Client" award. This prestigious award was given at the Construction Client Convention on Friday 30 April in the Cafe Royal in London.

This, together with a runners-up award for "Construction Client of the Year" awarded to ProCure21 at the Building Magazine Awards earlier in the same week, shows that the achievements that ProCure21 is making in delivering quality health schemes on time and budget, are not going unrecognised.

These awards show how much the NHS has embraced ProCure21 and how hard they are working to achieve the results they know are possible. It also goes to support the recent NAO report on ProCure21 announcing it as current industry best practice.

The Department of Health was also announced as having the largest capital programme in the country, making it the construction industry's largest client. With the awards that ProCure21 is getting and the weight of the DH capital programme behind it, ProCure21 is driving change throughout the construction industry and delivering better healthcare facilities for the NHS.

Land and Property

We have met our target for selling surplus property owned by the Secretary of State for Health, outside the portfolio transfer to English Partnerships. We have received income of £75m from sales, and this money is ploughed back into modernising the NHS.

On 6 April 2005 we concluded an agreement with English Partnerships to transfer to them around 100 surplus properties owned by the Secretary of State for Health. We continue to work closely with the ODPM and English Partnerships in respect of the objectives of the Sustainable Communities Plan and the use of surplus public-sector land for wider public benefit. It is estimated that redevelopment of these properties will provide around 15,000 new homes of which at least 5000 will be "affordable housing".

We have worked with the ODPM in respect of changes proposed to the town planning system in particular to ensure that the interests of the NHS are reflected. The NHS is one of the largest owners of listed buildings in the UK, and we continue to maintain our excellent relationships with the Departments of Media, Culture & Sport and Heritage to protect these buildings.

We continue to provide advice and guidance to the wider NHS in relation to property transactions.

Stewardship of the NHS

- Income for the sale of surplus estate was c£75m, which was in accordance with the NHS Estates key task and target of £75m.
- Agreement concluded on 6 April 2005 with English Partnerships for the transfer of around 100 properties to support the sustainable communities agenda including the provision of key worker housing.
- Liaised with ODPM officials on changes to the town planning system to ensure the interests of the NHS are protected.
- Continued to work with English Partnerships on the Register of Surplus Public Sector Land and advised the NHS when new properties were added to it by other public bodies.

- Undertook research into alternative means of asset ownership for the NHS estate to release capital for NHS modernisation.

Primary Care

As we see a shift from secondary to primary care in the NHS, the Government is improving access and increasing capacity in the primary care estate and the services delivered to patients. The Health Secretary said in 2005 that "We are already seeing faster access, more doctors, better premises and broader choice – thanks to significant increases in funding and changes to the way care is delivered." Patients can now choose to receive treatment in NHS Walk-in Centres, which provide a service from early in the morning to late at night, greatly improving convenience for patients.

A key target for NHS Estates has been to co-ordinate the refurbishment or replacement of 3000 primary care premises. In July 2004, the DH announced further funding of £100m to achieve this, which since 2000 has seen investment in the primary care estate of £900m. This target was exceeded, which included the refurbishing over 2850 GP premises and providing 510 new one-stop primary care centres.

Engineering and science

Centre for Healthcare Engineering

Since 2002 the Centre for Healthcare Engineering has been the recognised centre of excellence for healthcare engineering, providing leading-edge expertise and evidence-based strategic advice to the NHS. New technologies and increasingly complex buildings require hospitals with high-quality engineering services. By incorporating the latest scientific technologies and best practice, we can ensure that we get the most out of our healthcare estate, and provide safe and efficient healthcare buildings for patients, staff and visitors.

We have continued to promote joined-up working and have worked closely with a number of professional organisations, including DEFRA (Department of Environment, Food and Rural Affairs), CIBSE (Chartered Institute of Building Services Engineers), IHEEM (Institute of Healthcare Engineering and Estates Management), HSE (Health and Safety Executive), and MGA (Medical Gas Association).

Key achievements are:

- The establishment of the Engineering and Science Advisory Committee on the Decontamination of Surgical Instruments including Prion Removal (ESAC-PR). The work of this group, chaired by the Chief Engineer, will have a direct impact on future decontamination practices in the NHS.
- Developing a new core suite of technical healthcare-specific guidance. This major restructuring exercise, the first for over 30 years, will ensure that HTMs will continue to support the NHS in delivering a world-class environment for care.
- Continuing to develop national occupational best practice standards relating to engineering disciplines as part of the developing capacity strategy. The intention is to address recruitment and retention issues relating to a modern apprenticeship. This is being expanded to include health-specific competencies for critical engineering services, for example medical gases.
- Providing funding to support the work by NICE on assessing the risk of transmission of vCJD/CJD via surgical instruments as well as contributing to the technical, managerial and policy development of this work.
- Working closely with DH Emergency Planning Division and the Ministerial Committee of Defence and Overseas Policy, Sub-Committee on International Terrorism, Ministerial Group on Consequence Management and Resilience (DOP(IT)(R)) on electrical resilience within the critical national infrastructure.
- Continuing to work on issues surrounding infection control and the built environment. This has included developing new engineering ventilation models for use in isolation, setting up a working group to develop features that will reduce reservoirs of infection, supporting the work to improve

standards in clinical practice, funding research around reducing HCAI rates, as well as speaking at a number of international conferences.

Improving Sustainable Development in the NHS

NHS Estates continues to deliver a healthcare estate fit to meet the current and future needs of patients and communities. For sustainable development to be successful it needs to be embedded at every level with every trust. The NHS in England is using NEAT (the NHS Environmental Assessment Tool) as part of the business case approvals process for capital development schemes. This is being recognised by trusts employing environmental managers to integrate sustainability into their governance arrangements.

NHS Estates has been working in partnership with other stakeholders including Private Finance Unit, LIFT, and our own ProCure21, as well as organisations such as the Office of Government Commerce and the Sustainable Development Commission, with a view to embedding sustainable development within working policies and procedures.

We also continue to work with other Government departments on new and forthcoming EU Directives, legislation and regulation as it affects the NHS and provision of healthcare services overall.

NHS Estates is embracing, through the sustainable development approach, the links that will harness the public health agenda into the work that we do in a truly holistic approach. Progress is being made with some capital development schemes championing sustainable construction, and operationally, there are examples of trusts being innovative in addressing the agenda by producing training tools and videos about sustainable development within the NHS context.

In partnership with the Carbon Trust, work is continuing to assist the NHS to meet the NHS mandatory energy targets. In collaboration with the Devolved Administrations, NHS Estates is fostering a move towards a UK-wide approach on a number of fronts from energy to waste management. As part of this continuing approach to providing the NHS with advice and guidance on sustainable development, two further guidance documents have recently been issued on 'Total Waste Management' and 'Carbon/Energy Management in Healthcare'.

Decontamination

The NHS decontamination supercentre, based on King George's Hospital, Ilford, is now up and running. It has taken on reprocessing work for the Newham and North Middlesex NHS Trusts and the Tower Hamlets, Hackney and Malden PCTs. It has an extremely effective tracking and tracing system, capable of tracking individual instruments. A redeveloped sterile services department has also opened at Scarborough. These new facilities are part of the Decontamination team's commitment to radically improve decontamination services in the NHS.

