

To: The Board

For meeting on: 29 October 2014

Agenda item: 5

Report by: Executive Committee

Report on: Executive Report

Summary:

This report summarises key developments at Monitor since the Board meeting held on 24 September 2014.

EXECUTIVE COMMITTEE BUSINESS UPDATE:

1. At its meeting on 30 September 2014 the Executive Committee (ExCo) conducted the following business:
 - a. Scrutinising a summary of the organisation's year to date expenditure position and reforecast position as at 31 August 2014. The report also included proposals from directorates to reallocate underspend and utilise contingency funds.
 - b. Considering the high level next steps in respect of work by the Organisational Transformation (OT) directorate with regard to the core components of Monitor's approach to non-benefits based reward. These are also due to be discussed by the Remuneration Committee at its meeting on 30 October 2014.
 - c. Reviewing an update on progress in relation to the key recruitment, human resources, learning and development and facilities business priorities for the first two quarters of the financial year, together with a summary of current major project activity and future people-related calendar events.

- d. Agreeing the guidance to be provided to employees with regard to the manner in which the organisation's flexible working policy should operate.
 - e. Considering the benefits, risks and mitigations associated with a trusted tweeters programme. Further information about this can be found later in this report.
2. At its meeting on 7 October 2014 the ExCo conducted the following business:
- a. Considering information about the complaints Monitor had received in August 2014.
 - b. Scrutinising a potential confidentiality breach and the actions that had been taken to minimise the risk that something similar may occur again.
 - c. Reviewing an update on progress on the Strategic Information Platform (SIP) programme, and the proposed re-phasing of costs into 2014/15. Further information about this can be found at agenda item 12 (ref: BM/14/113(P)).
 - d. Considering information about the results of the initiative to gather staff views and input on cross-team working. In the 2014 staff survey 44% of staff thought that cross-team working needed to be improved. The results of this initiative included staff thoughts on what was working well and should be built upon or used more widely, as well as things that staff wanted Monitor to improve, do differently or introduce. Generally their ideas related to two broad themes: knowing what was going on, corporately and in other directorates, and working with people in other parts of Monitor, breaking down any barriers and silos. Further thought is being given to the next steps to be taken in light of this information.
 - e. Reviewing a further iteration of Monitor's employee value proposition.
 - f. Discussing the findings of a project undertaken by the Economics team in relation to international acute providers. The project aimed to identify insights into new ways to deliver care in the NHS by looking at how acute services were delivered in international health systems.
3. At its meeting on 21 October 2014 the ExCo conducted the following business:
- a. Considering the status of the 2014/15 business plan actions as at the end of the first six months of the financial year and a projection of the risk to achieving outstanding actions by the end of the financial year. Further information about this can be found at agenda item 13 (ref: BM/14/114(P)).

- b. Reviewing Monitor's progress in implementing those recommendations of Robert Francis QC which were pertinent to the organisation in his report of the Mid Staffordshire NHS Foundation Trust Public Inquiry. Further information about this can be found at agenda item 4 (ref: BM/14/08).
- c. Discussing the proposed National Information Board Information Framework. This framework has been developed to modernise the use of information technology in the health service to improve personalised care for all. The ExCo requested further information, which will be brought to the Board in due course.

ECONOMICS UPDATE

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

- 4. The '**NHS Foundation Trust (NHSFT) sustainability**' project has developed a methodology to test the clinical and financial sustainability of a trust at a high level. After completing two pilots, the Economics team is now working on a final scope of work with the Provider Regulation directorate.
- 5. The '**Local Health Economy (LHE) diagnostic**' project has developed a methodology and prototype benchmarking tool for testing a set of hypotheses on potential sources of LHE risks to provider sustainability. This work is feeding in to the sustainability review scope, and the team is looking to spread learnings from the project and test whether the analytical tools could be usefully developed further.
- 6. The '**Planning Assumptions**' work is setting the economic assumptions that NHSFTs will use when planning for 2015/16 and beyond – and that Monitor will use in assessing plans. They will be published by the end of the year alongside the annual planning guidance.

