

**FUTURE GOVERNANCE OF HINCHINGBROOKE HOSPITAL:
CONSULTATION ARRANGEMENTS
(Report by the Head of Administration)**

1. INTRODUCTION

- 1.1 The purpose of this report is to acquaint Members with the background to, issues associated with and terms of the forthcoming consultation arrangements for the future governance of Hinchingsbrooke Hospital.
- 1.2 Dr Stephen Dunn, Hinchingsbrooke Next Steps Project Co-ordinator, East of England Strategic Health Authority and Ms Jessica Bawden, NHS Cambridgeshire will be in attendance for this item and will deliver a brief presentation to Members on the proposals thus far and answer any questions that Panel Members may have.

2. BACKGROUND

- 2.1 In Spring 2007 NHS Cambridgeshire (formerly know as Cambridgeshire PCT) led a formal public consultation setting out proposals for the future of clinical services currently provided on the Hinchingsbrooke Hospital site. Four options were considered for “the provision of appropriate services” with Option 2 being chosen after extensive consultation. Option 2 was to provide broadly the same range of services at lower volumes through major redesign of services across the hospital and community setting. At this point, the Trust Board offered to step down to generate £1m in savings; the idea being that another organisation would take on responsibility for the management of the clinical services at the Hinchingsbrooke Hospital site. In terms of the financial performance of the hospital, in March 2008 there was a reported deficit of £38.7m.
- 2.2 The East of England Strategic Health Authority has the responsibility on behalf of the Secretary of State for Health to find a way to ensure the sustainability and safety of Hinchingsbrooke, but also to ensure good financial management. The East of England Strategic Health Authority has been co-ordinating the process to review the current situation and has considered future governance models for the Trust. A Project Board and a Project Team was established in October 2007 to take forward the review.
- 2.3 The Project Board explored the following options:-
- Do Minimum Option – Trust Continues in its Current Form
 - Merger Between the Trust and the PCT Provider Arm
 - Split Out Operations and Assets (Sale and Leaseback)
 - New Integrated Model Between Primary and Secondary Care
 - New Service Model (e.g. Health and Social Care Polyclinic Campus)
 - A Management Contract for a Defined Period
 - Sale / Acquisition
 - A Franchise Agreement for a Defined Period

- 2.4 The last of these options, a franchised agreement for a defined period, was the preferred option for the Hospital's future governance. A formal decision from the Department of Health is currently being awaited before any form of public engagement can commence. The Project Board is keen to brief, involve and consult with key stakeholders throughout the consultation process.

3. MATTERS FOR CONSIDERATION

- 3.1 Current developments regarding the future of Hinchingsbrooke Hospital raise a number of issues, some which are listed below.

- When is the Department of Health likely to give its formal approval to the SHA's proposals?
- It is understood that the Stakeholder Panel (see para. 4 below) will have a role in devising the criteria on which bids will be assessed. Is there any indication as to the weighting that the cost of bids will carry?
- How many other hospitals operate under a franchise? How long have they operated and has their performance been assessed?
- What guarantees will the successful bidder have regarding the PCT's future purchasing policies for Hinchingsbrooke?
- The franchisee will be able to expand beyond the service levels stipulated in Option 2. Will there be a limit on this expansion overall or by activity?
- What is the likely length of life of the Stakeholder Panel? Subject to the Department of Health's decision, when are bids likely to be invited? When is the franchise likely to start operating?
- What will be the length of the franchise? Will there be provision for review of the way it is operating?
- Will there be any scope for bidders to negotiate on what will be expected of them?
- Hinchingsbrooke had an accumulated cash debt of £39 million as at the start of 2008/09. What are the proposals for reducing this figure? Will this be the responsibility of the franchisee?
- Hospitals are paid at national NHS tariff rates. Will this rate apply to the franchisee? Under what circumstances could the rate be exceeded?
- It is understood that the bidding process will be consistent with five of the ten NHS Principles and Rules of Cooperation and Competition. How will the procurement process compare against the remaining principles?
- What are the likely costs of the planned Stakeholder Panel and other public consultation activities? What is the likely cost of the procurement process?

- 3.2 The future of Hinchingsbrooke Hospital is a subject that evokes strong feelings in local members of the public. Although many of these issues have already been aired in other public forums, it is important that District Councillors are aware of the terms of the ongoing debate in order that they are able to respond usefully to their constituents.

