

East Hampshire   
Primary Care Trust

Mr. G. Cruddace,  
Chief Executive,  
Hampshire and Isle of Wight Strategic Health Authority,  
Oakley Road,  
Southampton.  
SO16 4GX

7<sup>th</sup> February, 2003

Dear Gareth,

**Temporary Redeployment of the Chief Executive  
of East Hampshire Primary Care Trust**

On 29<sup>th</sup> January, 2003 the Remuneration Committee of East Hampshire PCT met to review the temporary redeployment of our Chief Executive, Tony Horne. The PCT's legal adviser, Jane Hayden-Smith, was present at this meeting. The briefing papers provided to Non-Executive Directors and the minutes of the meeting are legally privileged documents and I am, therefore, unable to copy them to you. However, I feel it is appropriate to write to you with a summary of a discussions and decisions.

The Remuneration Committee considered thoroughly the following points:

- the background to redeployment
- the need to suspend the management investigation at the request of the police
- the PCT's legal position as a result of the initial redeployment and the suspension of the management investigation
- the likely public reaction to reinstatement
- the risk the PCT carries due to reduced management capacity.

While the Remuneration Committee's preferred position would be to have a management investigation conducted and completed as speedily as possible, it accepted the position of the police in requesting a suspension. In the absence of a completed management enquiry the Remuneration Committee considered very carefully the PCT's position both as a public service organisation and as an employer.

The effect on public confidence in this organisation of a decision to reinstate was discussed at great length by the Remuneration Committee and indeed this took up the major proportion of the meeting. The Committee accepts that there may be a risk in reinstatement but feels that this is a risk which can be minimised by a carefully planned and co-ordinated communications exercise. The risks associated with continued redeployment were felt to be greater and less controllable because of the probability of adverse publicity surrounding the legal case which is likely to result.

From an internal viewpoint PCT staff will be pleased to welcome Tony back to work. The effect on morale of continued redeployment without a management investigation would be extremely detrimental.

Also, the PCT has a challenging agenda to address and Tony's return will help to ensure that the PCT is as successful as possible in delivering local and national priorities.

In summary, after very careful consideration of all aspects of this situation, the Committee has decided, on a balance of risks, to invite Tony Horne to return to work, subject to formal confirmation by the police that the management investigation must be suspended and that they have no objection to him returning to work.

If you need any clarification on any of the points in this letter please do not hesitate to contact me.

Yours sincerely,

Margaret Scott  
Chairman