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Anne Walker
Chief Executive
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28 December 2007

Dear Anne

Contract discussions re: 2006/07 contracts

Thank you for your letter of 27th December 2007. I am pleased to see that this captures much of what we discussed and agreed at our meeting but disappointed that in a small number of important instances it does not, and on the basis of my understanding and the understanding of colleagues I have been able to speak to today, seems to impose conditions we did not agree or reverts to the PCT's position prior to the meeting, which we believed we had moved beyond.

The key for us is clarity and confidence about our positive outturn of £2.3m, and I believe that was also Steve Clarke's underlying concern. One or two aspects of what is in your letter throw that into some doubt and we need to remove that confusion one way or another, before our submission to David Nicholson and David Flory on 4th January 2008.

As you know, I am on holiday next week, however my sense is that the differences between us are not such as to warrant re-convening our meeting. What I think they do require is a get-together between Ross and Alan perhaps facilitated by Steve Clarke, by the end of next week. I have asked Ross to arrange this.

More generally, I am asking Nick Evans to go through your letter in detail and outline our position to you where it differs from yours, and suggest a means of coming to a speedy agreement in each case.

While I doubt if it will now be important in reaching final clarity and agreement on the 2006/07 contract, from a provider point of view the issue that concerns us above all is the huge number of delayed NHS related discharges, and I would urge the PCT to take whatever action is required to reduce them to national levels speedily and then effectively eliminate them. In 2007/08 it is making achievement of 18-weeks much harder. In 2008/9, it could be a make or break issue for us, with the move to Watford and the loss of over 100 beds.

I am copying this letter to Steve Clarke, Ross Dunworth and Alan Pond. Naturally I will copy it more widely internally in the Trust and I assume you will do the same with the PCT

Yours sincerely



Jan Filochowski

Jan Filochowski
Chief Executive

c.c. Steve Clark – Director of Performance & Finance
Alan Pond – Director of Finance, WHHT PCT
Ross Dunworth – Interim Finance Director, WHHT