

TO: West Gloucestershire Primary Care Trust Board

FROM: Amanda Fisk, Director of Performance & Corporate Development

DATE: 15th September 2005

SUBJECT: THE HEALTHCARE COMMISSION ANNUAL HEALTH CHECK

1.0 PURPOSE

1.1 This paper describes the new process for assessing all NHS trusts on performance which forms the Annual Health Check.

2.0 BACKGROUND

2.1 The role of the Healthcare Commission is to promote improvements in the quality of healthcare and public health. They provide independent, authoritative, patient-centred assessments of performance for those who provide health services. This leads to a performance assessment of each local NHS Trust in England and the awarding of an annual rating at the performance of that organisation.

2.2 In March 2005, the Healthcare Commission published *Assessment for Improvement : The Annual Health Check* outlining a new process for assessing Trusts on a number of performance issues. The new approach aims to help people make better informed decisions about their care when they need to access services and to provide organisations with clearer expectations on standards for performance.

2.3 The 2005/06 assessment is the start of the new performance assessment system, and is based on Standards for Better Health published in 2004. It is expected that the system will be further refined in future years.

2.4 The Standards for Better Health have been developed with two principle objectives. First, they provide a common set of requirements across all healthcare organisations to ensure that health services are both safe and of an acceptable quality. Second, they provide a framework for continuous improvement in the overall quality of care people receive.

2.5 As part of the assessment process Trusts are being encouraged to seek the views of the wider community, patient and public involvement forums and Overview & Scrutiny Committees.

3.0 THE ASSESSMENT PROCESS

3.1 The assessment of healthcare organisations, which will form the Annual Health Check, can broadly be divided into "getting the basics right" and "making and sustaining progress".

3,2 **Getting the basics right**

3.2.1 Core Standards - assessment will be based on whether the organisation is meeting the 24 Core standards set out in Standards for Better Health and which describe a level of service which must be universally applied (assessment against the developmental standards will apply from 2006/07 onwards). The 7 domains in which the 24 standards sit are:

- Safety
- Clinical and Cost Effectiveness
- Governance
- Patient Focus
- Accessible and Responsive Care
- Care environment and Amenities
- Public Health

3.2.2 Meeting existing targets as described in *National Standards, Local Action : Health and Social Care Standards and Planning Framework 2005/06 – 2007/08*. There are 21 such targets, many of which are assessed for performance in the performance report including for example, cancer waiting times, access (waiting times), and Category A Ambulance Call times.

3.2.3 Use of Resources – this will be assessed separately from other standards and targets, working in partnership with regulators who provide the necessary information. In particular the results of the Audit Commission's external audit to assess the organisations use of resources will be used.

3.2 **Making and sustaining progress** – this part of the process is intended to assess progress in the continuous improvement in the quality of care received. In 2005/06 this will include two areas:

3.2.1 New national targets as described in *National Standards, Local Action : Health and Social Care Standards and Planning Framework 2005/06 – 2007/08*.

3.2.2 Improvement reviews – as referenced in the Chief Executive's report improvement reviews have been initiated for substance misuse and smoking related services. These reviews will assess performance in these two areas from several view points, including experiences of patients and the public. Assessment outcomes from the improvement reviews will feed directly into the annual performance rating.

3.3 There has been discussion at national level about whether PCTs were being assessed as commissioners as well as providers, and whether the standards apply to independent contractors such as GPs and dentists. It has now been clarified that in year 1 the Healthcare Commission will not base the assessment of PCTs compliance with the core standards on the level of compliance achieved by their commissioned services. PCTs will however need to consider whether they have taken reasonable steps to ensure that their independent contractors are meeting the standards. In relation to commissioned services, PCTs should still take into account, when looking at the core services, the role and performance of commissioned services.

- 3.4 Each Trust must complete a declaration of their performance against the core standards, which the Healthcare Commission will subsequently use to cross check against a range of available data and information from other regulators. Comments from internal and external auditors, i.e. the statement on internal control, and comments from patient and public involvement forums, the Overview & Scrutiny Committee, and the Strategic Health Authority will also be assessed.

