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MEETING	HEALTH SCRUTINY COMMITTEE
DATE	2 AUGUST 2006
PRESENT	COUNCILLORS CUTHBERTSON (Chair), FRASER, GREENWOOD, LOOKER, MOORE and M WAUDBY
APOLOGIES	COUNCILLOR KIND
IN ATTENDANCE	PENNY JONES (Acting Chief Executive, SYPCT) MIKE PROCTOR (Chief Operating Officer / Director of Nursing, York Hospitals NHS Trust) ROB SMITH (Consultant / Clinical Director of Children's Services, York Hospitals NHS Trust)

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## 12. **SCRUTINISING SELBY AND YORK PRIMARY CARE TRUST'S MEASURES TO RESTORE FINANCIAL BALANCE**

Members considered how they wished to examine the impact of savings measures set out in the Financial Recovery Plan prepared by the Selby and York Primary Care Trust (SYPCT). This matter had been adjourned from the meeting on 31 July to enable Members to hear from a representative of the York Hospitals NHS Trust before coming to a decision.

At the outset of the meeting, Cllr Fraser reiterated the concerns he had raised on 31 July regarding the decision to adjourn, which he considered had been taken in a manner contrary to the Council's due processes. In response, the Chair emphasised that Members had to work together to deal with the issues expeditiously. The adjournment date had been agreed at the meeting by a majority of the Committee and no political pressure had been applied.

Members then heard from and questioned the following speakers, who had been invited to attend the meeting to provide further information on the Plan and its effect upon York's hospital services:

**Penny Jones** outlined the latest position on development of a Service Level Agreement between the Trust and the SYPCT. Agreement had been reached on the broad principles and colleagues within the two organisations were now discussing the detail. Both parties recognised the need to work together to develop a more affordable and sustainable approach to service provision, although the challenges of this task were fully appreciated.

**Mike Proctor** confirmed the comments of the previous speaker and that significant progress had been made on the agreement. It was accepted that the Trust must make a significant contribution to the PCT's savings; subject to maintaining the principle of payment by results. This would be achieved by helping the PCT to make clinically sound decisions, focusing

on those areas where services could be provided equally well outside the hospital environment. The outcome would be a smaller hospital (that is, one with fewer in-patient beds) and shorter hospital stays.

**Rob Smith** outlined the current situation at York Hospital with regard to paediatric services. In line with national trends, admission rates were increasing and length of stay reducing – the hospital was seeing more children who were less ill. The key to greater efficiency lay in reducing admission rates by provision of alternative services at a primary care level. However, there was no question of compromising patient safety and it was not considered that the Plan would have a detrimental effect on services.

Members raised concerns about the low level of savings identified by the Trust to date, relative to the PCT's targets. It was explained that finding savings was an ongoing process and any agreement would be subject to the approval of the Health Authority. The Committee would be kept updated on progress overall towards meeting the targets. The issue of time was crucial for both the Trust and the PCT and it would be in the interests of all if the PCT were granted more time to achieve its savings requirements. In response to Members' questions on the implications for hospital services, it was confirmed that there were no plans permanently to discontinue particular classes of minor operation. Decisions would continue to be taken on a clinical basis, having assessed each case against agreed criteria. The hospital's capacity would be reduced only as demand for services reduced and it must retain sufficient capacity to deal with emergencies on a day to day basis.

Having discussed the issues and considered all the information provided at both parts of the meeting, it was

RESOLVED: (i) That the Committee write to the Secretary of State asking that the SYPCT be given more time and flexibility to meet its savings targets and that it not be required to replay the deficit brought forward from 2005/06 in the current financial year. The text of the letter to be agreed between the Chair and Cllr Fraser.

- (ii) That the Committee give further consideration to:
  - a) The final version of the clinical thresholds guidance "Commissioning Effective, Efficient and Necessary Pathways of Care" (paragraph 4.2 of the Recovery Plan refers), and how it addresses the relationship between RACAS and practice based commissioning;
  - b) Those aspects of the Recovery Plan that relate to Mental Health services, and their potential impact on these services.

(ii) That no statutory public consultation on any of the proposals in the Plan is required at this stage.

I Cuthbertson, Chair  
[The meeting started at 4.30 pm and finished at 6.40 pm].