4. PROPOSED APPROACH TO PUBLIC ENGAGEMENT

4.1 Upon gaining approval from the Department of Health, the following methods of public engagement have been proposed:

- The establishment of a Stakeholder Panel which would meet in public and would represent a broad range of interests;
- The holding of 6 meetings in public at different locations in Huntingdonshire which will be led by the Stakeholder Panel. The Panel will agree to meet more or less often if deemed necessary.
- Attendance by key Project Team Members at various meetings run by stakeholders;
- Meetings with former Hinchingsbrooke Patient and Public Involvement Forum and the Friends of Hinchingsbrooke;
- Meetings with the Cambridgeshire Local Involvement Network (LINK) and involvement in their Hinchingsbrooke Working Group; and
- Through active publicity about the Stakeholder Panel and advice on how the public can input into the Panel, via representatives from their area of interest or to the Chair directly. This will include:
 - dedicated website pages with interactive feedback forms to go to the Chair.
 - dedicated email address and FREEPOST address for feedback to the Chair.
 - dedicated phone line for public queries.
 - the publication of all Minutes and Agendas of meetings of the Stakeholder Panel.
 - Opportunities for the public to raise questions at the Stakeholder Panel.
 - NHS Cambridgeshire Public Engagement Team to act as a secretariat for the Panel.
 - Independent Advisor to be commissioned to advise and observe the process.

4.2 The Stakeholder Panel was suggested as a way forward for briefing and involving interested groups and interested parties. As well as representing the interests of various groups, the Panel would also advise, represent and consider the tender process being undertaken and act as a conduit for any issues raised by the public. For further details on the Stakeholder Panel, please refer to **Appendix A**.

5. CONCLUSION

- 5.1 The Panel is invited to consider the proposals outlined within this report on the approach to public engagement for the future governance of Hinchingbrooke Hospital and to raise any questions as appropriate with Dr S Dunn and Ms J Bawden at the meeting.

BACKGROUND INFORMATION

Report and Minutes of the meetings of Cambridgeshire County Council's Health and Adult Social Care Scrutiny Committee held on 22nd September and 24th November 2008.

Presentation by Dr S Dunn on the Next Steps for Hinchingbrooke dated 22nd May 2008.

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STAKEHOLDER PANEL

Establishing a Stakeholder Panel

It is proposed that a Stakeholder Panel be established to meet in public and represent a broad range of public interest. The Stakeholder Panel will meet as soon as a Chair is appointed and nominated members mobilised.

Stakeholder Panel - Chair

The appointment of Chair will be crucial to the success of the Stakeholder Panel. The role of Chair requires an individual who:

- Is objective, independent and locally credible;
- Has a broad range of experience of dealing with and leading major projects;
- Is highly resilient and able to prosper in a highly charged operating environment;
- Is able to keep the focus of discussions on the key strategic issues and ensure that the project is not sidetracked;
- Can address difficult issues or situations effectively and constructively; and
- Is able to forge consensus and agreement.

Stakeholder Panel – Membership

The various membership groups identified below will be invited to proposed representative(s) for membership of the Stakeholder Panel. Representatives from the Project Team will attend all meetings.

- HNS Project Team Representatives (to be determined but to comprise PCT, SHA and HHCT reps)
- Hunts Comm Chair (Practice based Commissioning Consortium for Hunts)
- Hinchingsbrooke Health Care NHS Trust Representatives
- Huntingdonshire DC
- Fenland DC
- South Cambridgeshire DC
- East Cambridgeshire DC
- County Council
- Local MP(s)
- Trades Union Representative(s)
- Friends of Hinchingsbrooke
- Huntingdonshire Forum (voluntary sector)
- Huntingdon Community Group
- Parish Councils (CALC)
- LINK

It is anticipated that membership of the Stakeholder Panel will not exceed 20 people, in order to keep the meetings effective. The Panel may co-opt other people to one or more meetings as necessary, in order to conduct its business. The Panel will receive appropriate administrative support. All Panel Members will be invited in writing and a full explanation of representative nature of the role will be given.

It is proposed that County Council's Health and Adult Social Care Scrutiny Committee Members would not become Members of the Stakeholder Panel. However, the Health and Adult Social Care Scrutiny Committee Chair (or nominated representative) could take on a critical observer role on the Panel, voicing constructive comments and ideas as appropriate. (The earlier potential issues are identified in the procurement process, the easier it will be to resolve them effectively.)

