

# **Royal Free Charity**

Charity No 1060924

## **Annual Report**

**For the year 1 April 2009 – 31 March 2010**

Copies of this report may be obtained from

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## ***Letter from the Chair***

Welcome to our annual report for 2009/10, a year in which the changes initiated in 2008/09 were developed to prepare for a new era for the Royal Free Charity.

Following the strategic review carried out in 2008/09, several important decisions were taken by the Charity in 2009/10, most notably to recruit a Chief Executive as part of raising the Charity's profile and consolidating its identity. Another key activity during the year was the audit of every special purpose fund held by the charity. This was a massive project, in which individual fundholders were interviewed by one or more members of the charity's staff. The final results will emerge in 2010/11, but it is already clear that both communication, and understanding, between fundholders and the charity have been improved, to the mutual benefit of both, and to the ultimate benefit of the people for whom the charity exists – the patients of the Royal Free Hampstead NHS Trust. This took place in addition to our ongoing work of supporting patient and staff amenities, and research.

The Charity has also had extensive discussions with the other main charity supporting the NHS Trust – the Friends of the Royal Free Hospital – which led to a decision to merge the two charities. This is likely to take place early in 2011. The Royal Free Charity recognises that the Friends, and notably the many volunteers who give very generously of their time, have made a very valued contribution to the Royal Free Hospital, and the Royal National Throat, Nose and Ear Hospital over many years. We hope they will continue to do so, and to use the name and support the Friends' activities which have been of great value to patients. These are often small in scale, but make all the difference to a stay in hospital.

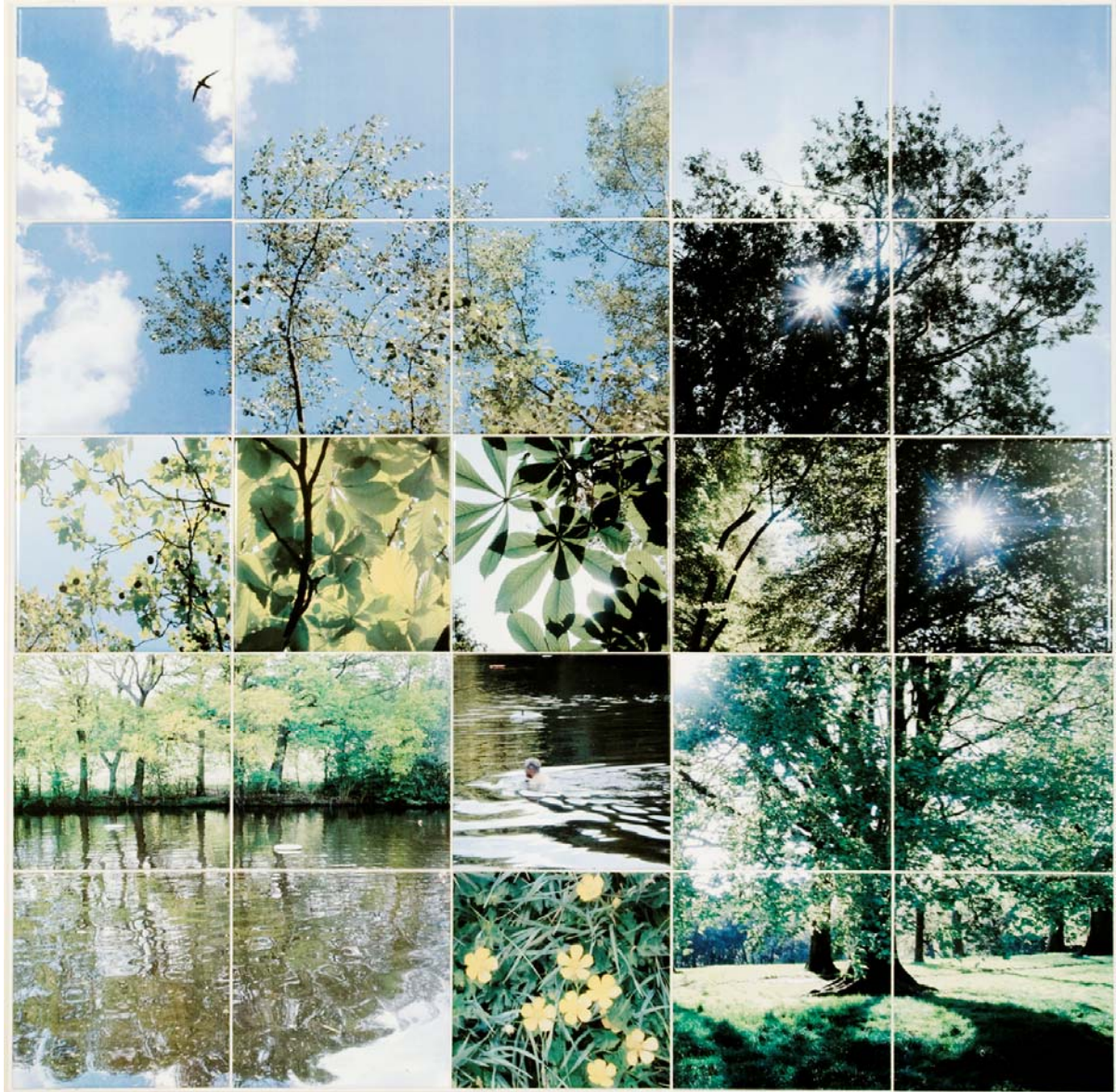
The Charity was not only concerned with governance and constitutional matters. It has established a new Partnership Board (described in this report) which facilitates regular discussions between the NHS Trust and the Charity about developments affecting both parties. The Charity supports the patients of the NHS Trust, but is not isolated from the NHS Trust's changed, and changing, circumstances – changed, as a member of the new Academic Health Sciences Centre, UCL Partners, and changing, as an NHS trust yet to attain Foundation status and considering how best this might be done. Like the rest of the public sector, the NHS Trust will face major financial pressure in the next few years. Any or all of these factors could influence how the Charity spends its money, and so the Charity will watch these spaces very closely.

