



## Foundation Trusts & LINKs Co-operation or Competition

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### Stages of Reform

- Series of overlapping reforms – from monolith to a system to meet patient needs
- Phase 1: additional resources  
– Now £94 billion
- Phase 2: structural reform
- Phase 3: quality and clinical leadership

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### Structural Reform: Creating the System

- Foundation Trusts
- Re-organisation and new roles for SHAs
- World class commissioning
- Regulation
- Finance – Payment by Results
- System agencies

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## System Agencies

- Standard Contracts
- Co-operation and Competition Rules
- Competition Panel
- Transaction Manual
- Portal
- Performance Framework
- Regime for Unsustainable NHS Providers

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## What are Foundation Trusts?

- Unique Hybrid NHS Organisations: Closest model is mutual sector
- Public benefit corporations:
  - New freedoms
  - New accountabilities
- Model established as policy goal, but vulnerable to system and political instability
- Getting to critical mass
  - Now 115 authorised out of possible 204
  - So far Acute: 82 Mental Health: 32
  - New kinds of FTs:
    - Community
    - Ambulance

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## Differences with NHS Trusts

- Independent and self-governing
- Cannot be directed by SoS
- Corporate boards
- 'Licensed' (authorised) by regulator
- Accountable
  - nationally to 'risk rating' regulator
  - locally to members and governors
  - taking NHS into new era of stakeholder involvement
- No statutory duty to break even
- Can make surplus but have to re-invest in improving healthcare
- No access to DH financial support: manage own risk

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### What's distinctive?

- Breadth of challenges
  - leading on quality
  - driving financial performance
  - being the best employers
  - listening to local communities
  - delivering vast range of expectations
- Requires huge range of expertise, knowledge and understanding: fundamental challenge.
- The pairing of operating freedoms and governance arrangements creates the framework that enables foundation trusts to be sustainable.

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### Unique Governance Structure

- Corporate board
- Board of governors based on membership constituencies
- Accountable Monitor nationally and governors locally
- Governance structure allows Sec of State to let them go but
  - protected assets remain 'owned' by Sec of State and revert on failure

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### Local accountability

- 1.3 million members and 3000 governors – a new era of local accountability and engagement in health
- FT membership greater than the membership of the three political parties combined
- Governance arrangements offer enhanced responsiveness to local communities and service users
- Members and governors put an independent voice at every level to emphasis the views of patients and carers

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## Quality & Performance

- Foundation trusts are providing some of the best care in the country
- Annual healthcheck results in 2008 show:
  - 90% of FTs have fully met the core standards
  - 88% have fully met existing national targets
  - 93% scored excellent or good for new national targets
  - 38 of the 42 'double excellent' trusts are Foundation Trusts
  - 12 trusts have been double excellent for two years in a row – they are all Foundation Trusts

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## Delivering Quality

- Next stage review
- Quality Accounts
  - embedding quality through stakeholder engagement and clinical leadership
- Innovating and investing surpluses to improve services
  - mobile chemotherapy unit: Gloucestershire Hospitals FT
  - the spin off company - Salisbury NHS FT

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## The FT Governor

- Governors have a key role:
  - Statutory Duties and powers
  - The link between the membership and the Board of Directors.
  - Networking with members and keeping them informed.
  - Being the voice of the public & patient at every level of the foundation trusts and influencing the strategic direction and planning
  - Acting as an ambassador for the FT within the community.

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## Making a difference

- Foundation Trusts depend upon their members to:
  - Help them plan services
  - Help to develop proposals to improve services & develop new services
  - Help to monitor Quality
  - Provide pointers to operational improvements
- An active membership that is representative of the public is what makes a difference

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## Where do LINKs fit in?

- By statute, Foundation Trusts must:
  - respond to requests for information made by a LINK,
  - respond to requests to enter and view,
  - deal with reports and recommendations made by a LINK; and
  - deal with any reports or recommendations from a LINK that have been referred by another services provider.

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## Co-operation or Competition?

- To work effectively FTs need to involve service users, the public and staff and would benefit from co-operation with LINKs.
- The FTN, the NHS Centre for Involvement and subsequently the DH, have collaborated on joint advice to promote co-operation between FTs and LINKs.
- LINKs duplicating FT's engagement work is likely to prove fruitless.
- Debates as to who is more representative or accountable are likely to be sterile.
- FTs and LINKs have the opportunity to build positive relationships based upon mutual trust and respect.
- To make the relationship work there is a need for understanding of and respect for each others roles and responsibilities.

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## A proposed way of working

- FTs and LINKs need to:
- Agree how they will work together: 'rules of engagement'
- Agree points of contact and communication and use them exclusively
- Agree processes, procedures and notice arrangements for visits.
- Agree means of dealing with conflicts of interest and of resolving disagreements

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## Leading to...

- Shared strategies so that the voice of the public continues to be heard and is strengthened.

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