

**To:** The Board

**For meeting on:** 28 January 2015

**Agenda item:** 6

**Report by:** Executive Committee

**Report on:** Executive Report

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**Summary:**

This report summarises key developments at Monitor since the Board meeting held on 17 December 2014.

**EXECUTIVE COMMITTEE BUSINESS UPDATE:**

1. At its meeting on 13 January 2015 the Executive Committee (ExCo) conducted the following business:
  - a. Considering the proposed approach to be taken to ExCo/wider leadership team relationship management with Monitor's external stakeholders.
  - b. Reviewing a summary of the organisation's year to date expenditure position as at 30 November 2014.
  - c. Discussing the proposed process for taking account of the NHS Five Year Forward View in 2015/16 business planning.
  - d. Considering Monitor's proposed consultation on draft guidance to help licensed providers understand what is expected from them with respect to complying with the integrated care licence condition of the NHS Provider Licence.
  - e. Agreeing the most appropriate and secure method of using removable storage devices at Monitor.

- f. Agreeing the approach to be taken with regard to the future management of Monitor's corporate policies.
2. At its meeting on 20 January 2014 the ExCo conducted the following business:
    - a. Reviewing information about the status of current projects being undertaken by the KIM team, the Strategy and Policy team, the Economics team and the Strategic Communications directorate.
    - b. Considering information about the enquiries and complaints received by Monitor in November 2014.
    - c. Discussing how Monitor could support the NHS foundation trust (NHSFT) sector to quicken the pace of change through its conferences and events.
    - d. Considering a high-level view of the current state of Information Governance (IG) thinking, how this impacts Monitor and agreeing immediate and longer-term actions. Monitor necessarily processes patient level healthcare data to deliver certain statutory functions (e.g. creation of the National Tariff). Monitor's use of patient level data carries an obligation to protect patient confidentiality. The Health and Social Care Information Centre has recently published a Code of Practice on Confidential Information to meet its obligations under s.263 of the Health and Social Care Act 2012. This clarifies requirements to which Monitor must now adhere. Compliance with these, and the broader information governance legal framework, is important to the patient, to Monitor's reputation and to ensuring continued access to essential data. A review of Monitor's current practices is underway and a cross function, permanent working group is to be constituted to ensure that appropriate standards for processing confidential information are fully understood and embedded within working practices and technical controls.
    - e. Reviewing how Monitor has been fulfilling the transparency requirements placed upon it in relation to its Board meetings.
    - f. Discussing the recommendations made in the Dalton Review and their implications for Monitor. The Dalton Review, published on 5 December 2014, concluded that organisational form should always be designed to support the delivery of care models and should not be an end in itself. The Review encourages boards to consider whether their existing form is best designed to deliver new models and ensure fundamental standards are met. One of the successes of the Review is that it brings together existing data and experience and gives the sector 'permission' to explore new organisational forms. It also identifies some of the likely barriers and potential solutions, which form the basis of the majority of the Review's recommendations.

## ECONOMICS UPDATE

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

3. The “**Planning Assumptions**”, which NHS providers use in their planning and Monitor uses in its assessment of plans, were published last month for 2015/16 only. Work continues on assumptions for 2016/17 onwards.
4. The “**Lessons from major service changes in the NHS**” project is focussed on learning lessons from past service changes (primarily at the local health economy level) to develop a practical guide for the sector
5. The team is developing a ‘fact pack’ on **community services**, drawing primarily on publicly available information on service definition, service providers, spending, financial and quality performance, payment and commissioning, costs and activity, and potential future trends for the sector. The team is planning to get feedback on the contents from community providers as well as internal colleagues in the next month. It then plans to share the pack across Monitor teams through a series of team presentations.
6. The Economics team has started work looking at **operational performance**, working with the Monitoring team, Sector Reporting and the Executive Office. The Economics team will work closely with other teams across Monitor as this work progresses.

