Partnership Agreement

between

NHS Trust Development Authority

and

NHS England

December 2013
Joint Statement

Through this partnership agreement we commit NHS England and the NHS Trust Development Authority to working in partnership and to supporting each other in carrying out our respective roles and responsibilities for the benefit of patients, users of services, their carers, and the public.

Our shared approach to working together will be characterised by openness and honesty; by a commitment to on-going engagement on issues of mutual interest and importance; and by early and pro-active information sharing.

Sir Peter Carr  
(Chair, NHS Trust Development Authority)

Prof Sir Malcolm Grant  
(Chair, NHS England)

David Flory CBE  
(Chief Executive, NHS Trust Development Authority)

Sir David Nicholson  
(Chief Executive, NHS England)
1. Context and Shared Purpose

Purpose

1.1 This agreement sets out the nature of the partnership between the NHS Trust Development Authority (NHS TDA) and NHS England. It summarises how the two organisations intend to work together to carry out their respective functions for the benefit of patients, users of services, their carers, and the public.

1.2 The agreement identifies a number of priorities which will be the focus of joint working in the first year of this partnership. It sets out the intention of the partners to establish governance arrangements to support and oversee this partnership working, and to enable it to develop and mature as the new health and social care landscape takes shape.

1.3 This agreement will sit alongside others, which both NHS England and the NHS TDA have in place with other partners in the wider health and social care system. It will be reviewed regularly to ensure that it continues to reflect our collective ambitions and priorities, in particular as the recommendations of the Mid Staffordshire NHS Foundation Trust Public Inquiry are implemented.

Roles and Responsibilities

1.4 The detailed roles and responsibilities of NHS England are set out in the Health and Social Care Act 2012, while the role of the NHS TDA is set out in its establishment order\(^1\).

**NHS England**

1.5 NHS England is an autonomous non-departmental public body which operates within the wider health and social care system. Its overarching role is to ensure that the NHS delivers continuous improvements in outcomes for patients within the resources available. NHS England will fulfil this role through its leadership of the reformed commissioning system. Working in partnership with clinical commissioning groups (CCGs) and a wide range of stakeholders, it will secure better outcomes, as defined by the NHS Outcomes Framework; it will actively promote the rights and standards guaranteed by the NHS Constitution; and will secure financial control and value for money across the commissioning system.

1.6 The new system of commissioning for the NHS requires NHS England to provide national consistency in areas like quality, safety, access and value for money whilst promoting the autonomy of CCGs to make decisions that are in the best interests of their community.

NHS TDA

1.7 The Government’s vision is for an NHS with fully autonomous and accountable healthcare service providers (hospitals, ambulance services, mental health services and community services). The NHS TDA is a Special Health Authority that will oversee, hold to account and support improvement by NHS Trusts, helping them to improve the quality and sustainability of services and thereby achieve Foundation Trust status or another more appropriate organisational form.

Key Responsibilities

1.8 The National Quality Board’s (NQB) report on the quality architecture in the new system\(^2\) sets out more detail on the particular roles of the organisations with regard to the quality of care.

1.9 Both organisations will have interactions with NHS Trusts. Clarity of roles is therefore particularly important in this area.

1.10 NHS England will commission specialised services directly from NHS Trusts and will oversee the role of CCGs in commissioning other services. In so doing it will have oversight of NHS Trust performance against commissioner requirements and contractual standards, and will fund a significant proportion of the services provided by NHS Trusts. It will also oversee service innovations which may affect NHS Trusts and provide endorsement for NHS Trust applications for Foundation Trust status.

1.11 The NHS TDA will oversee all aspects of NHS Trust delivery, ensuring that NHS Trusts provide sustainable, high quality services and proceed to Foundation Trust status or another organisational form. The NHS TDA is responsible for oversight of clinical quality, service standards and finance and for developing capacity and capability in NHS Trusts. It will approve FT applications to proceed to Monitor and will intervene to address poor performance. The NHS TDA will make non-executive appointments to NHS Trusts and support transactions and other provider-led organisational changes.

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The NHS Trust Development Authority oversees and accounts for all aspects of the performance of NHS Trusts, including quality, finance and capability. It supports NHS trusts to provide sustainable, high quality services and to meet the requirements set out by commissioners, CQC and Monitor. It provides day-to-day oversight for trusts, development support to improve capability, and can trigger interventions to address poor performance. It has a specific role in the initial approval of FT applications and in making non-executive appointments to NHS Trusts.

