

## **PRESS RELEASE**

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For Immediate Release

# **First ever franchise offer of its kind for an NHS Hospital launched this week**

NHS East of England, is working with NHS Cambridgeshire and Hinchingsbrooke Health Care NHS Trust to find a partner to provide the full range of modern acute hospital services at Hinchingsbrooke hospital in Huntingdonshire, the first ever franchise offer of its kind for an acute NHS hospital.

This unique process proposes that the clinical and non-clinical services at the hospital will be provided via an operating franchise agreement with an experienced healthcare provider from the NHS, independent or third sectors. This proposal will ensure that a full range of high quality acute hospital services - including accident and emergency and maternity services - will continue to be provided for local people at Hinchingsbrooke, as agreed at the end of the public consultation process on Hinchingsbrooke in 2007.

The franchise is for a fixed period, aiming to improve the hospital's long term sustainability by addressing its £38.9m historical debt to the rest of the NHS. The hospital's staff and assets will remain firmly within the NHS and will not be transferred to the final partner. Hospital staff will continue to be employed by the NHS under NHS terms and conditions. The hospital's buildings and other assets will continue to be owned by the NHS.

A notice asking for formal applications from potential bidders has been placed in the official journal of the European Union (OJEU) and on the NHS Supply2Health website for tenders. This is the first step in the competitive process for the franchise offer. The process is expected to take 18 months and includes a full programme of public

involvement with the views of all interested stakeholders influencing the process from beginning to end. A keystone of the public involvement is the independently-chaired Stakeholder Panel established to work with NHS East of England, the PCT and the Trust on this project. The meetings of this Panel are held in public.

Dr Stephen Dunn, Director of Strategy at NHS East of England said:

“This is a unique opportunity to secure a sustainable future for Hinchingsbrooke hospital, its services and staff. We are aiming to deal with the hospital’s historic debt, while improving service quality for patients and securing value for money for tax payers. Patients should be the ultimate winners from a process that will ensure that Hinchingsbrooke hospital continues to deliver excellent local services in the future.”

#### **Notes for editors**

- Hinchingsbrooke hospital, which opened in 1983, is modern and purpose-built, with 369 beds providing quality up-to-date healthcare - including accident and emergency and maternity services - for approximately 161,000 people in Huntingdonshire, Cambridgeshire and the surrounding areas. In the latest Care Quality Commission's Annual Health Check the Trust was assessed as Good for clinical services and Fair for financial management. The hospital’s annual income is around £92 million.
- The franchise agreement will probably be for approximately seven years, although the SHA will seek views on the length of the agreement during the dialogue stages of the competitive process.
- An independently-chaired Stakeholder Panel has been established to work with the SHA and the Trust on this project. The meetings of this Panel are held in public. The next meeting is on 26 November 2009 at 2pm at Huntingdon Library, Prince’s Street, Huntingdon, Cambridgeshire PE29 3PA.

- Applications should be submitted by 16 November 2009. Further information is available at <http://www.eoe.nhs.uk/strategicprojects>
- As at 31 March 2009, the Trust reported an accumulated deficit of £38.9m.
- The successful franchisee will be expected to provide the full range of clinical and non-clinical services currently provided at Hinchingsbrooke Hospital, including A&E and maternity services, while also offering the flexibility to accommodate evolving needs and requirements in partnership with the commissioning organisation (NHS Cambridgeshire).
- The franchisee will be expected to accept full demand and volume risk and no guarantees of future revenue will be given to either the Trust or the franchisee.
- The delegation of the Trust's functions to the Preferred Bidder will require authorisation, for the first time, by the Secretary of State using an Intervention Order under section 67 of the NHS Act 2006.
- Services on the Hinchingsbrooke hospital site provided by other organisations, such as Cambridgeshire Community Services through contractual arrangements with NHS Cambridgeshire, are unaffected by this franchise offer
- Further information about the Hinchingsbrooke Next Steps project can be found at [www.eoe.nhs.uk/strategicprojects](http://www.eoe.nhs.uk/strategicprojects)

**For more information please contact the NHS East of England Press Office**

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