

**MINUTES OF A SPECIAL MEETING OF THE MONITOR BOARD HELD ON
THURSDAY 13 NOVEMBER AT 4.00 AT WELLINGTON HOUSE, 133-155
WATERLOO ROAD, LONDON SE1 8UG**

Present:

Joan Hanham, Chairman
David Bennett, Chief Executive
Stephen Hay, Managing Director of Provider Regulation
Heather Lawrence, Non Executive Director
Adrian Masters, Managing Director of Sector Development
Iain Osborne, Non Executive Director
Sigurd Reinton, Non Executive Director

In attendance:

Helen Buckingham, Chief of Staff
John Curnow, Project Director (Economics)
Catherine Davies, Executive Director of Co-operation and Competition
Jason Dorsett, Finance, Reporting and Risk Director
Philippa Harding, Board Secretary
Patrick Henry, Pricing Operations Director
Toby Lambert, Director of Strategy and Policy
Ric Marshall, Director of Pricing
Hugo Mascie-Taylor, Medical Director (Executive Director of Patient and Clinical Engagement)
Sue Meeson, Executive Director of Strategic Communications
Kate Moore, Executive Director of Legal Services
Catherine Pollard, Pricing Development Director
Igor Popovich, Pricing Delivery Director
Andrew Rawstron, Senior Legal Adviser
Simon Rogers, Legal Director
Zephan Trent, Impact Assessment Lead
Chris Williams, External Consultant (Deloitte)

Executive officers attended the meeting as detailed under specific agenda items below.

1. Welcome and apologies

- 1.1 Apologies for absence had been received from Keith Palmer (Deputy Chairman, Non Executive Director), Miranda Carter (Executive Director of Provider Appraisal) and Fiona Knight (Executive Director of Organisation Transformation)

2. Declarations of interest

2.1 No interests were declared.

3. Private session - resolution (oral item)

3.1 The Chair moved a resolution in order to move into private session to consider private items of business.

RESOLVED:

3.2 The Board resolved that representatives of the press and other members of the public should be excluded from the meeting, having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest.

4. 2015/16 National Tariff (BM/14/121(P))

4.1 Adrian Masters presented the report which provided details of the finalisation of the statutory consultation for the 2015/16 National Tariff Payment System.

4.2 Board members considered the main conclusions of the Impact Assessment of the proposals for the 2015/16 National Tariff. This assessed impacts on patients, providers and commissioners as a result of NHS England and Monitor's proposals for the 2015/16 National Tariff, rather than all of the policy initiatives that were currently planned within the system. In particular, the Board considered the projection of the financial performance of NHS trusts and NHS foundation trusts (NHSFTs) to be used in the Impact Assessment. It was considered appropriate that the projection to be used should be that provided by the National Audit Office (NAO) in its 2014 report *The financial sustainability of NHS bodies*. However, Board members noted that, in due course, in-year financial reporting by NHS trusts and NHSFTs could indicate a different net deficit figure at the end of 2014/15.

4.3 With regard to the proposed content of the s.118 Consultation Notice for the 2014/15 National Tariff, the Board discussed the key features of the policy package to be communicated.

4.4 The increase in the level of the Clinical Negligence Scheme for Trusts (CNST) premiums and the reflection of this in uplifts to the prices in the 2015/16 National Tariff was considered. It was noted that, although at a higher level, the proposed approach was consistent with the 2014/15 National Tariff.

4.5 The anticipated timetable for the publication of the s.118 Consultation Notice and the Impact Assessment report was considered. Board members were content for the final decision on the timing of the publication of these to be the responsibility of the Chief Executive, subject to any significant amendments.

RESOLVED:

- 4.6 The Board resolved, having had regard to the Impact Assessment of the proposals for the 2015/16 National Tariff, to approve the publication of the s.118 Consultation Notice. Authority to determine the date of publication was delegated to the Chief Executive.

5. Payment System Direction of Travel (PSDT): Approval of key messages and publication (BM/14/122(P))

Hardeep Jhutti (Pricing Development Manager) joined the meeting for the consideration of this item.

- 5.1 Adrian Masters presented the paper which provided the Board with information on the proposed publication of the joint Monitor and NHS England Payment System Direction of Travel document.
- 5.2 The Board discussed the proposed new payment approaches that Monitor and NHS England would be demonstrating and evaluating with a view to eventually mandating those that proved best for patients. Board members also considered the building blocks and payment infrastructure that were considered to be essential for a robust payment system, in particular a single mandated patient level cost collection. The value of moving to such an approach as soon as possible was emphasised by Board members. The Board highlighted that this and the possibility of moving to multi-year tariffs were key priorities.
- 5.3 The importance was stressed of ensuring Board members were fully involved in the work packages that were to be undertaken to enable the approach set out in the PSDT.

RESOLVED:

- 5.4 The Board resolved to approve the publication of the Payment System Direction of Travel document, in line with the key messages set out in the report.

Close