



Foundation Trusts



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“The firm’s healthcare department is extremely expert, with a great depth of experience. Members are always helpful and approachable, and they provide the advice and support we require very efficiently.

Chambers UK

NHS Foundation Trusts (FTs) are designed to decentralise public services and create a patient-led NHS.

They have been created to devolve decision-making from central Government control to local organisations and communities. It is a radical change in the way in which hospital services had previously been managed

The Health and Social Care (Community Health and Standards) Act 2003 established FTs as independent “public benefit corporations” modelled on co-operative and mutual traditions. FTs exist to provide and develop services according to NHS principles and standards and are subject to systems of inspection. The intention is to tailor services to best meet the needs of the local population and tackle inequalities more effectively.

FTs have greater freedom to manage their own affairs and their purpose is to:

- Devolve more power and responsibility to local level
- Devolve accountability to local stakeholders
- Support patient choice

Monitor is the independent regulator of NHS FTs, making sure they are well managed and financially strong. Monitor receives and considers applications from NHS Trusts seeking FT status and once established, scrutinises their activities to ensure they comply with the terms of authorisation. Assessment of performance by FTs against healthcare standards is carried out by the Care Quality Commission, whose reports are published. In the event of failings in standards or significant breach in terms of authorisation, Monitor has powers to intervene.

For the NHS Foundation Trust Code of Governance see <https://www.gov.uk/government/publications/nhs-foundation-trusts-code-of-governance> which sets out the Code for Directors’ and Governors’ appointments and terms of office, information, development and evaluation, remuneration, accountability and audit, and relations with stakeholders and the role of the FT Secretary.

The information contained in this document provides background information only. The document may be misleading if relied upon as an exhaustive list of the legal issues involved. If any matter referred to in this document is sought to be relied upon, further information should be sought.