

17 July 2018

Wellington House
133-155 Waterloo Road
London SE1 8UG

T: 020 3747 0000
E: nhsi.enquiries@nhs.net
W: improvement.nhs.uk

██████████
By email
████████████████████

Dear ██████████

Request under the Freedom of Information Act 2000 (the “FOI Act”)

I refer to your email of **19 June 2018** in which you requested information under the FOI Act from NHS Improvement. Since 1 April 2016, Monitor and the NHS Trust Development Authority “NHS TDA” are operating as an integrated organisation known as NHS Improvement.

Your request

You made the following request:

“I would like to make a request under the Freedom of Information Act please. In October 2017 King’s College Hosptial Foundation Trust will have submitted its most recent five-year plan to Monitor. I would like to see a copy of this please.”

Decision

NHS Improvement holds the information that you have requested.

NHS Improvement has decided to withhold this information on the basis of the applicability of the exemptions in sections 31, 33, 41 and 43 of the FOI Act as explained in detail below.

Section 31 – Law enforcement

NHS Improvement considers that the withheld information is exempt from disclosure under section 31(1)(g) of the FOI Act which provides that information is exempt information if its disclosure would, or would be likely to, prejudice the exercise by any public authority of its functions for any of the purposes specified in section 31(2).

NHS Improvement considers that section 31(2)(c) is engaged and that disclosure of the information in question would be likely to prejudice the exercise by Monitor of its regulatory functions for the purpose of ascertaining whether circumstances exist which would justify regulatory action in pursuance of an enactment.

The conditions of the provider licence enable Monitor to regulate the economy, efficiency and effectiveness of NHS foundation trusts under Chapter 3 of Part 3 of the Health and Social Care Act 2012 (“the 2012 Act”). Monitor will review any ongoing regulatory action in relation to NHS foundation trusts in monitoring their compliance with the licence.

NHS Improvement considers that disclosing this information is likely to prejudice the ongoing monitoring by NHS Improvement of providers’ compliance with the licence, which is necessary for NHS Improvement to take into account in any decision of regulatory action needed in respect of a failure to comply with the licence.

NHS Improvement relies on full and frank information from trusts in order to carry out its functions effectively and relies on having a safe space in which providers are freely able to share information in the knowledge that the information, or any analysis derived directly from it, will not be disclosed more widely. To disclose that information more widely is likely to have a detrimental impact on the quality and content of exchanges between NHS Improvement and the bodies it collectively regulates and its ability to make effective and fully informed regulatory decisions.

Section 33 – Audit functions

Section 33(1)(b) and 33(2) of the FOI Act provide that information may be exempt from disclosure where disclosure would, or would be likely to, prejudice the exercise of any public authority’s functions in relation to the examination of the economy, efficiency and effectiveness with which other public authorities use their resources in discharging their functions.

NHS Improvement considers that the withheld information is exempt under section 33(1)(b) on the basis that Monitor has functions in relation to the examination of the economy, efficiency and effectiveness with which NHS foundation trusts use their resources, which is likely to be prejudiced by releasing the withheld information. Monitor has these functions by virtue of its general duty under section 62(1)(a) of the 2012 Act to protect and promote the interests of health care service users by promoting the provision of services which is economic, efficient and effective and improves the quality of services.

As noted above, NHS Improvement depends on the free and frank provision of information from trusts without fear of this being shared more widely, and considers (as explained above) that disclosure would be likely to have a detrimental impact on the quality and content of those exchanges in the future if details or any analysis derived from those details is published to the public at large. This would in turn be likely to have a prejudicial impact on the exercise of NHS Improvement’s regulatory functions.

Section 43 – Commercial interests

Section 43(2) of the FOI Act provides that information is exempt if its disclosure would, or would be likely to, prejudice the commercial interests of any person.