Making sure the NHS payments system promotes quality and efficiency

- 7. The Economics team has progressed the work on '**additional actions taken by providers (or providers and commissioners) in addition to efficiency improvement**'. Alongside internal work, the team commissioned an external provider to engage with the sector, specifically through Directors of Finance and others at providers and commissioners to better understand these issues.

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

8. The Economics team is near to completing its '**international acute comparisons**' work. Following feedback from the sector, the team is now finalising the report on lessons for the NHS and is planning a crowd-sourcing campaign. The team will consider the context set by the Forward View in finalising the report.
9. Work is now underway to understand the '**financial impact of moving care out of hospital**'. As a first step in our research, Monitor held a conference with the Nuffield Trust on 14 October 2014 to discuss the ways in which acute providers can reduce their length of stay as well as to discuss the proposed modelling work on admissions avoidance and earlier discharge. Nuffield Trust will write a report with their findings on length of stay for the end of November 2014. The team is now issuing invitations to tender (ITTs) to develop the model and estimate the costs of delivering interventions that move care out of hospital. The output will include internal guidance and guidance to the sector on the circumstances under which these moves might generate savings for the sector. The team is joining up its work with the Integration, Pricing and Tameside teams.
10. For the above projects, the team is working with the Strategic Communications directorate and the Development team to maximise the impact of the work. The team is currently planning to help deliver two conferences organised by Development in January/February to engage with the sector.

STRATEGY & POLICY UPDATE

Making sure public providers are well-led

11. The Strategy and Policy team launched Monitor's strategy development toolkit on 16 October 2014.
12. The team continues to feed into the Dalton review. This is due for publication on 19 November 2014.
13. The team is beginning to support the development of an Improvement function for Monitor.

Making sure essential services are maintained

14. Work continues with external partners on the financial issues expected to face the NHS in 2015/16.
15. The guidance on Trust Special Administration will be out for consultation shortly. Further work is required on more strategic questions relating to Trust Special Administration.

Promoting change through high quality analysis and debate

16. The Forward View was published on 23 October 2014. The team is working with NHS England and other partners on how the content of the review can be implemented.

Making sure Monitor is a high performing organisation

17. Work has commenced on Monitor's Business Plan for 2015/16. The aim is to produce a draft plan by Christmas 2014, aligned to our budget planning. A refreshed business plan will be produced in the New Year. This timeframe is earlier than previous years (to ensure alignment with budget preparation).
18. The team will be holding a risk workshop with the Board on 3 December 2014.

STRATEGIC COMMUNICATIONS UPDATE

Making sure public providers are well-led

19. Monitor's integrated approach to pre-briefing stakeholders on the key messages and themes from the Q1 results contributed to a constructive outcome. Key influencers, including think tanks, Members of Parliament (MPs) and health media, received pre-briefings and, as a result, the public debate was framed by opinion formers talking about the need for change to meet rising demand. Similarly, the timing of the results on the Scottish referendum results day was understood by stakeholders, whereas this could have dominated the reaction had there not been effective pre-briefings. There was a widespread pick up in the media of Monitor's key messages.
20. The media also covered a number of other stories this month including: Monitor's investigation into Central and North West London NHS Foundation Trust; the closure of the investigation into South London and Maudsley NHS Foundation Trust; the appointment of an Improvement Director for University Hospitals of Morecambe Bay NHS Foundation Trust; and the appointment of McKinsey and Company to run the Contingency Planning Team at The Queen Elizabeth Hospital King's Lynn NHS Foundation Trust.
21. The first two webinars in a series on operational resilience have been completed, with very positive feedback. The first looked at the benefits of including senior clinicians early in the streaming of patients referred from emergency care, ambulance and primary care. The second looked at how the effective use of data can help to prepare for and manage system pressures, as well as how to develop an evidence based capacity plan. The webinars are targeting the following audiences:

