

To: The Board

For meeting on: 28 May 2014

Agenda item: 8

Report by: Executive Team

Report for: Information

TITLE: Executive Report

Summary:

This report summarises key developments at Monitor since the Board meeting held on 30 April 2014.

Recommendation:

The Board is asked to note the report.

Public Sector Equality Duty:

Monitor has a duty under the Equality Act 2010 to have due regard to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between people from different groups. In relation to the issues set out in this paper, consideration has been given to the impact that the recommendations might have on these requirements and on the nine protected groups identified by the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, gender and sexual orientation).

As this report is for information, it is anticipated that the recommendations of this paper are not likely to have any particular impact upon the requirements of or the protected groups identified by the Equality Act.

Exempt information:

None of this report is exempt under the Freedom of Information Act 2000.

REPORT FROM THE EXECUTIVE COMMITTEE (ExCo)

Tuesday 6 May 2014:

1. At its meeting on 6 May 2014 the ExCo conducted the following business:

Summary of 2013/14 enquiries and complaints and March 2014 report

2. Reviewing information about the enquiries and complaints received by Monitor in March 2014 and throughout the 2013/14 year.

Performance Management and Development Update

3. Considering an overview of Organisation Transformation (OT) activity over the last month in supporting the proposed step-change in performance management and personal development. The ExCo agreed the process for performance appraisals relating to the 2013/14 year.

NHS Futures – project proposal

4. Discussing the proposal that had been developed with NHS England and the NHS Trust Development Authority (NHS TDA) for testing the feasibility of introducing new service models in the NHS. This work followed the NHS Futures summit of 21 November 2013 and supported the delivery of the fifth element of Monitor's strategy and the priority to support the adoption of innovative new approaches.

Tuesday 13 May 2014:

5. At its meeting on 13 May 2014 the ExCo conducted the following business:

Impact Assessment Advisory and Discussion Panel

6. Agreeing the establishment of a cross-directorate impact assessment advisory and discussion panel, with a view to ensuring that Monitor had a consistent and co-ordinated approach to impact assessments.

Functional Conflicts of Interest

7. Considering a policy for the management of potential conflicts of interest between Monitor's functions, in line with the organisation's statutory duty to manage and resolve conflicts between its general duties.

Q4 Performance Report

8. Reviewing an update on the status of the 2013/14 Business Plan actions and highlighted the key achievements and movements in Q4, as well as the progress of Monitor's performance success measures. Further information about this can be found at agenda item 21 for this meeting.

Q4 Risk Report

9. Considering an update on Monitor's risks and the progress made in defining these and the proposed mitigations to be adopted. Further information about this can be found at agenda item 21 for this meeting.

Performance Measurement Section of 2014/15 Business Plan

10. Discussing how Monitor might measure its performance in the future. ExCo members considered how the organisation's strategic objectives would form part of a wider set of performance indicators and measures that would demonstrate whether Monitor was on track to achieve these objectives. Further information about this can be found at agenda item 22 for this meeting.

Monitor's Annual Report and Accounts 2013/14

11. Reviewing Monitor's draft 2013/14 Annual Report and Annual Governance Statement ahead of their submission to Board. ExCo members also discussed Monitor's pre-audit draft Annual Account. Further information about this can be found at agenda item 23 for this meeting.

Tuesday 20 May 2014:

12. At its meeting on 24 May 2014 the ExCo conducted the following business:

Strategy for how Monitor communicates 2014-15

13. Considering Monitor's communications strategy for the year ahead. This is due to be submitted to the Board for consideration at its meeting on 25 June 2014.

Revision of Memoranda of Understanding/Partnership Agreements with the NHS Trust Development Authority and Parliamentary Health Service Ombudsman

14. Reviewing proposed changes to agreements about how Monitor will work with the NHS TDA and the PHSO. Further information about this can be found at agenda item 12.

Employee Survey – Taking Action Update

15. Reviewing the key findings of Monitor's employee survey report, the proposed response and progress to date. Further information about this can be found at agenda item 11.

2014/15 Business Plan and Performance Measures

16. Considering the content of Monitor's 2014/15 Business Plan and how Monitor's performance should be measured in the future. Further information about this can be found at agenda item 22.