4.0 ANNUAL HEALTH CHECK TIMETABLE FOR 2006

- 4.1 The timeframe in which the Healthcare Commission will operate the annual process is as follows:

Date	Event
October 2005	Draft declaration
November 2005	Cross checking
November 2005 – January 2006	Selective follow-up
April 2006	Full Declaration
May to July 2006	Cross checking and selective inspection
October 2006	Healthcare Commission final report

The timetable has been adjusted for 2005/06 as it is the first year of operation of the annual healthcare check. In future years the performance assessment process will start earlier in the year.

5.0 DECLARATION AND THE ROLE OF THE PCT BOARD

- 5.1 An electronic template is due to be available during September 2005 to enable completion of the declaration covering the period April 1st 2005 to March 31st 2006. This interim or draft declaration is based on the level of board assurance. Each PCT Board will be expected to provide assurance that a systematic and fair self assessment has been undertaken. Based on the evidence of the assessment one of the following assurances will be made against each core standard:

- i) Assured compliance – reasonable assurance is provided that there have been no significant lapses in core standards.
- ii) Partial compliance - absence of clear assurance – the Board is unclear whether there have been significant lapses.
- iii) Non compliance - evidence of significant lapses where it is clear to the Board that standards have not been met.

- 5.2 Where there is a lack of assurance or evidence of lapses, the Board will be required to submit an action plan detailing what will be done to achieve evidence of compliance by April 2006 when the final declaration is provided by the PCT. For PCTs this task is further complicated by the requirement for the Board to be assured that the PCT has taken reasonable steps to promote compliance with independent contractors and through commissioning processes.

- 5.3 The key question for Boards is how evidence is obtained on the level of compliance. For most of the core standards this will be through clinical governance evidenced outcomes combined with a level of effective embedding across the organisation.

- 5.4 Some standards are not included in the declaration as separate assessment will be made directly from other information, for example the standard relating to financial management and the use of resources where the findings of the Audit Commission will be used, and access to services (waiting times) which will be measured through existing national targets.
- 5.5 In November 2005 the Healthcare Commission will have identified those organisations which are considered most at risk of not meeting the core standards, also referring to external performance assessment information. Selective inspection of Trusts identified as at risk and those from a randomly selected spot check group will receive an inspection visit.
- 5.6 The Trust's final declaration will be published in April 2006 stating how well the organisation has met the core standards over the previous 12 months, also recording any significant lapses in meeting the standards during that period, following the previous draft declaration, cross checking and inspection period.
- 5.7 The Strategic Health Authority will also be invited to comment on the Trust's performance in meeting the core standards.
- 5.8 Community engagement – the Healthcare Commission has been organising events for patient and public involvement forum members and representatives of local Overview & Scrutiny Committees. All healthcare organisations are being invited to consult with these bodies about the performance assessment process and to invite comment. The Director of Performance is meeting with the Gloucestershire Patient and Public Involvement Forum to update them on the process on 14th September and will join county colleagues in briefing the Overview & Scrutiny Committee on 20th September 2005. It is expected that the invitation to comment will focus on core standards where PPI Forums and the OSC may wish to comment, for example the standard on healthcare organisations within governance which includes NHS staff survey feedback, complaints data and discrimination, equality and human rights.

6.0 PCT MANAGEMENT PROCESSES

- 6.1 The new Integrated Governance Committee will oversee the process for completion of the draft declaration, and any actions arising as a result of partial or non compliance.
- 6.2 The deadline for completion of the declaration is the end of October 2005. It is expected that the PCT will make the draft declaration available to the public, for example in the public part of a Board meeting prior to submission. As a minimum the draft declaration will be required to be shared with the PPI Forum, the OSC and the Strategic Health Authority. Board members will be physically required to sign copies of the template. As the next public Board meeting does not take place until 17th November it is proposed that delegated authority is provided to the Chair and 2 other non Executive directors to oversee and confirm the declaration ready for signature.

7.0 RECOMMENDATIONS

7.1 PCT Board members are asked to:

- Note the programme of work and timetable for the new annual health check.
- Approve the internal working arrangements which will lead to the draft declaration.
- Approve delegation to the Chair and 2 non Executive directors for agreeing:
 - The contents of the draft declaration in terms of levels of compliance
 - Means of public availability of the declaration
 - The draft declaration being signed off by the full Board by the end of October 2005.