The biggest project that the Charity has funded in recent years – the refurbishment of the entrance to the Royal Free Hospital - was completed during the year. We believe the new entrance is a huge improvement, enabling better access to the hospital for patients, visitors and ambulances.

I would like to thank all the trustees for their time and dedication to the Charity, and the staff for their commitment during a period of change. In particular, my fellow trustees and I are very grateful to Sara Morley, former Director of Fundraising, who left in the summer of 2010. Sara undertook much of the detailed work of the strategic review and we wish her well for the future.

Shortly after the end of the period covered by this report, the Charity appointed Chris Burghes from the Fire Fighters Charity as its Chief Executive. He brings a wealth of fundraising experience and the Charity looks forward to a dynamic future under his leadership.

**Julia Palca**  
**Chair**



“Spring” from “The Seasons on Hampstead Heath”

One of four tile panels by Matilda Moreton

Commissioned by the Royal Free Charity

***Reference and administrative details of the charity, its trustees and advisors.***

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## **1. Structure, governance and management**

### **1.1. Who we are**

The Royal Free Charity (the working name of the Royal Free Hampstead Charities) is the result of the merger of the former Special Trustees of the Royal National Throat, Nose and Ear Hospital and the Special Trustees for the Royal Free Hospital under paragraph 10 of Schedule 4 to the National Health Service Act 2006 (formerly Section 11 Trustees). The Charity (registered as number 1060924 with the Charity Commission) operates under a Charity Commission Scheme dated 8 January 2008. The charity exists to support the patients of the Royal Free Hampstead NHS Trust.

### **1.2. What we do**

By careful and effective management of the Charity's net assets – which as at March 2010 totalled £29.5m – the Charity makes grants to supplement and enhance, but not replace, NHS funding. Grants can be made from both unrestricted (general) and restricted (special purpose) funds: the Charity manages over 250 of the latter.

The Royal Free Charity's vision is:-

*'An environment in which patients of the Royal Free hospitals receive world-class care from expert staff backed by internationally recognised medical research.'*

Its Mission is to:-

- 1) *Provide grants which directly improve the patient experience at the Royal Free hospitals;*
- 2) *Fund pioneering medical research that enhances the national and international standing of the Royal Free hospitals.*

### **1.3. The hospitals we support**

The main objective of the Royal Free Charity is to support projects and activities, which will benefit patients and staff within the hospitals of the Royal Free Hampstead NHS Trust - the Royal Free Hospital, and the Royal National Throat, Nose and Ear Hospital (RNTNEH).

The Royal Free Hampstead NHS Trust has 900 beds, sees 700,000 patients annually and employs over 5,000 people. Besides being a general hospital for the local area, its specialist services include accident and emergency, organ and bone marrow transplants, treatment of complex inflammatory or infectious diseases, and cancer care, notably leukaemia. It also has one of two high security infectious diseases units in the country.

The Royal Free Hospital originated in Hatton Garden where (over a century before the NHS) the first "free" public hospital was established in a rented 4-storey house in 1828 by William Marsden – a surgeon who also founded the Royal Marsden Hospital. In 1877 the Royal Free opened the UK's first women's medical school, which only admitted men in the late twentieth century. In 1974 the hospital moved from Grays Inn Road to its current location on the site of the old Hampstead General Hospital.