Currently, nine decontamination joint ventures (JVs) covering 34 NHS trusts are in the process of choosing private-sector partners to develop new facilities following the EU procurement rules. This represents potential investment by the private sector of some £90m. We expect the Pathfinder Project, covering the Bradford, Leeds and the Calderdale and Huddersfield NHS trusts, to announce the identity of the preferred bidder early in July 2006. We also expect four others to be open by September 2006. Another 11 groups covering 46 NHS trusts are in different stages of preparation leading up to forming JVs. Early indications suggest that the JV route will result in a much-improved service at no more than the cost of the present service.

After having taken advice from the Chief Dental Officer, the Department of Health (DH) allocated £6m in 2004–05 to Dental Schools to improve their decontamination services.

The Department allocated £750,000 to each SHA in 2004–05 to assist in improving decontamination in Primary Care. The National Team has been discussing with SHAs how the money can best be used to support their strategies.

The National Decontamination Training Programme has been developed for NHS staff directly involved in the decontamination of surgical instruments, and those who require an

appreciation of decontamination principles. This innovative e-learning training programme has been developed as a direct response to feedback from NHS trusts which identified the lack of formalised training for staff on the decontamination of surgical instruments as a key issue in meeting standards. The full programme was launched in March 2005, and approximately 13,000 staff will benefit from this centrally funded initiative over the next two years. NHS Estates is now looking at ways of extending this training to primary care staff.

Environment for Care

A key priority for the Agency over the last year has been the continuing development of the Environment for Care programme. In addition to funding a range of projects and smaller workshops, NHS Estates hosted three major "Environment for Care Club" events, bringing together 1000 delegates to learn about how to achieve environments that deliver tangible benefits for patients, staff and visitors – and for the NHS as a whole. The "Environment for Care Club" now has over 200 members who benefit from regular newsletters and events. We have also provided funding and materials for a number of external events to promote the Environment for Care agenda and get across key messages about the impact of the environment on areas as diverse as staff retention and recruitment, patient recovery and satisfaction levels, security, safety, and cost-effectiveness.

To add to the research base, we have funded a number of independent studies, and also established a new "Pathfinders" programme. This programme supports a number of projects that test out the effect of changes to the environment, and will provide robust, scientific evaluations to support decision-making.

We were delighted that Professor Roger Ulrich from Texas A&M University is to work with us on the Environment for Care agenda for seven months. A world leader on research into hospital design, he is supporting the development of our research programme, speaking at key events and meeting with people and organisations influential at different stages of the decision-making process.

NHS Estates has provided a further £1 million to the extremely successful King's Fund "Enhancing the Healing Environment" programme to enable 23 NHS trusts to participate in the scheme that provides funding and training for teams to make improvements to patient spaces. We are also funding an evaluation of the effects of the programme. In addition, we were delighted to be able to contribute a further significant sum in partnership with Mental Health colleagues in the Department of Health to sponsor the inclusion of another 23 trusts focusing on mental health projects.

Patient Experience

Cleanliness and control of infection are recognised as being some of the most important issues for patients, staff and visitors. 'Towards Cleaner Hospitals and Lower Rates of Infection' was published in July 2004 and builds on the actions set out in 'Winning Ways', launched in December 2003. The main context of 'Towards Cleaner Hospitals' is as part of a campaign for action to be incorporated throughout the NHS. This includes being open with the public about individual hospitals' MRSA rates; ensuring patients feel empowered to challenge staff about cleanliness; cleanliness levels contributing to annual star ratings; learning from the best in this country and abroad; and making infection control a priority area for research.

Matron's Charter

'The Matron's Charter: An Action Plan for Cleaner Hospitals', launched in October 2004 by the Secretary of State for Health, is a clearly written no-nonsense guide for hospital staff which makes clear that all have a role to play, whilst recognising the role of matrons in taking the lead for maintaining high levels of cleanliness. The Charter set out ten commitments agreed by a partnership of senior nurses and facilities staff, including representatives from the RCN, RCM, ICNA, HeFMA, ADM and UNISON.

We know from staff and patients that when clinical, support and cleaning staff work together to develop a cleanliness culture they can achieve dramatic results in lowering the rates of HCAI. Teams that work together take more pride and ownership in their areas, with the matron becoming the natural leader of the team.

"Think Clean" Day

To ensure that cleanliness is kept to the forefront of everyone's mind and encourage teams to work together towards a common goal, 'Towards Cleaner Hospitals' identified a "Think Clean" Day, with presentations and promotion packs available for all interested hospitals prior to the actual day. Between November 2004 and February 2005 some 48 Think Clean Roadshows ran throughout the country, attended by over 1200 NHS staff and management, private contractors, and those with an interest in cleanliness and infection control. These gave trusts the chance to hear more about 'Towards Cleaner Hospitals and Lower Rates of Infection', 'The Matron's Charter', and to help them prepare for "Think Clean" Day.

This day took place in trusts across the country on 28 February 2005. Over 380 trusts participated in the day, at almost 1000 sites across the country. 67% of all trusts across England registered to take part, and 93% of all acute trusts were involved. Many other organisations were also involved, including private hospitals, and some of the main cleaning contracting companies. The day was designed to promote a team approach to cleaning and infection control, and demonstrated what can be achieved in a short length of time. The learning from the day can now be utilised to aid and inform longer-term planning, central to tackling MRSA and other healthcare-associated infections, and improve standards of hygiene across the NHS.

Ward Housekeepers

The NHS Plan required that half of all hospitals implement a housekeeping service by 2004, and this target was met and exceeded by December 2004. In hospitals with over 100 beds (which account for 86% of all beds), 70% now have housekeepers in post. In hospitals with 24 beds or more, this figure is 56%. This means that the majority of trusts (66%) with hospitals have introduced housekeepers and are seeing tangible benefits for patients and staff. Many trusts are so pleased with the success of their ward housekeepers that they have looked at different areas to deploy housekeepers, including A&E. Over £14m was distributed to trusts to assist them in their introduction and evaluation of housekeepers.

Basic Care Networks

To help and encourage trusts in sharing best practice, problem-solving and to learn from each other, NHS Estates have helped to established 28 Basic Care Networks, one within each SHA. These Networks are chaired jointly by nursing and facilities staff and are open to all trusts within their area. Topics discussed at the Network meetings are a combination of national issues (for example "Think Clean" Day, *clean**your**hands* campaign) and local priorities. Delegates attending include NHS staff such as domestics, nursing, estates and facilities, contract managers, caterers, board members and patient representatives.

Better Hospital Food

The past year has seen a continued emphasis on nutrition and improving the environment in which food is served and eaten. The Council of Europe report, with 117 detailed recommendations, will be a key factor in determining the future direction of the food programme, as will the publication of the White Paper 'Choosing Health' and the food and nutrition-specific 'Choosing Health – Choosing a Better Diet'. The "Protected Mealtimes" initiative has continued to roll out across the NHS, and the benefits are being seen in numerous hospitals. In December 2004 we held a joint conference with the Royal Society of Medicine to develop improved links with the medical profession around nutrition.

We have also been working with the King's Fund on a major piece of work on sustainable

food and the NHS, and will be considering how best to promulgate this to the NHS. A revised document on identifying the causes of, and reducing, food waste was also published. Standards of food, as assessed by Patient Environment Action Teams, have continued to improve, with 58% of hospitals assessed as good or excellent and in all, 93% as acceptable or better.

A major project has also commenced looking at the benefits of offering patients a much wider choice at mealtimes from a fixed, restaurant-style menu. Early pilots suggest these menus are popular, increase patient satisfaction, increase the amount of food eaten, and reduce waste. A more substantial exercise is now needed to test this out, and pilots either have been or will be carried out in seven hospitals in the next few months. Food has also been included as one of the 24 core standards which the NHS will need to meet. We will be discussing with the Healthcare Commission how we, and the PEAT process, can help support them in assessing the NHS against this standard.

