

Board of Directors' Meeting Report – 5 October 2016

Agenda item 96/16

Title	Single Oversight Framework
Sponsoring Director	James O'Sullivan – Chief Financial Officer
Author(s)	James O'Sullivan – Chief Financial Officer
Purpose	To inform the Board of the new Single Oversight Framework (SOF) which was published by NHS Improvement (NHSI) in September 2016.
Previously considered at	Not applicable.
Executive Summary	
<p>The Board will recall that on 28 June NHSI had launched its Single Oversight Framework for consultation. The consultation has now concluded and NHSI has published a revised framework. The SOF will enable NHSI to categorise providers to be able to identify providers with potential 'support needs'. It also follows the principle of earned autonomy, whereby providers will achieve greater autonomy by demonstrating the required levels of performance across a number of themes. Each provider organisation will be given a score of 1 to 4.</p> <p>It seems likely that SUHFT will be given a rating of 3 as we are held to be in breach of our licence.</p> <p>The full document can be accessed at: https://improvement.nhs.uk/uploads/documents/Single_Oversight_Framework.pdf</p>	
Date Reviewed by Execs	Not applicable.
Related Trust Objective	Excellent Patient Outcomes Excellent Patient Experience Engaged and Valued Staff Financial and Operational Sustainability – Financial, Operational, Estate
Related Risk	Risk 1 – Failure to provide adequate patient safety and quality of care Risk 2 – Poor patient experience Risk 3 – Failure to meet operational performance targets Risk 4 – Trust not being financially sustainable Risk 5 – Inability to recruit and retain staff Risk 6 – Unable to maintain estates and facilities to an adequate standard
Essex Success Regime	No impact.
Legal implications / regulatory requirements	The SOF replaces Monitor's Risk Assessment Framework (RAF). The SOF works within the continuing statutory duties and powers of NHSI. Use of the SOF will be based on the conditions of the NHS provider licence.
Quality impact assessment	There are no quality implications arising from this stage of the process.
Equality impact assessment	As far as can be ascertained this paper has no detrimental impact for the 9 protected characteristics under the Equality Act 2010.
Recommendations: The Board is asked to note the report.	

1. Single Oversight Framework

NHS Improvement has published the new Single Oversight Framework (SOF). The SOF will enable NHSI to categorise providers to be able to identify providers with potential 'support needs'. It also follows the principle of earned autonomy, whereby providers will achieve greater autonomy by demonstrating the required levels of performance across a number of themes. Each provider organisation will be given a score of 1 to 4.

2. Themes

Performance will be measured across the following 5 themes:

- Quality of care
- Finance & use of resources
- Operational performance
- Strategic change
- Leadership and improvement capability

3. Quality of Care

A CQC rating of 'inadequate' or 'requires improvement' against either Safe, Effective, Caring or Responsive will represent a potential support need. The focus of support will be on helping providers to move to 'good' or 'outstanding'. An assessment will also be made against delivery of the 4 priority standards for 7 day services.

4. Finance & use of resources metrics

This will replace the existing Financial Sustainability Risk Rating and will be assessed using the following measures:

- Capital service capacity
- Liquidity
- I&E margin
- Distance from financial plan
- Agency spend

Each of these has equal weighting and will be aggregated to produce an overall score of between 1 and 4, where 1 is the best outcome (opposite to the current FSRR). A 'use of resources' assessment is being jointly developed with CQC.

5. Operational Performance

Failure to meet one or more of the agreed STF trajectories for A&E, RTT and the 62 Day Cancer standard in 2 consecutive months will indicate a potential support need.

6. Strategic Change

This will be based on an assessment of a providers' contribution to STPs.

7. Leadership and improvement capability

Three main characteristics have been identified:

- Effective Board governance
- Continuous improvement capability – this assessment is being developed in conjunction with CQC
- Use of data

8. Providers Segmentation

Each provider organisation will be given a rating of between 1 and 4, 1 being the best (as per the Finance and use of resources metrics). Depending on this rating Trusts will receive varying degrees of support from none to mandated support.

1. No support needs across the 5 themes. Maximum autonomy
2. Potential support needed in one or more themes; not in breach of licence. Providers offered targeted support but not mandated.
3. Mandated support for significant concerns: breach of licence
4. Special measures: very serious/complex issues. Mandated support

9. Conclusion

There is more detail to follow on how some of these assessments will be made and how the overall segmentation will be derived. However, based on the above it seems likely that SUHFT will be given a rating of 3 as we are held to be in breach of our licence.