



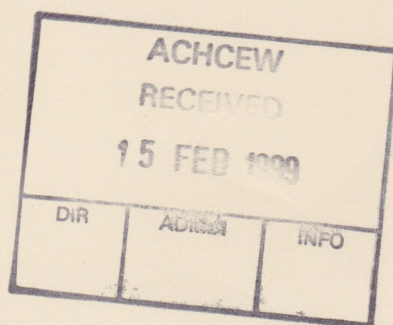
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From the Minister of State

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Donna Covey
Director
Association of Community Health Councils
for England and Wales (ACHCEW)
Earlsmead House
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LONDON
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08 FEB 1999



Dear Ms Covey

Thank you for your letter of 11 November about openness and consultation in Private Finance Initiative (PFI) schemes in the NHS. I am sorry that you have not received an earlier reply.

It is important to set your concerns in the context of the review of PFI which we have undertaken. One of the aims of the review was to address how openness and consultation procedures could be improved in PFI schemes. In April last year my predecessor, Alan Milburn, announced some early decisions arising from the review. As you say, this announcement was made at a UNISON conference. One of these decisions was that NHS trusts must publish their key project documents – the Strategic Outline Case (SOC), the Outline Business Case (OBC), the Full Business Case (FBC) and the final contract between the trust and its private sector partner. Instructions were immediately issued to NHS Executive Regional Offices to implement this, subject to a discretion to remove material that is genuinely “commercial in confidence”.

An operational guidance note on openness in PFI was issued to the NHS at the end of last year. A copy was forwarded to your Legal Officer, Marion Chester, and we agreed with Marion to distribute a copy of the guidance note under a covering letter to all Community Health Councils in England and Wales. This was sent out on 14 January; please find a copy enclosed. The note sets out the responsibilities of NHS Trusts relating both to future and to existing PFI schemes and asks Regional Offices to ensure that each Trust involved in a PFI scheme meets these responsibilities in making project documentation publicly available. The release of these project documents is to ensure that a final and full record of the decisions for which the NHS Trust is accountable for is in the public domain.



Consideration of how the PFI consultation process could be improved, including information requirements, was addressed as a separate issue during the review of PFI. A Trust is expected to involve and consult local Community Health Council(s) and other stakeholders in the development of any PFI scheme and our aim is to set out this process clearly and unambiguously in the new guidance on the PFI. An early draft of the guidance was forwarded to ACHCEW last September and we were grateful to receive a very detailed and constructive response from Ben Griffith. A final draft which takes the points of ACHCEW and others into consideration is now nearly ready and I have asked officials to send you a copy of the key sections on openness and consultation as soon as these are available

Yours
Jh

JOHN DENHAM