



Making a difference

King's Fund

ANNUAL REVIEW 2004/05

Facts and figures



The King's Fund, an independent charitable foundation with a mission to improve health, started over a century ago as an organisation supporting hospital care for poorer Londoners. Today, we continue our work to improve health and health care for all, in London and beyond. Our goals are to help develop:

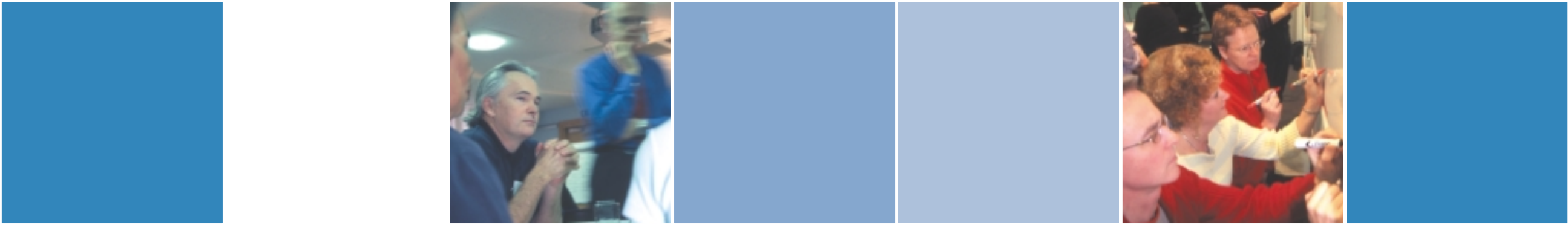
- **informed policy** – by undertaking original research and providing objective analysis
- **effective services** – by fostering innovation and helping put ideas into action
- **skilled people** – by building understanding, capacity and leadership.

In 2004/05 we:

- **attracted** 4,000 visitors to our specialist health and social care library, with NHS staff across England making 50,000 searches of our database of over 75,000 records each month
- **disseminated** our thinking on current health and social care issues by publishing 17 policy reports and 80 articles in newspapers, journals and magazines, giving 150 broadcast interviews, and attracting 13,500 visitors to our website a month
- **helped** 1,600 people, from the NHS and beyond, improve their personal and professional effectiveness through our leadership development programmes
- **increased** the value of our investment assets by £3.8 million and raised our income from services by £0.5 million in 2004
- **informed** general election debates about health, with a major audit of NHS performance, a breakfast 'grill' for health spokespeople from the three main political parties, and a televised debate with the Prime Minister and an independent panel of health experts
- **invested** £11.4 million in activities in furtherance of our charitable objects in 2004, including £1.4 million in funding for 18 major development projects to improve health and health care
- **offered** services to 60,000 people using our central London building for 3,600 meetings, ranging from small-scale workshops to full-day conferences
- **sent out** over 1,000 emails a month, as part of a new service to keep people informed about our activities
- **teamed up** with other health organisations to host debates on the role of the NHS at Labour, Conservative and Liberal Democrat party conferences, and a hustings event for candidates in the London Mayoral elections
- **welcomed** over 1,000 policy-makers, practitioners and experts working in health and social care to 11 major King's Fund conferences and debates, as well as hosting private events for government ministers, parliamentarians and other senior policy-makers.

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Making a difference

The King’s Fund is a development organisation with a special focus on London. We aim to develop the ideas, services and people needed to improve to the health of the population and the way health care is delivered.

The past year has been a period of change as we have sought to increase the impact of what we do, and to develop new ways of supporting the policy-makers, managers, frontline professionals and voluntary organisations who share our passion to make a difference.

This review gives an overview of our priorities and activities.

We have a strong commitment to help bring about better policy-making in health by undertaking original research and providing objective analysis.

Our research into improving the management of long-term conditions has resonated through the health service and beyond, helping to kick-start a major debate. This in turn has resulted in this area becoming a major priority in the government’s NHS Improvement Plan, with every area of the country expected to establish a case-management programme by 2008.

In the same way, our public health programme helped promote and shape some of the thinking around new ways to tackle the relatively poor health suffered by those on low incomes. We have also been active in studying the way care is commissioned, producing a vital piece of work on the commissioning role of family doctors – this too has subsequently become a government priority.

We have continued to scrutinise the implications of government policies to promote patient choice and reintroduce market-style incentives to encourage higher productivity and new ways of delivering health care.

Throughout this year, we have been working on a major inquiry into social care for older people in London, due to produce its final report in June 2005. Our interim report revealed serious failings in both the range and quality of care, and how services are commissioned.

Early in 2005, Sir Derek Wanless, who carried out the recent review of health spending for the Treasury, agreed to head up a major review for us into the future funding of social care for older people in England, set to report by spring 2006.

We also have a long history of helping put ideas into action, in addition to our role as a think-tank. As part of our grants programme in London, for example, we have been working with NHS Direct to pilot a telephone advice line in south-east London offering practical information to patients nearing the end of their lives, and to their carers.

Our funding role moves into a new phase with our Partners for Health in London programme, launching autumn 2005, which will establish closer partnerships with community-based organisations delivering services in the capital. Our aim is to fund projects and action research designed to maximise impact, and develop new ways of thinking and working.

The past year has seen our nurse-led Enhancing the Healing Environment programme go from strength to strength. Pioneered in London’s general hospitals, it is now reaching into mental health wards all over England, and has been taken up by more than 90 NHS trusts. Its work is transforming wards, clinics and other patient areas and, just as importantly, empowering the clinical teams who deliver the projects.

Supporting and developing the people who deliver health and social care is at the heart of our business – from those who run vast and complex hospitals, to those who give direct clinical care. We believe leadership is vital and our

programmes continue to be popular and well received. In the last year, we have worked with 1,600 managers, doctors, nurses and other staff, making a real difference to their lives and through them to the frontline services they provide.

We want to build stronger relationships with all those involved in health and social care – to learn more from them while offering new services. In the past year, our information and library team and policy experts have helped provide the knowledge and objective analysis needed to encourage a more informed debate of often complex health issues. Our website is increasingly used as an authoritative source of information, averaging over 3,000 visitors every week.

To achieve all this, we need to use our charitable funds in ways that maximise our impact. We will continue to exercise prudent stewardship of our investment assets, which in 2004 rose in value by just over ten per cent. Increasingly, we also recognise that we will need to offset our costs by generating income from our activities – in 2004, we increased this by £0.5 million.

We also need to ensure our internal organisation is fit for purpose. In the past year, we have reviewed our management and corporate governance structures – putting in place a new team of executive directors and bringing them together with a smaller group of Trustees.

These are interesting and challenging times in health, where the need for an independent and objective voice has never been greater. In the year ahead, we aim to use that voice and influence to increase understanding and knowledge, and to help all those in health and social care deliver better services.

