HEALTH & WELLBEING REVIEW COMMITTEE

8th April 2009

NHS SOUTH OF TYNE AND WEAR – STANDARDS FOR BETTER HEALTH 2008/09

REPORT OF NHS SOUTH OF TYNE AND WEAR

Strategic Priority : Healthy City, CIO1, C104

1. Introduction

1.1 The Healthcare Commission is now in its 4th year of the Annual Health Check (AHC) process, of which Standards for Better Health (SfBH) framework is a part. The key objectives of the framework are to provide assurance that NHS organisations are meeting essential quality and safety standards for everyone. It is also focuses on value for money and continuous improvements and brings together information on the performance of healthcare services.

2. Healthcare Commission's (HCC) structure 2008/09

2.1 As in previous years, the development of the SfBH framework for 2008/09 has been informed through consultation and evaluation. Following this, the structure has a different format from previous years. This will enable the HCC to report separately on the performance of PCTs as both providers and commissioners. The HCC approach for 2008/09 reflects the Operating Framework 2008/09 which requires PCTs to have a separate internal structure for their commissioning and provider functions.

2.2 Following this change, the HCC has published revised criteria in relation to PCTs as Providers and Commissioners to help clarify what the standards will focus on for each function.

Provider criteria

2.3 There has been limited change to the content of the criteria for providers. However, some criteria have been rewritten to provide greater clarity and the rationale more explicit to help PCTs when they are assuring themselves of compliance with regards to their provider function. There have been some additional elements added into some standards, but this is not an additional requirement, but more that the previous element has been rewritten for more clarity and to reflect any changes in national guidance, statutory codes of practice etc. The main change for providers is that core standards C3 (NICE interventional procedures), C4c (decontamination) and C22b (local health needs) will be assessed for all provided sectors for 2008/09.

Commissioner criteria

2.4 To assess PCTs as commissioners, the core standards and their respective elements, have been considered from 3 perspectives, which will be combined into a single declaration:

- Commissioners as corporate bodies – i.e. standards as they apply to any organisation, regardless of its functions. These are basically about how organisations function, e.g. C7e (equality and diversity), C8b (personal development), C11a (recruitment and training) and C11b (mandatory training).

- Commissioning functions - i.e. the standards that are relevant to a PCT's role as a commissioner. There are many of the standards that apply to PCTs commissioning function and this has been reflected in the criteria by elements within all the standards (where applicable). However, there are a number of standards that particularly concern commissioning activities, namely:

    - C5a (NICE technology appraisals)
    - C6 (partnership working)
    - C7e (equality and diversity)
    - C17 (patient and public involvement)
    - C18 (equity and choice)
    - C22a&c (public health partnerships)
    - C22b (local health needs)
    - C23 (public health cycle)
    - C24 (emergency preparedness)

- The quality and safety of commissioned services – i.e. the PCT's role in relation to whether it has 'appropriate mechanisms' in place for commissioned services and whether it has taken 'reasonable steps' with regards to independent contractors. This applies to every standard as it has done in previous years.

3 Declarations and scoring methodology

3.1 PCTs will be required to declare their assurance of compliance against every standard as in previous years. However, there has been a significant change for 2008/09 to this process. The PCTs will be required to make 2 separate declarations, one as a provider and one as a commissioner. The declaration as commissioners will encapsulate both the corporate and commissioning activities, as well as the assurance of compliance with regard to commissioned services and independent contractors. To reflect this, a separate lead has been identified for both provider and commissioner to complete the declaration forms.

3.2 The declarations will also be scored separately, giving the PCTs a score for their performance as providers and commissioners. It will be the commissioning score only that will feed into the quality of services

component of the annual performance rating. The provider score will not feed into quality of services, but will form part of the overall performance rating and will be scored and displayed on the HCC's website at the publication of the AHC.

3.3 At present the scoring methodology for the standards remains the same as in previous years. To declare full compliance across all standards, there can be a maximum of 4 (per PCT) in year gaps or lack of assurances. Any more than this and the maximum score available will be 'almost met'.

The diagram at Appendix A details the scoring methodology and also outlines the different components of the overall performance rating.

4. NHS South of Tyne and Wear (NHS SOTW) process

4.1 A number of discussions took place about the appropriate way to approach the SfBH process for 2008/09. In light of the significant changes to the commissioning criteria, it was necessary to review our approach in previous years to reflect the changes for 2008/09. The SfBH Steering Group and the Director team considered a number of different options and felt that, whilst it was necessary to have separate provider and commissioner leads for the majority of standards, some of the standards still needed a corporate approach, i.e. where the function was the same across both provider and commissioner. An example of this is the HR function.

4.2 Although NHS SoTW is moving towards separation of both the provider and commissioning functions, the PCTs have not formally separated and the Chief Executive remains accountable for both functions across all Gateshead, South Tyneside and Sunderland PCTs.

4.3 It was agreed that, whilst this approach does not come without its disadvantages, it was felt to be the most appropriate for this point in time and reflected the direction of travel nationally. It would:

- support the separation of provider and commissioner functions, but maintain a corporate focus as well;
- enable the evidence required to be separated where necessary, but with a mechanism to provide evidence once for the corporate elements;
- make better use of the 3 PCTs' resources;
- Allow for central coordination of the declarations;

4.4 As part of the monitoring process, an overarching Strategic Corporate Assessment group was established, along with separate provider and commissioner sub-groups. These groups met on a monthly basis and provided an overview to the Director team on key issues for consideration on a four-weekly basis.

4.5 A mid-year assessment of compliance was also undertaken and the outcome was discussed with the Director team. Further areas of work

were highlighted and actions agreed as to how they should be taken forward. Progress against these actions was reported back to the Director team on a four- weekly cycle.

4.6 A challenge event was held at the end of January which focussed in detail on the areas of further work. The event was also an opportunity to 'challenge' those standards declared as compliant to test the robustness of the evidence.

4.7 In previous years, Internal Audit has reviewed a sample of the standards to test the robustness of the evidence and confirm compliance. However, given the significant changes, discussions were held with internal Audit and a different approach agreed for 2008/09. The scope of the audit was to review the integrated arrangements for gaining assurance on compliance. This has been done by examining the self-assessment process to ensure there was adequate organisational structure and planning in place, to ensure the assessment of compliance was consistent across both provider and commissioner functions and to ensure that compliance was agreed at an appropriate level corporately, as well as by the commissioner and provider functions. The review has been undertaken recently and the outcome has not yet been received from Internal Audit.

4.7 A position statement for the standards for both provider and commissioner (including quality of commissioned services and independent contractors) is attached at Appendix B. Please note that where the table indicates n/a (not applicable), this means that the standard is relevant to either provider and/or commissioner only and those standards highlighted as corporate, the criteria and evidence was the same across both functions.

5. Impact of changes

5.1 It is the aim of NHS SoTW is to demonstrate full compliance across all functions in all the standards. However, given the significant changes to the commissioning criteria (published late in the year by the HCC), it is important to bear in mind that this places significant emphasis on us as commissioners in the same way as the World Class Commissioning assessment. Whilst a significant amount of work has been done to strengthen and develop our skills as commissioners, there may be some areas where further work will be needed given the detailed criteria now being applied by the HCC.

6. Conclusion

6.1 The direction of travel nationally sets out the way forward for PCTs in relation to the separation of the provider and commissioning functions. The HCC has taken this on board and changed their approach for 2008/09 for commissioners quite significantly to reflect this. As a result, the approach for NHS SoTW has been changed to reflect this, and a robust process put in place to ensure compliance across all

standards as both a provider and a commissioner of services for Gateshead, South Tyneside and Sunderland PCTs.

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