Improving Cleanliness

2004–05 has seen major work undertaken to further revise and re-issue the National Specifications for Cleanliness (formerly the Standards of Cleanliness) included in a wider document entitled 'Revised Guidance on Contracting for Cleaning' which also includes guidance for trusts on best practice in selecting contractors. The Patient Environment Action Team programme has continued to be a success and has moved to a web-based self-assessment system, reducing bureaucracy and the burdens placed on the NHS. The 2004 PEAT results, published in December, were the first under the new assessment methodology and revised scoring system. These showed that standards remained high, with 92% of hospitals assessed as acceptable or better.

Cleanliness continues to play a major role in the NHS Performance Assessment process, and the results of the PEAT assessment are used to determine the key cleanliness indicator. We are currently discussing with the Healthcare Commission and others necessary changes to the PEAT process to reflect the needs of the HC's new assessment processes, and cleanliness will continue to play a major role as one of the 24 core standards.

Patient Power (Bedside TV and Telephone Services)

The NHS Plan, published in June 2000, set out that "bedside televisions and telephones will be available in every major hospital by 2004".

Excellent progress has been made delivering this target. At December 2004 over 75,000 patients in 155 NHS hospitals had access to an integrated TV and telephone system. The introduction of the service has played an important part in improving a patient's stay in hospital. NHS Estates commissioned an independent survey between October and November 2004, in which over 400 patients and staff were interviewed at six major acute hospitals in England. Feedback was extremely positive:

- 88% of patients said they were satisfied with the service offered by the system, with 30% saying they were very satisfied.
- Perceptions of the system were generally good. 93% of patients found the system easy to use and 54% found it very easy to use.
- 90% of staff said they were satisfied with the service the system offered to patients.
- According to patients, the most important reasons for using the system were to be able to make calls without having to ask a member of staff for help or having to go to a payphone; and to be able to watch television when they wanted.
- 72% of patients and 51% of staff thought the system services offered good value for money.

Knowledge and Information

Standards and Core Guidance

A major task was undertaken to refresh Health Building Notes (HBNs) and Health Technical Memoranda (HTMs). This work was completed at the end of the last financial year. Some 25 new or updated titles were produced in 2004/05.

Development of a content management system has commenced, drawing the benefits of greater consistency and easier updating than hitherto, as well as greater integration between ADB, HBNs, HTMs, DCAGs and SoAs.

Activity DataBase

Activity DataBase (ADB) reflects HBNs and Building Component HTMs but also provides a component database. It includes graphic representations in plan, elevation and in 3D at room level. ADB version 20 was released in March 2005. It provides a new user interface and, for the first time, web-enabled working as well as new and updated data. As a result the user base has grown significantly, generating an increased income of £55k to £640k. The ADB User Group has been re-established and has met twice during the year. Expert working groups have been instituted to provide user feedback on ADB so that future developments reflect user requirements, and we are working with private-sector and professional organisations on a major review and update of the data.

Knowledge and Information Portal

The Knowledge and Information Portal (KIP) currently has approximately 7000 users and provides a single information point for standards and guidance, schedules of accommodation, and associated design briefing checklist, cost information, and Research and Development projects. It also identifies links to related information and websites, as well as notices of events. It provides a cost-effective method of communicating with NHS users on issues related to the built environment, advising them on a wide range of topics. It meets current DH requirements by providing free access to core guidance for NHS organisations in England.

Knowledge Network groups

The Knowledge Network groups continue to develop expertise in their six key areas, providing support and advice to both the guidance and R&D programmes.

UK Health Departments (UKHDs)

During the past year, NHS Estates has continued to network regularly with colleagues from NHS Scotland, Welsh Health Estates and Health Estates Northern Ireland, enabling us to share information, material and experiences. Key issues we have covered this year include best practice in Construction and the NHS ProCure21 programme, Environment for Care, Design and a range of engineering issues, as well as joint events, publications and research. As well as maintaining strong links at home, we continue to strengthen links with healthcare professionals in Europe and further afield. Our European Health Property Network (established in 2000) is an independent consortium of 14 subscribing countries, working together in the field of health capital planning, investment and management. The aim of the network is to stimulate new ideas, raise the quality of technical skills, and develop principles of planning and design.

Research and Development

The NHS Estates Research and Development Fund is unique among the research programmes funded by the Department of Health, as it supports research on both the built environment and non-clinical support and their impact on the delivery of healthcare. The core purpose of NHS Estates' R&D Fund is to enhance the patient experience using improved facilities and technology in the built environment through structured methodologies and the development of practical outcomes.

The programme deals with issues that are specific to healthcare, and are not common for other types of building, for example infection related to building design and cleaning techniques. It is independent of commercial pressures. There are other research projects that are not funded through the R&D programme but use the same principles, for example the research into new cleaning methods carried out by the Healthcare Associated Infections (HCAI) Programme with the DH. It also provides an evidence base for our publications programme.

The DH holds an annual research and development budget of about £610 million,

of which NHSE had an allocation of £372k in 2004–05. Several research strands are jointly funded to maximise our investment.

NHS Estates has developed a major R&D programme funded by the Modernisation Agency and in collaboration with the University of Durham to develop work across three healthcare outcomes. This involves redeveloping and re-engineering services to patients through new care pathways, greater involvement of clinical staff and GPs in estates issues, and developing new strategic asset strategies and practical support techniques to support healthcare estate professionals.

Performance and Estates Analysis

The Estates Returns Information Collection (ERIC) continues to collect important estates data from the NHS and feeds back useful analyses and comparisons of their estate with peer trusts. This allows them to identify areas of best practice and weakness to inform their decision-making.

In November 2004, following detailed consultation with the NHS and professional bodies, Ministers launched the new 'Risk-based methodology for establishing and managing backlog' document and software. The new methodology will improve management of the NHS estate by providing a consistent and accurate view of the quality of the NHS estate and by identifying where investment is needed.

We have worked in partnership with the NHS to produce feedback on each trust's ERIC data, with the Strategic Health Authorities through our Strategic Estates Advisors, to give them access to data on all their trusts, and with many other stakeholders including the Healthcare Commission.

The Department of Health has undertaken considerable work in 2004–05 as part of the response to Healthcare Associated Infection, including MRSA. We have contributed to this work by identifying those estate-related factors that contribute to its spread and how these can be eliminated.

We have continued to work with the Healthcare Commission on the estate components of the Star Ratings used to measure the quality of the services provided to patients. Additionally, we have contributed to the development of the Healthcare Standards which will replace the Star Ratings from 2005–06.

As part of our ongoing mission to increase innovation in the analysis of NHS estate data, we have introduced Geocoding into NHS Estates. By linking estates data to location data, we can provide better and more visual analyses, allowing a better understanding of the estate and improved decision-making.

As part of the approval process for new Foundation Trusts, we have contributed data and analyses on the quality and profile of the applicant's estate. This will ensure that successful applicants have the right estate to support their services.

In 2003–04, several new efm modules came on-line including Fire Incident Reporting, Unwanted Fire Signals Incident Reporting and Defect & Failure Incidents Reporting. Other modules will be introduced in early 2005–06. Additionally, a new reporting tool, Dynamic AI, was introduced to speed up and improve analyses.