**Sir Cyril Chantler, *Chairman*
Niall Dickson, *Chief Executive***



Niall Dickson, Chief Executive (left) and Sir Cyril Chantler, Chairman of the Management Committee of Trustees.



Developing ideas

Our ability to feed objective research and analysis into key debates is central to our efforts to influence policy-making in ways that improve health. Our aim is not to develop ideas for their own sake, but to focus our efforts in areas where we believe we are well placed to effect change.

In the course of the year, we directly influenced some of key areas in health policy, including important debates about how to respond to new public health challenges while tackling persistent inequalities, and how to improve care for the growing number of patients living with long-term conditions.

We continued to scrutinise NHS performance against government targets, with two major audits, one of them in the run-up to the general election. We aim to shape as well as comment on policies, hence the launch this year of a major independent review of the future funding of social care for older people in England.

Working for better public health

Public health and a commitment to improve health for all have long been core strands of our work.

Our Putting Health First programme reflected mounting concern about the threats posed by growing levels of obesity, diabetes and sexually transmitted disease to the nation's health, and fed new ideas into a major government consultation on public health issues leading to its White Paper, *Choosing Health*.

Aimed at generating debate and practical ideas on how to develop a health system that gives greater priority to promoting health and reducing health inequalities, Putting Health First launched with an influential discussion paper, *Prevention Rather than Cure*, followed up with a major government-commissioned conference addressed by Sir Derek Wanless, author of a major government-commissioned report on public health, *Securing good health for the whole population*.

We went on to scrutinise how evidence is gathered and deployed in community-based programmes in which the government had made significant investment, such as Sure Start and the New Deal for Communities, in partnership with the Rockefeller Foundation. Our report *Finding Out What Works* was launched at a specialist seminar attracting professionals working in health policy, neighbourhood renewal and the Health Development Agency.

A further paper, *Building Bridges for Health*, highlighted the role of community-based health advocates in ensuring access to appropriate health services for London's many

Together with the King's Fund and the Health Development Agency, we commissioned ... a survey of people's attitudes, 88 per cent of respondents agreed that individuals are responsible for their own health ... This White Paper focuses on developing a new demand for health.

Department of Health
Choosing Health White Paper

disadvantaged communities, while *Managing for Health* probed what incentives exist among health service professionals to promote better health in the wider population, in the light of new government plans to increase NHS involvement in public health issues.

Individuals need to take more responsibility for their own health, but not everyone has the same chance to make healthy choices. We helped stimulate debate about the balance of government and personal responsibilities with a study of perceptions of the state and individuals' roles in reducing ill-health, *Public Attitudes to Public Health Policy*, launched at a linked breakfast debate.

We will develop this strand of work through further research and practical work on emerging best practice, refining our understanding of how targeted public health interventions might modify the behaviour of those most at risk.

Improving care for people with long-term conditions

An estimated 17 million people in the UK live with long-term conditions that cannot at present be cured, such as asthma or chronic heart conditions. Our pioneering work has put us at the forefront of thinking, directly influencing policy and practice in an area of increasing importance for individuals and their carers, health professionals and policy-makers.

Early in 2004, we launched a major study, *Managing Chronic Disease*, into what lessons might be learned from US health management organisations such as Kaiser Permanente, which have strong financial and professional incentives to prevent population ill-health.

We followed this up with practical work on the ground to analyse how people with long-term conditions use the NHS in 14 primary care trusts in London, with the aim of helping the development of new, more tailored, services.

I wanted to get more ideas about how to implement case management and develop practical strategies for our PCT to address the government's long-term conditions agenda – this conference helped me think more about the need for community involvement and integrated services.

Caroline Forrest, Community Matron, Central Derby PCT
King's Fund conference participant

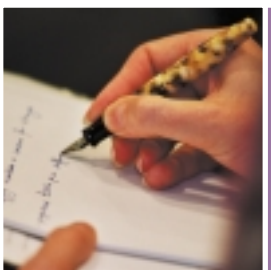
We helped broker informed debate of plans to get all primary care trusts in England to establish case-management programmes by 2008, with our publication *Case-managing Long-term Conditions*. This offered a critical review of case management – personalised care packages designed to improve care for the 3–5 per cent of individuals with multiple, complex long-term conditions at greatest risk of hospital admission.

Our report suggested that, while case management has emerged as a central plank of proposed strategies for the English NHS, there is as yet a lack of hard evidence for its effectiveness in reducing hospital bed days or keeping costs down. These concerns were subsequently echoed in an independent evaluation of the US Evercare model, rolled out in ten English pilot projects.

In spring 2005, we hosted a major conference, bringing together speakers from the UK and the USA to share new developments and best practice.

New areas of work include developing new ways of predicting which patients are at greatest risk of ill-health and hospitalisation, in order to help London's primary care trusts improve local services.

At our breakfast 'grill', health spokespeople from the three main political parties were quizzed on their policies by an audience of practitioners, policy-makers and the media.



Developing ideas



Working with City and Hackney Primary Care Trust, we are also conducting an in-depth analysis of people making frequent use of accident and emergency departments, with a special focus on those needing emergency treatment for sickle cell anaemia.

Monitoring trends in London's NHS workforce

In its 2000 NHS Plan, the government pledged to respond decisively to a strong public demand for more and better-paid NHS staff and improved working conditions. Targets were set for more doctors, nurses and other health professionals, alongside more training places.

We continued to scrutinise the impacts of these measures, with a focus on London, as a city that faces special challenges and must meet the needs of many different communities with a wide spectrum of health demands.

London has a highly mobile international workforce, makes heavier use of temporary staff than the rest of the UK, and has been particularly reliant on international recruitment to meet its staffing targets. Working with the Royal College of Nursing, we launched the largest-ever survey of internationally recruited nurses based in the capital. Our interim findings, published summer 2004, drew on case studies of three London NHS hospitals that had undertaken active recruitment drives in a number of other countries, as well as engaging overseas staff who arrived unsolicited.

Our work has highlighted that international recruitment is now an integral part of many hospitals' strategies, posing questions about the sustainability of this approach in the long-term and the need for parallel strategies such as increased local recruitment. It has also pointed to the need to ensure adequate support for internationally recruited staff, and to weigh up potentially damaging impacts on developing countries experiencing their own staff shortages.

I came here from Nigeria with over 16 years' experience, but it's been like starting again – I joined the NHS on a D grade and I'm still on it, doing the basics. I apply for promotion, get short-listed, and then don't get the job. We just don't get the same opportunities as UK nurses.

London NHS nurse
King's Fund international recruitment survey

We also updated our 2003 survey of London's health workforce, *In Capital Health*, highlighting areas of progress but underlining the continuing pressures on what is often an overstretched and understaffed set of services.

Trends in London's NHS Workforce found that NHS vacancies in London are twice as high as the national average, with long-term vacancy rates for nurses, midwives and health visitors in particular. However, we also found that overall

numbers have increased, and there are welcome signs that London is improving its ability to 'grow its own' nurses through greater recruitment of mature students and more training places.

