

Ownership, Community Stakeholding and the Governance of Community Hospitals

Community hospitals in Devon have always been built and maintained with a high degree of community involvement and support. In many cases, local communities took the initiative to build the hospitals and raised substantial part of the original funding, or even the entire funding of additional wings and facilities, as well as contributing to staff and other running costs, the introduction of new specialist services, etc.

Unlike Private Finance Initiatives undertaken in partnership with private companies, these 'community finance initiatives' - which sought no profit from their investments other than the improvement of the facilities and services they enabled - appear not to have secured their interests in the hospitals they helped to build. The Leagues of Friends and others who raised funds for hospitals trusted that their investments would continue to be used for the benefit of place-based health services in their local area.

Since the 2012 Health and Social Care Act, however, the organisation of the NHS has changed and the ownership of NHS buildings is in the process of being transferred to a new company, NHS Property Services, wholly owned by the Secretary of State and charged with managing the NHS estate in line with national priorities. NHS Property Services is enabled to sell off parts of the estate and to charge NHS organisations market rents for their use of NHS buildings.

This change creates dilemmas for local communities which have invested in Devon community hospitals. Clearly Leagues of Friends and other local bodies, including town and parish councils as representatives of communities which have raised large amounts of funding, can be considered 'stakeholders' in community hospitals. However these community stakeholders appear not to possess formal rights in the ownership and governance of the hospitals.

The proposal is that the Health and Adult Care Scrutiny undertake an investigation into

1. The changing ownership and governance of community hospitals in Devon and its implications.
2. The historic and ongoing contributions of local communities and Leagues of Friends to funding the hospitals.

The purpose of this investigation would be to address the question of

3. How community stakeholders' interests should be secured in the future governance of community hospitals.

It is envisaged that in the course of this investigation, the Committee would both collect evidence and invite expressions of views from all stakeholders, including both local community organisations and NHS bodies, including NHS Property Services.

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