DH International

International collaboration is of increasing importance, particularly in the field of healthcare. All governments face increasing costs, more demand, and challenges of diseases that recognise no boundaries. International links that support both partnership development and trade exchanges are therefore vital.

DH International (the DH trade arm) has completed another successful year in conjunction with other Government departments (UKTI and FCO) together with stakeholders from industry.

The Healthcare Industries Task Force launched the publication 'Better health through partnership – a programme for action'. This followed a major review of collaborative working with industry led by Health Minister Lord Warner and Sir Christopher O'Donnell, Chief Executive of Smith & Nephew. DH International led the international contribution and is now responsible for delivering the agreed recommendations contained in the

international section. (Further details at http://www.advisorybodies.doh.gov.uk/hitf)

A particular highlight of the year was the Health Minister's successful visit to China. Lord Warner signed two Memoranda of Understanding – with the Ministry of Health and the Shanghai People's Government. The latter seeks to develop partnerships in training and education and to support the development of a pilot PFI scheme in Shanghai. A range of other partnerships have also been established.

DH International chair the China Delivery Group – a Government/industry group formed to ensure the UK has a coordinated approach to healthcare partnerhships.

Recognising the importance of the contribution from the British healthcare industry, Lord Warner attended the premier healthcare trade exhibition at Medica in Düsseldorf, Germany in November 2004. 130,000 delegates and 4000 exhibitors attended. DH International featured a joint stand with UK Trade and Investment to support and promote the best of British healthcare.

The NHS continues to attract global interest, and DH International hosted 52

inward visits during the last 12 months. Overseas government ministers, senior officials and clinicians are all keen to see examples of the best of the NHS. Inward missions included Australia, China, Spain, France, Kuwait, Uruguay, Mexico, Malaysia, Japan, Hungary, South Africa, Iraq, Brazil, Canada and many others.

DH International also made a number of presentations to industry during the year – on behalf of Welsh Trade International in Cardiff and Wrexham, and to the Association of British Healthcare Industries Export Seminars in London.

FCO Commercial Officers from around the world assemble from time to time, and DH International have presented "the best of the NHS" at major seminars in Sheffield and Düsseldorf.

Latin America continues to feature high on the programme, and good progress is being made.

The success of DH International programmes is attributed to the excellent ongoing support we receive from NHS trusts, DH colleagues, industry, and many other health-related organisations.

Panoramas including Evelina Children's Hospital, Guy's and St Thomas' NHS Foundation Trust

McAuley Building, Mater Hospital, Belfast Health and Social Services Trust

Accounts
For the year ended 31 March 2005

Foreword

The Chief Executive of the NHS Estates and Facilities Management Development Agency (NHS Estates) presents his financial report and accounts for the year ending 31 March 2005. These have been prepared in accordance with section 4 (6) of the Government Trading Funds Act 1973 as amended by the Government Trading Act 1990.

Brief history and background of the NHS Estates and Facilities Management Development Agency

NHS Estates (the Agency) became an Executive Agency of the Department of Health on 1 April 1991. On 1 April 1996 it became responsible for the estates functions of the newly formed Regional Offices of the Department of Health, including the management of the retained estate on behalf of the Department of Health. Full accountability for the management of the retained estate was transferred to the Agency on 1 April 1999. On 1 April 1999, the Agency became a Trading Fund as defined in section 4 (6) of the Government Trading Funds Act 1973 as amended by the Government Trading Act 1990. Following the Quinquennial review the formal title of the Agency became 'NHS Estates and Facilities Management Development Agency'.

The Agency is managed by a team of officers led by the Chief Executive, who is the Agency's Accounting Officer and is accountable to the Secretary of State. The Agency operates under the auspices of a framework document reviewed during 1999/2000 and published in April 2000. The Agency works to a three-year strategic directive, setting out its strategy and an annual business plan. The plans are submitted to the Agency's Board and approved by Ministers.

The Arm's Length Body review announced in July 2004 that the Agency is to be abolished. A deadline of 30 September 2005 has subsequently been agreed upon.

Many of the functions of the Agency are to be transferred to the Department of Health, other Arm's

Length Bodies or NHS organisations. The Inventures business ceased trading on 31 March 2005.

The accounts for 2004/05 have been prepared on a going concern basis other than for Inventures, where the balance sheet has been valued onto a net realisable value basis.

Costs of closure accrued up to 31 March 2005 have been identified separately in the income and expenditure report.

Review of financial performance

The Agency's turnover fell by 9%, largely due to a reduction in central funds from DH and also a reduction in consultancy income from the NHS. This reduction in income, together with the announcement of its abolition in July 2004, resulted in the Agency taking steps to reduce its cost base and reduce its longer-term commitments. These measures were extremely successful, resulting in an operating surplus in the year of £744,000.

The Agency produced a net deficit for the year of £1,650,000 after charging exceptional costs of £2,575,000. The Agency is required by the Secretary of State to make a surplus before interest and dividends of at least 0.6% of turnover across the three-year period 2002–2005. A cumulative surplus of £1,240,000 has been achieved across the three years (representing 1.4%).

Capital structure

Due to the way in which Trading Funds are financed, NHS Estates is not exposed to the degree of financial risk faced by other business entities. Moreover, financial instruments play a much more limited role in creating or changing risk, and the Agency has only very limited powers to borrow or invest surplus funds.

The main financial instruments used consist of Public Dividend Capital amounting to £380,000, for which a dividend of £13,300 was payable in the year.

The Agency also had an interest-bearing loan amounting to £64,600 at 31 March 2004. This loan has been fully repaid in the year.

The Department of Health has also provided the Agency with funds of £4,300,000 to contribute towards the cost of closing the Agency.

Day-to-day operating funds are managed through the PGO banking arrangements. During the year the Agency was in credit, generating interest receivable of £242,000. The year-end cash and creditors balance has been enhanced by the draw-down of committed programme monies.

Retained estate

Since 1 April 1999, the Agency has been a Trading Fund (S1 1999:641 – Government Trading Funds Act 1973) and has been accountable for the national management of the disposal of the retained estate.

During 2004/05 receipts amounted to £119m, which included £38m of retained estate property conveyed to NHS trusts and PCTs.

Sale of the retained estate and Inventures

On 7 April 2004 the Deputy Prime Minister and the Health Secretary announced an agreement to transfer over 100 surplus NHS sites to the Office of the Deputy Prime Minister. The land will be used to address housing shortages, including key worker accommodation, and to promote regeneration of priority areas as part of the £22bn Sustainable Communities Plan.

Money raised from the sale of the sites will be re-invested into the NHS to fund the expansion of front-line services.

This sale was completed on 6 April 2005.

Fixed assets

Information relating to changes in tangible fixed assets is given in Note 6 to the accounts. The assets relating to the Inventures business, which closed on 31 March 2005, have been written down to an anticipated net realisable value. The remaining assets which are to be transferred to other host bodies have been valued at net book value.

Employee involvement

With the announcement of the Agency's closure, it has clearly been a difficult year for staff. The Agency has taken additional steps to ensure that all staff are kept informed of the Agency's plans and development. The main channels of communication include presentations to all staff, staff newsletters, and a programme of regular briefings. The trade unions have been kept fully informed with respect to all matters involving the closure of the Agency.

Health and safety

The Agency is committed to adhering to the Health and Safety at Work etc Act 1974 and other related British and European requirements to ensure that staff and customers enjoy the benefits of a safe environment.