The RNTNEH joined the Royal Free Hampstead NHS Trust in 1996. Founded in 1874, the RNTNEH remains on its original site on Gray's Inn Road, Kings Cross. It is the only specialist ENT hospital in the UK and is located next door to the UCL Ear Institute, its partner in research and teaching. The RNTNEH is responsible for such discoveries as the fact that the healthy ear emits sound, leading to the development of the now world wide New Born Hearing Programme. It sees over 60,000 patients every year, 25% of whom are complex cases referred from all over the UK.

#### **1.4. Trustees**

Trustees are volunteers and receive no remuneration, but they may claim any out-of-pocket expenses. Other individuals can be invited to attend trustee meetings and sub committees in an advisory capacity, if their skills and knowledge complement those of the trustees. The trustees meet four times a year as a full board. The two subcommittees - Finance and Investment Committee, and Works of Art Committee - also meet four times a year.

Trustees are appointed by the Appointments Commission, which sets a balance between NHS linked trustees, and lay trustees. The charity's scheme permits up to 7 trustees: 3 must have links with local NHS bodies but cannot be serving NHS staff.

The Chair of the trustees aims for new and existing trustees to be fully briefed on the key issues facing the Royal Free Charity, including Charity Commission information on trustee responsibilities, aspects of charity and NHS law pertinent to the Royal Free Charity, and that they receive timely copies of reports, accounts and other key documents. Committee members declare all relevant interests in other bodies, especially bodies closely connected with the Royal Free Hampstead NHS Trust.

During the year the trustees were:

- Julia Palca (chair)
- Danny Bernstein, Matthew Lewin and Adam Lewis (NHS linked trustees)
- Christine Fogg, Janet Morgan and Martin Morton (lay trustees)

Pamela Chesters and Andrew Way (both until May 2009), and Nicky Begent attended trustee meetings in an advisory capacity, but were not entitled to vote.

#### **1.5. Profiles of the trustees:**

**Danny Bernstein** was appointed as a co-opted trustee in February 2006 and became one of three NHS linked trustees in January 2009. He is a chartered accountant and has spent most of his working life in the airline industry, the last 20 years with Monarch Airlines, initially as CEO and more recently as non-executive chairman. Danny is also a non-executive director of The Airline Group Limited, Journey Group PLC and the Royal Free Hampstead NHS Trust.

**Christine Fogg** was appointed in July 2008 and works independently as a management consultant and executive coach. She was chief executive of Breast Cancer Care from September 2000 until early 2008. Prior to this, she was the chief executive of two HIV/AIDS charities. Initially trained as a nurse at London's Hammersmith Hospital, Christine moved into NHS management within the HIV/AIDS and sexual health field. She has acted as a trustee and/or volunteer for a variety of organisations including a women's refuge and a community project supporting HIV positive African women.

**Matthew Lewin** was appointed in January 2009. He was born in South Africa where he trained as a journalist before moving to the UK in 1969. Matthew worked for many years for the Hampstead and Highgate Express (Ham and High), becoming editor of the newspaper from 1994 to 2000, and since then he has continued to work as a freelance journalist and writer. He is the chairman of the Burgh House Trust and was a non-executive director of the Tavistock and Portman NHS Foundation Trust from 2000 to 2008.

**Adam Lewis** was appointed in April 2008 as an NHS linked trustee. He trained in medicine at St Bartholomew's Hospital and subsequently at the Royal Free Hospital, where he was a consultant general surgeon for many years. He also served as medical director of the Royal

Free Hampstead NHS Trust. In 1991 he was appointed Surgeon to the Royal Household and in 2001 became Sergeant Surgeon to Her Majesty the Queen. He is also Past Master of the Worshipful Company of Barbers.

**Janet Morgan** was appointed in May 2005. Janet was a nurse at University College Hospital prior to becoming the founding MD/chairman of Grosvenor International, an independent boutique estate agency. She is very active in the charitable sector and her work includes supporting the Alzheimer's Research Trust, for which she is a life patron, founding LOST (Lithuanian Orphans Support Trust), chairing the European Committee of the International Women's Forum and is working to support a cross-party non-sectarian eminent women's group which she conceived and cofounded in Northern Ireland in 2004.

