

Hinchingbrooke



Next Steps News

A communication on behalf of NHS East of England, NHS Cambridgeshire and Hinchingbrooke Health Care NHS Trust

November '09

This month..

The changes ahead
Franchises in the NHS
Jargon explained
Comment & feedback

...and more





Next Steps News

Towards the future of Hinchingsbrooke hospital

Hinchingsbrooke Health Care NHS Trust, NHS Cambridgeshire and NHS East of England's Strategic Projects Team, are working together to find a new partner to run Hinchingsbrooke hospital. This is the first of a regular newsletter giving you an update on this "Next Steps" process. This is a 'bumper edition' including as much information as possible to encourage your involvement in helping decide the hospital's future management.

Production

Next Step News is produced by the Strategic Projects Team NHS EoE on behalf of; NHS East of England, NHS Cambridgeshire and Hinchingsbrooke Health Care NHS Trust

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All change

Why changes are needed

Like all hospitals, Hinchingsbrooke hospital has to be sustainable. In other words, it has to run:

- safe, high quality clinical services
- in suitable facilities; and
- in a way which achieves financial balance.

The hospital has a strong history of providing excellent clinical services and

working well with GPs, neighbouring hospitals and the local community.

The hospital has worked hard and now 'balances its books' each year.

However, it has accumulated a financial deficit in the region of £40m and the NHS requires the outstanding debt to be repaid, as it would with any other hospital.



Hinchingsbrooke quick facts

- Hinchingsbrooke Hospital is a modern **purpose-built** district general hospital, which opened in 1983.
- Hinchingsbrooke Hospital serves people in Huntingdonshire and surrounding areas, approximately 160,000 people.
- Hinchingsbrooke Health Care NHS Trust provides a wide range of outpatient, daycase and inpatient services, a 24 hour accident and emergency department and maternity services.
- Cambridgeshire Community Services provides services on the hospital site including 25 children's beds and 12 special care baby unit cots*.
- There are also two wards for patients with mental health needs, run by Cambridgeshire & Peterborough Foundation Trust*, and Addenbrookes runs a dialysis unit from this site*

*The services marked with an asterisk will not become part of the operating franchise agreement detailed in this document.





Looking ahead

Proposals for the future of the hospital



In February 2007, Cambridgeshire PCT (now known as NHS Cambridgeshire), in partnership with NHS East of England and Hinchingsbrooke Health Care NHS Trust (Hinchingsbrooke HCT) launched a public consultation to look at how hospital services might be delivered in Huntingdonshire.*

The consultation ran until May 2007. The preferred solution was to remodel the existing services across the hospital and the community, to provide broadly

the same range of services, but at lower volumes in the hospital setting.

Lower numbers of patients were anticipated as more services can now be provided closer to patients' homes, without the need to go to hospital. A backlog of referrals was also due to be cleared (this has now happened). Increases in maternity referrals to the hospital were also anticipated. This remodelling of services was considered the best option to allow the hospital to achieve financial

balance each year, while keeping the same range of services, including A&E and maternity, on the site. A summary of the consultation can be found on www.eoe.nhs.uk/strategicprojects

As well as securing the future of services provided by Hinchingsbrooke hospital, the consultation also identified that different management arrangements would be required in the future.

* A document explaining the NHS structure can be found at www.eoe.nhs.uk/strategicprojects, or by calling freephone 0800 923 3001.

A franchise in the nhs?

The preferred option for future management arrangements – the operating franchise

Senior staff from across Hinchingsbrooke hospital, including clinicians, worked with NHS Cambridgeshire, NHS East of England and the Department of Health to analyse a range of options for the hospital's future.*

An operating franchise was seen to be the preferred option, and can be summarised as the grant of a right to provide all of the services currently being provided by an NHS Trust (including clinical services) using some or all of the assets and employees.

Identifying an organisation to operate the franchise will involve a competitive process, which will be open to both the NHS and the Independent Sector, and would ensure that the best deal is identified for patients and the taxpayer – delivering safe and sustainable services to the people of Huntingdonshire. It would also ensure that both staff and assets would be protected.

This preferred option has been presented to the local Overview and Scrutiny Committee, responsible for identifying whether changes to health services are in the best interest of local people, and publicised in the local press. The Department of Health has given its permission to the NHS East of England Strategic Projects Team to develop the detail of the franchise.

The exact nature and scope of the proposed operating franchise has yet to

be established, and will be developed in response to feedback from the public and organisations seeking to become the partner of Hinchingsbrooke hospital.

