

ENFORCEMENT UNDERTAKINGS

LICENSEE:

University Hospitals of Morecambe Bay NHS Foundation Trust ("the Licensee")
Trust Headquarters
Westmorland General Hospital
Burton Road
Kendal
Cumbria
LA9 7RG

DECISION

On the basis of the grounds set out below, and having regard to its Enforcement Guidance, Monitor has decided to accept from the Licensee the enforcement undertakings specified below pursuant to its powers under section 106 of the Act.

GROUND

1. Licence

The Licensee is the holder of a licence granted under section 87 of the Act.

2. Breaches of the Licence

2.1. Quality

2.1.1. Monitor has reasonable grounds to suspect that the Licensee has provided and is providing healthcare services for the purposes of the NHS in breach of the following conditions of its licence: FT4(5)(b), FT4(5)(c), FT4(5)(e), FT4(5)(f), FT4(6)(a), FT4(6)(b), FT4(6)(c), FT4(6)(d), FT4(6)(f).

2.1.2. In particular:

2.1.2.1. An inspection of the Licensee by the Chief Inspector of Hospitals in February 2014 resulted in the Care Quality Commission ("CQC") identifying significant concerns with patients' experiences of care. CQC highlighted the following areas in which the service provided by the Licensee was 'Inadequate': are the services safe; are the services well led. These findings are set out in the CQC's Quality Report, dated 25 June 2014 (the 'Quality Report');

2.1.2.2. These breaches by the Licensee demonstrate a failure of governance arrangements in particular but not limited to a failure by the Licensee to ensure appropriate systems and standards of governance, adequate oversight by the Board and establishment and implementation of

associated governance systems and processes including those relating to quality and to ensure appropriate and sufficient capacity.

2.1.3. Need for action

Monitor believes that the action which the Licensee has undertaken to take pursuant to these undertakings is action to secure that the breaches in question do not continue or recur.

3. Appropriateness of Undertakings

In considering the appropriateness of accepting in this case the undertakings set out below, Monitor has taken into account the matters set out in its Enforcement Guidance.

UNDERTAKINGS

Monitor has agreed to accept and the Licensee has agreed to give the following undertakings, pursuant to section 106 of the Act:

1. Quality Recovery Plan

- 1.1. The Licensee will rectify the concerns which are identified in the Quality Report and the governance failings which led to the provision of 'Inadequate' healthcare services such that, upon re-inspection by the CQC in 12 months of the date of the Quality Report (or such other date as the CQC shall determine), the Licensee's services will no longer be found to be 'Inadequate' in the well-led domain, and the ratings of the other domains will have improved.
- 1.2. By 31 July 2014 or such other later date as Monitor may agree, the Licensee must finalise and submit to monitor a plan setting out the steps which it will take to comply with paragraph 1.1, including key milestones (the 'Quality Recovery Plan').
- 1.3. The Licensee will deliver the Quality Recovery Plan from 1 August 2014 or such other later date as Monitor may agree, and will meet the key milestones.
- 1.4. The Licensee's Board will periodically assess the Quality Recovery Plan to ensure that it remains deliverable and sufficient for the Licensee to comply with paragraph 1.1. The Licensee will report to Monitor on a monthly basis on its assessment of the deliverability and sufficiency of the Quality Recovery Plan and any alterations required thereto. The Licensee will provide Monitor with the assurance relied on by the Board in making this assessment upon request.
- 1.5. The Licensee will provide, at a date to be agreed with Monitor, a report demonstrating how the Board is assured that the requirements of paragraph 1.1 have been met, the scope of such report to be agreed with Monitor.

2. Improvement Director

2.1 The Licensee will work with an Improvement Director who will be appointed by Monitor to oversee and provide external assurance of the Licensee's delivery of the Quality Recovery Plan and improvements in the Licensee's governance arrangements and the quality of care it provides.

3. Reporting

3.1. The Licensee will publish its progress against [the Quality Recovery Plan] every month on the NHS Choices website and its own website and participate as required in national and local press conferences.

4. Meetings

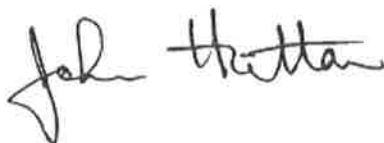
4.1. The Licensee shall attend meetings or, if Monitor stipulates, conference calls, during the currency of the undertakings detailed in this notice to discuss its progress in meeting those undertakings. These meetings shall take place once a month, unless Monitor stipulates otherwise, at a time and place to be specified by Monitor and with attendees specified by Monitor.

THE REQUIREMENTS IN THIS NOTICE ARE WITHOUT PREJUDICE TO THE REQUIREMENT ON THE LICENSEE TO COMPLY WITH THE CONDITIONS IN ITS LICENCE.

ANY FAILURE TO COMPLY WITH THE ABOVE UNDERTAKINGS WILL RENDER THE LICENSEE LIABLE TO FURTHER FORMAL ACTION BY MONITOR. THIS COULD INCLUDE THE IMPOSITION OF DISCRETIONARY REQUIREMENTS UNDER SECTION 105 OF THE ACT IN RESPECT OF THE BREACH IN RESPECT OF WHICH THE UNDERTAKINGS WERE GIVEN AND/OR REVOCATION OF THE LICENCE PURSUANT TO SECTION 89 OF THE ACT.

WHERE MONITOR IS SATISFIED THAT THE LICENSEE HAS GIVEN INACCURATE, MISLEADING OR INCOMPLETE INFORMATION IN RELATION TO THE UNDERTAKINGS: (i) MONITOR MAY TREAT THE LICENSEE AS HAVING FAILED TO COMPLY WITH THE UNDERTAKINGS; AND (ii) IF MONITOR DECIDES SO TO TREAT THE LICENSEE, MONITOR MUST BY NOTICE REVOKE ANY COMPLIANCE CERTIFICATE GIVEN TO THE LICENSEE IN RESPECT OF COMPLIANCE WITH THE RELEVANT UNDERTAKINGS.

LICENSEE



Signed (Chair of Licensee)

Dated: 30 June 2014

MONITOR

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Signed (Chair of relevant decision-making committee)

Dated: 1.7.14