**Martin Morton** was appointed in October 2001. He has been an NHS in-patient at the Royal Free Hospital and has lived locally since 1957. He was previously a Director at the Confederation of British Industry, and its pension fund pensioner. He is chairman of the governors of a Westminster comprehensive school. Martin is a Friend of the Royal Free Hospital and serves on the hospital's users' panel. He was an elected member of St Pancras and Camden Councils for 25 years and is involved with the Camden Civic Society and Highgate Cemetery Charity.

**Julia Palca** was appointed a trustee in May 2005 and became chair of the trustees in December 2008. Having worked for a large London law firm, and then starting up the litigation department at Mirror Group Newspapers, she then joined the law firm, Olswang. She is currently acting as its consultant general counsel. Julia is also Chairman of Macmillan Cancer Support, a part-time employment judge, and special advisor to the Prison Reform Trust.

**Nicky Begent** has attended trustee meetings in an advisory capacity since January 2004. Nicky completed a PhD at the Institute of Basic Medical Sciences and did several years of research at King's College. She was later appointed research administrator at Charing Cross and Westminster Medical School. Nicky worked voluntarily as a fundraiser for the Ronald Raven Cancer Research Trust and from 2001 has been chair of the Friends of the Royal Free Hospital (Charity) and a director of Friends of the Royal Free Hospital Ltd (The Friends' Shop).

#### **1.6. Our staff**

During 2009/10 the following members of staff worked for the Royal Free Charity:

- Sara Morley (Director of Fundraising);
- Stephen King (Head of Finance and Administration);
- Fay Dawes (Appeal Administrator);
- Hilda Ranatunga (Accounts Assistant);
- Diane Ryan (Database Administrator).

#### **1.7. Finance and Investment Committee**

The Finance and Investment Committee meets quarterly (shortly before each meeting of the full trustee board), oversees all financial matters of the charity and receives regular reports from the investment managers, and the auditors.

#### **Members**

- Danny Bernstein – chair
- Julia Palca
- Simon McGeary – (Managing Director of Capital Markets, Citigroup)



“Summer” from “The Seasons on Hampstead Heath”

One of four tile panels by Matilda Moreton

Commissioned by the Royal Free Charity



### **1.8. Work of Arts Committee**

The committee oversees, and develops, the range of artworks on show in the NHS Trust's own premises, mainly in public and circulation areas, to the benefit of patients, visitors and staff. The committee is responsible for over 400 pieces of art, and every year commissions new works.

Two major new works of art for the Royal Free Hospital were commissioned in 2009/10. A set of four panels of ceramic tiles made by local artist Matilda Moreton – and which are illustrated throughout this report – show the seasons on Hampstead Heath. They were installed on one of the busiest corridors of the hospital, near the accident and emergency department, and were inaugurated by Professor Stephen Dixon, until recently the ceramicist in residence at the Victoria and Albert Museum. The second commission was “Free as a bird”, a glass installation at the main reception of the new front entrance to the hospital. This multiple piece, made partly of photochromic glass, was created by Peter Layton and Associates, one of this country's leading glass blowers.

In 2009/10 there was a special effort to complete the catalogue of the collection. This now enables the committee to have greater clarity in making decisions about hanging, framing, disposals, acquisitions and borrowings.

#### **Members**

- Kim Fleming – (Chair) Director of Planning, NHS Trust
- David Bishop – Photographer, Medical Illustration Department
- Gillian Lawson – Hampstead Artists' Council
- Annette Lewin - Vice Chair
- Matthew Lewin – Trustee, Royal Free Charity
- Professor Kevin Moore - Medical School, UCL
- Dr Archie Prentice – Consultant Haematologist, NHS Trust
- Eva Ratz – local artist
- Victoria Rea – NHS Trust Archivist (Secretary)
- Vikki Slowe - artist
- Sue Williams - support services, NHS Trust

### **1.9. Risk Management**

The trustees for the Royal Free Charity recognise their duty to minimise the risks to which their activities could be exposed. They acknowledge that risk is an inherent feature of all activity and that its management is vital if the charity's objects are to be met. Therefore they have put in place a mechanism for the identification, assessment and regular review of risk and have established systems to mitigate the effect of those risks. One risk is that the level of some of the income streams received are subject to factors that are beyond the charity's control. These include:

- investment gains - subject to stock market fluctuations.
- investment gains on properties – subject to property price fluctuation
- legacy income – unknown by nature and fluctuates from year to year.

The charity has a register of risks which is reviewed annually.

### **1.10. Partnership working and networks**

The Royal Free Charity and the Friends of the Royal Free Hospital are the two charities that support both the hospitals of the Royal Free Hampstead NHS Trust, but several other charities, all of which are disease specific (although some focus on patient welfare and others on research), operate within the Royal Free Hospital. To allow for good communication on matters of common interest, the Royal Free Charity chairs a regular

“Fundraisers’ Forum” for all these charities, at which they can, informally, keep abreast of each other’s activities.