We will continue to monitor London's health care workforce challenges and build our analysis of the capital's high reliance on international health workers.

Other achievements in 2004/05

Patient choice Expanding the choices open to patients remains a key element of government plans to drive up quality. Our work has included a paper on the limits and costs of patient choice; taking part in an evaluation of the London Patient Choice Project; analysing how choice has operated in HIV/AIDS units in the London; and a conference comparing English and Dutch approaches. Future projects include work for the Department of Health on choices offered to patients when they are being referred for further treatment, involving a patient choice experiment and monitoring how choice affects equity between patients.

NHS performance We continued to keep a watching brief on NHS performance, with two major research projects. *Measuring success in the NHS* distilled the findings of King's Fund research commissioned by Dr Foster, the independent health-monitoring organisation, into how the NHS might better measure outcomes rather than inputs, on the basis of patients' perceptions of their own quality of life after treatment. *Cutting NHS Waiting Times*, based on research for the Department of Health, examined three groups of hospitals – those that had succeeded, had variable success or failed to create long-term reductions in waiting times – with the aim of identifying and promoting replicable strategies. Visit www.kingsfund.org.uk/resources/publications/measuring_nhs.html and www.kingsfund.org.uk/resources/publications/cutting_nhs.html

Government audits We linked up with the BBC to publish an analysis of the government's performance against the public's five priorities for the NHS in support of its *Your NHS Day*, and with *The Sunday Times* to conduct an independent pre-election audit of NHS performance since the Labour

government first came to power in 1997. The audit fed into a special supplement issued by *The Sunday Times*, and was published in full on our website, alongside a series of online election briefings and the report of a King's Fund breakfast 'grill' addressed by health spokespeople from the three main political parties. Visit www.kingsfund.org.uk/resources/publications/an_independent.html

Wanless Social Care Review We launched a major independent inquiry into the key factors driving demand for social care for older people in England, and its likely costs over the next 20 years, led by Sir Derek Wanless, author of two influential reports on the future of England's NHS for the Treasury. The review, which complements those reports to provide the missing piece in the 'Wanless jigsaw', aims to have a major impact on the way care and support for older people is delivered in this country. It is set to report in spring 2006.

Foundation trusts' governance Foundation trusts have promised that their decision-making will be rooted in local communities, but has the new NHS democracy been a success? We researched the practicalities of governing foundation trusts, publishing findings from an initiative to bring together over 60 governors from first-wave foundation trusts to share their experiences. Our work in this area will continue with the culmination of a year-long study into one foundation trust in London and its new governance arrangements, plus involvement in the Healthcare Commission's review of foundation trusts. Visit www.kingsfund.org.uk/resources/publications/governing.html

We seek to act as a catalyst for new ideas, encouraging debate and information exchange at a policy-making level and on the ground.



Developing services

We are committed to encouraging innovative ways of delivering health and social care services – and ensuring they are accessible to all who need them. We work with the people who use services, and with professionals within and beyond the NHS, to stimulate the exchange of information, ideas and best practice.

In the course of the year, our major review of social care for older people in the London investigated the perspectives of older people and their carers, as well as commissioners and providers of care. We followed up our earlier inquiry into the capital’s mental health services with work on the ground to improve safety on acute psychiatric wards.

We also seek to support London’s voluntary sector in its work to develop new ways of providing services, using the capital as a test-bed. As one of four priority areas, our new Partners for Health in London programme aims to improve advocacy services for Londoners with mental health problems, building on a £1 million programme to develop health advocacy services for the capital’s black and minority ethnic communities.

Investigating care for older people

Amidst serious concerns about residential and home care services in London, we launched a major investigation into the availability and quality of care for the capital’s diverse older population.

We gathered evidence from older people and their carers, local authorities, the NHS, voluntary organisations, individuals and organisations providing care and support, and regulatory bodies.

We also undertook studies in key areas such as how care services commissioning is working, what kinds of care needs exist and how these are being met, how public sector markets behave, and middle-aged people’s expectations of care services for the future. Our final report will be published in summer 2005.

The inquiry’s interim report, published in October 2004, pointed to a series of shortfalls, including a picture of local authorities and primary care trusts struggling to engage in preventative care while fire-fighting to meet the needs of older people who need critical care.

Our report was followed in March 2005 by the publication of the government’s consultation document on adult social care, *Independence, Well-being and Choice*. We welcomed this as a positive development, with the potential to give older people more control through greater use of direct payments, individual budgets and ‘care brokers’ helping to ensure they can access the information and services they need.

The big question remains how this new vision will be funded. We have commissioned Sir Derek Wanless, author of two influential independent reviews of England’s NHS for the Treasury, to carry out a fundamental review into the long-term demand for and supply of social care for older people in England, and map out likely costs over the next 20 years.

Comparing my own expectations and my mother’s, I think the principles are the same. My mother didn’t want a computer, but she wanted her version of independence – no care home, she didn’t want to be away from her friends. I might be better informed, but my needs will be similar.

Middle-aged focus group participant
King’s Fund *Looking Forward to Old Age* report

For too long social care has encouraged dependence rather than fostered independence. The key issue will be making sure that older people, in London and beyond, get the services they need and the quality of life they want, today and in the future. This will require a sustainable, long-term financial settlement for social care that ensures comprehensive, high-quality services for all, and a much greater integration with health care.

Promoting better mental health

We remain committed to following up our inquiry into London’s mental health services, published in 2003, as well shaping new policy and practice, often in partnership with other organisations.

A key finding of our inquiry was that there were high levels of violence on acute psychiatric wards. We joined forces with the London Development Centre for Mental Health to establish an acute care collaborative, focused on improving patient and staff safety, lowering levels of violence, and countering substance abuse, set to present its final report late 2005.

We also linked up with the London Development Centre on a conference bringing together mental health experts and professionals from seven European cities, including London.

Alongside the Mental Health Alliance, a grouping of professional organisations and mental health service user groups, we continued to press for workable legislation that truly supports people with mental health problems while taking account of legitimate public safety issues.

We submitted evidence to a cross-party scrutiny committee of MPs and Peers on the numbers of people in England and Wales who may become subject to compulsory community-based treatment if the government’s draft Mental Health Bill becomes law. The committee went on to express serious concerns about the Bill’s implementation.

The year saw areas of progress, but many remaining challenges. We welcomed the National Director for Mental Health’s mid-term report on the government’s National Service Framework for mental health in England, which has done much to raise the profile of mental health over the past five years.

But we pointed out that much remains to be done, including tackling the lack of appropriate community-based accommodation for people with mental health needs, the long waits for talking therapies and the numbers of people who take their own lives in prison.



We work with frontline health care staff and managers, as well as people who use health care services, to develop and test new ways of translating ideas into action.



