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*With Compliments*

**Code A**



HOUSE OF COMMONS  
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[Mr. Harry Barnes]

I want to refer to the problems surrounding certain trading schemes. A person who runs a business under a franchise from a company falls under such arrangements. The company is known as the master franchiser, and the smaller business, which is often run from a person's home, is referred to as the franchisee. I have been pursuing this matter with the Department of Trade and Industry since May 1999. Unfortunately, the individuals whom I am concerned about have lost their livelihoods through no fault of their own. They suffered at the hands of two sources: first, the illegitimate actions of their master franchiser; secondly, the failure of the DTI to use its legislative powers and duties to regulate or to prosecute the offending master franchisers.

I want to begin by covering the illegitimate moves undertaken by, and the pressures brought to bear by, the master franchisers: Chem-Dry Midlands and London, and Chem-Dry Northern and Southern. First, they obliged franchisees to register for VAT in order to continue receiving Chem-Dry's insurance work, irrespective of the franchisees' turnover. This probably involved the tort of conspiracy. Secondly, franchisees were forced to purchase non-compliant Velda machines, which proved an entry barrier to their operations. Thirdly, franchisees were not offered revised contracts under the terms of the Trading Schemes Act 1996. Fourthly, the master franchisers did not exercise good faith and care in executing contracts with the franchisees. Other points, which could be added to my list, have been presented fully to the DTI.

I turn to the failings of the DTI in this matter. The relevant legislation that the DTI should have acted on when the matter was brought to its attention was part XI of the Fair Trading Act 1973, as amended by the 1996 Act, and its subordinate legislation; and regulation 3(a) of the Trading Schemes (Exclusion) Regulations 1997, as amended. Much rests on exactly who was exempted from the DTI's controls under the 1997 Regulations. Companies that are excluded from DTI controls are known as "single tier" bodies, as defined in the relevant statutory instrument. It took an inordinate amount of time for the DTI to agree that Chem-Dry was not single-tier, and that it was therefore subject to the DTI's regime. Even then, the DTI still did not act. I tabled five parliamentary written questions on the matter. They were bundled together, and a written answer was given to me on 18 April 2002. It stated:

"Where a breach of legislation over which the Department has oversight is identified, and that breach is addressed by way of criminal sanction, the Department will consider bringing a prosecution, taking account of the evidential and public interest tests set out in the Code of Crown Prosecutors."—[Official Report, 18 April 2002; Vol. 383, c. 1152–53W.]

However, that was not acted on in the cases that I am referring to.

In the meantime, some people left the franchise system, as they correctly believed that Chem-Dry's contractual arrangements were in conflict with the legislation. They were then in no position to sell their businesses on, and they folded. Unfortunately, a control of, or prosecution of, Chem-Dry by the DTI is probably no longer feasible, because the DTI had previously sent a letter to Chem-Dry Northern and Southern, incorrectly stating that it is a single-tier body and is thus

exempted from the requirements of the legislation. The letter is both incorrect and inconsistent with later DTI responses to me and to others, including the right hon. Member for North-West Hampshire (Sir G. Young).

Matters have now reached the stage where the DTI should provide compensation for the former franchisees, who have lost their businesses and suffered considerable disruption and stress. The DTI should at least meet some of the franchisees and the MPs involved, such as the right hon. Member for North-West Hampshire and me. My request for such meetings have been rejected in the past. The DTI's suggestion that the franchisees should take civil action against Chem-Dry is inappropriate. The responsibility rests with the DTI; the franchisees have suffered enough traumas, having held on for a long time, waiting for the DTI to undertake its duties. Nor does the parliamentary ombudsman constitute an avenue that can effectively be turned to—although we did attempt to do so—as this matter is overlaid with strong legal considerations.

Although the DTI seems to me to be guilty of serious acts of mal-administration—if not illegality—it is clearly time for it to act and clear up this mess. When this account is relayed to it, I hope that such action will begin, perhaps initially through a meeting such as I suggested.

It will not be a very happy Christmas and new year for the franchisees, but I wish them the best. I hope that, by raising their concerns, I have advanced their cause in some way, so that we can attempt to rectify the problem. To Members, my constituents and everyone else, I offer the best wishes of the season.

2.27 pm

**Mr. Peter Viggers (Gosport):** The hon. Member for North-East Derbyshire (Mr. Barnes) made effective use of the time of the House by raising a significant issue; however, in the interests of brevity I shall not seek to follow up the important points that he made.

I would not be doing my duty if I did not seek to discuss today the state of the national health service in my constituency, because the situation is indeed dire. I plead for the gift of tongues to do justice to the anger, frustration and disbelief of my constituents about the withdrawal of services, and the bad services that are now being offered, in my area. I want to make it absolutely clear that I am not in any sense criticising the staff of the national health service, whom I have always found to be devoted, committed and very hard-working; it is the system that is wrong. The staff are trying to cope with enormous organisational problems that are simply insuperable.