In 2009/10 the Royal Free Charity and the Friends of the Royal Free Hospital held detailed discussions with a view to establishing a closer working relationship and eliminating any confusion donors might face as to the purpose of two hospital-wide charities. This led to a decision to merge the two charities during 2010/11. The Royal Free Charity fully recognises the contribution made by the Friends over many years, and the value of the Friends’ brand, which it will preserve. It has confirmed that areas traditionally supported by the Friends, mainly relating to patient comforts, will be supported in the same way by the Charity.

The Royal Free Charity is also an active member of the Association of NHS Charities and Stephen King (Head of Finance and Administration) is a member of the Charity Finance Directors’ Group (CFDG).

## **2. Aims and objectives**

The objectives of the charity are to support worthwhile projects and initiatives beyond the scope of NHS approved funding and that

- improve services, facilities and the environment for patients and staff of the Royal Free Hampstead NHS Trust;
- promote medical knowledge through research and by dissemination;
- preserve the heritage of the Royal Free Hampstead NHS Trust.

During the year, these objectives were achieved by the following means:

- Services, facilities and environment - Supporting the scheme to improve the entrance to the Royal Free making access to the hospital easier for patients, visitors and above all emergency services.
- Patients Welfare and Amenities – purchasing equipment and providing facilities not normally provided by or in addition to the normal NHS provision, such as supporting programmes initiated by the trust aimed at caring for hospital staff and enabling them to provide a better service to patients.
- Staff Welfare and Amenities - improving facilities and services for staff and providing rewards over and above those that would normally be provided by the NHS such as long service and achievement awards.
- Preservation of the heritage of the Royal Free – giving ongoing support to the hospital archivist.

## **3. Strategic Review**

In 2009/10 the charity undertook a major strategic review, partly as a result of the enforced decision not to proceed with the major fundraising appeal for the Royal National Throat Nose and Ear Hospital, and partly because of a lack of clarity as to the charity’s mission, vision, values and direction. During the review, internal and external stakeholders were interviewed about what they believed the charity’s raison d’être was, and should be. These included trustees, the Charity’s staff, staff of the other charities operating at the Royal Free, NHS staff, donors, fundraisers, and representatives of local community groups.

The interviews highlighted the need for the charity to clarify its goals (whether as a grant giver, fundraiser, special purpose fund manager), to raise its profile (including establishing its unique brand) and to build and develop relationships (notably with the NHS Trust, which saw a complete change of leadership in the period under review). Senior charity staff also visited

other London based NHS charities, all of which had a chief executive independent of the associated NHS trust.

Further work on grant giving, fundraising procedures and branding took place after the period of this report. However, a major part of the review was the audit of every special purpose fund held by the Charity (see section 4.6 below).

The two major outcomes of the review, both of which flowed naturally from the departure from the Royal Free of Pamela Chesters (who had chaired both the Charity and the NHS Trust), were the decisions to appoint a Chief Executive, and the formation of a Partnership Board with the NHS Trust.

The Partnership Board comprises trustees, senior Charity staff and senior NHS Trust staff, and met for the first time in December 2009. It now meets shortly before each meeting of the charity's trustees. First, it enables senior personnel from both bodies to discuss developments from their respective viewpoints: secondly, it aims to ensure effective and transparent communication between the two bodies, particularly about fundraising priorities and projects.

## **4. Financial review**

### **4.1. Money received – money spent**

The income of the Royal Free Charity in 2009/10 was £4.697m, a fall of almost £1 million on the previous year's figure, which had included a legacy of £1.5m from the estate of Mr Ernest Gruenwald who died in the Royal Free Hospital in 2007, and to whom the Charity is deeply grateful. Mr Gruenwald was a Holocaust survivor and sadly had no close surviving relatives. The money from this legacy was put towards a major reordering of the front entrance of the Royal Free Hospital, to give a much more patient friendly, brighter and welcoming first impression to anyone arriving at the hospital, whether as a patient or a visitor. A plaque in the entrance area will mark Mr Gruenwald's generosity.

The Charity was delighted that the Royal Free Hospital's patron, HRH The Duke of York, performed the official opening ceremony of the new entrance in May 2010.

As part of this major redevelopment, the Charity now occupies a dedicated office at the front of the hospital building, next to the new office for the Volunteers. The new location has already helped to raise the profile of the Charity and attract donations from patients and their visitors.