Revised 2014/15 Budget

17. Agreeing proposed revised 2014/15 budget allocations, updated following the recent budget meetings held with each directorate. Further information about this can be found at agenda item 22.

ECONOMICS UPDATE

Progress on current projects

Making sure public providers are well led and Making sure essential NHS services are maintained

18. The **“NHS foundation Trust (NHS FT) sustainability”** project aims to develop a methodology to test the clinical and financial sustainability of a Trust at a high level. The results of the first pilot have been considered by the Executive Committee. The Economics team has continued to work closely with the Provider Appraisal and Provider Regulation directorates to develop the methodology on financial sustainability in particular. The second pilot has just started.
19. The **“Local Health Economy (LHE) diagnostic”** project is working to develop a methodology and model for analysing LHE performance, and drivers of that performance. The first pilot has now been completed. This has given the Economics team and the Provider Appraisal and Provider Regulation directorates a much better understanding of LHE issues, what a c4 week LHE review can deliver and which LHE work is most useful for Monitor. A second pilot is being used to further develop the product.
20. Updates have been provided to the Board on both of these projects in correspondence ahead of the May meeting, and a further report on key lessons from the second pilots and next steps is planned for June/July. The Economics team is also discussing with the Provider Regulation directorate what support they require for the national planning round, drawing on LHE and sustainability work.

Making sure the NHS payments system promotes quality and efficiency

21. The team has begun the project on **“efficiency and leakage”**. Monitor has engaged with internal stakeholders, the NHS TDA and NHS England on the project and will be sharing analysis with them. The primary internal customer is the Pricing team, reflecting the implications for tariff-setting. The project has been structured into two stages with the first stage to end June comprising desk-based analysis.

Promoting change through high quality analysis and debate, and by encouraging innovation

22. The **“smaller acutes”** project is working on a report for sharing with the sector in early/mid June. The Economics team has completed the process of internal review and quality assurance. Further information has been sent to the Board in correspondence.

23. Work has begun on the “**international acute comparisons**” project. This project will investigate the standards set and delivered for six core acute services in six other countries around the world. It will also investigate differences in the pattern of provision for these services with a view to identifying some case studies which could be translated into the NHS of high quality services that are delivered more efficiently. This work will report at the end of July.

Making sure Monitor is a high performing organisation

24. The “**patient engagement**” project has concluded. The team has met with stakeholders to ensure the recommendations are taken forward. The final report will be shared with the Board and ExCo members imminently.
25. The “**learning from other regulators**” project has been looking at the lessons that can be learnt from other regulators and how this could help Monitor judge its performance as a regulator (e.g. in the form of a framework). The desk based work has progressed well. Key insights and lessons for Monitor are being summarised and are due to be discussed in June.

STRATEGY & POLICY UPDATE

Making sure public providers are well-led

26. The Strategy and Policy team is working with the NHS Leadership Academy, NHS TDA, the Foundation Trust Network (FTN) and Healthcare Financial Management Association (HFMA) to provide development support to senior board roles, and with the NHS TDA in particular to put in place development support for Medical Directors.
27. Monitor’s Head of Development is now in place and Monitor has a full agenda of development activities for Chairs, Chief Executives, non-executive directors (NEDs) and Medical Directors planned for the coming months, as well as research and guidance that will be published.
28. The Strategy and Policy team is advising the Provider Regulation and Provider Appraisal directorates on the policy implications regarding high secure mental health services, including for the mental health governance proxy indicators in the Risk Assessment Framework.
29. Support is being provided to the Accident and Emergency (A&E) support team to provide development initiatives to improve emergency care.

Making sure essential services are maintained

30. Work continues with external partners on the financial issues in 2015/16, including further work on identifying options that could help close the gap.
31. Work is ongoing both internally and with external partners to support Monitor’s duty to enable integrated care, including the integrated care pioneers, and we plan to issue guidance for the integrated care licence condition later this year.

Promoting change through high quality analysis and debate

32. Monitor is working with the NHS England and the NHS TDA to examine the potential of piloting the six characteristics discussed in Everyone Counts: Planning for Patients 2014/15 to 2018/19.

