

**REPORT TO:** Healthy Halton Policy and Performance Board

**DATE:** 22 May 2006

**REPORTING OFFICER:** Strategic Director, Health & Community

**SUBJECT:** St Helens & Knowsley Hospitals NHS Trust  
Application for Foundation Status

**WARD(S)** Boroughwide

1.0 **PURPOSE OF REPORT**

1.1 To provide an overview of the application for Foundation Status by St Helens & Knowsley Hospitals NHS Trust.

2.0 **RECOMMENDATION: That**

- i) **The Policy and Performance Board notes and comments on the application for Foundation Status and the opportunities this will bring for the people of Halton and the issues surrounding poor transport links for patients and visitors.**
- ii) **The Policy and Performance Board notes and comments on the Council's proposal to have a dedicated Elected Member from Halton Borough Council rather than share a place on the Governing Body with Liverpool City Council.**

3.0 **SUPPORTING INFORMATION**

3.1 Under the Health & Social Care Act 2003, St Helens and Knowsley Hospitals NHS Trust has applied to become an NHS Foundation Trust (often called Foundation Hospitals). The consultation period of 12 weeks commenced Monday, 27 February 2006 and ends on Monday, 22 May 2006; with a decision to be taken by the Summer 2006. In addition to the detailed consultation document, the consultation process is supported by an Executive Summary available in large print and Braille, and a number of road shows (one of which was at Halton stadium) with staff and partner organisations.

3.2 St Helens and Knowsley Hospitals NHS Trust provides the full range of general treatments to its local population covering St Helens, Knowsley, Halton and South Liverpool. The Trust also operates Regional Burns and Plastic services across the NW of England and the Isle of Man. There are two principle sites, Whiston Hospital, comprising 724 beds, and St. Helens Hospital comprising 232.

3.3 St Helens and Knowsley Hospitals NHS Trust is a three star Trust.

The overall operating budget is £170 million of which 9% is provided by Halton PCT. The Trust is also planning a £358 million capital re-development project.

#### 4.0 **WHAT DOES FOUNDATION STATUS MEAN?**

4.1 When an organisation becomes a Foundation Trust, this means it will:

- Have more autonomy in making decisions about services provided.
- Be accountable to members (staff, patients and local people) rather than directly to the Secretary of State.
- Remain part of the NHS.
- Be accountable to NHS Commissioners through legally binding contracts.
- Be approved by the Independent Regulator 'Monitor' (which authorises and monitors NHS Foundation Trusts).

#### 5.0 **RATIONALE FOR APPLYING FOUNDATION STATUS**

5.1 The Trust believes that flexibility and freedoms arising from Foundation Status will enhance their ability to shape healthcare services in response to the above average levels of chronic diseases arising from the severe health inequalities, social disadvantage and social exclusion evident in the population it serves. The Trust is also committed to strengthening their links with the local community through the introduction of members and governors. There is also a financial benefit in being able to retain or build up surpluses as well as borrow monies to develop services.

#### 6.0 **IMPLICATIONS OF ACHIEVING FOUNDATION STATUS FOR THE PEOPLE OF HALTON**

6.1 The additional flexibility and autonomy will enhance the Trust's ability to:

- Improve outcomes and experiences for patients
- Engage patients and the public and increase ownership.
- Respond to patient choice.
- Exceed national targets.
- Work in partnership with key stakeholders.
- Create a motivated workforce.
- Maintain a sound financial position.

#### 7.0 **IMPLICATIONS FOR HALTON BOROUGH COUNCIL**

7.1 As part of being controlled and run locally, governance and accountability will be improved by the establishment of:

- A Board of Governors made up of elected patient/public governors (14), representatives from key stakeholders/partner organisations such as Local Authorities, PCTs and Universities (9) and staff (4). None of the governors will be remunerated
- A membership community made up of local people. It these members who elect the patient/public governors.

7.2 The Board of governors will be able to influence decisions about spending and service development as well as ensuring the Trust carries out its duties in line with NHS values and principles. The proposal in the consultation document is to have the 9 stakeholder/partner organisations evenly split between:

- St Helens PCT
- Knowsley PCT
- Halton/South Liverpool PCT
- St Helens MBC
- Knowsley MBC
- Halton Borough Council/South Liverpool
- Mersey Regional Ambulance Service
- Strategic Health Authority
- University of Liverpool/Edge Hill/JMU

7.3 The above would mean that Halton Borough Council and Liverpool City Council would share a place on the Governing Body, however, it does not describe how the two councils would identify one Elected Member to represent the two Councils. Given South Liverpool (4%) constitutes less than half the income of Halton (9%), there is a strong argument that HBC should have a dedicated governor position. The case for this is all the greater given the proposed creation of St Helen's and Halton PCT which will serve to strengthen the links in the public sector economy across the two boroughs.

## 8.0 **POLICY IMPLICATIONS**

8.1 Over a significant period of time representation has been made to the local health organisations which have expressed concerns about poor transport links to all local hospitals outside the Borough Council's boundaries. This is further evidence based by low car ownership in the Borough. This process provides a further formal opportunity to express the Council's concerns about the poor transport links to and from Whiston and St Helens and to reinforce that investment is required to support patients and visitors.

8.2 The Halton Health Policy and Partnership Board will also consider the application.

9.0 **RISK ANALYSIS**

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

9.2 The lead up to applying for Foundation status and a successful outcome may lead to a distraction from the delivery patient care.

10.0 **EQUALITY AND DIVERSITY ISSUES**

10.1 The proposals to formulate a Foundation Trust would not mean any changes to the current policies.

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

11.1 There are no background documents under the meaning of this Act.