Developing services

The King's Fund has helped us research the implications of the draft Mental Health Bill, which will affect tens of thousands of people with mental health needs, and to develop better mental health legislation. Its involvement will remain crucial as the government prepares to put its revised Bill before Parliament.'

Paul Farmer, Director of Public Affairs, Rethink Chair, Mental Health Alliance

We will continue to work for a more imaginative vision of what people with mental health problems can do; more promotion of good mental health; and an end to the cycle of social exclusion from decent homes and jobs that can lead to worsening mental health.

Supporting health advocacy

Our experience suggests that community-based spokespeople can play a significant role in ensuring better health for people living in some of the London's most disadvantaged areas.

The year saw the conclusion of a five-year, £1 million King's Fund programme supporting the growth of a network of skilled health advocates working with black and minority ethnic Londoners.

Working with the University of East London and the East London Advocacy Consortium, we helped pilot a training scheme in which over 50 people gained official recognition as health advocates through undergraduate certificates, with the King's Fund awarding bursaries for students who could not fund themselves.

This new training course has played an important role in establishing clear standards and a career pathway for health advocates, and will continue its work with support and funding from the North East London Strategic Health Authority.

Working with the Charities Aid Foundation, we helped 14 small advocacy organisations grow their effectiveness through practical help in areas such as raising funds and writing business plans. We also funded London's Council for Ethnic Minority Voluntary Organisations to launch a network, sharing information on health advocacy and collecting cases studies of it in action across its growing membership, as well as making a collective response to government consultations.

It's really hard for some people to access mainstream services. As an advocate, your job is to understand their needs and problems – to hold their hand at times of crisis. The advocacy certificate from the University of East London helped me get the practical experience and confidence I needed to do that.

Dilip Kumar Jethwa, Community mental health advocate MIND, Ealing and Hounslow, London

Our funding and development programme supports organisations working to improve health and tackle health inequalities across London, such as the health advocacy organisation, the Chinese Mental Health Alliance.

At a policy level, our report *Building Bridges for Health* mapped the extensive health advocacy activities now developing in London to support specific communities and health needs, and called for greater co-ordination as a critical next step. We helped stimulate the emergence of clear operational standards, which will be critical to the future growth of the sector, by working with advocacy organisations on the ground to develop and test a quality framework.

Advocating for people with mental health problems will form one of four new strands for funding and development in our newly remodelled funding programme, alongside improving end-of-life care, promoting better sexual health, and developing the role of complementary therapies as part of wider health improvement. Partners for Health in London will announce its first cohort of partners in early 2006.

Other achievements in 2004/05

End-of-life care Effective community-based palliative care can be critical in the closing stages of life, but research shows only one in four people at present gets the support needed to die at home. We published the findings of a two-year project to find out how London's GPs and district and community nurses define their respective roles in providing end-of-life care to patients at home, and called for greater integration of their efforts. Together with NHS Direct, we are piloting a new telephone advice line offering practical information to patients, carers and health professionals in south-east London, scheduled to launch autumn 2005. Visit www.kingsfund.org.uk/resources/publications/palliative_care.html

Better hospital environments We published a practical guide for frontline health care staff wanting to improve run-down hospitals' environments, capturing some of the learning from our award-winning £2 million Enhancing the Healing Environment programme. Since 2001, the scheme has helped train and fund nurse-led teams in 48 acute, mental health and primary care trusts across London to take forward innovative projects. It has now been extended to 246 trusts outside the capital, with a particular emphasis on mental health. Its achievements and innovative approach were recognised by a Healthcare Environment Award and recognition from the Commission for Architecture in the Built Environment. Visit www.kingsfund.org.uk/resources/publications/enhancing-the.html

Corporate citizenship and the NHS We took forward earlier work to encourage the NHS to 'claim the health dividend' by pursuing socially responsible policies in areas such as food procurement, waste disposal and new buildings, and so contribute to a safer environment and better public health.

Commissioned by the Health Development Agency, we researched the extent to which hospitals in nine English regions had managed to implement sustainable policies. The final report, which called for clearer national policy in this area, supported by greater integration of regional economic and health strategies, was launched at an event designed to share best practice.

Primary care commissioning We welcomed new measures to encourage family doctors to take responsibility for commissioning hospital and community services on behalf of their patients. Our widely read report, *Practice-led Commissioning: Harnessing the power of the primary care frontline*, argued these changes had the potential to help reorganise health care delivery around local services, and reduce the burden on already overstretched hospitals, while placing frontline clinical staff in the driving seat and rooting NHS services in primary care teams' intimate knowledge of patients' needs. Visit www.kingsfund.org.uk/resources/publications/practiceled.html

Foundation for Integrated Health As the use of complementary therapies, such as acupuncture and herbal medicine, grows more widespread, it is increasingly important to ensure all treatments are safe for patients, and provided to the same high standard. The Prince of Wales Foundation for Integrated Health is working to develop effective regulation for complementary practitioners, supported by a five-year, £1 million King's Fund grant. It has now set up an extensive network of 137 complementary therapy associations, working to develop voluntary self-regulation, as well as developing national standards.



Developing people

Building the skills and capacity of the people whose efforts improve health on the frontline is a key part of our work, grounding our policy thinking in direct practical experience. Our activities bring us into contact with individuals at all levels of health and social care, including NHS executives, managers and clinicians, and those working in public and voluntary sector settings.

Our leadership development programmes continued to help staff at all levels of the NHS realise their full potential and consolidate the professional skills on which the effectiveness of any large, complex organisation depends. Our new Partners for Health in London programme will expand and improve the support we offer to community-based organisations working for better health in the capital.

As part of our wider development activities, we also work with other organisations to celebrate excellence among individuals working for better health and health care, and offer a wide range of King’s Fund resources and services, including a specialist information and library service and conferencing facilities.

Developing health care leadership

We continued to offer a wide range of services designed to develop leadership and managerial capacity among NHS senior managers and clinicians, building on more than 30 years’ experience in this field.

This year, our activities included offering more than 100 programmes and projects for groups, as well as providing tailored support to organisations wanting to tackle specific development challenges that they face. We also offered personal coaching and mentoring to individuals, mainly from the NHS.

In all our work, a key aspect of our approach is to create a distinctive, challenging learning environment in which present and future leaders can gain a deeper understanding of how they behave and manage in an environment that is constantly changing in ways that can create personal, managerial and professional pressures and tensions.

Our well-established executive programmes were attended by 130 people. The Top Manager, Senior Manager and Athena programmes focus on enhancing self-awareness and awareness of the behaviour of others, and helping participants become more effective in demanding leadership roles. They aim to help participants build the emotional and political intelligence required to handle complex systems change, and so increase their impact and effectiveness in the workplace.

