

To: The Board

For meeting on: 29 October 2014

Agenda item: 6

Report by: Miranda Carter, Executive Director of Provider Appraisal

Report on: Provider Appraisal Update

Introduction:

1. The Provider Appraisal directorate currently has eight active assessments, of which three started this month and another three are due for decision this month. There are three ongoing transaction reviews and two ongoing quality governance (QG) reviews of trusts still in the NHS Trust Development Authority (NHS TDA) phase.
2. The allocation of the team's capacity over the next few months is likely to require some prioritisation of projects, given the expected increase in the number of assessments and transaction projects over the coming months. The directorate's medium term resourcing remains under review to ensure capacity is appropriately managed.

A. Developments

Continuous improvement

3. The senior working group set up to discuss goals around running an efficient, effective Provider Appraisal directorate and to consider further Key Performance Indicators (KPIs) met for the first time on 29 September and again on 3 October 2014. Further work is ongoing in smaller working groups, focused on desired behaviours and measurable outcomes in four domains (Collective Leadership, Engaged and Motivated Team, Internal Efficiency and Minimising the Burden on Trusts).

B. Update on assessments

4. The current status of trusts with Monitor for assessment is provided in Annex 1. Changes from last month are highlighted in red.

Active assessments (exception reporting)

5. Decisions are expected to be made this month on Royal United Hospital Bath NHS Trust, Bridgewater Community Healthcare NHS Trust and Derbyshire Community Health Services NHS Trust. The latter two, if authorised, will be the first community NHS foundation trusts (NHSFTs).

Assessment Pipeline

6. An overview of the assessment pipeline is provided in Annex 2. This reflects the NHS TDA's latest available published data (September 2014). The NHS TDA is planning to update and publish its analysis of its pipeline, including which NHS trusts may be considered not sustainable in their current form, in November 2014.
7. Oxford University Hospitals NHS Trust has now been referred for assessment. The Provider Appraisal team has already commenced work on this trust through a NHS TDA Quality Governance review which is on going. The team is now scoping the assessment work to follow on from the Quality Governance review, with an expectation of an executive challenge session later in the year covering Quality Governance findings and an early look at finances and target performance. This is to ensure an efficient process and that key issues are flagged with the Trust at an early stage.

C. Update on transactions

Active projects

8. Frimley Park Hospital NHS Foundation Trust's acquisition of Heatherwood and Wexham Park NHS Foundation Trust was completed on 1 October 2014. The Provider Appraisal and Provider Regulation directorates have met to co-ordinate a smooth handover.

Miranda Carter
Executive Director of Provider Appraisal

Making a difference for patients:

Monitor's mission is to make the health sector work better for patients. This report provides an update on the Provider Appraisal team. The key focus of this team is to assess if providers are well led and can therefore deliver sustainable high quality services to patients.

Public Sector Equality Duty:

Monitor has a duty under the Equality Act 2010 to have due regard to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between people from different groups. In drafting this report consideration has been given to the impact that the issues dealt with might have on these requirements and on the nine protected groups identified by this Act. It is anticipated that the issues dealt with in this paper are not likely to have any particular impact upon the requirements of or the protected groups identified by the Act.

This report considers the activity of the Provider Appraisal team, whose key focus is to authorise NHS Trusts as Foundation Trusts. The assessment process considers how representative of the population that it serves the membership of an applicant NHS FT actually is, and therefore has had regard to the duties required by the Equality Act. It is not considered that there are any decisions within this paper which would impact on protected groups Identified by the Act.

Exempt information:

All of this report is exempt from publication under the Freedom of Information Act 2000.

The information is exempt as it falls under section 36 of the Freedom of Information Act 2000. Disclosure of that information would, or would be likely to, inhibit the free and frank provision of advice, or exchange of views for the purposes of deliberation. In applying these exemptions, we have considered the public interest test; disclosure of this information will not enhance the accountability or transparency of Monitor as its disclosure would inhibit the free frank disclosure of information.

Annex 1: Current status of trusts with Monitor for assessment

Active assessments						
Trust name	Status detail	Start	Exec meeting	Target Board to Board	Decision	Indicative CQC inspection date
Royal United Hospitals Bath	Reactivated (deferral)	May 2014	n/a	11 Aug 14	Oct 14	Inspected
Bridgewater Community Healthcare	Phase 2	June 2014	n/a	9 Sept 14	Oct 14	Inspected
Derbyshire Community	Phase 2	July 2014	n/a	9 Oct 14	Oct 14	Inspected
St George's Healthcare	Referral	May 2014 (ph)	n/a	25 Sept 14	Nov 14	Inspected
Nottinghamshire HealthCare	Phase 2	Oct 2014	n/a	23 Jan 15	Feb 15	Inspected
Kent Community	Phase 2	Oct 2014	n/a	27 Jan 15	Feb 15	Inspected
Birmingham Community	Reactivated (postponed)	Oct 2014	n/a	Mar 15	Apr 15	Inspected
Oxford University Hospitals	Referral	TBC		TBC		Inspected

Annex 2: Pipeline information

(i) Monitor pipeline

	At 31 Aug 2014	M&A	Pipeline progress			At 10 Oct 2014
Total Foundation Trusts (FTs)	147	(1)				146
Monitor pipeline						
Active Assessments - decisions this month	-		3			3
Active Assessments - in progress	4		(3)	3		4
Assessments paused post phase 1	6			(2)		4
Deferrals & postponements	6			(1)		5
Assessments awaiting start	-				1	1
Total Monitor pipeline	16	-	-	-	1	17
NHS TDA pipeline	81	(1)			(1)	79
TOTAL NUMBER OF TRUSTS	244	(2)*				242

*Reduction in trusts relate to Frimley Park Hospital NHS Foundation Trust's takeover of Heatherwood and Wexham Park NHS Foundation Trust and the merger of Ealing Hospital NHS Trust and The North West London Hospitals NHS Trust

(ii) Pipeline analysis

	Acute	Mental Health	Community	Ambulance	Total
Foundation Trusts	100	41	-	5	146
Monitor pipeline	6	4	6	1	17
With TDA	51	11	13	4	79
Total trusts	157	56	19	10	242

Note: NHS TDA is planning to update and publish its analysis of its pipeline by status/progress in November 2014, pending completion of its sustainability reviews

(iii) QG reviews in NHS TDA phase

Ongoing	Timing	Score
Worcestershire Health and Care NHS Trust	Oct - Dec 2014	
Oxford University Hospitals NHS Trust	Aug - Oct 2014	
Completed		
Wirral Community NHS Trust	July - Sept 2014	4
Liverpool Community Health (PILOT)	Jan - June 2014	7
Bradford District Care (PILOT)	Jan - April 2014	4