

NHS FOUNDATION TRUST APPLICATION

Leicestershire, Leicester and Rutland Health Overview & Scrutiny Committee
20 November 2007

1. BACKGROUND

NHS Foundation Trusts are a new type of NHS organisation, established as independent, not for profit public benefit corporations with accountability to their local communities rather than central Government control. NHS Foundation Trusts remain firmly part of the NHS and exist to provide and develop healthcare services for NHS patients in a way that is consistent with NHS standards and principles - free care, based on need not ability to pay.

As part of the Government's commitment to the decentralisation of public services, all NHS acute and mental health provider trusts have been assessed through a diagnostic process by their local Strategic Health Authority for their readiness to apply for FT status with the ambition that all trusts should be given the opportunity to apply by the end of 2008. There are currently 77 authorised NHS Foundation Trusts and a strong pipeline of new applicants which includes mental health trusts from neighbouring counties.

In September 2006 Leicestershire Partnership NHS Trust reported to this Overview and Scrutiny Committee that it was undergoing the Foundation Trust diagnostic process. This was duly completed and a subsequent action plan developed which would allow the organisation to develop the key building blocks to ensure success as a NHS Foundation Trust, namely that the organisation will be:

- Legally constituted
- Well governed
- Financially sustainable

2. CONSEQUENCES OF FOUNDATION TRUST STATUS

Things that will not change

- Local healthcare service provision will remain consistent with NHS standards and principles
- Leicestershire Partnership NHS Trust will continue to focus on local needs

Things that are already changing

- Practice based commissioning – driving local provision for local need
- Plurality of provision – demands a level playing field for all providers
- NHS financial constraints – demand more creativity and planning to achieve objectives
- NHS mergers and acquisitions – potentially new ‘local’ providers of NHS services

Opportunities provided

- Broad public membership and partnership base with a Council of Governors as part of the new corporate governance structures
 - real public & local accountability
- 5-year planning based on new business skills
 - real customer focus more adequately tailored to individuals and localities, robust planning to meet future need, ambition for the highest quality and service innovation which stakeholders participate in developing, more meaningful partnership working
- Increased financial freedom
 - ability to retain surpluses and reinvest in a planned way into service improvement

3. TIMETABLE

Our diagnostic assessment and new leadership provides the Trust with an opportunity to apply to the Strategic Health Authority in February 2008 for their support to proceed to formal assessment by the Department of Health and then to the independent regulator Monitor with the ambition to attain NHS Foundation Trust status in early 2009. This would mean:

Nov 07 - March 08	Informal engagement and participation of stakeholders in development of our emerging new vision for 2012 – our 5-year plan
March 08	NHS East Midlands Strategic Health Authority nominations for forthcoming Foundation Trust applications
April – June 08	Formal public consultation
July – September 08	Department of Health assessment of the Trust’s application
October – December 08	Monitor assessment of the Trust’s application
December 08	Election of Council of Governors
January 09	NHS Foundation Trust authorisation

4. MEMBERSHIP AND GOVERNANCE

- a. To ensure breadth and robustness of governance, we aim to recruit a public membership base of at least 1% of the local population – representative of its diversity. We would welcome your support and practical suggestions to help achieve this level of engagement with local people

- b. Our Council of Governors will consist of a majority of elected seats but also a small number of appointed governors. We propose that a representative from each of the three local authorities would be appropriate as appointed members and would welcome your views and consideration as to suitable candidates.

Dr Jocelyn Foster
Foundation Trust Project Director