

## Answers to Questions at the Defend the Whittington Hospital Coalition Public Meeting 11<sup>th</sup> January 2018

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The meeting was chaired by Councillor Gary Heather, who invited the speakers, Ms Shirley Franklin, Defend the Whittington Hospital Coalition (DWHC), Catherine West MP, and Siobhan Harrington, CEO Whittington Health, to make opening statements. There then followed a question and answer session.

The following provides Ms Harrington's opening statement, and answers to some of the questions raised at the meeting that there was insufficient time to respond to. Ms Harrington did respond to other questions at the meeting, many of which are either included in the SEP [FAQs](#), posted on the Trust's website, or [here](#) which details the responses to questions raised previously by DWHC at a Trust Board meeting on 1 November 2017.

You can find a summary of the Estates Strategy [here](#) and the full 2016 – 2021 strategy document [here](#).

### Siobhan Harrington's opening statement to the public at the Defend the Whittington Hospital Coalition meeting on 11th January 2018

I would like to start by saying that I have the deepest sympathy for everyone affected by the Grenfell fire. As did many others, I watched the tragedy of the fire through the night, and remain deeply saddened by what happened.

#### Introduction

- First, let me thank you for inviting me here today. Throughout the process of developing our plans for the redevelopment of the Trust's estate, we have consulted widely with our staff and local people and stakeholders. I am glad to be able to take the opportunity to maintain that engagement. I am looking forward to us having a constructive and open conversation with you tonight.
- For those of you who may not know me, I'm Siobhan Harrington. I'm Chief Executive of Whittington Health. I have worked at Whittington Health for 12 years now. I have been in the NHS for 35 years, and I am a registered nurse. As Chief Executive, I oversee the Trust's hospital and community care services in Islington and Haringey, as well as Barnet, Enfield, Camden and Hackney. The Chair of the Trust, Steve Hitchins, is here too along with Board members.

#### The Context

- I want to start by explaining why, as a Trust, we have chosen to enter in to a Strategic Estate Partnership. You will know that NHS trusts are under huge financial pressure. One of my responsibilities is to make sure get the most out of what we have got, and to ensure we deliver excellent services for the people of Islington and Haringey, in buildings that are fit for purpose.
- The Trust owns many buildings – some of which is used every day for the services which we deliver, some of which is used for the accommodation of our staff, and some of which isn't currently in use. Running the Trust's estate is a costly –

- Current maintenance backlog is £23.5million pounds – and increases every day
- We have £8m capital to address the backlog, invest in technology and refurbish key clinical areas
- We do not have sufficient funds to develop our estate in the way that is needed
- The truth of the matter is that without the redevelopment of our estate we put at risk our ability to deliver our clinical strategy, in particular:
  - Our maternity and neonatal facilities must be upgraded to secure their future
  - Our Children’s Community Services are in unsuitable accommodation
  - We need to provide the affordable accommodation for our staff, if we are going to be able to attract the staff numbers we need to deliver care to local people.
- We have established our partnership with Ryhurst because:
  - It provides us with the expertise that we do not have to develop our Estates plan
  - It has experience of working with NHS Trusts to get the most out of their estates
  - It will help us to find the investment which our facilities desperately require.

### **The Strategic Estates Partnership**

- A Strategic Estates Partnership means that we enter into a contractual Joint Venture with a specialist company. I would like to tell you what the SEP is not
  - It is not a PFI
  - There are no debts incurred in the SEP in the way that there are with PFI
  - The Trust continues to have full control of the estate and the decisions about what we do with our estate

The SEP gives us benefits that we would not get through a PFI:

- It is absolutely non-exclusive. As we develop our estate on a project by project basis we will all of the options available to us and choose the best one to deliver the programme
- We only pay our SEP partner based on specific results, agreed in advance by the trust.
- If our partnership isn’t delivering what we want, we simply won’t use it. And if we’re not using it, we don’t pay for it.
- The initial work of the SEP will
  - Allow us to look at the condition and future potential of the whole of our estate
  - Determine what changes to the estate are needed to help our doctors and nurses to develop state of the art services for local people
  - Moves us on from just maintaining or refurbishing our buildings piecemeal.

### **Why We Must Continue**

- I know that many of you will want to know why we have chosen to partner with the private sector.
  - In the current context, there is no alternative.
  - We have been trying to solve this issue for 17 years. We’ve tried every available avenue – but we’re here, now, still, trying to find a way to fund the services the community relies upon.