The modern NHS presents many new opportunities for personal and career development. Our suite of programmes for clinicians included courses for single and mixed specialty clinical groups. We also ran projects designed to improve multidisciplinary team effectiveness within organisations, and partnership working between organisations.

The crux of the Top Manager programme is that it gives you the chance to learn about yourself – how you behave and communicate, and the effect this has on other people – while trying out different approaches and styles in a safe environment.

Jane Duncan, Director of Primary and Community Care/
Director of Nursing
Northern Hampshire PCTs

We continued to enjoy a successful relationship with the NHS Leadership Centre, which contracted us to run several programmes for NHS chief executives and directors on their behalf, focused on areas such as personal impact and credibility, and using information as a driver for change. These included study tours to South Africa and Canada, bringing together multidisciplinary groups of senior clinicians and managers, and providing fresh insights into the worlds of business, health care and environmental management.

In the coming year, we plan to increase our work with senior and middle managers, doctors and nurses, as well as chairs and non-executives, offering more short courses and expanding our Top Manager programme.

Improving health in London

Over the years, we have funded a wide range of innovative community-based health and health care projects initiated by voluntary organisations and individuals in London, as part of our wider commitment to tackling health inequalities and improving health for all.

In 2004, we invested £1.43 million in 18 major development projects, many of them focused on ensuring better access to health for all London’s diverse communities, and a further £120,000 in smaller grants to help 29 voluntary organisations launch new health projects.

A major King’s Fund/Millennium Commission collaboration, the Millennium Awards scheme, drew to a close after four successful years. During this time, it helped 255 individuals

in London to take forward initiatives to improve the health of others in their communities, through a combination of funding, support and training.

Projects supported ranged from raising awareness about sickle cell disorder and thalassaemia among black and ethnic minorities and health care staff, to transforming a local wasteland into a herb garden.

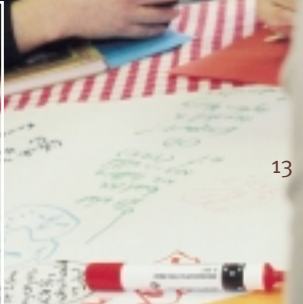
Our new Partners for Health in London programme will improve and expand the kinds of support we offer. Our aim is to become a more active partner in developing new ways of working, in addition to offering funding.

Over the next few years, this will focus our efforts on four areas where we believe health needs remain unmet in the capital, and there is scope to improve services and share learning. Our aim is to build the capacity and enhance the impact of voluntary and community organisations working in: improving end-of-life care; promoting sexual health; developing advocacy services for people with mental health problems; and developing the role of complementary therapies as part of wider health improvement.

The new scheme will offer total funding of £1.2 million annually to partners working to improve the health and well-being of Londoners in these areas, as well as supporting the project teams to achieve their aims.

On top of this, we are planning to invest around £0.5 million in strategic funding for additional work to test out new ideas in practice in partnerships with other key health organisations in the capital.

Specialist registrars share ideas and insights during a module of one of our leadership development programmes.



Developing people



Millennium Commission/ King's Fund award winners meet Princess Alexandra at a special reception. Since 2001, the awards have supported 255 individuals working in the community to improve Londoners' health.



Celebrating excellence

Over the year, we worked in partnership with a number of other organisations to identify and celebrate excellence and innovation in health and social care.

For the second year running, we teamed up with London's *Evening Standard* newspaper and ITV's *London Tonight* to celebrate the achievements of London's frontline NHS staff. The 2004 NHS *Champions* Award Scheme attracted over 1,000 nominations of health workers the public thought deserved special recognition, double the number of its first year, with nurses, doctors, therapists, support staff and ambulance crew all eligible for nomination. Winners received a £5,000 prize, divided equally between the award winner and projects to benefit their patients.

The GlaxoSmithKline IMPACT Awards, run in partnership with the King's Fund, again attracted a huge number of entries from all over the UK. Designed to recognise and support the work of medium-sized health charities that have made a demonstrable impact on the health of their local communities, the scheme offers £265,000 in funding to 25 organisations. A charity providing an outstanding palliative care service to people living in deprived communities in South Wales won the 2005 first prize of £30,000.

The Hospice of the Valleys, based in South Wales, provides specialist palliative care at home for people with life-threatening illness. It also supports their families from diagnosis, through to treatment, and, if appropriate, into terminal care and bereavement. Hospice of the Valleys pioneers holistic practice, working with patients to address their physical, spiritual and emotional needs.

In 2004, we again sponsored the HSJ Awards scheme, designed to celebrate innovation and excellence in UK health services. The King's Fund Award for Sustainable Development

Involving and thereby empowering people in the community is vital to effecting real change at a local level. My Millennium Award helped me learn that working in partnership is critical to success, and to recognise the importance of sharing my work. I've now gained the motivation and confidence to engage in strategic work within the community.

Rita Melifonwu, Millennium Award Winner
Lifelong Learning for Stroke Prevention project

went to Salop Drive Market Garden, an organic market garden project, which aims to improve well-being and prevent ill-health.

The gardens offer a number of opportunities for people to get involved in activities from leisure-gardening and food growing, to volunteering, clubs, training and special events. The garden is run by a partnership of local people, statutory and voluntary agencies. In the coming year, we will sponsor the new HSJ award for best practice in recruiting and retaining NHS staff, linked to our wider policy programme on the NHS workforce.

We are delighted to have won the GSK/King's Fund award. It's a real testament to everyone who worked so hard to make our hospice's service a success, and will help us to sustain a vital and much-needed service to the community in South Wales.

Andrew Richards, Chief Executive
Hospice of the Valleys

Other achievements in 2004/05

Developing London's NHS board leaders Since 2000, nearly 90 per cent of chairs and non-executive directors serving on the boards of all London NHS trusts and health authorities have taken part in the unique Board Leadership programme, which aims to help them develop the skills, knowledge and networks needed to provide effective governance and decision-making. The year's programme included 65 seminars and workshops ranging from meeting with parliamentarians about the political climate shaping today's NHS, to understanding the issues and principles guiding clinical governance. Two three-day residential events completed the programme.

Improving patient safety We work with many different health care agencies in innovative ways to manage change so as to improve patient care. For example, we were commissioned by the National Patient Safety Agency (NPSA) to develop and run two pilot programmes to test out ways in which clinicians in leadership positions could create an environment that was safer for patients. This was part of NPSA's strategy to ensure that clinicians on the frontline, as well as managers, are central to an organisation's ability to ensure patient safety. This programme is now being rolled out beyond England to include clinicians from all UK NHS trusts.

National Library for Health Management Following a successful pilot, and in recognition of its expertise in health information, our information and library service was awarded a three-year contract by the government to run the online National Library for Health Management. Part of the National Library for Health, this provides free, high-quality, up-to-date information to managers and leaders in health organisations, linking them to examples of good practice, news, events,

hot topics, digests and other resources, as well as briefings. It is the most visited of the ten specialist online libraries, with the King's Fund database searched more than even the Department of Health database.

