**NQB(13)(04)(01)**

**NATIONAL QUALITY BOARD**

_____

**System Alignment for Quality**

***Paper by the CQC, Monitor, NHS England and the NHS TDA***

## Purpose

1. Subsequent to the new system going live on 1 April 2013, the findings from the Francis Report and Government response, the learning from the Keogh mortality outliers reviews and the Berwick report, various aspects of the system architecture in respect of quality are changing and will continue to change over the coming months. These changes have the potential to strengthen the system's ability to assure and improve quality of care, but there are also risks of duplication, confusion and omission if organisations do not work together systematically.

2. The CQC, Monitor, NHS England and the NHS Trust Development Authority are working together on a range of issues, and at its last meeting in July, the NQB agreed that it should provide oversight and support for this work. A significant amount of work has been taking place on a bilateral and multilateral basis over the last few months, and this paper sets out the progress made in aligning the system architecture and intended next steps.

## Recommendations

3. The NQB is asked to:

    a. note the various elements of joint work that are taking place;
    b. provide any steers on the live issues that are being addressed;
    c. highlight particular opportunities for or risks to alignment that are not already being addressed.

## Background

4. The aim of the joint working between the CQC, Monitor, NHS England and the NHS Trust Development Authority system alignment for quality work is to:

   *To promote safe, high quality care by eliminating potential duplication and confusion in the system for regulation and oversight of NHS care, by identifying areas for alignment and joint process and developing and implementing proposals to take these forward.*

5. The work has been segmented into three workstreams as follows:

   - **Accountability** – including single failure regime, Health and Safety Executive prosecution powers, and the 'fit and proper persons' test.

   - **Surveillance** – including datasets to support surveillance, hospital ratings, standards (developmental, quality and fundamental), Quality Surveillance Groups and Risk Summits.

   - **Governance, leadership and culture** – including advice commissioned from the Kings Fund on leadership and culture, and how different organisations take account of (provider) governance arrangements as part of their regulatory and supervisory functions.

## Accountability

6. This workstream focusses on the accountability mechanisms that different parts of the system have in place in respect of providers of NHS services, seeking to ensure that they are aligned. Where there are differences, this workstream seeks to ensure that there is clarity as to where they exist and why.

7. The following elements of the architecture are being developed as part of this workstream:

   - **FT assessment and authorisation process** – Monitor, the NHS TDA and the CQC have been jointly reviewing the end-to-end foundation trust (FT) assessment and authorisation process. This is due to report shortly and will provide greater clarity about the pipeline process; seek to reduce burdens on NHS trusts by streamlining

the process; ensure that the process is compatible with the new system architecture and recommendations from Francis; and enable the CQC to schedule its inspections so that they fit with it and do not cause delays. The three organisations are also working together on an interim arrangement for CQC to provide robust assurance of non-acute trusts in advance of new inspection methods being rolled out.

- **Single failure regime** (including special measures) – CQC is leading development of a joint protocol with Monitor, NHS TDA and NHS England to be issued in November 2013, which sets out 'who does what when' in the failure regime. The handling of the 11 trusts in special measures following the Keogh mortality outliers reviews is particularly leading to further development of thinking on how to manage special measures (e.g. with the introduction of improvement directors into organisations) and how special measures might be lifted.

- **Health and Safety Executive prosecution powers** – a further workshop is to be arranged by DH with the Health and Safety Executive (HSE) and CQC to move forward on a protocol to clarify the boundaries between the two regulators' roles in prosecution. The intention is not to transfer powers but to clarify roles and then ensure HSE is resourced accordingly.

- **Fit and proper persons test** – a working group has prepared a report recommending that Professional Standards Authority board level leadership standards could support a coherent approach to the fit and proper persons test across the NHS and, potentially, adult social care.

**Surveillance**

8. This workstream focusses on what and how we are measuring quality, the standards within the system against which quality is judged, and how we make judgements against those standards. It looks to align our approaches to reduce the burden on providers, to allow us to be more focussed and transparent, and to facilitate our joint working and information sharing.

9. The following elements of the architecture are being developed as part of this workstream:

- **Hospital ratings** – CQC has been given responsibility for developing and implementing ratings, following publication of the Nuffield Trust report *Rating providers for quality: a policy worth pursuing?* Early thinking was set out in the CQC consultation *A New Start*, and development work is continuing. CQC has proposed rating services and NHS trusts using a four band scale ("outstanding", "good", "requires improvement" and "inadequate") and that ratings will be set for each organisation following inspection. Up to December 2013 the first tranche of 18 trusts are being inspected under the new methodology, three of which have been selected (with their agreement) for 'shadow' ratings, a process that will be used to test early thinking and lead to refinement before being applied to all trusts to be inspected in the second wave of inspections from January 2014. The aim is that by December 2015, every NHS acute trust will have received one of the new inspections and will have its first set of ratings.