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

7. The team’s paper on “**international acute comparisons**” was published on 4 December 2014. Alongside the report it launched an online crowd-sourcing exercise with clinicians, managers, commissioners and Monitor’s policy partners to debate the ideas in an NHS context. This has now completed and the results are being analysed.
8. Work is now underway to understand the “**financial impact of moving care out of hospital**”. The team is joining up its work with the Integrated Care and Pricing teams, as well as Tameside NHS Foundation Trust and is also speaking to colleagues at the Department of Health (DH), NHS England and the NHS Trust Development Authority (NHS TDA) about the project.
9. The team has launched its “**workforce**” project to understand the clinical workforce challenges faced by providers and potential responses. The central strand of this work will be a set of structured interviews with the sector to gather evidence in this area.

## **STRATEGY & POLICY UPDATE**

### **Making sure public providers are well-led**

10. The Strategy and Policy team is working with the NHS TDA to deliver two one-day events as part of the ongoing strategy development programme. These are to be held in London (28 January 2015) and Leeds (4 February 2015), with around 120 Executive Directors expected at each event. Monitor, the NHS TDA and NHS England will set out the implications of the Five Year Forward View for providers, and Sir David Dalton will be presenting on his review of organisational forms. Teams from across Monitor, along with several NHSFTs, are hosting working groups in the afternoon of the day focussing on sharing best practice and ideas across topics such as workforce planning, patient level costing and commercial approaches to strategy development.
11. The team started the process to procure a supplier to work with the team to develop practical tools, methods and good practice guidance to help NHSFTs and NHS trusts to identify and diagnose cultural issues, to develop an effective leadership strategy to address these and to ensure the development of enabling cultures to support continuous quality improvement.
12. The Risk Assessment Framework (RAF) consultation was issued in December 2014.
13. The team is working with the Provider Appraisal directorate to refresh and update the Well-Led Framework for the most recent thinking and guidance on strategic planning and culture. Re-publication will be in early 2015.
14. The team is working to improve capital planning and capital management in NHSFTs. It will undertake Phase 1 - a statement of expectations of good practice – shortly. Phase 2 will include NHSFT development (toolkits and training), and define Monitor's regulatory approach. Findings from Phase 1 will be used to scope Phase 2 including to determine the balance between NHSFT development and regulation. The team will update the ExCo accordingly at the end of Phase 1.
15. Monitor published a consultation on draft guidance for the integrated care licence condition in January 2015. The aim of the guidance is to help providers understand how to comply with the integrated care licence condition and when Monitor might take action. The consultation closes on 13 February 2015. The team will then update the guidance based on the feedback received and intends to publish the final guidance by April 2015.

### **Making sure essential services are maintained**

16. The consultation on Trust Special Administration guidance closed on 14 November 2014. A final version of the guidance was presented to Parliamentary Committee in January 2015. The guidance is scheduled for publication in mid February 2015.

17. The team is also providing input to the work the NHS TDA is leading on aligning interventions in the most challenged health economies.

### **Promoting change through high quality analysis and debate**

18. During much of December, work focused on preparing and clearing 'The Forward View Into Action: Planning for 2015/16'. This set out in more detail Monitor's plans for co-creating new models of care and a new regime for challenged systems and invited Expressions of Interest from candidates for 'vanguard' status. A programme of work to plan the implementation of the Forward View was also agreed. The Arm's Length Bodies' Chief Executives Group will receive proposals on how Monitor moves forward. Monitor also co-presented with NHS England initial thoughts on implementation planning to the NHS coalition – a group of key national stakeholders for the Forward View.

19. In terms of existing work to support the development of new models of care in local areas (New Models of Care Learning Network, Integrated Care Pioneers) funding to support development has been agreed for South Somerset and more general work to support issues such as pricing, linked data and pooled budgets continues.

### **Making sure Monitor is a high performing organisation**

20. Work is ongoing on Monitor's Business Plan for 2015/16. A series of 'roundtables' are being held with subsets of the ExCo throughout January 2015 to enable detailed brainstorming of critical themes in advance of a whole ExCo workshop in early February 2015. The team is working to a deadline of delivering Monitor's internal business plan to the Board by the end of March 2015. Directorates will be asked to complete the next iteration of their detailed actions by mid February 2015.