- urgent and emergency care doctors, nurses and managers of emergency departments;
- chairs, clinical leads, commissioning directors and managers responsible for the commissioning of urgent and emergency care services; and
- GPs and other primary care clinicians and managers

Making sure essential services are maintained

22. The two most widely covered regulatory stories this month were Frimley Park Hospital NHS Foundation Trust's acquisition of Heatherwood and Wexham Park Hospitals NHS Foundation Trust which was covered by the BBC, ITV, the Independent, Press Association, local news outlets and the HSJ; and Monitor's announcement that it would be sending a Contingency Planning Team to work with Tameside Hospital NHS Foundation Trust and local commissioners on their proposal to form a more integrated health care organisation, which was covered by local broadcast and print media and the HSJ.

Making sure procurement, choice and competition operate in the best interests of patients

23. The findings of Monitor's investigation into a complaint made by Spire Healthcare have now been announced. This was the first investigation that Monitor needed to announce first to the London Stock Exchange as it involved a listed company. This was covered by Reuters, the BBC, the Blackpool Gazette, Pulse and the British Medical Journal.
24. The first in a series of 12 choice and competition workshops took place with attendees from local Clinical Commissioning Groups (CCGs), local authorities and Commissioning Support Units (CSUs). The remaining 11 workshops currently have over 250 people signed up through to March 2015.
25. There was particularly positive feedback from the Chief Operating Officer of one CCG:

'our Head of Contracting & Performance recently attended one of your choice and competition workshops. The feedback is that these workshops are excellent and would be of benefit to the whole CCG team including governing body members. Can you let me know if it would be possible to arrange a local workshop?'

26. Contact has been made with the CCG to arrange a local workshop.

Making sure Monitor is a high-performing organisation

27. The ExCo has agreed to a 'trusted tweeters' programme, after consideration of the benefits, risks and mitigations. Trusted tweeters are staff from across the organisation – generally those who represent Monitor on a public platform – who have approval from their Executive Director to tweet on Monitor's behalf. Trusted tweeters provide an opportunity to broaden our reach as they can open up many more, cost free ways of engaging with key stakeholders, and also reach specialist audiences relevant to their individual work areas. A social media policy for all staff will be published shortly.
28. As part of developing more in-depth stakeholder insight, the Stakeholder Engagement team has been using its informal networks to learn more about the views and concerns of commissioners. The Strategic Communications directorate will produce regular insight analysis for each key stakeholder group, combining quantitative and qualitative sources, and this will be shared and augmented with other directorates' insights at the monthly cross-Monitor Joint Directorate Engagement meeting. The results will be used to develop proactive and tailored engagement strategies to focus on the views and concerns of specific stakeholder groups.
29. Recent discussions with commissioners indicate less confusion or lack of awareness on the rules around procurement than is often suggested. Some commissioners mentioned without prompting how helpful Monitor's informal role had been on individual procurement issues. When asked, most commissioners spoken to felt competition is an option worth having and that it can drive improvement for patients and General Practitioners (GPs).
30. Some commissioners mentioned there are fewer levers and opportunities to implement change than they would like and this is a driver behind some CCGs looking to form larger partnerships.
31. These discussions confirm the benefit of increasing engagement with commissioners. The Strategic Communications directorate will put forward a proposal to set up a series of stakeholder-specific fora which will enable us to test and reflect insights from each group on an ongoing basis.
32. The stakeholder engagement team held a positive meeting with the Local Government Association on how to engage better with Health and Wellbeing Boards (HWBs) through its networks. The plan for the immediate period is to provide information to HWBs on Monitor's role in integrated care and how Monitor works with the Care Quality Commission.

Complaints about Monitor

33. One new complaint about Monitor has been received, which relates to its failure to take regulatory action against an NHS trust for its alleged failure to respond to

complaints and information requests from the complainant. At the time of writing this is being investigated.

Executive Committee

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.