

## HEREFORD HOSPITALS NHS TRUST

REPORT TO: HEALTH SCRUTINY COMMITTEE  
REPORT FROM: MARTIN WOODFORD, CHIEF EXECUTIVE  
SUBJECT: FOUNDATION TRUST STATUS  
DATE: 20 SEPTEMBER 2007

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### **1. Introduction**

This report provides an update on Hereford Hospitals NHS Trust's progress towards achieving Foundation Trust (FT) status. Its contents are intended to be for information rather than for comment although all feedback is welcomed.

### **2. Timescales**

After an unsuccessful application to the Secretary of State in December 2006, the Trust Board has elected to submit an application as part of 'Wave 8' which, if successful, would result in authorisation as a FT on 1st July 2008.

A revised Integrated Business Plan (IBP) and supporting Long Term Financial Model (LTFM) are scheduled for submission to the Strategic Health Authority in December this year. The decision of the Secretary of State to refer the application to Monitor, which licenses FT applications, will be made at the end of January and Monitor's assessment of the IBP and LTFM would then take place between February and May. A timetable for Wave 8 is set out in the attached Appendix.

### **3. Public consultation**

The Trust publicly consulted on its original plans for FT status between July and October 2006. These demonstrated overwhelming public support for the proposals. As these have not altered fundamentally since then, it has been agreed with the Strategic Health Authority that further consultation will not be required provided that the Trust can demonstrate continuity of plans.

#### **4. Financial outlook**

In considering the Trust's initial submission in 2006, the Secretary of State registered concerns over the Trust's financial prospects given the Trust's historical reliance on one-off measures to balance the books and a significant in-year deficit. Since then the position has improved considerably:-

- A surplus of £1.3m was posted for 2006/07
- Financial plans for 2007/08 are not dependent on one-off measures
- The Trust has a year to date surplus of £0.9m as at month 5 (August)

#### **5. Stakeholder engagement and membership**

The Trust Board continues to place great emphasis on the engagement of stakeholders in the development of Hereford Hospitals NHS Trust as a FT. For this reason the project management arrangements supporting the application have been overhauled since the Trust applied unsuccessfully to the Secretary of State at the end of 2006.

The Trust has established an internal Programme Board, chaired by the Chief Executive which is supported by 4 work-stream groups: Corporate Governance, Financial Governance, Workforce Planning and Marketing & Stakeholder Engagement. Additionally a Stakeholder Group is being established to include representation from the County Council (Neil Pringle), Herefordshire PCT, General Practice, Herefordshire Alliance (voluntary sector) and Powys Local Health Board. The purpose of this Group is to offer external commentary and feedback on the Trust's plans as reflected in the IBP and other elements of the application. Meetings are already scheduled for:-

Monday 8 October 2007 2pm-4pm Trust Headquarters  
Monday 22 October 2007 2pm-4pm Trust Headquarters  
Tuesday 6 November 2007 12.30pm-2.30pm Trust Headquarters

A distinctive feature of FT status is the requirement to recruit and engage members from the local population and staff who in turn elect a Council of Governors. The Trust already has some 280 members from its earlier preparation in 2006 and has engaged them in three workshops on the future development of the Trust which were held in July. In addition four member focus groups covering infection prevention, food, communications and care of the elderly are being established to encourage improvement in the Trust's services.

The Trust recognises the need to expand its membership base and is shortly to launch a recruitment campaign aimed at achieving a membership of at least 2000 by July 2008. Planning will also commence shortly on the election of Governors which are timetabled to take place between January and March 2008.

## **6. Conclusion**

Securing FT status remains, in the eyes of the Trust Board, the best vehicle for maintaining and improving the quality of and access to secondary healthcare services for the population of Herefordshire. The engagement and continued support of the Council as the application progresses will be essential, particularly through the Stakeholder Group and the Overview and Scrutiny Committee itself. The Committee will be kept regularly informed as the application progresses and the Trust looks forward to sharing the IBP and the LTFM with the Committee once they have been developed.

Martin Woodford  
CEO-HHT 10/9/2007