21. The team held a risk workshop with the Board on 3 December 2014 where the Board had the opportunity to hear from Ofcom on their implementation of risk appetite. The Board debated risk appetite in Monitor's context and discussed Monitor's risk management process, as well as the top risk themes facing the organisation and the sector.

## **STRATEGIC COMMUNICATIONS UPDATE**

### **Making sure essential services are maintained**

22. The final report from the Intensive Planning Support Project '[Making local health economies work better for patients](#)' was published on 22 December 2014. This tripartite report was released alongside the planning guidance for 2015/16. The report link was retweeted by both the King's Fund and Nuffield Trust.

## **Making sure the NHS payment system promotes quality and efficiency**

23. On 1 December 2014 Monitor published '[Reforming the payment system for NHS services: supporting the Five Year Forward View](#)' alongside a [consultation on our proposals for transforming NHS costing processes](#) over the next seven years. The costing proposals received good coverage in the trade press, and the media team placed an article in Healthcare Finance, who welcomed the new approach and described it as a 'significant landmark'. Digital engagement was successful with a joint Monitor/NHS England email opened by over 1,400 stakeholders, resulting in 467 click-throughs to the strategy, and 148 click-throughs to the costing consultation. On Monitor's website there were 1,818 unique page-views of the strategy and 1,974 of the consultation.
24. [The 2015/16 National Tariff consultation](#) notice was the second most viewed piece of content on the website: 12,690 page views in Q3. (The most viewed piece of content was 'National Tariff Payment System 2014/15' with 15,909 unique page-views. This reflects the high level of operational use of the current tariff throughout the year).
25. Rethink Mental Illness encouraged campaigners to submit their views on funding of mental healthcare for 2015/16. Monitor received 6,765 submissions in total, which contained uniform text voicing concerns about funding for mental healthcare. Most also included a personal element. Both the generic and personal elements of the text were reviewed by the Pricing team to capture feedback relevant to the National Tariff proposals and other themes.
26. On 12 January 2015, Monitor and NHS England met Rethink Mental Illness campaign directors to discuss assertions made in their e-campaign. The meeting was successful in agreeing a process for future early dialogue.
27. Feedback received on the [National Tariff consultation](#) documents included comments about the length and complexity. The Editorial team is meeting NHS Providers to discuss their views and how Monitor can make future reports more reader-friendly.

## **Making sure procurement, choice and competition works in the interest of patients**

28. The Stakeholder Engagement team met with Which in December and established areas of common interest and potential partnership working on access and patient choice issues. As with recent meetings with The Patient Association and National Voices, there is also interest in how Monitor can support smaller voluntary providers on procurement matters. These discussions have been followed up with the Co-operation and Competition directorate.

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

29. The Stakeholder Engagement team's strategy to utilise existing regional networks has led to a series of engagements speaking to local Healthwatch and Health and Wellbeing Boards.

- a) In December, the team presented to a London Healthwatch network meeting to explain Monitor's role as the sector regulator, where the organisation fits in the health system and how engaging with Monitor will ensure a better understanding of patients' issues. The feedback from this meeting was positive and as a result the team has been invited to speak at further regional Healthwatch network meetings.
- b) Engagement with the Local Government Association has led to a series of invitations to speak at Health and Wellbeing Board regional network meetings in January and February. Discussions with the organisers have led us to focus on how Monitor works with other parts of the healthcare system and what it is doing to enable integrated care. The Stakeholder Engagement team is working with the Integrated Care team on this.

30. Following the successful strategy development event in October for NHSFTs chairs and chief executives, and the launch of the [strategy development toolkit](#), the Corporate Communications team has created a [LinkedIn group](#) for those involved in strategy development in providers. It is designed, in particular, to encourage ongoing discussion after each of Monitor's strategy development and planning events. The ambition is to establish a place for providers to engage with peers and Monitor about key issues, concerns and questions, and to build a community over time. The group will be promoted at the [upcoming strategy development events](#) in January and February.