The organisation that wins the franchise, the franchisee, would be required to continue to deliver the full services that are currently being provided and enshrined in the 2007 consultation for as long as they are commissioned by NHS Cambridgeshire. The franchisee will also need to offer flexibility to accommodate evolving needs and requirements. Services provided by other organisations on the Hinchingsbrooke site under contract to NHS Cambridgeshire, such as Cambridgeshire Community Services, are not included in this franchise.

Any changes in the scope of services will be subject to a separate public consultation.

It is currently anticipated that the:

- franchise contract will be for a minimum duration of seven years
- franchisee will pay an annual fee which will be used to reduce the existing NHS debt.
- franchisee will not be able to make material decisions which may

affect the long term viability of Hinchingsbrooke hospital, like the sale of land, without Trust Board specific approval.

- franchisee will operate by the same rules as an NHS provider and not be given guarantees of future revenue by the NHS.

The proposal would not mean that Hinchingsbrooke hospital is being privatised. The land and assets would not be sold, and staff would continue to be employed by the NHS.

An operating franchise would not change the fact that it is an NHS hospital and patients will continue to receive free healthcare as part of the NHS at Hinchingsbrooke.

The franchise proposal would transfer responsibility for service delivery - finding ways to improve patient experience and make the healthcare services more efficient.

The franchisee would be expected to achieve the same quality of care as the hospital is currently obliged to deliver, but would also be expected to promote further beneficial innovation at Hinchingsbrooke. Bidders for the franchise will be expected to suggest new ideas for how to better manage the hospital, and these ideas will be assessed as one of the factors in selecting the appropriate partner for Hinchingsbrooke.

The franchisee will be subject to robust and regular reviews, like all other hospitals.

Most importantly, the proposed franchise would continue to keep services and staff in the NHS and would secure value for money for taxpayers, while bringing in new expertise and experience to deliver improvements. Crucially, this arrangement is intended to allow flexibility to change the arrangements should they not work out.

*A paper outlining these various options is available for download from www.eoe.nhs.uk/strategicprojects or by calling 0800 923 3001.



So, who will bid?

The proposed identity of the bidders and what this means for hospital staff

In order to deliver safe sustainable services to patients, the public and the taxpayer, the widest possible competition is needed to identify the most appropriate partner.

Bids to become the franchisee are being invited from experienced healthcare organisations within the NHS and from the independent and voluntary sectors. This is the first open competition of its kind in the history of the NHS.

The bidders could come from anywhere in the country, or even from abroad. Wherever the successful bidder comes from, the staff at the hospital would continue to be NHS employees and all the buildings and other assets would still be owned by the NHS.

A successful event was held in October to present the basic proposal outlined above, and attracted a number of organisations interested in managing Hinchingsbrooke hospital. These included NHS and independent sector organisations. More detail about that event can be found at www.eoe.nhs.uk/strategicprojects.

An advertisement to request formal Expressions of Interest in Hinchingsbrooke has been published. It will be possible to announce publicly the number of Expressions of Interest received, but not the names of bidders as they will be commercially confidential.

Is it legal?

The role of the Secretary of State

A contract delegating functions from Hinchingsbrooke HCT to the franchisee can only be lawfully entered into by the Secretary of State using an Intervention Order.

This Order specifies which functions of Hinchingsbrooke HCT will be performed by the franchisee. The franchisee would then be able to conduct the health service functions on behalf of the Trust. The franchisee would have to comply with the same legal requirements as other NHS providers, and also with any particular provisions of the franchise contract or which are specified in the Intervention Order.

It's all a bit technical

How the process works

An open and transparent competitive market tender will take place over the coming months to find the best partner to operate a franchise for Hinchingsbrooke Hospital.

Organisations seeking to become the franchisee would have to demonstrate their capability in the healthcare sector and make bids showing how they intend to best deliver the current (and any suggested additional) services at Hinchingsbrooke.

If no acceptable partner is found, the franchise will not go ahead.

Your stake

The stakeholder panel

A stakeholder panel has been set up as a key way of involving people in shaping Hinchingsbrooke's future. The panel meets in public, its agendas and minutes are publicly available, and members of the public can send their comments direct to the panel's Chairman (see page 8).

A list of the stakeholder panel members can be obtained by visiting www.eoe.nhs.uk/strategicprojects or by calling 0800 923 3001.

"The role of the stakeholder panel in helping shape Hinchingsbrooke hospital's future cannot be under-estimated and members will be involved in every stage of the process. People are welcome to come along to the panel meetings, observe the proceedings and raise questions, and I am openly and genuinely inviting members of the public to get in touch and feed in their ideas and suggestions".