The Hampstead Wells and Campden Trust (charity no 1094611, which relieves need, hardship or distress in the Hampstead area) donated £26,500 to the Royal Free Charity in the year. This was specifically for the purchase of such items as waiting room chairs, bedside lockers, children's toys, small pieces of medical equipment, and also for some refurbishment work, for hospital departments including orthopaedics, podiatry, gynaecology, complementary therapy, and radiotherapy.

The Charity's ongoing expenditure has been mentioned in section 3 of this report. It also supported two new developments in the field of health and wellbeing which are described at section 5.4 below.

During the year some major cancer research grants were made from legacies which the charity received for that purpose. As at March 2010 the relevant projects were starting to run



“Autumn” from “The Seasons on Hampstead Heath”

One of four tile panels by Matilda Moreton

Commissioned by the Royal Free Charity

and a fuller account of these will be made in next year's annual report. Grants were also made towards refurbishment of research laboratories, to provide newly modernised, state-of-the-art facilities for microbiological, rheumatological and renal research.

#### **4.2. *Investments and management of funds***

The Charity's financial investments are spread between two managers - Black Rock and Sarasin, both of whose holdings are divided between unrestricted and restricted funds. Besides spreading the risk and diversifying the holdings, this recognises that unrestricted funds are generally held for the long term and offer more opportunities for growth, whilst restricted funds are intended for more immediate use. Moreover, those of small value are invested in a relatively low risk manner. Direct investment in tobacco companies is not permitted.

After the aggressive bear market of 2008/09, the end of the 2009/10 financial year was also the peak of a subsequent recovery, although there was another unsettled period in the summer of 2010. Investment gains in 2009/10 were £3.775 million, as compared with a fall in the previous year of £4.627 million.

During the year, most of the £4.15m grant towards the redevelopment of the front entrance of the Royal Free Hospital was paid. The level of the Charity's cash deposits has therefore fallen, as have the returns obtained on them, but even so, £3.503 million was invested in this way at the financial year end with returns of up to 3.75%.

Mention was made in the 2008/09 annual report to the cancellation of the planned redevelopment of the Royal National Throat Nose and Ear Hospital, to which the charity would have made a major contribution. Some 40% of the site of that hospital is owned by the charity, which has worked closely with its property advisers (E A Shaw) to review the future of its interest in the RNTNEH estate.

#### **4.3. *Reserves policy***

As part of the Charity's strategic review, its reserves policy will be reviewed in line with its future needs. Currently, the Charity's policy is to hold accumulated unrealised investment gains in reserve. The financial turmoil of 2008/09 saw a depletion of these gains, but previous years' investment performance enabled the Charity to be well placed to cope with this situation.

#### **4.4. *Grants made from general funds***

During 2009/10, all decisions on grants were made by the main board of the Charity. In addition to those areas regularly supported in this way – complementary therapies, works of art, staff long service and achievement awards, the staff recreation club, the hospital archives – some other grants were made which are described below.

A new initiative supported by the Charity during 2009/10 was the introduction of a pilot scheme of Schwartz Rounds in the Royal Free Hospital. "Schwartz Rounds", a US-based initiative developed at the Schwartz Center, Boston, are a series of nine facilitated workshops for hospital staff from all disciplines and levels, encouraging them to discuss the impact of patients on them as care givers. In over a hundred US hospitals where they have been held, evaluation of the nine monthly rounds has led to significant improvement in patient care:

The Royal Free Hampstead NHS Trust is piloting "Schwartz Rounds", alongside Gloucester and Cheltenham Hospitals Trust and in partnership with the King's Fund, which is also providing part funding. It has the formal support of the NHS Trust board.

The Schwartz Round pilot at the Royal Free began in September 2009. It is led by Dr Mark Harber, Consultant Nephrologist, supported by Barbara Wren, Consultant Psychologist from the Health & Work Centre, who explains:

*“Many care givers today feel frustrated, under pressure, and even burned out. In addition, with little or no training to handle the non-clinical aspects of patient care, many feel inadequate when responding to difficult social and emotional issues that are an inevitable part of patient care. Many of these caregivers have no structured outlet where they can share their experiences, receive support and discuss strategies for providing compassionate care.*

*Schwartz rounds provide this outlet by creating a multi-disciplinary hospital wide forum that meets once a month to discuss the impact of clinical work on those who have provided it. Each round covers a different topic which highlights an emotional challenge for healthcare teams. For example, how, in organ retrieval, is one family’s loss balanced against another’s hope? How do health care workers cope with being patients? How are carers, and their ability to care, affected by persistently negative patients? What happens if a carer encounters the limits of medicine, or wishes to intervene but is not allowed to do so? The high attendance, good participation and very positive evaluations of Schwartz rounds suggest that they meet a need and that staff value highly the chance to discuss these complex issues and are also very encouraged that the organisation has prioritised the consideration of the emotional impact of healthcare work”.*