Stakeholder Panel - Objectives

The objectives of the Stakeholder Panel will be developed by the Panel but are likely to include the following:

- To utilise networks to maximise the opportunity for the views of a wide cross section of the Huntingdonshire community to feed into the Project;
- To ensure that the background, objectives and progress of the Project are clearly understood;
- To identify and articulate the views of key stakeholders and ensure they are relayed to the Project Team and Project Board in a co-ordinated way;
- To actively contribute to the shaping of the final bid criteria for consideration by the Project Team and Project Board. (It may also be appropriate where the expertise of the Panel permits and there is a perceived benefit, to include some Members of the Panel as observers in the bid evaluation process);
- To identify any key issues which may not have been addressed by the Project Team or Project Board;
- To ensure that performance monitoring mechanisms are clearly defined in the contract; and
- To actively represent their community.

Stakeholder Panel - Meetings

Stakeholder Panel meetings will be arranged as follows:

- 6 meetings to be held in public with provision in the agenda for members of the public to ask questions and lodge views (dates to be synchronised with key project dates);
- The first meeting to be held in public to be scheduled as soon as possible following appointment of Chair and mobilisation of the Stakeholder Panel;
- Members of the local Press/Media to be invited to each meeting;
- Meeting rooms to be booked at several locations to ensure maximum opportunity for local people to attend;
- Sufficient notice of meetings to be given and dates and locations should be published to advertise the engagement period;

- Proceedings of meetings to be recorded in formal Minutes – and these to be included in the Project Team and Project Board meeting papers for consideration; and
- A meeting to be held approximately one year post service commencement to review performance of new provider, if this is considered appropriate.
- To produce a final report to be given to the County Council's Health and Adult Social Care Scrutiny Committee and the Project Board to consider.

The Panel will be expected to give their views on

- Any proposed additions/enhancements to the service model agreed as part of the Spring 2007 public consultation;
- The assessment of the preferred bidder's proposal against evaluation criteria;
- The timing and phasing of implementation;
- The proposed governance arrangements (including performance monitoring arrangements for the proposed new service provider);
- The degree of flexibility within the contract to cope with unforeseen circumstances - future proofing;
- The potential benefit of the Stakeholder Panel meeting one year after project implementation to carry out a post project evaluation; and
- Ongoing arrangements for involving local people.

Stakeholder Panel Membership to include:

Membership	Role(s)
HNS Project Team Representatives (to be determined but to comprise PCT, SHA and HHCT reps)	<ul style="list-style-type: none"> ▪ provide expert support and guidance to the Panel ▪ ensure that the required information is provided in a timely fashion ▪ act as a link back to the Project Team and Project Board ▪ communicate to the Panel the views and perspectives of their respective organisation
Hunts Comm Chair (Practice based Commissioning Consortium for Hunts)	<ul style="list-style-type: none"> ▪ represent the views of the Hunts Comm Strategic Committee ▪ ensure that local GP Practices are kept informed and that their views are represented as appropriate
Hinchingbrooke Health Care NHS Trust Representatives	<ul style="list-style-type: none"> ▪ ensure that the views of HHCT are represented at the Panel meetings ▪ act as a link back to the HHCT Senior Management Team
Huntingdonshire DC	<ul style="list-style-type: none"> ▪ ensure that the views of the Councils are represented and taken into account by the Panel
Fenland DC	
South and East Cambridgeshire DCs	
County Council	<ul style="list-style-type: none"> ▪ ensure that local people's views are represented and taken into account by the Panel
Local MP(s)	<ul style="list-style-type: none"> ▪ ensure that the views of the Council are represented as a corporate body
Local MP(s)	<ul style="list-style-type: none"> ▪ ensure that local people's views are represented and taken into account by the Panel
Trades Union Representative(s)	<ul style="list-style-type: none"> ▪ ensure that the views of HHCT T.U. members are represented and taken into account by the Panel
Friends of Hinchingbrooke	<ul style="list-style-type: none"> ▪ ensure that the views of the supporters of HHCT are represented and taken into account by the Panel
Huntingdonshire Forum (voluntary sector)	<ul style="list-style-type: none"> ▪ ensure that the views of the voluntary sector associated with HHCT and the wider community are represented and taken into account by the Panel
Huntingdon Community Group	<ul style="list-style-type: none"> ▪ ensure that the views of Huntingdon Community Group which represent the views of the ethnic community are represented and taken into account by the Panel
Parish Councils (CALC)	<ul style="list-style-type: none"> ▪ ensure that parishioners' views are represented – it is expected that a representative be nominated through the Cambridgeshire Association of Local Councils
LINK	<ul style="list-style-type: none"> ▪ to represent Local Involvement Networks' views on what they want from their local health services