Visit www.library.nhs.uk/management

New website Our new website, set to launch in summer 2005, will enable us offer a new level of service to the people who use our information and services, providing timely, objective and independent commentary on health and social care issues, as well as access to a wealth of online resources and links. With a new look and additional content, it provides easy ways to find out about our events or publications online, enquire about a leadership programme, learn more about our funding activities, view our conferencing facilities, or sign up for regular updates.

Visit www.kingsfund.org.uk

On being a doctor As never before, the role of doctors is being questioned in the face of growing demands from the public, policy-makers and managers. Our contribution to the debate included a series of seminars exploring how GPs see their roles and collective responsibilities at a time of rapid change in their duties, including the new GP contract and new arrangements in key areas of working such as out-of-hours cover. Our resulting discussion paper, *On Being a Doctor: Redefining medical professionalism for better patient care*, launched a linked breakfast debate and attracted widespread interest including coverage in the *BMJ*, and *Hospital Doctor* and *GP* magazines. Visit www.kingsfund.org.uk/resources/publications/on_being_a.html

Leadership programmes

Our leadership programmes help senior NHS managers and clinicians build the leadership skills needed to tackle the challenges they face in a fast-changing health care environment. Our upcoming programmes are detailed below.

Leadership programmes 2005-2007				
Programme	Format	Dates		
Athena programme	Days: 12 Modules: 4	7–9 Sep 16–18 Nov 2005 15–17 Feb 26–28 Apr 2006 8–10 Feb 3–5 Apr 11–13 Jul 27–29 Sep 2006 6–8 Sep 15–17 Nov 2006 13–15 Feb 25–27 Apr 2007		
Experienced Chief Executives	Days: 15 Modules: 3	5–9 Dec 2005 16–20 Jan and 6 Mar 22–26 May 2006		
Informatics	Days: 5 Modules: 4	13–14 Dec 2005 24 Jan 23 Feb 28 Mar 2006		
Management for Clinical Directors	Days: 9 Modules: 3	3–6 Apr 26–28 Jun 18–19 Sep 2006 13–16 Jun 20–22 Sep 4–5 Dec 2006		
Management for Consultants	Days: 7 Modules: 3	29–31 Mar 19–20 Jun 5–6 Sep 2006 21–23 Jun 25–26 Sep 6–7 Dec 2006		
Management and Leadership for Clinicians	Days: 5 Modules: 1	12–16 Sep 2005 28 Nov–2 Dec 2005	27 Feb–3 Mar 2006 3–7 Jul 2006	11–15 Sep 2006 27 Nov–1 Dec 2006
Management for Specialist Registrars	Days: 5 Modules: 1	18–22 Jul 17–21 Oct 5–9 Dec 2005 30 Jan–3 Feb 2006 24–28 Apr 17–21 Jul 16–20 Oct 11–15 Dec 2006		
Managing Conflict Using Personal Impact and Credibility	Days: 5 Modules: 1	10–14 Oct 2005		
NHS Directors: Realise your potential	Days: 19 Modules: 4	26–30 Sep 7–10 Nov 2005 9–13 Jan 27 Feb–3 Mar 2006 5–9 Dec 2005 30 Jan–3 Feb 13–16 Mar 8–12 May 2006		
Preparation for Board Membership	Days: 6 Modules: 2	26–28 Oct 2005 22–24 Feb 2006		
Senior Manager programme	Days: 25 Modules: 5	19–23 Sep 26–30 Sep 24–28 Oct 14–18 Nov 12–16 Dec 2005 20–24 Feb 27 Feb–3 Mar 3–7 Apr 15–19 May 12–16 Jun 2006 18–22 Sep 25–29 Sep 23–27 Oct 13–17 Nov 4–8 Dec 2006		
Successful Nurse Leader	Days: 5 Modules: 1	12–16 Sep 2005 10–14 Oct 2005	13–17 Feb 2006 26–30 Jun 2006	9–13 Oct 2006
Canada Study Tour for Chief Executives and Directors	Days: 5 Modules: 1	18–23 Sep 2005 18–23 Sep 2006		
Seattle Study Tour	Days: 9 Modules: 1	9–17 Sep 2005 11–19 Sep 2006		
South Africa Study Tour for Chief Executives	Days: 13 Modules: 1	4–17 Feb 2006		
Top Manager programme	Days: 24 Modules: 4	7–18 Nov 2005 23–27 Jan 20–24 Mar 5–9 Jun 2006 2–12 May 10–14 Jul 2–6 Oct 27 Nov–1 Dec 2006 30 Oct–10 Nov 2006 (modules 2-4 to be confirmed)		
For full details, see www.kingsfund.org.uk/leadership . Some dates may be subject to change.				

Financial information

In 2004, we continued successfully to pursue our twin corporate strategies of ensuring that our independence is grounded in a sound financial base, while at the same time seeking to make the best possible use of our charitable funds.

We saw a welcome rally in the value of our investment assets for the second year running, reflecting the upward movement of stock markets worldwide. We also worked hard to generate an additional £0.5 million in income, by widening the range of services we provide to the health and social care community.

At the same time, we were able to increase our overall investment in our charitable work, taking forward an influential programme of policy, research and development activities, and completing the refurbishment of the public spaces in our Cavendish Square buildings.

The King’s Fund’s total **income** for 2004 amounted to £8.3 million (£7.6 million in 2003), of which £5.4 million (£4.9 million in 2003) was generated from activities in furtherance of our charitable objects, and £2.9 million (£2.7 million in 2003) was derived from our investment portfolio.

Income arising from our charitable objects rose by £0.5 million, as a result of an increase in income generated by our leadership development activities, plus significantly increased income from the conference and catering services we provide to clients in the health and social care sector. Income from our publishing and information activities was marginally higher than in 2003, reflecting the completion of changes started in 2003. Investment income from securities rose by £0.1 million in the year.

Total **expenditure** was £15.3 million (£12.9 million in 2003), an increase of £2.4 million. Of this, expenditure in furtherance of our charitable objects amounted to £11.4 million (£8.4 million in 2003).