- **Standards** – Francis recommended that there should be three types of standard in the system:
    - Fundamental standards are the minimums below which care should never fall. These will be set in regulations and are being developed by the DH and CQC, working with Monitor, NHS TDA, NHS England and other partners. When a provider is rated as "requires improvement" or "inadequate" CQC will check for breaches of fundamental standards and may enforce against them.

    - Enhanced quality and developmental standards set out the characteristics of a high quality care pathway, and those elements of care which are truly innovative and leading edge, respectively. NICE has been developing the library of quality standards for some time, and is thinking through how it can incorporate the concept of developmental standards into their processes. They are working with NHS England and other partners to understand how this can best be done, and will be incorporating developmental elements into quality standards produced from 1 April 2014.

- **New CQC inspection regime** – The Chief Inspector of Hospitals started his programme of inspections in September 2013. The process involves pre-inspection planning and surveillance; announced and unannounced visits; and developing a final report which will include developing a plan of action and recommendations through a Quality Summit. The process allows for Monitor, the NHS TDA, NHS

England and other oversight bodies to input at the pre-inspection planning phase. Discussions have started about coordinating the four organisations' arrangements to source specialist advisors, as the inspections will require large numbers of these. The CQC, Monitor, the NHS TDA and NHS England are co-designing the Quality Summit which ends the inspection process, where partners from within the health economy and the local authority develop a plan of action and recommendations based on the Inspection Team's findings. This joint work is to ensure close join-up with the arrangements for overseeing action plans and their implementation.

- **Data to support surveillance** – CQC are developing a surveillance system to support their new approach to inspecting health and care providers. Their consultation *A New Start* proposed a list of indicators for acute and specialist NHS Trusts that it would use to inform its surveillance activity, both in terms of identifying organisations to inspect, and developing key lines of inquiry for those inspections. In early October, CQC will publish the list of indicators they will be using as part of their surveillance activity, as well as a profile for each NHS acute and specialist health trust in England with data against the indicator set. CQC is also developing its surveillance system for the other types of NHS trusts and health providers.

  Over time, there is an ambition that NHS England, Monitor, CQC and the NHS TDA will develop a common dataset for quality which could be used in a consistent way by all commissioners and regulators. Where there are differences in perspective or approach, these would be clearly defined and explained. This is ambitious, requiring a lot of work, and we would envisage it being deliverable not before 2015/16. The first steps will be to align our approaches to using a small set of indicators as part of a pilot phase.

- **Quality Surveillance Groups** – Quality Surveillance Groups bring commissioners, regulators and others with information on quality together at a local and regional level on a regular basis to share intelligence. They have been in operation across the country since 1 April 2013. A review of QSGs is currently on-going to explore how there are operating, and how their model and the support available to them could be strengthened. CQC, Monitor, NHS TDA, PHE, HEE GMC, NMC and Healthwatch England are part of the cross-system steering group leading the review, as their organisations are members of the QSG network. The review will result in updated guidance to the system on how to make QSGs as effective as possible, as well as

FAQs and any further support needed, all of which should be available by the end of 2013.

- **Risk Summits** – Risk Summits were first suggested in the NQB's report, *Review of early warning systems in the NHS*, in 2010. They are now regularly used by health economies to come together to understand the extent of quality risk within a particular provider about which concerns have been raised, and where possible, to coordinate action be commissioners and regulators to safeguard patients and improve quality. Current guidance on *'How to run a Risk Summit'* requires updating, in light of changes to the system following 1 April, to the CQC's inspection regime, and following the methodology's use in the Keogh reviews.

  Work will be required between partner organisations to develop a future approach to risk summits which clearly defines the role and functions of Risk Summits, Quality Summits held at the end of CQC inspections (and which may involve partner organisations) and the wider role of QSGs.

**Governance, leadership and culture**

10. CQC, Monitor, NHS England and the NHS TDA all have different roles and interests in respect of governance, leadership and culture across the NHS, and within NHS organisations. This workstream is developing an assessment framework from a broad review of the evidence. It is hoped that all four bodies will be able to either adopt or align their approach with this assessment framework.

11. The following elements of the architecture are being developed as part of this workstream:

    - The Kings Fund and University of Lancaster are carrying out a review of evidence on leadership and culture and developing an assessment framework and tools from it

    - CQC, with Monitor and TDA, is developing an assessment framework for providers' governance arrangements which should align with Monitor's Risk Assessment Framework and TDA's Accountability Framework.

## Next Steps

12. The joint working on the various aspects of the system architecture in respect of quality will continue at pace over the coming months. The next significant milestone will be the Government's further response to Francis, and to Berwick and Keogh which is expected in November. Subsequent to this, the work will need to progress towards the CQC's new inspection model going live from 1 April 2014.

13. There are likely to be several crucial decisions for the NQB to consider at its next meeting in December. The four organisations will continue to work together and to meet regularly to develop proposals and papers for the NQB.

**CQC, Monitor, NHS TDA and NHS England**
**26 September 2013**