Some of the information provided by the trust to NHS Improvement is commercially sensitive. Disclosure of that information is likely to be detrimental to the trusts' legitimate commercial interests. For example, parties seeking to negotiate contracts with the provider could use the information relevant to your request to strengthen their own bargaining position when negotiating for, or providing services to, that trust. In addition, competitors may be able to use such information to their advantage to the detriment of that trust's legitimate interests. We consider that this information is commercially sensitive.

Public interest test

Sections 31, 33 and 43 are qualified exemptions and therefore require that a public interest test be carried out to determine whether the exemptions should be maintained. We consider that in relation to financial and operational performance of trusts within the NHS, there is a public interest in transparency. However, we consider that there is a stronger public interest in giving NHS Improvement and providers the space to openly exchange information that relates to NHS Improvement's functions without disclosing the same to a wider audience and to give the sector the time to address any issues identified without premature disclosure.

Further, information about the trust's financial and operational performance can be found in published Board papers and publications relating to trust performance. Information about the trust's finances is also published in its annual accounts which are available from the trust's website. Information about NHS Improvement's regulatory action is also available on the websites of both the trust and NHS Improvement.

Section 41 – Information provided in confidence

We consider that some of the withheld information is exempt under section 41 of the FOI Act.

Section 41(1) provides that information is exempt if:

*“(a) it was obtained by the public authority from any other person (including another public authority), and
(b) the disclosure of the information to the public (otherwise than under this Act) by the public authority holding it would constitute a breach of confidence actionable by that or any other person.”*

The test in section 41(1)(a) is met as the information was obtained by NHS Improvement from a third party. In this case, the trust.

The test in section 41(1)(b) is met if it is demonstrated that disclosure would amount to an actionable breach of confidence. This means:

- (i) the information must have the necessary quality of confidence about it;
- (ii) the information must have been imparted in circumstances giving rise to an obligation of confidence;
- (iii) disclosure must amount to an unauthorised use of the information to the detriment of the confider.

NHS Improvement considers that disclosure of the information would amount to an actionable breach of confidence. Section 41 is an absolute exemption and does not require the application of the public interest test under section 2(2) of the FOI Act. However, in considering whether (in an action for breach of confidence) a confidence should be upheld, a court will have regard to whether the public interest lies in favour of disclosure. Where a duty of confidence exists, there is a strong public interest in favour of maintaining that confidence. In the present circumstances, NHS Improvement does not consider that there is a strong public interest in disregarding the duty of confidence owed to providers.

Providers should be able to share information and concerns with NHS Improvement in the expectation that this will be kept confidential, and this is particularly important in relation to financial information which, if disclosed, would be likely to be to the detriment of the provider. NHS Improvement considers that it is crucial that the trust and confidence of providers who impart information in such circumstances should be maintained, and that disclosure of information which is imparted in confidence may inhibit the full and frank disclosure to NHS Improvement of further information we need to fulfil our functions.

Review rights

If you consider that your request for information has not been properly handled or if you are otherwise dissatisfied with the outcome of your request, you can try to resolve this informally with the person who dealt with your request. If you remain dissatisfied, you may seek an internal review within NHS Improvement of the issue or the decision. A senior member of NHS Improvement's staff, who has not previously been involved with your request, will undertake that review.

If you are dissatisfied with the outcome of any internal review, you may complain to the Information Commissioner for a decision on whether your request for information has been dealt with in accordance with the FOI Act.

A request for an internal review should be submitted in writing to FOI Request Reviews, NHS Improvement, Wellington House, 133-155 Waterloo Road, London SE1 8UG or by email to nhsi.foi@nhs.net.

Publication

Please note that this letter will shortly be published on our website. This is because information disclosed in accordance with the FOI Act is disclosed to the public at large. We

will, of course, remove your personal information (e.g. your name and contact details) from the version of the letter published on our website to protect your personal information from general disclosure.

Yours sincerely,

Victoria Fairhurst

Transactions and Sustainable Solutions Director