Disabled employees and equal opportunities

The Agency is an Equal Opportunities employer and provides employment opportunities and advancement for all suitably qualified persons regardless of sex, religion, ethnic origin or disability. The Agency has an Equal Opportunities Officer with responsibility for the recruitment and career development of disabled and other under-represented staff. Disablement is not regarded as a barrier to recruitment or advancement; selection is based upon the ability of the individual to do the job.

Euro

The implications for the Agency of the introduction of the Euro are being considered as part of the Department of Health's programme.

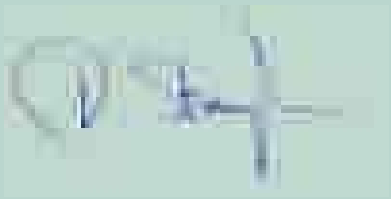
Public sector payment

The Agency is required to pay its trade creditors in accordance with the CBI's Better Payment Practice Code. The target is to pay 100% of trade creditors within 30 days of receipt of a valid invoice unless other payment terms have been agreed with the supplier. The table below analyses the Agency's performance against the target.

	2004/05	2003/04
Total bills paid within target	**11,505**	13,987
Total bills paid	**13,216**	15,537
Percentage paid within target	**87.1**	91.2

Auditors

The internal audit of the Agency was carried out by the Department of Health's Internal Audit section and the external auidt was carried out by the National Audit Office.



Signed: Agency Accounting Officer
Date: 1 July 2005

Statement of the Agency's and Chief Executive's responsibilities

Under section 4 (6) of the Government Trading Funds Act 1973 the Treasury has directed the Agency to prepare a statement of account for each financial year in the form and on the basis set out in the 'Trading Funds – Accounts Guidance' issued by HM Treasury. The accounts are prepared on an accruals basis and must give a true and fair view of the Agency's statement of affairs at the year end and of its income and expenditure, total recognised gains and losses and cash flow for the financial year ending 31 March 2005.

In preparing the accounts the Agency is required to:

- observe the accounts direction issued by the Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed, and to disclose and explain any material departures in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Agency will continue in operation.

Corporate governance

The Accounting Officer for the Department of Health has designated the Chief Executive of NHS Estates as the Accounting Officer for the Agency. His relevant responsibilities as Accounting Officer, including his responsibility for the propriety and regularity of the public finances and for the keeping of proper records, are set out in the Accounting Officers' Memorandum issued by the Treasury and published in 'Government Accounting'.

The Agency has a Board comprising of three non-executive Directors, including the Chairman, and four Executive Directors and a staff nominee who has the same status as a non-executive Director. The Board supports the Chief Executive in setting Agency policy, strategy and management.

An Audit Committee operates as a sub-committee of the Board, meets on a monthly basis, and consists of non-executive Directors, including the Chairman and two other independent members. The Audit Committee advises the Board and the Chief Executive on internal control and assurance matters and reviews the annual accounts before submission to the Board. The Agency operates within a framework set out in its Standing Orders and Standing Financial Instructions.

Statement on internal control

1. Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of NHS Estates and Facilities Management Development Agency's policies, aims and objectives, whilst safeguarding public funds and the Agency's assets, for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting.

I am responsible for the day-to-day management of the Agency and accountable to the Secretary of State for Health for the efficient management and overall performance of the Agency. The Secretary of State determines the policy and financial framework within which the Agency operates and approves its three-year Strategic Direction and Annual Business Plan.

The Agency's Executive Board is chaired by a non-executive director and comprises the Agency's executive directors, two non-executive directors and a staff nominee. An Audit Committee, chaired by a non-executive director, advises the Board on internal control, risk and assurance matters. The Audit Committee met quarterly during 2004/05.

The Agency employs the Department of Health (DH) Internal Audit unit, which operates to the Government Internal Audit Standards. The 2004/05 Internal Audit programme was approved by the Audit Committee, and was informed by an analysis of the key strategic risks facing the Agency.

2. Internal control and risk management

The Agency's system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve the Agency's policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the Agency's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

Following the announcement of the abolition of the Agency in July 2004, the Agency has sought to ensure that:

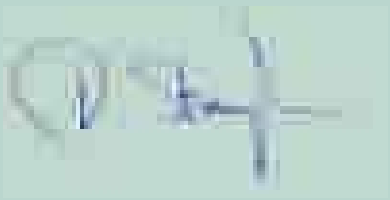
- the effective internal controls already in place, continued to operate effectively. This has been the main focus of the 2004/05 Internal Audit programme; and
- there were effective arrangements in place to deliver the reconfiguration programme, and manage the associated risks.

A Reconfiguration Programme Group (RPG), which includes representatives from the DH Arm's Length Body review team, trade union representatives and a non-executive Director, meets on a monthly basis to review progress on the range of activities. Several subgroups including a decommissioning group report into the RPG. An overall risk register has been developed and is a standard item on the agenda. In addition, the monthly Board meetings have been split into operational and reconfiguration agendas.

3. Review of effectiveness

I can confirm that the Agency has delivered its objectives for 2004/05 within an effective framework of internal control. In reaching this conclusion I have been informed by the work of Internal Audit, the Audit Committee, my senior management team who have responsibility for the development and maintenance of the internal control framework, and comments made by the External Auditors in their management letter and other reports.

I can confirm that there were no serious breaches of internal control during 2004/05, and that any recommendations to improve controls were acted on and progress reported to the Audit Committee.



Signed: Agency Chief Executive
Date: 1 July 2005

The NHS Estates and Facilities Management Development Agency

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements on pages 46 to 58 under the Government Trading Funds Act 1973. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policy is set out on pages 49–50.

Respective Responsibilities of the Agency, the Chief Executive and the Auditor

As described on page 43, the NHS Estates and Facilities Management Development Agency and Chief Executive are responsible for the preparation of the financial statements in accordance with the Government Trading Funds Act 1973 and Treasury directions made thereunder and for ensuring the regularity of financial transactions. The Agency and the Chief Executive are also responsible for the preparation of the Foreword and other contents of the Annual Report. My responsibilities, as independent auditor, are established by statute and I have regard to the standards and guidance issued by the Auditing Practices Board and the ethical guidance applicable to the auditing profession.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Government Trading Funds Act 1973 and Treasury directions made thereunder, and whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. I also report if, in my opinion, the Foreword is not consistent with the financial statements, if the Accounting Officer has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. I consider the implications for my certificate if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

I review whether the statement on page 44 reflects the Agency's compliance with Treasury's guidance on the Statement on Internal Control. I report if it does not meet the requirements specified by Treasury, or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements. I am not required to consider, nor have I considered, whether the Accounting Officer's Statement on Internal Control covers all risks and controls. I am also not required to form an opinion on the effectiveness of the Agency's corporate governance procedures or its risk and control procedures.

Basis of Audit Opinion

I conducted my audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Agency and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Agency's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by error, or by fraud or other irregularity and that, in all material respects, the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I have also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion:

- The financial statements give a true and fair view of the state of affairs of the NHS Estates and Facilities Management Development Agency at 31 March 2005 and of the deficit, total recognised gains and losses and cash flows for the year then ended and have been properly prepared in accordance with the Government Trading Funds Act 1973 and directions made thereunder by Treasury; and
- In all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I have no observations to make on these financial statements.

