

**To:** The Board

**For meeting on:** 26 November 2014

**Agenda item:** 7

**Report by:** Miranda Carter, Executive Director of Provider Appraisal

**Report on:** Provider Appraisal Update

---

**Introduction:**

1. The Provider Appraisal directorate currently has six active assessments, of which one is due for decision this month and another two started this month. There are three ongoing transaction reviews and one ongoing quality governance review of a trust still in the NHS Trust Development Authority (NHS TDA) phase.

**A. Developments**

2. The Provider Appraisal Executive (PAE) agreed on 17 September 2014 that the Development team should start to scope a programme of work to develop a set of tools, processes and methodologies to support organisations develop and sustain effective cultures for high quality care. This guidance will be oriented around helping trusts develop and deliver on their leadership strategies that will underpin their overall organisational strategy. Work is ongoing in this area.

*Continuous improvement*

3. Further work is ongoing in small working groups of senior managers from the senior working group set up to discuss goals around running an efficient, effective Provider Appraisal directorate and to consider further Key Performance Indicators. The focus is 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. Royal United Hospital Bath NHS Trust, Bridgewater Community Healthcare NHS Trust and Derbyshire Community NHS Trust were all authorised last month effective 1 November 2014.
5. A list of the NHS trusts currently with Monitor for assessment and the reasons for any delay, deferral, postponement or withdrawal is provided in Annex 1 together with the anticipated timing of the relevant Care Quality Commission (CQC) inspection. Any changes from last month's report are highlighted in red.

### *Active assessments (exception reporting)*

6. Bradford District Care NHS Trust has been referred to Monitor by the NHS TDA for assessment.

### *Assessment Pipeline*

7. 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 currently undertaking sustainability reviews and 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.

**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:**

*Some of the information in this report is exempt from publication as it falls under section 36 of the Freedom of Information Act 2000. The information is exempt because 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
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)	Nov 2014	n/a	Mar 15	Apr 15	Inspected
Oxford University Hospitals	Referral	Nov 2014	12 Jan 15			Inspected
Bradford District Care	Referral	Dec 2014				Inspected

## Annex 2: Pipeline information

### (i) Monitor pipeline

	At 15 Oct 2014	Pipeline progress				At 12 Nov 2014
<b>Total Foundation Trusts (FTs)</b>	<b>146</b>	<b>3</b>				<b>149</b>
<b>Monitor pipeline</b>						
Active Assessments - decisions this month	3	(3)	1			1
Active Assessments - in progress	4		(1)	1		4
Assessments paused post phase 1	4					4
Deferrals & postponements	5					5
Assessments awaiting start	1			(1)	1	1
<b>Total Monitor pipeline</b>	<b>17</b>	<b>(3)</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>15</b>
<b>NHS TDA pipeline</b>	<b>79</b>				<b>(1)</b>	<b>78</b>
<b>TOTAL NUMBER OF TRUSTS</b>	<b>242</b>					<b>242</b>

### (ii) Pipeline analysis

	Acute	Mental Health	Community	Ambulance	<b>Total</b>
<b>Foundation Trusts</b>	101	41	2	5	<b>149</b>
<b>Monitor pipeline</b>	5	5	4	1	<b>15</b>
<b>With TDA</b>	51	10	13	4	<b>78</b>
<b>Total trusts</b>	<b>157</b>	<b>56</b>	<b>19</b>	<b>10</b>	<b>242</b>

Note: 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 TDA phase

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

### Annex 3: Transaction pipeline

<i><b>FT Name</b></i>	<i><b>Transaction Details</b></i>	<i><b>Estimated Report Date</b></i>
<b>Live Transactions</b>		
<b><i>Mergers, Acquisitions &amp; Joint Ventures</i></b>		
Bolton	£15m investment in estates and £15m investment in IT.	Nov-14
Papworth Hospital NHS FT	FBC review of proposed PFI building	Dec-14
South Devon Healthcare	Acquisition of Torbay and Southern Devon Health and Care NHST. OBC review. Target acquisition date 1 April 2015.	Dec-14