

Foundation Trust costs - summary briefing

We are aiming for Leeds Teaching Hospitals NHS Trust to be a Foundation Trust because we believe that the structures and processes associated with becoming an FT will help us to make improvements in quality and efficiency for patients and the public. At present there is no indication that the new Government will change the policy established previously that all Trusts are required to become FTs.

We have already seen our strategic and business planning processes strengthened as a result of the regime we are moving towards, and we expect to be able to continue making improvements. There are some costs associated with new structures but based on the experience of Trusts which have already become FTs, additional financial investment is regarded as having added value in relation to governance, accountability, and local involvement.

Costs to date

Foundation Trust (FT) preparedness programme, consultation and membership recruitment activity so far has been carried out using current processes or within existing budgets, e.g. use of patient mailings to carry membership invitations; consultation activity managed by communication staff or funded from within current budgets.

Projected costs

There are significant projected costs associated with the application process and development of our membership, including:

Application

Legal and professional fees required to draft and have approved an FT Constitution, and development of Trust structures and processes to meet regulatory and inspection assessment criteria

Membership

Members are not paid but costs will be incurred:

- Recruiting 15,000 public membership
- Creation of a database, and administration associated with membership
- Communications with public and staff members

Governors

Governors are not paid, although their expenses are reimbursed, and costs will be incurred for Governor recruitment, development and support

Elections

Elections are required by Monitor and under the current regulations, costs will be incurred for the Independent administration of elections.

Staff and operational costs

Costs associated with application process; ongoing support for FT management and administration.

Notional staff and non-staff costs in the current financial year are estimated to be in the region of £130k