I want to discuss five issues, the first of which concerns podiatry, chiropody and general foot care. Under the breathtaking headline "Improvements to Footcare", a circular was sent out to those who had chiropody services in south Hampshire, in effect pointing out that their service was being terminated. It stated that, although some individuals have specialist problems such as diabetes, those with "ordinary problems" would be left to cope for themselves. Such people include a woman in her 80s who is blind, and who suffers badly from in-growing toenails. How on earth is she to cope with her problem, which to her is serious?

I have received scores of angry letters from constituents who simply cannot believe that their foot-care service is being terminated. The problem is not confined to my area, although it is worse there than in many others. A number of Members, including me, signed an early-day motion on the matter. It notes that

"the Government is fully aware of the situation but has failed to act; and calls on the Secretary of State for Health to publish the report of his review, known as Feet First II, and to make a statement on how he intends to respond to these concerns."

These are serious concerns for those affected, and it simply is not good enough for the Government to turn their back on people with serious foot-care problems.

The second problem in my constituency is dentistry. One dentist has exercised his right to leave the NHS, which means that 2,500 patients are now without NHS dentistry care. They are advised to contact NHS Direct, which refers them to Cosham, Southsea, Farlington, Havant and Chichester, which many hon. Members will know is a long way from Gosport. One constituent—unemployed and a non-driver—was referred to Bracknell in Berkshire. We think that that was a mistake, but we do not know how he would have got there. For those who do not know my area, I should explain that non-drivers who are referred to Portsmouth must travel by bus, then boat, then bus again. The last leg of that journey to a simple NHS dental appointment might even require two buses.

Time and distance studies by primary care trusts specify how far and for how long NHS patients are expected to travel to receive NHS dentistry treatment. The PCT in my area is making valiant efforts to encourage dentists to opt back into the NHS and provide emergency treatment for local people. At the moment, however, no dentists in Gosport are taking on new adult NHS patients. People seeking NHS treatment have to travel for as long as an hour to reach a dentist providing NHS treatment. That is completely unacceptable.

The third problem in my constituency to which I wish to draw attention is the situation at the Gosport War Memorial hospital, which used to be a cottage hospital. There was a campaign to close it, but I was part of a campaign to keep it open and it became a community hospital. It is very highly regarded, conveniently located in Gosport, has caring staff, and its league of friends—as active as any in the country—is very successful at raising money for what is a much appreciated and loved hospital for which people used to have nothing but praise.

In the long period during which I have represented Gosport, I never received any complaints about Gosport War Memorial hospital until a woman who lives in Eastbourne complained about the death in the hospital of her mother, who was in her 90s. Deeply though one regrets that lady's death, the complaint was that she had been put on diamorphine. In those days—we are talking about 1998—prescription practice was rather less specific than it is now. It was not unusual for a doctor to prescribe a range of diamorphine levels and leave decisions about how much a patient needed to the discretion of nurses.

That practice is what I would expect in a hospital where doctors and nurses know and trust each other. However, that did not satisfy the woman, who

complained bitterly and demanded a police inquiry into the alleged illegal killing of her mother. The police conducted an inquiry and concluded that there was nothing further to inquire into. The woman made a further complaint, and a second police inquiry reached the same conclusion as the first.

Further agitation, and by that time the keen interest of local newspapers, led the PCT and others to decide that it would be appropriate to hold a further inquiry so as to reassure all the people dealing with the hospital. The Commission for Health Improvement carried out that inquiry and produced an action plan that is now being followed. That brought the total number of inquiries to three.

However, the complainant kept going. By then, other people had begun to wonder whether they might have something to complain about after their 80 and 90-year-old relatives had died in the hospital. Eventually, Sir Liam Donaldson, the chief medical officer, appointed Professor Baker to carry out a clinical audit of the hospital. That made four inquiries. However, the press was by then building up interest, and 57 people complained that their relatives might have died because of inappropriate treatment. Another police inquiry—the fifth inquiry overall—has been launched, and a firm of solicitors that took part in the Harold Shipman case has also become involved, possibly helpfully, although the name Shipman means that newspaper reporters have become even more excited.

The strategic health authority decided that there should be a further inquiry into the hospital's management over the past 10 years, and the chairmen of the two PCTs concurred. That makes six inquiries. Meanwhile, the General Medical Council is carrying out a seventh inquiry, and the Nursing and Midwifery Council an eighth.

The House can imagine the cost, and the effect on management of all those inquiries. I only hope that they all conclude quickly. I have visited the hospital twice recently to meet patients and staff and to say that I know the hospital to be highly regarded. I want to thank again all the staff and everyone involved in the hospital for what they have done to maintain a high standard of care in the Gosport area. I hope that the matter is resolved soon.

The fourth problem centres on my area's district general hospital, the Queen Alexandra, which is the sixth largest hospital in the UK. In a letter that I received this morning, the Secretary of State for Health told me that the hospital has once again received no stars. Waiting times in its accident and emergency area are up to about six hours, and the hospital has been criticised for its lack of cleanliness. On several recent occasions, ambulances with patients waiting to be admitted have queued up outside the hospital in serried ranks, but the patients could not be admitted because no beds were available.