Commissioners agree requirements of NHS Trusts through service design and contracts, monitor delivery of contractual requirements on quality / volume and fund services, including incentives / sanctions. CQC monitors NHS Trust compliance with statutorily defined registration standards for quality and has powers to intervene when standards are not being met, including enforcement action. Monitor sets out requirements on finance, performance and governance for NHS Trusts to progress to FT status and is the final arbiter on authorisation of FTs.
2. Joint Priorities

2.1 The partnership between the organisations will operate on a number of levels, including:

- **Strategic** – where the organisations will seek to align overall goals and support each other’s strategic objectives;

- **Operational** – where the organisations will develop clear approaches to dealing coherently and effectively with a range of operational matters, particularly those relating to the quality of services provided for patients; and

- **Cultural** – where the organisations will seek to promote common values, based on those in the NHS Constitution, and constructive behaviours.

**Style and Behaviour**

2.2 The over-arching approach to operational working will be characterised by:

- Openness and honesty;

- Engagement on issues of mutual interest and importance; and

- Early and pro-active information-sharing.
Shared Strategic Goals

2.3 The NHS TDA and NHS England commit to the following shared strategic goals:

- Putting patients first;
- Improving outcomes;
- Developing sustainable, high quality services across England;
- Fostering an environment where patient safety is paramount;
- Improving the quality of the provider sector;
- Increasing clinical and staff engagement in commissioning and provision;
- Improving value for money;
- Increasing the integration of services; and
- Developing leadership capability in the NHS.

2.4 The two organisations will work together on the development of strategic goals and in putting strategies into action. For example, NHS England will work with the NHS TDA on critical system-wide pieces of work such as Urgent and Emergency Care Review and the implications of the Keogh Mortality Review.

Operational commitments

2.5 NHS England and the NHS TDA will work closely together in a number of operational areas, both nationally and locally.

Quality of care

2.6 The NHS TDA and NHS England both have important responsibilities for ensuring high quality care is delivered by NHS Trusts. In discharging these responsibilities, the organisations commit to:

- Early and open sharing of relevant information about the quality of care;
- Ensuring that each organisation makes an effective contribution to Quality Surveillance Groups and Risk Summits;
- Sharing pertinent information about the wider health and social care system which might be relevant to a particular trust(s).
- A common approach to monitoring the quality of care through the quality dashboard endorsed by the NQB;
A common commitment to effective handover, conduct of rapid response reviews and assurance of provider Cost Improvement Programmes in line with the advice set out by the NQB on these issues;

NHS England acting where relevant as a source of clinical advice to the NHS TDA in recognition of NHS England’s role in this area and the clinical advisory system (including clinical networks and senates) which it oversees, and the NHS TDA providing advice to NHS England where relevant;

Close co-ordination of clinical interventions in NHS Trusts where these are needed to ensure high quality care or protect patient safety; and

Joint working with the Care Quality Commission and other relevant bodies on all of these issues and to ensure that the overall approach to quality oversight is proportionate and aligned.

Planning, performance monitoring and intervention

2.7 NHS England and the NHS TDA both play important roles in developing and overseeing plans for commissioners and NHS Trusts. The two organisations commit to:

- Engagement and co-ordination on respective planning requirements and rules;
- Developing mutually effective assurance processes and agreeing any dispute resolution process;
- Sharing information as part of the process of monitoring performance against plans;
- Working with Monitor on tariff and price-setting to ensure all perspective are considered;
- Working with Monitor and the Department of Health to monitor a four-way agreement on broad financial parameters for the system; and
- Working together and with other partner organisations to agree a joint approach to analysis, planning and intervention when there are performance or financial problems in local health systems involving NHS Trusts.
Development and transformation

2.8 The NHS TDA and NHS England share a mutual commitment to developing leadership capability and to service improvement and transformation. The organisations commit to:

- Recognise and promote the importance of leadership development. The NHS TDA will be an active participant in the work of the NHS Leadership Academy, hosted by NHS England. The NHS TDA will promote and endorse the Academy’s products for NHS Trusts and the Academy will ensure its work prioritises the need for NHS Trusts to improve both executive and non-executive capability;

- Ensure resources are available to support improvement through the Improvement Body to be hosted by NHS England;

- Pursue joint opportunities for leadership development and broader education; and

- Promote the NHS Change Model as a guide to improvement and transformation across the system.