John Bourn
Comptroller and Auditor General
Date: 12 July 2005
National Audit Office
157–197 Buckingham Palace Road
Victoria, London SW1W 9SP

Income and expenditure account
for the year ended 31 March 2005

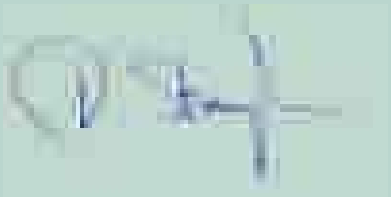
	Notes	Continuing Activity £000	Discontinued Activity £000	2004/05 £000	Continuing Activity £000	Discontinued Activity £000	2003/04 £000
Income	2	17,263	9,977	**27,240**	16,735	13,150	29,885
Expenditure							
Staff costs	3	9,235	6,636	**15,871**	9,112	8,122	17,234
Other operating costs	4	7,999	2,360	**10,359**	8,024	3,989	12,013
Depreciation	6	93	173	**266**	113	159	272
		17,327	9,169	**26,496**	17,249	12,270	29,519
Operating (deficit)/surplus before interest and exceptional items		(64)	808	**744**	(514)	880	366
Interest receivable		242	–	**242**	238	–	238
Interest payable		–	–	**–**	(3)	–	(3)
Closure costs	5	(979)	(1,596)	**(2,575)**	–	–	–
Loss on disposal of fixed assets	6	(27)	–	**(27)**	(43)	–	(43)
Dividend payable		(13)	–	**(13)**	(23)	–	(23)
Diminution in value of fixed assets resulting from revaluation	6	(7)	(14)	**(21)**	(18)	–	(18)
(Deficit)/Surplus for the financial year		(848)	(802)	**(1,650)**	(363)	880	517
Statement of total recognised gains and losses							
(Deficit)/Surplus for the financial year				**(1,650)**			517
Unrealised gains on revaluation of fixtures and fittings				**7**			5
Total recognised (losses)/gains relating to the year				**(1,643)**			522

The notes on pages 49 to 58 form part of these accounts.

Balance sheet
as at 31 March 2005

	Notes	2004/05 £000	2003/04 £000
Fixed assets			
Tangible assets	6	**303**	731
		303	731
Current assets			
Debtors	7	**15,433**	3,515
Cash at bank and in hand	8	**3,188**	5,377
		18,621	8,892
Current liabilities			
Creditors: amounts falling due within one year	9	**(13,599)**	(6,713)
Net current assets		**5,022**	2,179
Provision for liabilities and charges	10	**(581)**	(758)
Total assets less current liabilities		**4,744**	2,152
Financed by			
Public dividend capital	11	**380**	380
Interest-bearing debt	11	**–**	65
Closure reserve	11	**1,725**	–
Revaluation reserve	11	**34**	77
Income and expenditure reserve	11	**2,605**	1,630
		4,744	2,152

The notes on pages 49 to 58 form part of these accounts.



Signed: Agency Accounting Officer
Date: 1 July 2005

Cash flow statement
for the year ended 31 March 2005

	Notes	2004/05 £000	2003/04 £000
Reconciliation of operating surplus to net cash inflow from operating activities:			
Operating surplus		**744**	366
Depreciation charge	6	**266**	272
(Increase)/decrease in debtors	7	**(11,918)**	422
Increase in creditors	9	**4,825**	1,853
(Decrease)/increase in provisions	10	**(177)**	758
Net cash (outflow)/inflow from operating activities		**(6,260)**	3,671
Cash flow statement			
Net cash inflow from operating activities		**(6,260)**	3,671
Returns on investments and servicing of finance			
Interest received		**242**	212
Interest paid		**–**	(3)
Closure costs		**(317)**	–
Dividend payment		**(13)**	(23)
		(88)	186
Capital expenditure			
Payments to acquire tangible fixed assets		**(78)**	(430)
Receipts from sale of fixed assets		**2**	3
		(76)	(427)
Financing			
Repayment of interest-bearing debt		**(65)**	(64)
Closure reserve		**4,300**	–
		4,235	(64)
(Decrease)/Increase in cash	12	**(2,189)**	3,366

The notes on pages 49 to 58 form part of these accounts.

Notes to the Accounts
for the year ended 31 March 2005

1. Accounting policies

a) Accounting convention

These accounts have been prepared in accordance with the historical cost convention modified to include the revaluation of fixed assets. Without limiting the information given, the accounts meet the accounting and disclosure requirements of the Companies Act and accounting standards issued or adopted by the Accounting Standards Board in so far as those requirements are appropriate.

The Arm's Length Body review in July 2004 announced that the Agency was to be abolished. This is planned to be completed by 30 September 2005. Many of the functions of the Agency are to be transferred to the Department of Health, Arm's Length Bodies and other NHS bodies, and these activities have been treated as a going concern. Inventures ceased to trade on 31 March 2005 and has thus been treated as a discontinued activity and assets revalued onto a Net Realisable Value.

b) Accommodation

Costs in respect of operating leases for rented accommodation are charged to the Income and Expenditure account as incurred for each accounting period. Additionally, some Strategic Health Authorities and other NHS bodies provide accommodation to the Agency free of charge. No cost for this accommodation has been included in these accounts as the Agency considers a similar amount of income on contracts with these bodies has been waived, so there is no impact on the operating surplus earned by the Agency.

c) Tangible fixed assets and depreciation

Fixed assets comprise computer hardware, other equipment, software and fixtures and fittings with an original cost of £1,000 or more per item and groups of assets individually valued at £200 or more. Depreciation is provided on all tangible assets on a straight-line basis at rates calculated to write off the costs or valuations (less any estimated residual values) over their expected useful lives:

Computer hardware, software and other equipment – 3 years
Fixtures and fittings – 10 years

All assets are revalued each year using the Central Statistical Office Business Monitor Price Index.

d) Stocks and work in progress

The value of items held as stock is not material and is excluded from the accounts.

e) Value Added Tax

The Agency accounts for all sums net of recoverable VAT.

f) Provisions

Provisions are made against known future obligations as a result of a past event in accordance with FRS12. The amount of the provision is estimated based on the anticipated present value of the obligation at the Balance Sheet date.

g) Income

Income, which is stated net of VAT, represents amounts recognised as work completed, with any excess receipts credited to the deferred income account.

During the year the Agency managed and processed transactions for certain programmes on behalf of the Department of Health. Due to a change in the Department of Health's accounting systems, the Agency now holds certain funds and balances relating to these activities which do not have an impact on the Agency's Income and Expenditure Account.

h) Insurance

No outside insurance is effected against fire, explosion, common law, third party, and similar risks. The Agency commercially insures for risks associated with Professional Indemnity.

i) Research and development

Research and development is charged to the income and expenditure account in the year it is incurred.

j) Superannuation

Past and present employees are covered by the provisions of the Civil Service Pension Schemes which are described in note 3. The defined benefit element of the schemes is unfunded and is non-contributory except in respect of the dependent benefits. The Agency recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the Principal Civil Service Pension Schemes (PCSPS) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution elements of the scheme, the Agency recognises the contributions payable for the year.

k) Operating leases

Costs in respect of operating leases are charged to the Income and Expenditure account as incurred for each accounting period.

