

## Monitor Accountability Meeting

**Date:** Tuesday 24<sup>th</sup> September

**Time:** 4pm – 5.30pm

**Attendees:**

<b>Department of Health</b>
The Rt.Hon. the Earl Howe, Parliamentary-under-Secretary of State for Health
Richard Douglas, Director General of Strategy, Finance and the NHS
Oliver Entwistle, Senior Policy Advisor, Economic Regulation
Paul Griffiths, Senior Policy Advisor, Economic Regulation
Mark Toal, Senior Policy Advisor, Provider Policy
Chris Juliff, Assistant Private Secretary to the Parliamentary-under-Secretary of State for Health
<b>Monitor</b>
David Bennett, Chair and Chief Executive
Helen Buckingham, Chief of Staff

### Accountability meeting minutes

The meeting began with THE MINISTER welcoming DAVID BENNETT to the second accountability meeting between DH and Monitor of the 2013/14 financial year.

#### **Agenda item 1 – Stakeholder relationships**

THE MINISTER invited DAVID BENNETT to provide his reflections on relationships between Monitor and key system partners:

- **NHS Trust Development Authority (NTDA)** – DAVID BENNETT explained that relationships with the NTDA are working well at every level. They have been working closely together on supporting Foundation Trusts that are experiencing difficulties, by ensuring the continuity of NHS services and ensuring patients receive safe effective care.

DAVID BENNETT also explained that Monitor and the NTDA are working together to streamline the process for NHS Trusts seeking to become Foundation Trusts. The aim of this endeavour is to reduce administration burdens on Trusts, thereby freeing up greater time for patient centred activities. This streamlining process will not lower the bar for NHS Trusts seeking to become Foundation Trusts – standards of assessment will be maintained.

- **Care Quality Commission (CQC)** – DAVID BENNETT said that Monitor had an effective relationship with the CQC. Both organisations were working

together to ensure that high quality governance of the health and social care system was in place. This work also involved the NTDA.

- **NHS England** – DAVID BENNETT identified that Monitor and NHS England have a shared responsibility for ensuring that the system is working effectively. Monitor and NHS England have been working closely at both a strategic and operational level.
- **Department of Health** – DAVID BENNETT reflected that relationships with the Department were working well although he highlighted the increased demands that the Department was placing on Monitor due to recent high profile events within the NHS. He explained that some of the processes managed by the Department could be streamlined without being less effective. THE MINISTER reflected on this and said he would discuss DAVID BENNETT's feedback with the SECRETARY OF STATE.

### **Agenda item 2 – Monitor strategy**

Monitor will shortly be publishing their organisational strategy for consultation. The strategy will cover the period 2014 – 2021. THE MINISTER asked DAVID BENNETT to set out the proposed content of the strategy:

- DAVID BENNETT began by setting out his view that Monitor's strategy needs to help address the future funding challenge and that there are three improvement opportunities in particular to focus on:
  - **Service delivery** – it is important that services are configured in an effective and efficient way with providers working well and Monitor making high value interventions.
  - **Care provision** – there is an opportunity to change how and where care is provided to increase efficiency and effectiveness overall.
  - **Innovation** – it is important to embrace new and innovative ways of delivering services for patients. DAVID BENNETT highlighted the example of India's approach to eye care where advances in technology had reduced the cost of eye treatments to around one sixth of the cost incurred in the UK.
- DAVID BENNETT then set out the six key sections in the Monitor strategy:
  - **Public providers are well led** – it is important that all providers meet Foundation Trust standards and that standards are maintained across the provider landscape.
  - **Protect essential services** – at the point of failure it is critical that essential services are protected, not the organisation. It will also be important to consider how to deal with health economy, rather than single organisation, failure.

- **Use the payment system to incentivise quality and efficiency** – the key here will be to improve the quality of cost information and then make sure everyone uses it.
- **Choice and competition operate in the best interests of patients** – the challenge over the period covered by the strategy will be to empower patients to make more effective use of choice, this will require a focus on communications by Monitor. On competition, there is an on-going need to dispel misinformation about the section 75 regulations and address concerns about the mergers process.
- **Promoting change through high quality debate, analysis and research** – As a leading organisation in the Health and Social Care system, DAVID BENNETT identified that it will be important for Monitor to provide ‘thought leadership’ on the future of the system. This will be achieved through high quality debate, analysis and research.
- **Monitor as an organisation** – DAVID BENNETT will continue to take steps to ensure that Monitor is a highly performing organisation, including recruiting and retaining high performing individuals with the right skills.
- The presentation was followed by a discussion around the key themes, how success would be measured and the next steps. In discussion, DAVID BENNETT explained that the strategy will be used to set the high level strategic direction for Monitor and then each year a detailed business plan will be created with concrete milestones and targets. On next steps, Monitor plan to launch the consultation in the autumn.

### **Agenda item 3 – Progress and risks**

THE MINISTER asked DAVID BENNETT for his assessment of Monitor’s progress against objectives and key risks. In response, DAVID BENNETT identified that:

- Monitor is making good progress against all the objectives in their 2013/14 business plan and is on course to meet them all.
- That there are three key challenges or risks that Monitor’s Board are focussing on at this time:
  - Ensuring continued joined up working with other partners in the health and social care system, so that patients interests are protected and services are delivered in an efficient and effective way;
  - Responding to events highlighted in the media and elsewhere such as winter planning. The challenge here is to provide sufficient reassurance to members of the public and parliamentarians that Monitor, and other key stakeholders, are dealing with issues appropriately.
  - Ensuring that Monitor is appropriately resourced to be an effective economic regulator.

#### **Agenda item 4 – Provider policy**

THE MINISTER and DAVID BENNETT regularly speak about provider policy issues with the SECRETARY OF STATE; therefore they had a short discussion that covered:

- Peterborough FT – DAVID BENNETT updated the MINISTER that their work was now progressing to the next phase where options for utilising spare space were being considered.
- Special Measures – DAVID BENNETT reflected that the announcement on special measures had gone well and that Monitor is considering a buddying or partnering scheme to provide support from well performing Trusts to those in special measures.

#### **Any other business**

- **Payroll** – DAVID BENNETT raised his concerns about difficulties getting HM Treasury approval to remuneration packages for senior staff. THE MINISTER noted his concerns but explained that controls on senior level remuneration were important.