

National Health Service Act 2006 (“the Act”)

NOTICE of exercise of intervention powers under section 52 of the Act

**To: The Board of Directors and The Board of Governors
Colchester Hospital University NHS Foundation Trust
Trust Headquarters
Turner Road
Colchester
CO4 5JL**

1. On the basis of information made available to the Independent Regulator of NHS Foundation Trusts (“Monitor”) by Colchester Hospital University NHS Foundation Trust (“the Foundation Trust”) and having taken into account representations made to Monitor by the Foundation Trust, Monitor is satisfied that:
 - (a) the Foundation Trust has contravened, and is failing to comply with its terms of Authorisation, in particular:
 - (i) Condition 2, which requires the Foundation Trust to exercise its functions “*effectively, efficiently and economically*”;
 - (ii) Condition 5(1), which requires the Foundation Trust to ensure the existence of appropriate arrangements to provide representative and comprehensive governance and to maintain the organisational capacity necessary to deliver the mandatory goods and services set out in Schedule 2 to its terms of Authorisation;
 - (iii) Condition 6(1), which requires the Foundation Trust to put and keep in place and comply with arrangements for the purpose of monitoring and improving the quality of health care provided by and for the Foundation Trust; and
 - (iv) Condition 6(2) which requires the Foundation Trust to comply with statements of standards in relation to the provision of health care published by the Secretary of State under section 46 of the Health and Social Care (Community Health and Standards) Act 2003, as set out in the Department of Health publication Health and Social Care Standards and Planning Framework (July 2004) as may be amended from time to time; and
 - (b) the contravention and failure are significant under section 52(1) of the Act.
2. This Notice constitutes formal notification of the immediate exercise by Monitor of its statutory powers under section 52(3) and (4) of the Act.
3. Without prejudice to any further action which Monitor may take under the Act, Monitor:
 - (a) removes with immediate effect Mr Richard Bourne as Chairman of the Foundation Trust; and

- (b) appoints with effect from 30 November 2009 Sir Peter Dixon as Interim Chairman of the Foundation Trust for such period or periods and on such terms with respect to remuneration and allowances as Monitor may direct.

A handwritten signature in black ink, appearing to read "William Moyes", with a horizontal line drawn underneath the signature.

Dated 26 November 2009
William Moyes
Executive Chairman

Annex to NOTICE 26 November 2009 of exercise of intervention powers under section 52 of the Act to:

Colchester Hospital University NHS Foundation Trust

The formal intervention relates at this stage to matters of organisational and strategic leadership capacity.

The Foundation Trust currently has a governance risk rating of red. The aim of this formal intervention is to assist the Foundation Trust in acquiring the leadership skills it will need in order to take effective action to address governance failures.

In the short period between the date of this Notice and the effective appointment date of the Interim Chairman, the Foundation Trust's Deputy Chair will assume the responsibilities of the role of the Chair at the Foundation Trust in accordance with the Foundation Trust's constitution.

The Interim Chairman, Sir Peter Dixon, is also Chairman of University College London Hospitals NHS Foundation Trust and will continue in that role alongside his interim role at the Foundation Trust.

Overall, intervention is a secure mechanism of ensuring that appropriate regulatory control is in place to help stabilise the Foundation Trust, assist in its successful recovery and to protect the services it provides for patients.