

Note to PCT Cluster Chief Executives re future of FHS

I am writing to let you know the outcome of Monday's FHS project Board Meeting. Minutes will be circulated shortly but I thought you would welcome a note of the key points. I am aware also of the keen interest in the future FHS arrangements and thought it would be useful to have an official note to set in the context the informal feedback that will be circulating in the FHS community.

The context of the proposed FHS service transfer to NHS SBS was the subject of a signed Memorandum of Understanding on the part of 14 PCTs.

Following the discussion at the Chair and Chief Executives meeting at Taunton racecourse, the invitations to the meeting were restricted to PCT Chief Executives or their nominees. SHA colleagues were not involved in this discussion nor were representatives of NHS SBS. All PCTs were represented.

We took stock of developments and noted the final version of the NHS SBS proposal which had been made available that day and the FHS South West proposal that had been prepared by XXXX, XXXX and XXXX and circulated during the previous week.

We noted that the final NHS SBS proposal had a fuller catalogue of services, made provision for IM&T arrangements and had slightly improved the savings released by the transfer. The proposal also confirmed the longer term intention to use the four bases in the south west as the strategic cores for NHS SBS' work across southern England and for England in the case of the records core at Exeter.

In relation to the FHS South West bid we noted that it proposed an alternative delivery model, retaining more local bases and seeking to improve costs by focusing on reducing non-pay cost. We noted also that the details of the operating model needed to be made explicit to enable PCTs to assess the probability of achievement of service standards and savings. We noted also that the model needed to be developed to demonstrate how the service changes would be managed through to 31 March 2013 and what the operational model would be from 1 April 2011.

In terms of next steps, we noted that the current SBS implementation timetable assumes decisions in the July cycle of Board meetings, with its implementation team ready to go from the beginning of September. The alternative proposal does not have the same time frame though in my view, the outcome is likely to be a foregone conclusion if the current versions of the two proposals were compared. That leaves us with the choice of staying with the timetable we committed to sustain through the Memorandum of Understanding with NHS SBS or adding some more time into the process to allow a finished version of the FHS South West bid to be submitted.

The meeting on Monday accepted my suggestion that the FHS South West proposers have until 31 July to submit their final bid. The FHS leaders committed to completing the operational elements of the proposal in that timescale. The FHS South West proposal needs significant development in terms of its organisational leadership and governance. In practice, do not think this will be dealt with satisfactorily unless the Chief Executive (or a nominated Executive Director) from one of the three clusters whose staff have generated the proposals acts as Senior Responsible Officer.

To ensure that we keep as closely to the timetable as possible, I suggest that we seek delegated authority via the July Board meeting cycle for cluster Chief Executives (and Chairs where that is required) to allow the matter to be determined jointly at a meeting convened for that purpose in August. We could use the current versions of the two proposals to brief Boards recognising that only the NHS SBS is a final version. The precise nature of such a meeting will be shaped by the number of proposals there are at that time.

I realise this is an unusual process and I hope it is clear that in making this suggestion I am seeking to balance the range of interests across the region while making progress in drawing this matter to a satisfactory conclusion. I appreciate from the comments on Monday and from comments made on other occasions that in different ways, some aspects of our progress to date have seemed unsatisfactory to each the parties involved. I hope this gives us an opportunity to put that behind us and move on.

I'd be happy to follow up in conversation if that would be helpful, for now it would be very helpful to know whether you are willing to go ahead on the basis described.

Jeff James
28 June 2011