2. Income

Income comprises:

	NHSE	**Inventures**	**2004/05**	2003/04
			£000	£000
Department of Health SLA	6,133	–	**6,133**	6,969
Programme Funding	6,612	1,024	**7,636**	7,780
Consultancy Services	–	5,529	**5,529**	8,306
Royalties and Licences	1,164	–	**1,164**	638
Retained Estates	1,000	3,424	**4,424**	5,189
Other Income	2,354	–	**2,354**	1,003
	17,263	9,977	**27,240**	29,885

Inventures, which was the trading arm of NHS Estates, provided healthcare development and professional services to the NHS. This actually ceased on 31 March 2005 and is accounted for as a discontinued activity. The policy arm of the Agency (NHSE) provides advice, information and guidance on estates facilities management to the NHS and the Department of Health. The Agency considers these functions to be distinct business segments and has separately reported the results for these segments in the accounts.

Inventures undertook certain activities under an SLA arrangement with NHSE. The source of funding is from the Department of Health and the income is shown as programme or retained estate funding.

A significant part of the Agency's business is managing programme funds on behalf of the Department of Health. Some of these funds are controlled through the Agency's own accounting system, although only that funding in which the Agency is deemed to have added value through the use of its own resources is treated as income in the accounts. At 31 March 2005, the amount included in other creditors which will not ultimately be treated as income is £3.8m.

3. Staff costs and numbers

	2004/05 £000	2003/04 £000
a) Staff costs		
Wages and salaries of persons directly employed by the trading fund	**11,955**	12,856
Amounts payable in respect of staff on secondment or loan and agency/temporary staff	**1,118**	1,353
Employer's National Insurance	**1,050**	1,155
Employer's superannuation	**1,748**	1,870
	15,871	17,234

b) Staff numbers The average number of staff employed during the year was:	2004/05 Total	2003/04
Senior management	**5**	6
Civil service staff	**330**	371
Staff on inward secondment/loan	**11**	12
Temporary staff	**22**	33
	368	422

c) The salary and pension entitlements of the most senior members of staff were as follows:

	Column 1 Salary including performance pay (£000)	**Column 2** Real increase in pension and related lump sum at age 60 (£000)	**Column 3** Total accrued pension at age 60 at 31/3/05 and related lump sum (£000)	**Column 4** CETV at 31/3/04 (nearest £000)	**Column 5** CETV at 31/3/05 (nearest £000)	**Column 6** Real increase in CETV after adjustment for and changes in market investment factors (nearest £000)
NHS Estates Board						
* Peter Wearmouth CHIEF EXECUTIVE	135–140	0–2.5 plus 2.5–5.0 lump sum	30–35 plus 95–100 lump sum	521	565	18
Tim Straughan EXECUTIVE DIRECTOR OF FINANCE	70–75	0–2.5 plus 0–2.5 lump sum	10–15 plus 35–40 lump sum	123	141	9
Jane Riley EXECUTIVE DIRECTOR OF POLICY	65–70	0–2.5 plus 0–2.5 lump sum	15–20 plus 35–40 lump sum	138	161	12
Terry Murphy EXECUTIVE DIRECTOR OF STRATEGIC SERVICES	65–70	0–2.5 plus 0–2.5 lump sum	15–20 plus 50–55 lump sum	266	286	5
Amounts paid to non-executive directors were as follows:						
Bill Murray CHAIRMAN	20–25	–	–	–	–	–
John Evans	15–20	–	–	–	–	–
Gail Monnickendam	5–10	–	–	–	–	–

Emoluments for the Chief Executive consist of basic pay. No benefits in kind were paid.

	Column 1 Salary including performance pay (£000)	Column 2 Real increase in pension and related lump sum at age 60 (£000)	Column 3 Total accrued pension at age 60 at 31/3/05 and related lump sum (£000)	Column 4 CETV at 31/3/04 (nearest £000)	Column 5 CETV at 31/3/05 (nearest £000)	Column 6 Real increase in CETV after adjustment for and changes in market investment factors (nearest £000)
Inventures Management Team						
David Lawrence CHIEF OPERATING OFFICER INVENTURES	105–110	0–2.5 plus 0–2.5 lump sum	25–30 plus 70–75 lump sum	328	366	13

* Peter Wearmouth left his post as Chief Executive on 31 March 2005. Pay in lieu of notice is included in the salaries above. In addition, an early retirement package of between £440,000 and £445,000 which includes deferred pension contributions is payable in 2005/06.
Terry Murphy resigned on 18 February 2005 and David Lawrence resigned on 10 June 2005. Tim Straughan was appointed Chief Executive and Stephen Leathley was appointed Director of Finance on 1 April 2005.
Kate Priestley left her position as Chief Executive of Inventures on 31 March 2004. During 2004/05 the Agency was charged between £95,000 and £100,000 as a contribution towards her severance costs which were determined and met in total by the Department of Health.

Salary

"Salary" includes gross salary; performance pay or bonuses; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation.

Pension

Pension benefits are provided through the CSP arrangements. From 1 October 2002, civil servants may be in one of three statutory based "final salary" defined benefit schemes (Classic, Premium and Classic Plus). The schemes are unfunded, with the cost of benefits met by monies voted by Parliament each year. Pensions payable under Classic, Premium, and Classic Plus are increased annually in line with changes in the Retail Price Index. New entrants after 1 October 2002 may choose between membership of Premium or joining a good-quality "money purchase" stakeholder arrangement with a significant employer contribution (partnership pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for Classic and 3.5% for Premium and Classic Plus. Benefits in Classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For Premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike Classic, there is no automatic lump sum, but members may give up (commute) some of their pension to provide a lump sum. Classic Plus is essentially a variation of Premium, but with benefits in respect of service before 1 October 2002 calculated broadly as per Classic.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill-health retirement).

Further details about the CSP arrangements can be found at the website http://www.civilservice-pensions.gov.uk

Columns 4 & 5 of the above table show the member's cash equivalent transfer value (CETV) accrued at the beginning and the end of the reporting period. Column 6 reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the values of benefits transferred from another pension scheme or arrangement), and uses common market valuation factors for the start and end of the period.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003/04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the CSP arrangements and for which the CS vote has received a transfer payment commensurate to the additional pension liabilities being assumed. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

NHS Estates staff are members of the Principal Civil Service Pension Scheme to whom conditions and rates of the Superannuation Acts 1965 and 1972 and subsequent amendments apply. For 2004/05 these rates ranged from 12% to 18.5% depending on salary. Costs of £1,748,000 (£1,870,000 in 2003/04) are charged in these accounts. The scheme is an unfunded, multi-employer defined benefit scheme in which the employer's share of underlying assets and liabilities is not identified.

A full actuarial valuation was carried out at 31 March 2000 and details can be found in the separate Scheme statement of the PCSPS.

4. Other operating costs

	2004/05	2003/04
	£000	£000
Subcontractors	**5,273**	5,194
Travel, subsistence and hospitality	**1,463**	1,665
Administration	**1,215**	1,124
Accommodation costs	**1,328**	1,496
Dilapidation costs	**(335)**	566
Recruitment advertising	**3**	50
Printing and publishing	**141**	313
Marketing and exhibitions	**92**	131
Computer maintenance and support	**603**	542
External training	**395**	774
Professional indemnity insurance	**74**	84
Bad and doubtful debts expense	**57**	22
NAO audit fee	**50**	52
	10,359	12,013

Note on audit fee – The NAO audit fee represents the cost for the audit of the financial statements carried out by the Comptroller and Auditor General. This account does not include fees in respect of non-audit work. No such work was undertaken.

5. Closure costs

	2004/05 £000	2003/04 £000
Closure costs	**(2,575)**	–

Closure costs relate to the costs incurred from activities associated directly with the closure of the Agency. Costs include staff redundancies, consultancy fees and legal charges.