- Working together and with other partner organisations to support large scale change across health economies and system-wide improvement.

NHS England as commissioner of specialised services

2.9 Oversight and assurance

- The NHS TDA will keep NHS England informed of any NHS Trust, from which NHS England commissions specialised services, that is designated as ‘Concern requiring investigation’, ‘Material issue’ or ‘Formal action required’ under the NHS TDA escalation process.\(^3\)

- NHS England will inform the TDA of any serious issues that arise between NHS England as commissioners and an NHS Trust. This should include concerns that arise during contract management meetings and any significant fines imposed under the standard contract.

\(^3\) Details of the escalation process can be found in the NHS TDA Accountability Framework at http://www.ntda.nhs.uk/wp-content/uploads/2012/04/framework_050413_web.pdf
• There should be informal and timely sharing of information and intelligence in relation to NHS Trusts between NHS England and the TDA, out with Quality Surveillance Groups and Risk Summits.

• Both NHS England and the TDA will take responsibility for informing CQC of any information or intelligence relating to serious issues in an NHS Trust, out with Quality Surveillance Groups and Risk Summits.

2.10 Intervention

• NHS England, and CCGs, and the TDA should actively consider the case for joint intervention using their respective powers and levers. NHS England and the TDA will work to ensure a common understanding of respective roles and responsibilities exist across the system.

• Both NHS England and the TDA should take responsibility for informing CQC of any intervention in an NHS Trust that the CQC should be aware of, out with Quality Surveillance Groups and Risk Summits.

2.11 Service and system change

• NHS England will inform the TDA of plans for reconfiguration of the specialised services it commissions that will impact upon NHS Trusts.

• The TDA should inform NHS England of mergers and acquisitions involving NHS Trusts. Similarly, where it is apparent that a Trust will not become authorised as an FT in its current form, the TDA should involve NHS England in the process of determining the right future form for the organisation if it commissions services from the organisation.

2.12 FT approvals

• The TDA will seek NHS England and CCG views on Trusts from which they commission, particularly on whether their FT applications are supported.

2.13 Failure

• The TDA will inform NHS England if a Trust from which it commissions is going to trigger the Unsustainable Provider Regime (‘failure’ regime).

• NHS England and CCGs should be involved by the Trust Special Administrator in the process of identifying potential solutions for creating a sustainable organisation.
NHS England as assurer of CCGs

2.14 NHS England will ensure that NHS TDA intelligence on provider performance is fed into CCG assurance conversations.

2.15 NHS England will keep the NHS TDA informed of any [add relevant rating from CCG assurance fwk] CCGs.

2.16 A core component of CCG assurance will be the test of relationships within the local health economy, including with the NHS TDA. CCGs will be expected to demonstrate the sharing of information, advance warning of significant interventions and alignment of action (where required) with the regional NHS TDA teams.

2.17 The TDA and NHS England will work together, along with other national and local partners, to ensure the Quality Surveillance Groups and Risk Summits are effective.
3. Governance for Delivering Joint Priorities

Formal Governance

3.1 The executive teams of the two organisations will meet together each year to discuss the overall partnership and common priorities. The exec-to-exec meeting will be the overall governance forum for this partnership agreement, which will be refreshed annually to reflect changes and developments agreed in the meeting.

Practical working arrangements

3.2 To maintain an effective working relationship, NHS England and the NHS TDA will ensure there is regular contact and close working at both national and sub-national levels of the organisations, covering common geographical areas.

3.3 The key relationships for NHS England and the NHS TDA will be between the organisations’ respective Chief Executives; the NHS TDA’s Directors of Delivery and Development and NHS England’s Regional Directors; and the professional leads (Directors of Finance, Directors of Strategy, Medical and Nursing Directors etc).

3.4 Monthly meetings will be held at director level, to co-ordinate on-going work and priorities, through a partnership group. The lead director responsible for the partnership in NHS England will be the Chief Operating Officer, supported by the Director of Partnerships and the corporate partnerships team. The lead director for the NHS TDA will be the Director of Strategy, supported by the Partnerships Team. Where appropriate, senior colleagues from CQC and Monitor will be involved in order to consider operational performance and strategic issues across the NHS.

3.5 Quarterly meetings will be held at Chief Executive level. It is expected that any disputes or areas of disagreement on key policy or operational issues between the two organisations will be resolved at this level.

3.6 The two organisations will undertake further work together to agree the details and specification of any corporate services and facilities to be shared between them.