David Monks

Chairman of the stakeholder panel

The stakeholder panel meetings:

26 November 2009, 2pm

Huntington Library

25 February 2010, 5.30pm

Hinchingsbrooke House,
Assembly Rooms

26 May 2010, 2pm

Hinchingsbrooke House,
Assembly Rooms

5 July 2010, 2pm

Hinchingsbrooke House,
Assembly Rooms

27 October 2010, 2pm

Venue to be confirmed

6 January 2011, 5.30pm

Hinchingsbrooke House
Assembly Rooms



The objectives of the stakeholder panel can be shaped by the panel and currently include the following:

- To utilise networks to maximise the opportunity for a wide cross section of the local community (not just Huntingdonshire) to feed into the franchise development process.
- To ensure that the background, objectives and progress of the franchise project are clearly understood by the people each member of the panel represents (known as stakeholders).
- To identify and express the views of key stakeholders and, where possible, build consensus and ensure they are relayed to the project team and project board in a co-ordinated way.
- To contribute to the shaping of the Invitation to Tender on which potential partners will bid.
- To actively contribute to the shaping of the final selection criteria to identify the franchisee.
- 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.
- To advise on communications strategy for the project, including communications with patients, staff, unions, the public and other public organisations.



What you can do

How to get involved



The stakeholder panel contact:

David Monks
Stakeholder Panel Chairman
C/O Strategic Projects Team
NHS East of England, SHA
Victoria House
FREEPOST, RRLU-YTGH-RZYL
Capital Park
Fulbourn, CB21 5XB

Hinchingsbrooke HCT, NHS Cambridgeshire and NHS East of England are determined to involve and engage the widest possible range of people in the process of finding a new partner for Hinchingsbrooke hospital.

There are several ways in which you, as a member of the public, can make your views known throughout the process:

- You can attend the public meetings of the stakeholder panel. Details of forthcoming meetings can be found on page 7.
- You can contact the stakeholder panel's Chairman by writing to the address - left.
- You can answer the questions posed on the back of this newsletter

- If you belong to a community group, you can request a visit from NHS East of England's Strategic Projects Team, to your group to discuss the proposals, and to give your views to them.
- You can make your comments directly by emailing strategic.projects@eoe.nhs.uk or by calling the Freephone number 0800 923 3001.

If you are interested in giving us your views, please contact us using one of the methods above prior to **Wednesday 2nd December 2009**.

There will be future opportunities to get involved. These will be covered in future editions of Next Steps News.



The words

Some explanations – we don't want any mysteries so contact us if anything we say is not clear!



Intervention Order

Any delegation of the functions of Hinchingsbrooke HCT will need to be authorised by the Secretary of State using an Intervention Order, under section 67 of the NHS Act 2006.

An Intervention Order can do any or all of the following:

- alter the composition of the Trust board
- require the Trust to delegate certain of its functions to a specified person (i.e. the franchisee); and/or
- specify the terms and conditions on which such delegation takes place (i.e. to enter into the envisaged franchise contract).

Overview and scrutiny committee

An overview and scrutiny committee may review and scrutinise any matter relating to the planning, provision and operation of health services in the area of its local authority.

An overview and scrutiny committee may make reports and recommendations to local NHS bodies and to its local authority. Also, where a local NHS body is proposing a substantial change in the provision of its service, it has to consult the overview and scrutiny committee of that authority.

Stakeholder

A stakeholder is anyone who has a specific interest in the outcome or success of the Hinchingsbrooke Next Steps project. These will include patients, carers, staff and the Commissioners of services, among others.

FAQs

Frequently Asked Questions

1. Will Hinchingsbrooke Hospital close?

Hinchingsbrooke is not going to close. It is safe and will continue to deliver the full range and scope of services, as agreed after the public consultation in 2007.

2. What will happen to Hinchingsbrooke's staff and buildings?

Staff would remain employed by the NHS. The hospital buildings and all its assets would remain owned by the NHS - regardless of which provider is selected at the end of the process.

3. How much is Hinchingsbrooke's debt, and what will happen to it?

Hinchingsbrooke HCT is currently designated a financially challenged NHS Trust.

The Trust has done well to achieve an operating (in year) financial balance for the past two years, but it is unable, in its current format, to recover its financial deficit of almost £40 million.

The overspend is to the NHS, so when it is recovered, it will be reinvested in local NHS services.

4. Why is Hinchingsbrooke exploring independent sector options?

It is important that the NHS continues to deliver sustainable healthcare services to the people of Huntingdonshire now and in the future. It is important to find the right partner who would ensure this happens, and this means an open process that allows all interested parties a chance to put forward proposals.