6. Tangible fixed assets

	Computers and other equipment £000	Fixtures and fittings £000	Total £000
Cost or Valuation			
At 1 April 2004	1,486	751	**2,237**
Additions	67	11	**78**
Revaluation	(78)	24	**(54)**
Disposals	(16)	(470)	**(486)**
At 31 March 2005	1,459	316	**1,775**
Depreciation			
At 1 April 2004	977	529	**1,506**
Provided during the year	370	74	**444**
Additions	19	1	**20**
Revaluation	(57)	16	**(41)**
Disposals	(16)	(441)	**(457)**
At 31 March 2005	1,293	179	**1,472**
Net book value			
At 31 March 2005	166	137	**303**
At 1 April 2004	509	222	**731**

As a result of the closure, certain assets have been written down to net realisable value in accordance with Accounting Policy note 1a. The additional depreciation charge necessary has been included within the costs of closure.

7. Debtors

	31 March 05 £000	31 March 04 £000
Trade debtors	**1,853**	2,204
Prepayments and other debtors	**1,843**	796
Department of Health debtor	**10,731**	404
Travel & subsistence imprests	**5**	6
VAT	**1,001**	105
	15,433	3,515

Intra-government balances

Balances with Central Government bodies	11,755
Balances with NHS trusts	1,144
Balances with Public Corporations	–
Balances with bodies external to Government	2,534
Total	15,433

Trade debtors are net of the bad debt provision.

8. Cash at bank and in hand

	31 March 05	31 March 04
	£000	£000
With the Office of HM Paymaster General	**3,169**	5,390
With clearing bank and in hand	**19**	(13)
	3,188	5,377

9. Creditors

	31 March 05	31 March 04
	£000	£000
Trade creditors	**2,459**	492
Other creditors	**383**	274
Department of Health creditor	**5,732**	2,222
Accruals	**3,390**	1,352
Deferred Income	**1,635**	2,373
	13,599	6,713

Intra-government balances

Balances with Central Government bodies	7,638
Balances with NHS trusts	125
Balances with Public Corporations	72
Balances with bodies external to Government	5,764
Total	13,599

All creditors are due within one year.

10. Provisions

	Dilapidation costs	**Early retirement costs**	**Legal costs**	**Total**
	£000	**£000**	**£000**	**£000**
At April 2004	566	192	–	**758**
Utilised in the year	–	(192)	–	**(192)**
Charge in the year	–	–	350	**350**
Release re prior years	(335)	–	–	**(335)**
At 31 March 2005	**231**	**–**	**350**	**581**

11. Capital and reserves

Movements in Funds/Reserves

	Public dividend capital	Interest bearing debt	I & E reserve	Closure reserve	Revaluation reserve	Total
	£000	£000	£000	£000	£000	£000
Balance at 1 April 2004	380	65	1,630		77	**2,152**
New DH funding				4,300		**4,300**
Repayment of Interest Bearing Debt		(65)				**(65)**
Surplus for the year			(1,650)			**(1,650)**
Revaluation surplus					7	**7**
Transfer			2,625	(2,575)	(50)	**–**
Balance at 31 March 2005	380	–	2,605	1,725	34	**4,744**

The Department of Health has made available £4,300,000 of funds in 2004/05 to contribute towards the costs of closing the Agency.

12. Analysis of changes in cash during the year

	At 1 April 04	Cashflow	At 31 March 05
	£000	£000	£000
Cash at bank and in hand	5,377	(2,189)	**3,188**

13. Derivatives and other financial instruments

FRS13 requires disclosure of the role which financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities.

Because of the way in which Trading Funds are financed, NHS Estates is not exposed to the degree of financial risk faced by most business entities. Moreover, financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which FRS13 mainly applies. The Agency has very limited powers to borrow or invest surplus funds. Financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing the Agency in undertaking its activities.

As permitted by FRS13, debtors and creditors which mature or become payable within 12 months from the balance sheet date have been omitted from the currency profile.

Liquidity risk

The Agency is financed mainly by income received from the Department of Health and NHS bodies, of which an element is used to finance capital expenditure. NHS Estates is not therefore exposed to significant liquidity risks.

Interest rate risk

One hundred per cent of the Department's financial assets and liabilities carry nil or fixed rates of interest, except cash deposits which are held in standard bank accounts and subject to prevailing rates of interest. NHS Estates is not therefore exposed to significant interest rate risk.

Interest rate profile

The following table shows the interest rate profiles of the Agency's assets.

Financial assets (all in Sterling)	£000	Floating-rate interest rate
At 31 March 2005	3,188	4.6%
At 31 March 2004	5,377	3.7%

Financial liabilities	£000	Fixed-rate interest rate
At 31 March 2005	–	6.0%
At 31 March 2004	65	6.0%

The Agency's interest-bearing financial assets comprise cash at bank and in hand £3,188,000. Cash at bank and in hand is available on demand. The Agency's interest-bearing financial liabilities comprise Interest Bearing Debt. This was received from the Department of Health when NHS Estates was established as a Trading Fund on 1 April 1999, the principal of which is repayable in five yearly instalments.

The Agency's exposure to foreign currency risk is not significant. Foreign currency income is negligible and there has been no foreign currency expenditure.

Fair values

The Agency considers that for all financial assets and liabilities, book value is equal to fair value.

14. Operating lease commitments

	31 March 05		31 March 04	
	Land and Buildings £000	**Office Equipment £000**	Land and Buildings £000	Office Equipment £000
The Agency is committed to making the following operating lease payments during the next financial year for leases expiring within:				
One year	**131**	**158**	–	18
Two to five years	**59**	**22**	375	171
Leases terminating after more than five years	**479**	**–**	479	–
	669	**180**	854	189

Due to the proposed closure of the Agency in 2005/06, all leases are currently being reviewed and renegotiated. It is the Agency's view that there will not be a significant liability arising from unexpired lease commitments.

15. Related party transactions

The Department of Health and the NHS are regarded as related parties. During the year, the NHS Estates Agency received most of its income from related parties as follows:

	£000
Department of Health	19,037
NHS	7,152

The Agency also purchased services in the form of inward secondments and audit services as follows:

	£000
Department of Health	22
NHS	646

16. Capital commitments

At 31 March 2005, the Agency had no outstanding capital commitments.

17. Contingent liabilities

Provisions have been made for ongoing closure where identified. Negotiations with respect to operating leases are ongoing, and any provision resulting will be made if and when due. The Agency does not anticipate any significant liabilities arising. Other costs relating to the closure of the Agency including further redundancy costs will be charged in 2005/06 and funded from existing reserves.

18. Results

The Secretary of State requires the Agency to achieve at least a 0.6% return before interest and dividends on income over the three-year period 2002/03–2004/05. During 2004/05 the Agency achieved a surplus before exceptional closure costs, interest and dividends of £744,000. This gives a cumulative surplus of £1,240,000 up to the end of 2004/05 against income of £87,257,000, achieving a return of 1.4%.

19. Segmental reporting

The key financial data for 2004/05 for the Trading Division (Inventures) is as follows:

	2004/05	2003/04
	£000	£000
External income	**9,977**	13,150
(Deficit)/Surplus for the Financial Year	**(802)**	880
Net Assets	**351**	1,140

20. Post-Balance Sheet events

There are no significant post-balance sheet events.

Printed in the UK for the Stationery Office Limited
on behalf of the Controller of Her Majesty's Stationery Office
ID 179907 07/05

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ISBN 0-10-293425-8
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