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PRESS RELEASE

Trust's Historic Debt Resolved

The strategic health authority for the region, NHS South West, has agreed a plan that will ensure the Royal United Hospital NHS Trust Bath is looking to a future without an historical financial deficit by 31 March 2013.

The proposal, which was agreed at NHS South West's Trust Board meeting this Wednesday morning, sets out how the Trust's historic debt of £38 million will be repaid.

Over the next five years, the RUH is required to make surpluses averaging £3.9 million each year. This will enable the Trust to repay £23.5 million of the debt. In addition, primary care trusts will make £14.5 million available to the Trust over the next five years.

With the help of the PCTs, the hospital is now able to better plan its future patient services and sound investment in many areas can continue. These include investing in reducing waiting times for patients - with an ambition to get to a maximum of 10 weeks - for surgery, improving cancer and stroke services and further spending on measures to combat healthcare associated infections - such as improving screening for MRSA.

The Trust's Chief Executive, James Scott, said: *"Thanks to the hard work of all our staff, the financial health of the hospital has already improved and today's announcement gives us the opportunity to renew our focus on delivering excellent healthcare."*

Notes to editors:

- The RUH will contribute £3.9m per year for the next five years.
- Repayment of the debt is already incorporated into the Trust's financial plans.
- This represents approximately 2% of the Trust's annual budget of £190m
- The Trust achieved a small surplus of £144,000 in 2006/07 and is projected to deliver a surplus of £1.9m this year.

Ends

Issued by communications office: Tel: 01225 82 5849