

# Assessing Provider Capability methodology and use





## Provider Capability ratings

### Summary

NHS England’s NHS Oversight Framework (NOF) uses a view of provider capability alongside trusts’ delivery against national expectations to inform our overall relationship and regulatory approach to individual trusts. We ran the first process to assess capability between August and December last year and published the ratings – which relate to that period – on April 14th 2026. We will review and if necessary update published ratings regularly.

### Our approach

Between August and October 2025, all NHS trusts and Foundation Trusts carried out a self-assessment exercise against criteria drawn from the six domains of [The Insightful Provider Board](#), namely:

- Strategy and Planning
- Quality of Care
- People and culture
- Access
- Productivity
- Finance

We [published guidance](#) underpinning this approach. NHS England’s regional teams then reviewed these returns, considering trust boards’ own assessment of their capability across the six areas alongside their own views and those of relevant third parties. Where there were issues at trusts, teams considered:

- The extent to which management understood the drivers of these issues and the degree to which they have been outside the trust’s control to address (e.g. industrial action, system-wide factors);
- how long issues have persisted and the efficacy of mitigating actions the trust had taken to date;
- trust plans to address the issue, how long this was likely to take and key performance indicators (KPIs) or other information used to assess progress.

There are four levels of capability:

Rating	Indicative criteria
Green	<ul style="list-style-type: none"> <li>• No concerns evident from the self-assessment or subsequent performance</li> </ul>


High confidence in management	<ul style="list-style-type: none"> <li>• No concerns arising from third-party information</li> <li>• High confidence in the trust's ability to deliver on its priorities based on track record over past 12–24 months</li> </ul>
<b>Amber/Green</b> Some concerns or areas that need addressing	<ul style="list-style-type: none"> <li>• Some concerns emerging across more than one domain, but these as yet are not affecting quality of care, delivery of core services, finance or the wider reputation of the NHS</li> <li>• Trust has prepared plan(s) to address any problems with associated timeframe for delivery</li> <li>• Historical issues/track record mean NHS England does not (yet) have full confidence in the board</li> </ul>
<b>Amber/Red</b> Material issue needs addressing or failure to address major issues over time	<ul style="list-style-type: none"> <li>• Issues with self-assessment or subsequent issues across multiple domains</li> <li>• Failure to deliver on agreed plans to address a material issue</li> <li>• Potentially in breach of licence</li> </ul>
<b>Red</b> Significant concerns arising from poor delivery, governance and other issues	<ul style="list-style-type: none"> <li>• Material or long-running concerns at the organisation that management has been unable to grip</li> <li>• NHS trust in breach of licence or likely to be</li> </ul>

### Developing ratings – consistency and moderation

To ensure consistency of our approach, in the first instance regions followed internal guidance with which to assess trusts' self-assessments and used third party intelligence to arrive at a rating in early December. The proposed ratings were then subject to a two-stage moderation approach. Regional directors initially met to review the respective ratings across their regions and confirm their approaches. Subsequently, NHS England national and regional directors reviewed all provider ratings in January. Following this, NHS England's executive then ratified the final ratings and regional directors wrote to each trust to confirm their rating. Going forwards, capability ratings will be subject to regular review and moderation.

### How we will use provider capability ratings

Ratings will influence our relationship with providers and can change – up or down – in line with our view of the organisation. If something emerges during the year contradicting a board's forward-looking self-assessment, we may seek assurances regarding the factors behind this. In serious situations we may change the rating to reflect increased concerns. Alternatively, if a management team demonstrates ability in e.g. turning an issue around then we may also reflect this by improving the capability rating.



We will use the combination of provider capability and NOF segment to guide our relationship with providers. We will consider entry into national performance improvement programmes for providers with the poorest capability ratings and NOF segment, while trusts demonstrating good capability and delivery will be considered for Advanced Foundation Trust status.

### **The 2025 process and next steps**

The inaugural approach to capability assessments carried out from August to December last year has been instrumental in using a view of capability to guide various elements of our oversight approach.

The initial ratings reflect views of capability relating to Q3 2025/26. Going forwards, regional teams will review ratings on a quarterly basis starting with Q4 2025/26, with trusts and regions refreshing the respective self-assessment and review processes annually. As outlined above there may also be instances where we need to change a trust's rating outside this cycle to reflect new information. All changes will be subject to moderation and once ratified we will update the published ratings.

**For further information please contact [nhs.oversightandassessment@nhs.net](mailto:nhs.oversightandassessment@nhs.net)**