- My responsibility as Chief Executive of the Trust is to make sure that the people of Haringey and Islington are cared for in safe, well-resourced facilities.
- This partnership will help to make sure that we can do that as soon as possible.
- Developing the facilities we need and managing our estate, is complex.
  - We do not have the resources or the skills, to do what is needed
  - We need to find way of funding the development of our estates which will cost near to £100m
  - We want our clinical staff will work alongside experts to design the buildings they need to continue to deliver excellent services we are proud of
- I appreciate that some will find this agreement controversial
  - We have considered every option.
  - We have an ever growing cost of just maintaining our buildings
  - There is no new money available to fund NHS estate development

### **In conclusion**

- The Board, and the Trust's leadership, recognise that these are difficult circumstances.
- I cannot state enough the urgency of need to develop our estate, to secure the future of services for the people of Islington and Haringey, and to secure the staff to deliver our services in the future
- We have been trying to solve this issue for 17 years to find a way to fund the services the community relies upon.
- So I hope to be able to explain to you all, tonight, how and why this partnership is the best option for all of us.

Thank you

### **Responses to questions from the public:**

#### **Who is managing the estates strategy?**

The Whittington Health Trust Board is accountable for ensuring the delivery of the Estates Strategy. The Executive Team are responsible for its day to day operational delivery.

#### **Will Ryhurst will be paid by selling our NHS?**

The Trust will pay Ryhurst fees for specific pieces of work. The Trust will only pay fees if a project is successfully delivered. There is no transfer of Whittington Health assets to the SEP. Unlike some estates delivery models which seek to secure ownership of land and buildings, Whittington's Strategic Estates Partnership has been specifically designed to ensure that valuable Trust estate is retained by the Trust.

#### **Rydon is being considered for Corporate Manslaughter, why is Whittington Health defending Ryhurst?**

The Trust Board is not defending Ryhurst, it is outlining how Ryhurst became its preferred bidder.

Whittington Health undertook a lengthy procurement process, the standards of which are set by procurement law. Following this process Ryhurst were identified as the Trusts preferred bidder on 2<sup>nd</sup> June 2017.

The Trust Board made the decision to award preferred bidder to Ryhurst before the tragic Grenfell Tower fire on 14 June 2017. Following the fire, the Board paused the procurement. As part of the pause the Board took legal advice about procurement law.

In deciding to proceed with the procurement, the Board took into account the following:

- If the procurement did not go ahead, the process would be required to start again, further delaying the essential estate works on buildings that are very old and unfit for purpose
- If the procurement did not go ahead, there may have been a risk that the Trust could face financial penalties under procurement law
- If the Trust further delayed the development of its estate, there is a potential impact on Whittington Health being able to fully benefit from the future development of its estate.

The Trust Board carefully considered all the options available, against the risks with not proceeding. During the pause further due diligence tests were undertaken, and the Board made significant deliberations on these and the legal advice obtained from a QC. With all the information and evidence in front of them, the Trust Board made the decision that it should proceed with the procurement and Ryhurst as preferred provider.

### **The Strategic Estates Partnership appears to be a complex proposal that will work across different sites – will this increase the risk associated with its delivery and shift the focus away from the clinical need?**

The Trust's Clinical Strategy has intrinsically informed the Trust's Estates Strategy. The SEP will assist the Trust to deliver its Estates Strategy. Delivery of the Estates Strategy is a fundamental requirement to support the delivery of the Clinical Strategy.

The Board wants to take an holistic view of its estate across both Islington and Haringey, to determine how we might maximise its full potential to benefit the people living in both Boroughs.

Affordability of estates development is key to our success and has been the limitation of progress with major developments over the past 17 years. Our work to date has demonstrated that if we develop the estate in a joined up way over the next 10 years, the developments can be self-funding.

A development plan that encompasses our whole estate will provide us with an overall view of the condition and future potential of the estate that is needed to finance the necessary work. This will be the work we will undertake with Ryhurst through our SEP.

### **Are there any links between members of the Board and awarding the contract to Ryhurst?**

Trust Board members are required to declare conflicts of interest at each Board meeting. Conflicts of Interest and Declarations of Interest by Trust Board members are available for scrutiny by members of the public.

If there is any conflict or interest declared by a Board member in relation to a Board item, the Board member will not contribute to discussions about this and will not be involved in any decisions that relate to this item.

**What guarantee do staff living in the current accommodation have that they will continue to be housed?**

The Trust Board recognise the importance of providing accommodation to attract and retain the best staff to work at for the Trust. The Trust's Estate Strategy outlines its commitment to re-providing accommodation following the development of the current Nurses Home.

It is anticipated that there will be additional opportunities to develop key work and affordable accommodation on other sites as they are developed.

**What happens if Ryhurst collapses like Carillion?**

The details of the SEP contract are commercially confidential. However, the Trust did undertake the necessary due diligence that would be expected in such contracts.

The contract can be awarded following approval by the Trust's regulator, NHSI.

The Trust has not signed a contract to move forward with any work and will not do so unless the Trust Board is satisfied that it fully meets the needs of the organisation.