

Gateway Ref: 14775

27 September 2010

Dear colleague,

### **Progressing to NHS Foundation Trust (FT) status**

As you know, the Coalition Government has set out its intention to support all NHS Trusts to become Foundation Trusts within three years. The White Paper, "Liberating the NHS" made this clear as follows:

Para 4.23: "Within three years, we will support all NHS trusts to become foundation Trusts. It will not be an option for organisations to decide to remain as an NHS Trust rather than become or be part of a foundation trust..."

I am writing to reinforce this message, and to seek your personal commitment to leading your organisation to FT status as soon as possible. I want to alert you to the need for early action by your Board in this respect to the extent that you have not already done so. In addition, I want to explain in broad terms how the process of national and regional development and support will proceed. The Secretary of State, Andrew Lansley has written to your Chair, seeking personal commitment to achieving FT status. In my capacity as National Managing Director for Provider Development, I am writing to you in parallel to provide more information.

#### Achieving FT status as quickly as possible

Firstly, it is important to be absolutely clear that achievement of FT status is both vital, and urgent. Subject to the outcome of consultation and legislation, it will not be possible to remain an NHS Trust in the future. In bringing all Trusts to FT status we will not be lowering the bar. I recognise that some NHS Trusts will have difficulty in reaching FT status in their current form. If this is the case, plans need to take account of the alternative configurations which may be required.

#### Early action required of your Board

In this context, I would be grateful if your Board could review your current timetable for achieving FT status, and where feasible, bring it forward. In reviewing your timetable, you will want to formally assess your capacity for achieving FT status, identify strengths and, most importantly, weaknesses and challenges which need to be addressed. The Board's proposals for an updated timetable should then be agreed with your SHA Chief Executive, in

consultation with the Regional Director of Provider Development. Chairs have been asked to let the Secretary of State know the revised timetable they intend to pursue, by 30 November.

The underlying purpose of this exercise is to agree ambitious but realistic timetables, against which you will be held to account at national and regional level.

#### National and regional support

Newly appointed Directors of Provider Development at each SHA will lead the development of the pipeline in the Region and support your organisation to make the transition. The SHA Directors will work closely with our unit at the Department of Health to ensure that every organisation has a credible plan to achieve FT status.

We will be developing a menu of options for providing support to help address particular generic challenges. This will include actions which can be taken at national, regional and local level to facilitate progression to FT-readiness. In addition we will help to tailor bespoke support for organisations where this is appropriate. I will be writing to you in due course with more detailed information about the support arrangements.

#### Summary

David Nicholson's recent letter to Chief Executives provides an important reminder of the need to continue to deliver high quality care and improving health outcomes for patients, at the same time as taking steps towards transition to the new system. Accelerating your Trust's progression to FT status meets both these requirements.

I am committed to working with you and with SHA colleagues to support your rapid progression to FT status.

I am seeking your personal commitment to accelerating this programme of work.

If you have any queries about this letter, please contact your Regional Director of Provider development in the first instance (please see Annex A for the names of the Regional Directors Provider Development).



**IAN DALTON**  
**Managing Director for Provider Development**  
**Department of Health**

## **ANNEX A**

### **REGIONAL DIRECTORS OF PROVIDER DEVELOPMENT**

East Midlands  
East of England  
London  
North East  
North West  
South Central  
South East Coast  
South West  
West Midlands  
Yorkshire and the Humber

Dale Bywater  
Dr Stephen Dunn  
Mark Davies  
Aidan Mullan  
Caroline Shaw  
Nick Yeo  
Steve Phoenix  
Lezli Boswell  
Phil Milligan  
Steven Michael