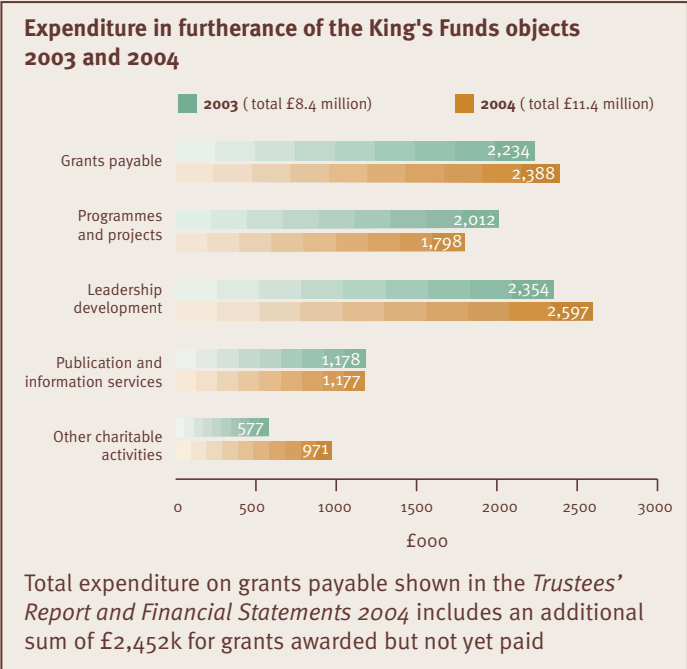
The principal reason for the reported increase in expenditure in furtherance of our charitable objects of £3.0 million was a change in our accounting for grants, resulting in a one-off charge of £2.5 million in 2004. The net increase in our charitable expenditure in other areas was only £0.5 million, matched by our growth in income.

The **outcome** for the year – namely, expenditure exceeding income by £7.0 million – was in line with the financial strategy, that is to say that it was met by planned drawings from capital, and the budget approved by our Trustees.

The average number of **staff** employed, expressed as full-time equivalents, was 112 (115 in 2003).

After withdrawals, the net value of our investment **assets** rose by £3.8 million, up by the end of the year to £108.3 million (£104.5 million in 2003). Our investments benefited from the upward movement of stock markets worldwide. We have adopted an investment policy which seeks to optimise performance through a diversified asset portfolio. Our Investment Committee reviews the actual and target asset allocations on a quarterly basis, and also addresses any performance and stock selection issues with each of our investment managers, taking independent advice where necessary.

For further information, see our *Trustees’ Report and Financial Statements: Year ended 31 December 2004*. Download at www.kingsfund.org.uk/document.rm?id=190, email publications@kingsfund.org.uk, or call 020 7307 2591.



Governance and management

Patron

Her Majesty The Queen

President

HRH The Prince of Wales KG KT PC GCB

General Council

Our General Council was established in 1907 as part of governance arrangements agreed by Act of Parliament. It managed the King's Fund until 1996, when it delegated its responsibilities to a Management Committee of Trustees. It remains our overseeing body, meeting once a year under the chairmanship of our President, HRH the Prince of Wales, or an individual nominated by him.

Honorary Member

HRH Princess Alexandra, the Hon Lady Ogilvy GCVO

Ex-officio members

The Speaker of the House of Commons
The Rt Hon The Lord Mayor of the City of London
The Archbishop of Westminster
The Lord Bishop of London
The Chief Rabbi
The Secretary for Health Care Chaplaincy, the Free Churches Group
The Keeper of the Privy Purse
The President of the Community Practitioners and Health Visitors Association
The President of the Faculty of Public Health Medicine
The Director of the Institute of Public Health
The President of the Royal College of Anaesthetists
The President of the Royal College of General Practitioners
The President of the Royal College of Midwives
The President of the Royal College of Nursing
The President of the Royal College of Obstetricians and Gynaecologists
The President of the Royal College of Ophthalmologists
The President of the Royal College of Paediatrics and Child Health
The President of the Royal College of Pathologists
The President of the Royal College of Physicians
The President of the Royal College of Psychiatrists
The President of the Royal College of Radiologists
The President of the Royal College of Speech and Language Therapists
The President of the Royal College of Surgeons of England
The Chairman of the Academy of Medical Royal Colleges
The President of the Institute of Healthcare Management
The London Regional Commissioner, NHS Appointments Commission

Other members

Sir Donald Acheson KBE
Dr Dwomoa Adu
Professor Elizabeth Anionwu CBE
Mr William Backhouse LVO
Sir Roger Bannister CBE
Sir John Batten KCVO (to July 2005)
Major Sir Shane Blewitt GCVO
Dame Ann Bowtell DCB
Dr John Bradfield CBE
Professor Sir Kenneth Calman KCB
Professor Sir Cyril Chantler
Sir Timothy Chessells
Baroness Cox of Queensbury
Mr Michael Dobson
Sir William Doughty
Professor Charles Easmon
Professor Adrian Eddleston
Professor Howard Glennerster
Mr Marius Gray
Professor Sir Andrew Haines
Sir Graham Hart KCB
Professor R L Himsworth
Sir Donald Irvine CBE
Professor Sir Brian Jarman OBE
Lady Lloyd of Berwick
Dr Stephen Lock CBE
Mr Strone Macpherson
Lord McColl of Dulwich
Mr Anthony McGrath
Professor David Neal
Ms Mary Ney
Professor Sir Duncan Nichol CBE
Mr Leslie Paine OBE
Professor Dame Lesley Rees
Mr Bryan Sanderson CBE
Ms Angela Sarkis (to December 2004)
Sir Maurice Shock
Sir Richard Thompson
Mr Max Ward
Professor Albert Weale
Sir William Wells
Professor Dame Jenifer Wilson-Barnett

Management Committee

The members of the Management Committee are the King's Fund's Trustees, appointed for a three-year renewable term, and meeting six times a year. Their role is to agree the organisation's overall strategic direction, in line with its charitable objectives, and to scrutinise management functions delegated to a Board of Directors. The Management Committee also delegates some of its work to sub-committees.

Chairman Sir Graham Hart KCB (to 1 July 2004)

Chairman Sir Cyril Chantler (from 2 July 2004)

Vice Chairman Professor Adrian Eddleston

Treasurer Mr Anthony McGrath

Professor Elizabeth Anionwu

Dame Ann Bowtell DCB

Professor Howard Glennerster

Professor Sir Andrew Haines

Ms Mary Ney

Mr Bryan Sanderson CBE

Ms Angela Sarkis CBE (to December 2004)

Sir William Wells

Memberships of the King's Fund's Investment, Audit, Remuneration and Grants Committees are given in our *Trustees' Report and Financial Statements: Year ended 31 December 2004*. For copies, call 020 7307 2591, or download at www.kingsfund.org.uk/document.rm?id=190

Board of Directors

Our Board of Directors is responsible for all aspects of the day-to-day management and operation of the King's Fund, working within a framework of strategy and accountability agreed with our Trustees.

Chief Executive Niall Dickson

Director of Resources Frank Jackson OBE (to July 2005)

Director of Funding and Development Steve Dewar

Director of Policy Dr Jennifer Dixon

Director of Communications Michelle Dixon

Director of Finance and ICT Frank Gargent (from April 2005)

Director of Leadership Development David Knowles

Senior Associates

Our Senior Associates provide us with an important sounding board for our work, offering us advice and support as well as undertaking specific pieces of work. They are appointed annually in July.