The Charity also granted £25,000 for a feasibility study into the provision of a health and wellbeing centre. Related to this, a loan was made to the NHS Trust to facilitate a cycle-to-work scheme for its staff. Angela Bartley, public health adviser, comments:

### **Cycle to work scheme**

*“This scheme aims to encourage people to cycle to work by offering a bike to staff (a salary sacrifice scheme as approved by HM Revenue and Customs). The scheme is also supported by the Mayor of London’s Office, and by HM Treasury.*

*The Trust officially launched the scheme in March 2010, and 77 people – almost twice the number expected – have joined the scheme. The hospital currently has 140 cycle parking spaces, most of which are in use. However, the average price of a bicycle remains high at over £700, and in recognition of this, the scheme will be relaunched in early 2011 and will be particularly aimed at lower paid staff. Consideration is being given to extending the loan period to make the repayments smaller each month and to highlight the cost savings to be gained from the scheme.*

### **Wellbeing Centre**

*The NHS Trust wishes to create the first ‘health and wellbeing’ centre within an acute trust. It would focus on improving the health of our population, preventing disease and reducing inequalities in health, in line with the current government’s health strategy. It advocates that the NHS and partners focus more on prevention including primary, secondary and tertiary prevention, and provide support for patients to be more proactive in the management of their condition. The wellbeing centre takes an evidence based approach to behaviour change.*

*It will support patients in managing factors that affect their health, such as smoking, alcohol and obesity, which are often the underlying causes related to their need for hospital care and which affect their recovery, readmission and length of stay. When they are seen at the centre, all their healthcare issues will be addressed in a motivating environment that encourages change. Their GP will be sent the results of their assessment as well their agreed change management plan.*

*Funding from the charity has enabled the development of the business plan, and paid for design and running costs associated with developing the centre”.*

#### **4.5. Activities of restricted and special purpose funds**

As at the end of March 2010, the Royal Free Charity had some 290 special purpose funds, that support discrete areas and specialities within the NHS trust, for example a particular ward, or an area such as oncology, A&E or ITU. The funds are shown as restricted in the accounts. Each fund has two designated signatories, and guidelines aim to ensure effective and appropriate use of the funds. Funds are used to support patient welfare and amenities, and research, as well as staff training and conference attendance – the last of these both assists the professional development of staff, and enables them to apply their new knowledge towards the better treatment of patients.

#### **4.6 Special purpose funds review**

In 2009/10 the Charity began a fundamental overhaul of its special purpose funds, aimed at clarifying their purposes and reducing their number, in the light of the increased level of interest in NHS charities shown both by the Charity Commission, and Monitor (the regulator of NHS foundation trusts), and with the full support of the NHS trust, as the funds impact upon almost every area of the trust’s work. During the process – which is believed to be the most extensive ever carried out by an NHS charity – every primary fundholder was interviewed by at least one member of the Charity’s staff. The review was ongoing at the end of the period covered by this report, but early signs were that fundholders appreciated the direct contact with the Charity, and that major rationalisation of the funds will follow in 2010/11. As at 31 March 2010, these funds amounted to over 40% of the Charity’s total funds: their future management is expected to be much more clear and transparent, to enable the funds to be used more effectively to benefit the patients of the NHS Trust.

It will also lead to an AGM-style meeting of fundholders and Charity staff, so as to keep fundholders abreast of relevant changes in charity and tax law, and any other significant developments.

Many special purpose funds support research in various departments of the hospital. One such supports research into scleroderma – a debilitating disease for whose treatment the Royal Free is particularly renowned. Professors Chris Denton and David Abraham explain below how the fund is used to the benefit of patients:

*“The Royal Free Hospital offers a general rheumatology service, and specialised services within rheumatic diseases, and is a world leading centre in the treatment and study of sarcoid, scleroderma and arthritis. Our on-going programmes aim to improve the treatment and management of arthritis, and new clinical trials are testing the effectiveness of new therapies. We are committed to providing better care, and treatments, so that patients can live normal and healthier lives. Clinical activities are underpinned by an active basic and translational biomedical research programme, where funding is used to study the root causes of rheumatic diseases and to investigate how these diseases progress. We aim to understand more fully the whole process of the diseases so as to develop more effective and better treatments to help patients. Much of our research is therefore pump-priming or pre-clinical, as we wish to use our increased understanding of the basic biological mechanisms to develop approaches and strategies that can be exploited in the clinic.*

