

Report of Head of Scrutiny and Member Development

Report to Scrutiny Board (Health and Well-Being and Adult Social Care)

Date: 28 October 2011

Subject: NHS Foundation Trust proposals

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. The purpose of the report is to introduce the plans of local NHS Trust to become NHS Foundation Trusts and seek the views of the Scrutiny Board in relation to the proposals.
2. NHS Foundation Trusts are a new type of organisation, they are not-for-profit, public benefit corporations. NHS Foundation Trusts continue to provide services to patients on the basis of need and not ability to pay and their primary purpose is to provide NHS care to NHS patients according to NHS quality standards and principles. However, NHS foundation trusts are different from existing NHS trusts in the following ways:
 - They are independent legal entities - Public benefit corporations.
 - They have unique governance arrangements and are accountable to local people, who can become members and governors. Each NHS foundation trust has a duty to consult and involve a board of governors (comprising patients, staff, members of the public and partner organisations) in the strategic planning of the organisation.
 - They are set free from central government control and are no longer performance managed by health authorities. As self-standing, self-governing organisations, NHS foundation trusts are free to determine their own future.
 - They have new financial freedoms and can raise capital from both the public and private sectors within borrowing limits determined by projected cash flows and therefore based on affordability. They can retain financial surpluses to invest in the delivery of new NHS services.
 - NHS Foundation Trusts are overseen and regulated by Monitor

3. Appended to this report are the proposals of the following local NHS Trusts:
 - Leeds Community Healthcare NHS Trust (closing date for comments – 30 December 2011)
 - Leeds Teaching Hospitals NHS Trust (closing date for comments – TBC)
 - Yorkshire Ambulance Service (closing date for comments – 4 December 2011)
4. Representatives from Leeds Community Healthcare NHS Trust and Leeds Teaching Hospitals NHS Trust have been invited to attend the meeting to outline the proposals and address any questions identified by the Scrutiny Board.
5. Representatives from Yorkshire Ambulance Service (YAS) have not been invited to attend the meeting. However, arrangements can be put in place for discussions with YAS if necessary.

Recommendations

6. To consider the information presented and determine any specific comments or consultation response in relation to the proposals.

Background documents

None