The hospital is in crisis. I pay tribute to those working desperately hard to improve matters, but there is a risk of catastrophe there. I wish the hospital well in the forthcoming private finance initiative bid, which may result in its being improved in the next five years. However, I mention the Queen Alexandra hospital in my contribution because it has an impact on another hospital in my area, the Royal Hospital Haslar.

[Mr. Peter Viggers]

Hon. Members who know me well will not be surprised that I should raise the fate of the Royal Hospital Haslar as my fifth point. That hospital was scheduled for closure, although not before 2002. It is dependant on the PFI bid at the Queen Alexandra hospital, and is presently scheduled for closure, but not before 2007. It is being built up as a diagnostic and treatment centre, and is very successful. Its accident treatment centre is being reviewed with a view to its being more widely used, which would take some pressure off the Queen Alexandra hospital.

I had a meeting with the Parliamentary Under-Secretary of State for Health, the hon. Member for Salford (Ms Blears), on 19 March, at which others from my constituency were present. I pleaded with the Minister to bring joined-up Government to bear on the issue of the NHS taking over Haslar hospital, so that its undoubtedly superb facilities can be used for the benefit of the NHS and all patients in the area.

I have not yet heard from the Minister following that meeting on 19 March, although I have submitted verbal and written reminders. I hope that I will hear from her soon. I yearn to hear that she is reviewing the possibility of reconfiguring the hospitals in my area and making sure that Haslar is used in the longer term for the benefit of everyone in the area.

I shall look now at the effect of all that I have recounted on one family in the area. I was talking to my constituent Mr. Barry Martin last night, and have his permission to use his name. What has been the cumulative effect of the defects in the NHS in my area on his family?

Mr. Martin is a war pensioner. He used to receive foot care for about 15 minutes every quarter. He told me that the treatment used to make him feel that he was walking on air. He has a war wound, and problems with his spine mean that he cannot bend. He needs foot care, but he is not getting it.

Recently, his daughter was admitted to Queen Alexandra hospital. She was discharged at 1.30 am with no money, and had to negotiate with a taxi firm to take her home. The firm was paid the next day. Mr. Martin's wife took a friend to the same hospital to see another friend who had undergone an operation, and found herself stuck in a big traffic jam that surrounded the hospital. That is not unusual, and Mrs. Martin's friend had to walk the last few hundred yards as it was impossible to drive closer. So bad are the traffic problems around the Queen Alexandra hospital that buses often do not complete their journeys there but have to stop at the bottom of the steep hill that leads up to the hospital. Patients and visitors then have to walk up that hill.

Whose fault is all that? It is not the fault of the people involved who work very hard and are devoted and committed. It is the system that is wrong. Many decent constituents have said to me over recent years, "I wouldn't mind paying a bit more for health care if I thought that it would improve." Well, they are paying more but are getting a much worse service. Why is that?

I shall share two vignettes with the House. First, a manager said to me, "I know that people are getting a service that they should be getting from

the health service but I promise that I will improve the situation. I will increase the size of the public relations department and I have dramatically increased the size of the complaints department." Those were his priorities. Secondly—and I love this one—someone in education, whom I know quite well, said to me recently, "We have a problem with funding in education; schools take 88 per cent. of all the spending, leaving us with only 12 per cent. for administration."

These examples show that the Government are wrong. Thinking that they know best and that services can be centralised and controlled leads not to improvements but deterioration. I hope that the Secretary of State for Health will read the report of this debate and respond to the points that I have raised, because there are serious concerns about the national health service in my area.

2.41 pm

**Mr. Iain Coleman (Hammersmith and Fulham):** I should like to take the opportunity of today's Christmas Adjournment debate to raise a subject that is a matter of grave concern to me and many of my constituents in north Fulham, namely the proposal of the Post Office to close a Crown post office in North End road. That area of north Fulham has recently been the subject of a successful bid for the new deal for communities regeneration programme, which I cite as evidence of the fact that it is a deeply deprived area, certainly the most deprived and poorest in my constituency.

The area served by the post office is bounded by the Queen's Club tennis estate and Baron's Court underground station to the west, Talgarth road to the north and Lillie road to the south. The area has five housing estates built between 1912 and 1977 and the housing tenure in the area is 67 per cent. social housing, 14 per cent. privately rented and 19 per cent. owner-occupier. The area has been in long-term decline and the rate of unemployment is well above the local average at 11.2 per cent.

Some 12 per cent. of the households in the area have an income of less than £5,000 per annum and 25 per cent. of households have an annual income of less than £10,000. Single parents head 15 per cent. of the families living in the area, which has a significant non-white population—well above the Greater London and national average. Eighteen per cent. of the population have English as a second language and, of that figure, 15 per cent. have no or little English. Educational attainment is significantly below the borough and regional average. Some 36 per cent. of residents of working age have no recognised qualification, compared with a borough average of 12 per cent.

Crime in the area is high—nearly 50 per cent. higher than the regional average. Victims of crime are much more likely to be black, from an ethnic minority community or to be elderly residents.

Poor health is a fact of life for far too many of my constituents in this area. The social services have a much higher mental health case load and the area has a disproportionately large number of children on the child protection register. Because of poor diet, very high levels of smoking and drug and alcohol abuse, life expectancy is well below the national average.