*The Rheumatology department’s web site gives useful information about the scope of the clinical and research work performed at the Royal Free, and has direct links to people, literature, and help lines for patients. We send out twice yearly news letters to over 3,000 patients, and open our doors annually for our summer family day – this has been a regular event for over a decade. Local patients and their families can attend lectures on their diseases given by resident and invited experts. Attendees are encouraged to ask questions*

and take full advantage of the family day, where staff at all levels are available. Patients and their families can also receive guided tours of the research laboratories and see the type of research work we do. These events are very successful, and popular, and provide both a forum to interact with the local community, and a much needed public engagement role. Our research always places the patient at its centre – in line with current NHS priorities. This occurs by virtue of patients directly contributing to research through donation of blood samples or skin biopsies, and by our focus on trying to understand those aspects of scleroderma and related diseases that have the biggest impact on patient's quality of life or survival. We also place high priority on disseminating our findings to patients and other stakeholders in the research through our courses and the annual departmental **family day**.

The Rheumatology department is also a valuable teaching and education resource, for both patients, and for health care providers and scientists. We support specialist nurses and doctors training in management and treatment of Arthritis, by direct clinical training and in taught courses. We organise and hold several important clinical and biomedical research workshops (National and International) each year, including our **Cardiovascular Workshop** in the autumn, our biennial **Scleroderma Research Symposium** in the summer. These are well attended and vitally important meetings which provide essential teaching and education to young investigators, clinicians in training and scientists with interests in rheumatic diseases. Many go on to careers either within the NHS treating patients, or the science community where they study disease processes. The Royal Free is also used as the platform for UK based study groups – a collection of clinicians and scientists treating and studying the same rheumatic disease. Regular study group meetings allow the exchange of ideas and experiences and the development of future activities such as pre-clinical and clinical research projects. In the wider context the Royal Free is also lead coordinator of many international activities, such as the EU rheumatology research programme in Scleroderma and several clinical initiatives.

In summary, the past few years have been a very exciting time for rheumatology as advances in understanding diseases such as rheumatoid arthritis have directly led to new and better treatments. We aim to translate similar benefits into some of the most challenging rheumatic diseases such as scleroderma, and sarcoid”.

Another fund exists to support the nurses of the Royal Free Hospital. It funded a study trip by several nurses to the USA, where they experienced the Magnet Recognition programme as used in various American hospitals. Kevin Walsh, Assistant Director of Nursing explains:

*“In October 2009, some Royal Free nurses visited Magnet hospital sites in Boston and New York. A hospital achieves Magnet Accreditation from the American Nursing Credentialing Centre after undergoing a vigorous assessment process to demonstrate excellence in the development of nursing practice and in the delivery of nursing care. Hospitals that have this accreditation status also demonstrate excellence in patient experience and outcomes, and attract, and retain, a high calibre of nurses to work in them. Only six percent of American hospitals have achieved Magnet Accreditation. The visit enabled time to be spent with nursing colleagues to understand both what this achievement means for nurses and patients, and also the process undertaken to achieve the accreditation.*

*The visit included a morning with a member of the American Nursing Credentialing Centre who explained the history and process of becoming a Magnet hospital. This was followed up with three and a half days of visits to four hospital sites – two in Boston (Massachusetts General Hospital and the Dana Farber Cancer Institute), and two in New York (New York University Hospital and Mount Sinai Hospital). Time was also spent with senior nursing teams and clinically based staff, and visits were made to a range of clinical and education settings.*



*The group gained an insight of nursing in American hospitals and was able to compare and contrast American and British way of working, and of making a positive impact on the experience of nurses and patients. It also provided the opportunity to reflect on areas of excellence in the Royal Free. The experience has had a long lasting impact on the group and has influenced the latest Strategy for nurses and midwives, that identifies the priorities and goals for nurses and midwives for the next three years”.*

## **5. Plans for the future**

Over the next three years the Charity will be expanding to achieve the vision and mission. In particular the Trustees are planning:

- 1) To focus the charity on funding improvements to the patient experience and pioneering medical research.
- 2) To install a proactive, open and transparent grants system that supports the work of the Royal Free Hospital.
- 3) To maximise the value of the Charity's brand and increase fundraising income to strengthen the work of the charity.
- 4) To merge the charity with the Friends of the Royal Free to provide a large charity that is able to fund a wider portfolio of projects within the hospital.
- 5) To install the correct process and procedures to allow the Trustees to govern the charity effectively.



“Winter” from “The Seasons on Hampstead Heath”

One of four tile panels by Matilda Moreton

Commissioned by the Royal Free Charity