

# CQC's new Well Led requirements – What it means for the Audit Committee

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# Next Phase Inspection



As part of the CQC five-year strategy for 2016 to 2021 we have developed the next phase of inspection model.

There is an increased focus for relationship owners to monitor providers using provider engagement meetings, our Insight system and analysis.

Core service inspection will be risk based.

We have introduced a separate Well led inspection which will be rated separately and not aggregated as in the comprehensive programme.

In conjunction with NHS Improvement we will be introducing a Use of Resources element to the inspection process.

- Face-to-face meetings at least once every 3 months, supported by more regular contact (eg teleconferences).
- Meetings would usually be between the relationship holder and senior and/or executive members of the trust's management team, together with any other member of staff the trust wishes to bring to discuss a particular issue. In some circumstances, senior staff from CQC will attend.
- As part of the relationship, we will ask to meet staff or patient groups to establish a broader view of the trust's culture and quality performance and help us decide on priorities for inspection.
- The relationship holder will normally attend two of the trust's board meetings in a year. Attendance to observe sub-committees to the Board will also support the understanding of the governance structure.

We have a targeted approach to inspection that focuses our efforts both on areas of risk and where quality is most likely to have changed or improved.

Core service inspection will be planned based on;

- Risk, including Insight information and local intelligence.
- We will prioritise the inspection of core services that have been rated inadequate or requires improvement. However we will also re-inspect a percentage of core services that have been rated good or outstanding to ensure quality is maintained.
- We also consider any core services that the trust has self assessed as outstanding although this is restricted by resources.

## Well- led at core service inspection



We will continue to review well led at core service level and rate appropriately.

The information gathered will be linked to the well led review.

The Chair of the Audit Committee will usually be interviewed during the site visit.

A risk at core service level may be reviewed through its escalation to Committees and so on to the Board.

The well-led inspection team will be a separate team from the core services :

- They will be led by a head of hospital inspections, however it is anticipated they may not be on-site for the entire inspection.
- Board-level SpAs will support the well-led inspection.
- Inspection managers will be the effective on site lead for well-led inspections.

# The updated well-led framework: 8 Key Lines of Enquiry



|                                                                                                                         |                                                                                                                                                                 |                                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| Is there the <b>leadership capacity and capability</b> to deliver high-quality, sustainable care?                       | Is there a clear <b>vision</b> and credible <b>strategy</b> to deliver high-quality sustainable care to people, and robust plans to deliver?                    | Is there a <b>culture</b> of high-quality, sustainable care?                                                       |
| Are there clear responsibilities, <b>roles</b> and systems of accountability to support good governance and management? | <b>Are services well-led?</b>                                                                                                                                   | Are there clear and effective processes for managing <b>risks</b> , issues and <b>performance</b> ?                |
| Is appropriate and accurate <b>information</b> being effectively processed, challenged and acted on?                    | Are the <b>people</b> who use services, the public, <b>staff</b> and <b>external partners engaged</b> and involved to ensure high-quality sustainable services? | Are there robust systems and processes for <b>learning</b> , continuous <b>improvement</b> and <b>innovation</b> ? |

## KLOE 1: Leadership capacity & capability



This area of the well-led framework is focused at the trust-wide level on:

- Skills, knowledge and capability of organisational leaders. At the trust-wide level, this is focused on senior leaders but can reflect our assessment of leaders at all organisational levels.
- How well leaders understand the strengths, weakness, challenges and opportunities of the organisation.
- How well the leaders work together as a team.
- Visibility and engagement of the leadership team across the organisation.

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## KLOE 2: Vision and strategy Content



This area of the well-led framework is focused at the trust-wide level on:

- Whether the trust's has a clear, up to date vision and strategy that is both challenging and achievable. The strategy is aligned with local strategic plans and was developed with local partners.
- Whether the vision and strategy is embedded and has buy-in across the organisation – it was developed with staff, and staff understand and support the vision and strategy.
- The strategy is supported by clear plans, and progress against the plans is monitored and reviewed. There is evidence that plans are being achieved and are having a positive impact.

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## KLOE 3: Culture Content



This area of the well-led framework is focused at the trust-wide level on:

- The approach and effectiveness of leaders across the organisation in promoting a positive organisational culture.
- Whether staff feel supported and valued.
- Whether there is a culture of respect, transparency and accountability, in which staff are able to raise concerns and report incidents, and where concerns are responded to and learned from.
- The approach to staff development and wellbeing.
- The culture of team working and shared purpose across the organisation.
- The organisation's approach to equality and diversity.

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# KLOE 4: Governance and management Content



This area of the well-led framework is focused at the trust-wide level on:

- Whether there is a clear, logical governance and management structure.
- Whether governance and management structures operate effectively, including NED roles and the work of committees.
- Whether arrangements with partners and third party providers are managed effectively.
- Whether staff are clear about the management and governance structure, and their own roles and responsibilities.

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# KLOE 5: Risks, issues and performance

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This area of the well-led framework is focused at the trust-wide level on:

- Whether the organisation has an effective process for managing current and future clinical, operational and financial performance.
- Whether there is a clear and effective process for identifying, monitoring and responding to current and future risks. Risk and issue registers are clear and up to date.
- Risks are taken into account in service planning, including seasonal or unexpected fluctuations in demand, or disruptions to staff or facilities.
- Whether clinical and internal audit processes operate effectively.
- Financial pressures are managed so as not to compromise patient care.

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# KLOE 6: Information Content



This area of the well-led framework is focused at the trust-wide level on:

- How well information is used to support and drive good clinical, operational and financial performance. Information is reliable, timely, relevant and useful for staff in helpful to support improvement.
- Whether there is a 'holistic' understanding of performance, with clinical, operational and financial issues all receiving appropriate coverage in Board and other meetings and reporting.
- Data and notifications are submitted externally as required.
- There are robust information governance and security arrangements.
- IT systems operate effectively to support performance and improvement, and there is appropriate investment in those systems.

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# KLOE 7: Engagement Content



This area of the well-led framework is focused at the trust-wide level on:

- Whether people who use services, carers, families and the public are engaged and their views reflected in planning and delivering services.
- Whether staff are engaged and their views reflected in planning and delivering services.
- Whether engagement activity includes those with protected characteristics under the Equality Act.
- Whether there are positive and collaborative relationships with external partners, and a shared understanding of local challenges.

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# KLOE 8: Improvement and innovation Content



This area of the well-led framework is focused at the trust-wide level on:

- Whether the organisation has a commitment to improvement and learning, including through use of systematic quality improvement systems and processes.
- Whether staff have the skills, training and time to focus on improvement efforts.
- Effectiveness of the approach to learning from internal and external reviews, especially reviews of deaths. Whether learning is shared and embedded and improvements are made.
- Participation in accreditation schemes
- Participation in research.

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- CQC has committed to a shared view of quality with NHS Improvement and other key system partners.
- We are working with NHS Improvement to develop a methodology for assessing efficiency and use of resources for NHS trusts and foundation trusts.
- We will ensure that both the quality and the use of resources assessments are clear, meaningful and relevant to providers and the public.
- Ratings should give providers an incentive to improve performance on both quality and use of resources and neither should override the other.
- Some UoR inspections have been undertaken but the process is still in development.

THANK YOU.....



**DO YOU HAVE ANY QUESTIONS ?**