Patients, staff and local people can be reassured that their needs come first when the preferred partner is being chosen.

The Department of Health's Competition and Cooperation rules encourage an open competition with a level playing field for NHS services. The procurement of a new provider organisation will be open to the NHS and the independent sector (to include private and voluntary organisations). This will ensure that all options are explored.

5. Why would the independent sector want to become involved with Hinchingsbrooke if it's not sustainable?

The successful franchisee will have to operate on the same terms as anyone else providing equivalent NHS services. However, when a new management is brought into any business, they bring with them a new and different perspective.

The new franchisee may well identify scope for improving efficiency and performance. It could be, for example, that they see more services being handled in the community, or that service hours in the hospital can be extended. These are just suppositions; it will be up to the individual bidders to show how they would make the management of Hinchingsbrooke hospital sustainable.

Overridingly, there is a clear bottom line; the provision of services agreed by local people, to standards expected of NHS organisations.

6. How will this plan improve services for patients?

This plan will improve services for patients because it helps to secure the hospital's future. The decision of the NHS to guarantee a future for the hospital, to set out clearly what services would be delivered, and to find the right long term partner to deliver those services, ensures that the people of Huntingdonshire will benefit from year on year progress in the NHS.

7. How long will the process take for Hinchingsbrooke?

Preliminary assessments are that this might take around 18 months from October 2009. Hospitals are complex organisations, and everyone needs to be confident that the right answer is found for local people. There are no arbitrary deadlines; it will take as long as needed to get the right solution.

8. When do you intend to involve the public?

As is customary, the public and their representatives will be given the opportunity to be involved throughout the development of the franchise proposal.

This newsletter will provide regular updates on the progress of the project and how the views of the public have been used in the development of the proposal.

An independent stakeholder panel has also been established to represent a broad range of interests on behalf of the public. The stakeholder panel will meet in public and will communicate issues raised by the public to the NHS.

More detail about the stakeholder panel can be found on page 7 of this newsletter.

A list of other public involvement and communication events can be found online at www.eoe.nhs.uk/strategicprojects.

9. Has a decision already been made on Hinchingsbrooke?

No final decision has been made. The development of the nature and scope of the franchise proposal will be shaped by taking into account all the relevant factors, together with the views of both the public and potential partners for Hinchingsbrooke.



Comment

Comments on this opportunity for Hinchingsbrooke

“ I am delighted that we can now begin a process which will end the continuing uncertainty. Throughout the process we will be looking for opportunities for staff and services which enhance high quality local services for local people. ”

Mark Millar

Chief Executive Hinchingsbrooke

“ We are moving one step closer to securing a sustainable future for Hinchingsbrooke Hospital and delivering on the promises made by the local NHS following consultation in 2007. ”

Dr Stephen Dunn

Director of Strategy
NHS East of England

“ It is good news that this process has now moved to the next stage. NHS Cambridgeshire will continue to work to ensure that there is a long-term sustainable future for Hinchingsbrooke. ”

Maureen Donnelly

Chairman of NHS Cambridgeshire

Let's hear from you

A feedback opportunity



We would be very grateful to hear your views on the following questions below. Please send it, by Wednesday 2nd December, to the address below (no stamp is needed):

**Strategic Projects Team
NHS East of England, SHA
Victoria House
FREEPOST, RRLU-YTGH-RZYL
Capital Park
Fulbourn, CB21 5XB**

About the proposals

1. Can you see any ways in which the proposed contained in this document could be improved? (please detail)

2. Do you think there are beneficial alternatives to the franchise model?

3. How long do you think the franchise arrangement should last for?

4. What would good performance or innovation by the franchisee look like for patients?

5. What innovations to healthcare services would you like to see at Hinchingbrooke hospital?

6. Do you think any other groups should be represented on the stakeholder panel?

7. How else do you want to be involved in the development of the franchise proposal?

8. Is there anything else you would like to know?

9. Do you have any other comments?

About you

1. Which of the following categories do you fall into:

- Patient of Hinchingbrooke HCT
- Relative or carer of patient
- Local resident
- NHS member of staff
- Other (please specify)

2. Which of the following local authority areas do you live in?

- Huntingdonshire
- Cambridgeshire
- Bedfordshire
- Peterborough
- Northamptonshire
- Norfolk
- Lincolnshire
- Suffolk
- Other (please specify)

3. How old are you?

- Under 16
- 16-24
- 25-34
- 35-44
- 45-54
- 65-74
- 75-84
- 85 and over

4. Are you:

- Male
- Female

Thank you for taking the time to complete this involvement document. A summary of responses received will be made available at www.eoe.nhs.uk/strategicprojects