

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter:	Response to the Proposed Merger of the Trusts Running Hinchingsbrooke and Peterborough and Stamford Hospitals
Meeting/Date:	Overview and Scrutiny Panel (Communities and Environment) – 12th July 2016 Cabinet – 21st July 2016
Executive Portfolio:	Councillor J Palmer (Executive Member for Leisure and Health)
Report by:	Democratic Services Officer (Scrutiny)
Ward(s) affected:	All

Executive Summary:

This report outlines a response to the proposed merger of the Trusts running Hinchingsbrooke and Peterborough and Stamford Hospitals prepared following the Overview and Scrutiny Panel (Communities and Environment)'s special meeting and public engagement exercise on 28th June 2016. The response has been written in the form of a letter to the Chairman of the Hinchingsbrooke Health Care NHS Trust and, subject to endorsement by Cabinet, will be sent out in early August and copied to the Peterborough and Stamford Hospitals NHS Foundation Trust and local MPs.

Should additional information become available from the Trusts at a later date, the Council could of course respond further. The Chief Executive has been invited to return to a future meeting of the Overview and Scrutiny Panel (Communities and Environment) once the Full Business Case is available.

Recommendations:

The Cabinet is asked to consider the letter at Appendix A and endorse this as the Council's current observations to the proposed merger.

1. PURPOSE OF THE REPORT

- 1.1 To present the draft response of the Council to the proposed merger of the Trusts running Hinchingsbrooke and Peterborough and Stamford Hospitals, prepared following the Panel's special meeting and public engagement exercise on 28th June 2016 and to seek Cabinet endorsement to submit this as a formal response from the Council.

2. BACKGROUND

- 2.1 The Overview and Scrutiny Panel (Communities and Environment) held a special meeting on 28th June 2016 to consider the proposed merger of Hinchingsbrooke Health Care NHS Trust (HHCT) and the Peterborough and Stamford Hospitals NHS Foundation Trust (PSHFT).
- 2.2 The Panel welcomed the opportunity to hear from the Chief Executive of HHCT, Lance McCarthy, as well as from the Chairman of Healthwatch Cambridgeshire, Val Moore. The meeting also included a public participation session and an opportunity for non-Panel Members to ask about the likely impacts of the proposal.
- 2.3 The Panel has reflected on what they have heard and requested that a response be sent to inform the consultation during the development of the Full Business Case. A draft response is attached at Appendix A.

3. SUMMARY OF THE SPECIAL MEETING AND THE PANEL'S CONCLUSIONS

- 3.1 During the meeting, Mr McCarthy explained that an Outline Business Case (OBC) for collaborative work between the two Trusts had been approved by both Trust Boards in May 2016. A merger is the preferred option as it is expected to deliver the most benefits in terms of financial and clinical sustainability.
- 3.2 Mr McCarthy stated that a Full Business Case would be developed over the summer and considered by both Trust Boards in September 2016. If a merger proceeds this will take place on 1st April 2017. Although the Panel recognises the need for a timetable, Members thought that this was too short and that the Boards were trying to do too much too soon.
- 3.3 It came to light that the current Board only includes one member living within the hospital's general catchment area. Members were concerned that this has resulted in a 'democratic deficit' and would prefer current and future Trust Boards structures to be more representative of local people.
- 3.4 When asked, Mr McCarthy explained that the merger would technically be an acquisition of HHCT by PSHFT since the latter is a Foundation Trust and cannot legally be dissolved. Although Mr McCarthy offered Members reassurance that the arrangement would be a collaboration, Members remained concerned that a legal acquisition could result in Hinchingsbrooke being treated as the 'poor relation'. Members want further reassurance that if a merger was to happen, then Huntingdonshire residents would continue to be able to access the full range of acute services currently provided at Hinchingsbrooke.
- 3.5 The Panel heard from Mr McCarthy that the Trust Boards had not determined how they would engage with the public. While acknowledging that activity was suspended during the purdah period for the EU referendum, the Panel was

concerned to hear this. Members would like to see clear messages delivered and thought it essential that a programme be set out for proactive public engagement both now and after a review of the Full Business Case in September.

- 3.6 During his presentation, Mr McCarthy highlighted that through collaboration both Trusts expect to save £9m between both hospitals by integrating back office functions. The Panel are keen to see information published on how these expected savings would be split between HHCT and PSHFT. This would provide transparency and reassurance to residents that savings would be apportioned fairly between the hospitals.
- 3.7 Mr McCarthy stated that as a result of the merger approximately 70 roles may be made redundant across both Trusts. The Panel was informed that the turnover of staff between the two hospitals already stands at around 70 per week so the redundancies may well mainly be managed by deleting vacant posts. However the Panel are concerned about the impact of redundancies on members of staff and have asked for details of where redundancies would be made. This would show whether job losses are likely to be balanced across all hospital sites.
- 3.8 The Panel was heartened to hear from Mr McCarthy that all of these issues and challenges were being explored robustly and that the focus of HHCT's work with PSHFT is ensuring the financial and clinical sustainability of safe, local healthcare services and that there is no intention of existing services provided at the Hinchingsbrooke site being moved to other locations or patients being required to travel elsewhere to receive care. The Panel expects the Boards of both Trusts, and any future Board of a new merged Trust, to stand by these public statements and to ensure that the provision of healthcare services at the Hinchingsbrooke site for the benefit of Huntingdonshire residents is at the forefront of all current and future plans.

4. COMMENTS OF OVERVIEW & SCRUTINY

- 4.1 The Overview and Scrutiny Panel (Communities and Environment) considered the report and the letter in Appendix A. Members thought that the letter highlights the concerns the Panel has with the proposed merger and the process of the development of the Full Business Case.
- 4.2 The Panel reviewed the letter and requested some amendments be made to ensure that none of the statements made could be misinterpreted as an endorsement of the approach adopted by the Trust Boards. These amendments have been made to the version attached to this report.
- 4.3 Members agreed that as the letter is a Council response that it should be signed by the Executive Leader of the Council. Therefore Councillor Tim Alban's details have been replaced with the Executive Leader's details.
- 4.4 The Panel agreed that, as the letter highlighted concerns regarding the process of the development of the Full Business Case, the Cabinet should agree to send the letter soon, prior to a decision by the Trust Boards.
- 4.5 Members agreed that if the Cabinet do not agree to endorse the letter as a Council response then no response should be sent at the present time.

5. LINK TO THE CORPORATE PLAN

- 5.1 The Council has a Strategic Priority of “Enabling Communities” and is committed to supporting people to improve their health and well-being. The Council has a role in scrutinising proposed changes to local health care.

6. REASONS FOR THE RECOMMENDED DECISIONS

- 6.1 The Panel had some concerns about the proposed merger and the processes being followed to develop the Full Business Case. The Panel intends to submit a response to HHCT detailing their views and invites Cabinet to endorse this response.

7. LIST OF APPENDICES INCLUDED

- 7.1 Appendix A – Draft Response to the Proposed Merger of the Trusts Running Hinchingbrooke and Peterborough and Stamford Hospitals.

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