Making sure Monitor is a high performing organisation

33. The Strategy and Policy team's risk and performance teams are now in place and are monitoring performance across the organisation.
34. Work is being undertaken to develop enhanced risk management and performance oversight frameworks, with implementation planned in summer.

STRATEGIC COMMUNICATIONS UPDATE

Our new website on GOV.UK

35. Monitor is shortly moving its website content to GOV.UK, as all government departments and most arm's length bodies are now required to do. The current website will close and the new address will be www.gov.uk/monitor.
36. Monitor will still write, approve and publish its website content internally, but the move is a significant shift from the current website. For example:
- while it is up to Monitor to determine the content that it publishes, it cannot change the overall structure of the site or individual pages
 - unlike the current website, which has an architecture and navigation that users follow to find what they want, GOV.UK has a very 'flat' structure and users scroll down pages to access the content they need. Therefore, content is 'tagged' to make it easy to access through the site's search function
 - Monitor content must conform to the Government Digital Service style guide in order to be published on GOV.UK. Requirements include using plain English and addressing content to the user (good principles which we follow anyway)
37. Monitor will be publishing 'collections' of publications and guidance that are tailored to users' needs but it is still expected that Monitor's stakeholders may take some time to get used to the new web presence. A survey is being run to ensure Monitor reflects users' needs as far as is possible.
38. The Strategic Communications directorate will continue to develop and optimise the range of other digital and social channels at Monitor's disposal, for example targeted emails, webinars, podcasts, crowdsourcing platform, social media, etc.

Appointment of medical director

39. The HSJ, Press Association (PA) and trade journals covered the appointment of Professor Hugo Mascie-Taylor's as Monitor's Medical Director and Executive Director of Patient and Clinical Engagement. He was then quoted in the press release about Monitor's survey of NHS medical directors, which was also picked up by the PA and HSJ.

Coverage of regulatory action

40. Monitor's decision to put Heatherwood and Wexham Park Hospitals NHS Foundation Trust into special measures generated articles in the local and trade press as well as broadcast coverage. Monitor then issued a supportive response when the Competition and Markets Authority concluded that the transaction would not substantially weaken competition so as to reduce the quality or range of healthcare services provided to patients.
41. Monitor achieved coverage in local press and the HSJ for its investigations at West Suffolk NHS Hospital Foundation Trust and University Hospital of South Manchester NHS Foundation Trust, and the closure of its investigation into Bradford Teaching Hospitals NHS Foundation Trust after the trust recruited more clinical staff.
42. The Guardian, HSJ and local newspapers covered Monitor's advice on the proposed relocation of the Papworth Hospital NHS Foundation Trust to the biomedical campus at the Cambridge University Hospitals NHS Foundation Trust's Addenbrooke's site.

Mental health

43. The Stakeholder Engagement team led a delegation from Monitor to meet with the Mental Health Policy Group, a collaboration of national mental health organisations including the Royal College of Psychiatrists, Rethink Mental Illness and the Mental Health Network. The Group agreed to work with Monitor to ensure good engagement with the mental health sector.

Co-operation and competition

44. HSJ and local newspapers covered Monitor's announcement that it would review pathology services in the north west of England.
45. Changes to how Monitor gets competition advice were written up in HSJ and several legal publications.
46. Following Ed Miliband's speech on access to GP services and resources spent on competition, the NHS Confederation said, "We support Monitor's role as a specialist sector regulator which offers some protection against the generic, inappropriate application of existing EU and UK competition law to the NHS".

Response to Health Select Committee

47. Monitor has submitted its formal written response to the Health Select Committee's annual accountability report, including a response to its recommendations. There are two particular recommendations (communicating Monitor's new role and initiating a joint formal process with NHS England for a prioritised review of the NHS tariff) which the Committee would like more detailed updates on by 30 June 2014.

Monitor strategy and values

48. Monitor's strategy, published last month, continues to attract attention online. The document has been downloaded 1,410 times and the video featuring David Bennett introducing the organisation's values has been viewed 200 times.

Executive Committee