

REPORT TO: Executive Board

DATE: 2 April 2009

REPORTING OFFICER: Strategic Director, Health & Community

SUBJECT: Consultation on Application for NHS Foundation Trust status

WARD(S) Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 To provide members of the Halton Executive Board with information on the 5 Boroughs Partnership NHS Trust's consultation regarding its application for Foundation Trust status and its organisational proposals.

2.0 RECOMMENDATION: That:

- i) The Executive Board supports the application for Foundation Status and the opportunities this will bring for the people of Halton.**

3.0 SUPPORTING INFORMATION

3.1 NHS Foundation Trusts are established under the Health and Social Care (Community Health and Standards Act) 2003 ('the 2003 Act'). They have grown out of the wider NHS reform programme, offering greater autonomy and freedoms for NHS organisations within a national framework of standards and inspections.

3.2 All NHS Provider Trusts have been tasked with achieving the position at which they can be considered as potential Foundation Trusts. A Foundation Trust is an NHS organisation that operates on the principle of working with its members for public benefit. A Foundation Trust remains part of the NHS and maintains the principles and standards of the NHS, such as delivering services without charge.

3.3 Foundation Trusts are subject to NHS standards, performance measures and inspection processes. Foundation Trusts are overseen by an independent regulator, Monitor, and inspected by the Healthcare Commission (to be replaced by the Care Quality Commission in April 2009), which is the body that ensures that Foundation Trusts meet their obligations.

3.4 NHS Foundation Trusts are:

- accountable to local people, who can become 'members' of the Foundation Trust and be elected to the Council of Members;
- free to retain and build up surpluses that they generate and decide how to use these funds for the benefit of patients, service users and the communities they serve;
- able to borrow from commercial sources within limits set by Monitor;
- able to more easily restructure and modernise in order to increase service capacity and efficiency.

Trusts must be able to demonstrate that they are:

- Legally Constituted
- Financially viable
- Well Governed

3.5 5 Boroughs is now ready to be considered for Foundation Trust status. Significant improvements have been made over the last twelve months in managing our finances and in improving services. During the last year the 5 Boroughs Partnership NHS Trust has been successful in achieving Level 2 of the NHS Litigation Authorities' assessment of its ability to manage risk. The Trust is one of only four mental health trusts that have achieved this position. In addition, the Trust's submission for the Annual Health Check was assessed by the Healthcare Commission as achieving a rating of 'Excellent' for the Quality of Services, having been assessed as 'Fair' in the previous year.

3.6 The Trust's consultation document describes its proposals for the future organisational arrangements for governance, which comprises three main components:

- a membership community made up of local people, service users, their carers and staff (enhanced local accountability)
- a Council of Members, comprising elected members of the public and staff along with people appointed from partner organisations and chaired by the Trust's Chairman
- a Board of Directors made up of a Chairman and Non-Executive Directors appointed by the Council of Members, a Chief Executive appointed by the Non-Executive Directors with the approval of the Council of Members and Executive Directors appointed by the Chief Executive and Non-Executive

Directors.

3.7 A copy of the consultation document is attached at Appendix 1.

3.8 The Healthy Halton PPB considered the application at its meeting on 10 March 2009 and supported the proposals.

4.0 POLICY IMPLICATIONS

4.1 The Foundation Trust will be able to have more autonomy in making decisions about how services are provided locally.

5.0 OTHER IMPLICATIONS

5.1 Foundation Trusts are accountable to their local membership and the communities they serve. Part of that accountability is the inclusion of nominated representatives of partner organisations on the Council of Members. Representation of Halton Borough Council is included in the Trust's proposals for the construct of the Council of Members.

6.0 FINANCIAL IMPLICATIONS

6.1 None identified.

7.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

7.1 Children & Young People in Halton

Please see 'Healthy Halton' below.

7.2 Employment, Learning & Skills in Halton

None identified.

7.3 A Healthy Halton

In supporting the 5BP's proposal to become an NHS Foundation Trust, this clearly demonstrates the Council's commitment, as a major stakeholder, in recognising the needs of the local community in promoting their health and wellbeing.

Foundation Trust status will mean that the 5BP will involve the local community more in the development of services at Halton Hospital through local people being elected as Governors etc, allow things to get done faster by having greater financial freedom, be able to invest more in local services and secure the long term future of Halton Hospital.

7.4 A Safer Halton

None identified.

7.5 Halton's Urban Renewal

None identified.

8.0 RISK ANALYSIS

8.1 The Trust's proposals provide an opportunity for the Council to be directly involved in the governance of the organisation through its nominated representative in addition to the existing Partnership processes and the Overview and Scrutiny function.

8.2 Foundation status will increase the exposure of the Trust to a competitive market.

9.0 EQUALITY AND DIVERSITY ISSUES

9.1 It is a requirement of Foundation Trusts that their membership reflects the demography of the populations they serve. The Trust will actively recruit members, in a targeted manner if this is required, to ensure that its membership is diverse and that opportunity for election to the Council of Members is equitable.

10.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None.