Mr Stuart Bell

Professor John Billings

Mr Mark Britnell

Baroness Cumberlege of Newick

Dr Michael Dixon

Lord Hunt of Kings Heath (to May 2005)

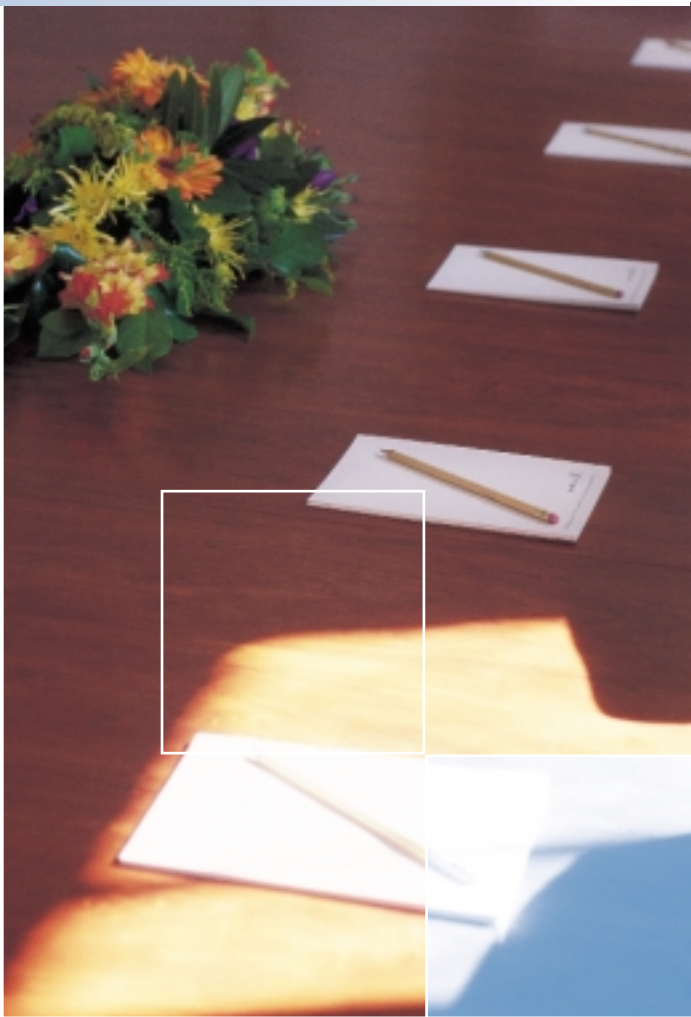
Dr Chai Patel

Ms Claire Perry

Ms Melba Wilson

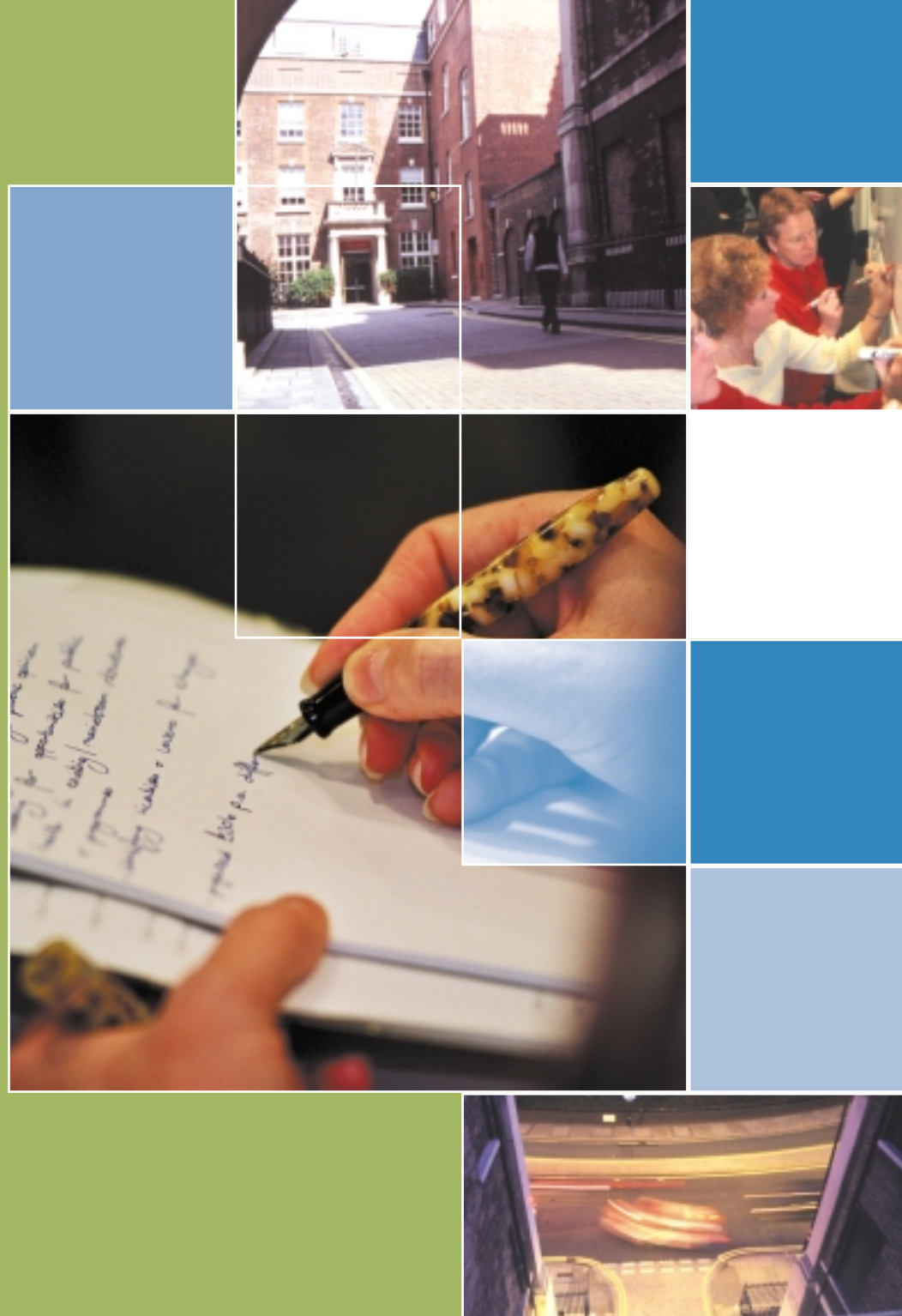
Ms Julia Unwin OBE

For further copies of this annual review, call the King's Fund's Sales and Information Service on 020 7307 2591, or download at www.kingsfund.org.uk/document.rm?id=259



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www.kingsfund.org.uk

The King's Fund is an independent charitable foundation working for better health, especially in London. We carry out research, policy analysis and development activities, working on our own, in partnerships, and through funding. We are a major resource to people working in health, offering leadership development programmes; seminars and workshops; publications; information and library services; and conference and meeting facilities.

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