## **Making sure Monitor is a high-performing organisation**

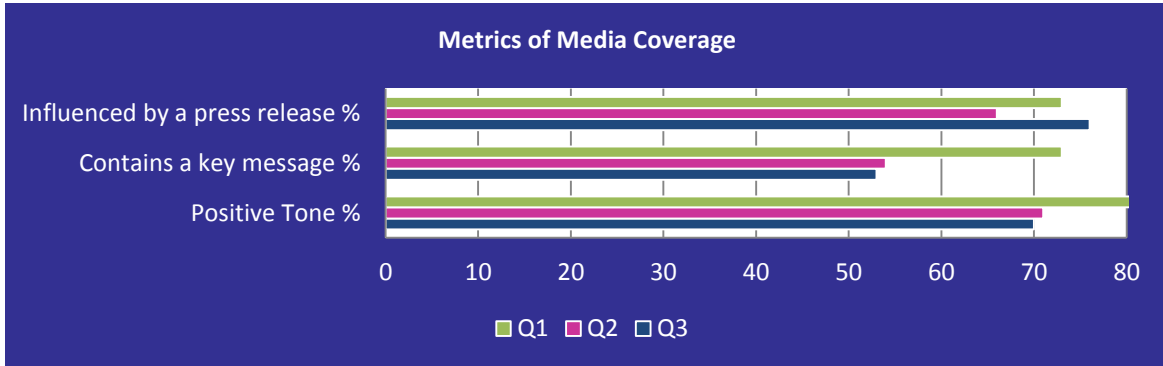
### **Analysis of Q3 Communications**

31. Monitor received a record level of media coverage during the third quarter of the year, averaging a dozen mentions somewhere in print, online or broadcast every day. A significant amount of this was generated by Monitor with a rise in the proportion directly influenced by its press releases. The vast majority of these were targeted at local media. However, Monitor also remained subject to stories generated by others, which affected the overall levels of tone and messaging.

32. Two stories vied for the most positive attention, one national, and one local. Monitor's role in the NHS Five Year Forward View, with Monitor's Chief Executive appearing alongside NHS England's Chief Executive and National Medical Director at the media launch, resulted in over a hundred separate news items and a potential broadcast audience of many millions. Subsequently Monitor's local announcement about regulatory action at two trusts in Norfolk and Suffolk

generated as many separate news items, reaching the local audience in East Anglia.

33. The proportion of negative items about Monitor was the lowest for some time (2% of all items).



34. A summary of Monitor’s other communications and engagement during Q3 is set out below.

**Events and webinars**  
 9 events and 5 webinars delivered: these reached 1274 people, of which 30% were commissioners and 70% providers

**Speaker engagements**  
 We undertook 43 speaker engagements in Q3 and have 20 planned in January 2015. A proactive and strategic approach is now being taken to these

**What we published in Q3**

- 7 pieces of guidance
  - including the 374 page 'Strategy development toolkit'
- 7 pieces of consultation
  - including the S.118 consultation that had multiple additional large documents
- 1 report
- 1 research report

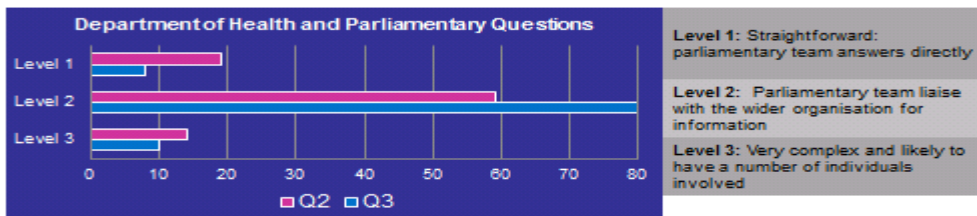
**97.4%** felt the events were worth attending

Average rating for the webinars is **4 out of 5**



**Enquiries and complaints**

281 enquiries received and responded to  
 224 complaints received  
 On average we respond within 4.8 working days against an SLA of 10 working days.  
 Only 14 were responded to in over 10 working days



**BLOG** We published 3 blogs in Q3 on the NHS payment system, which have collectively generated 1,802 views.  
 The most popular blog post was 'Pricing healthcare', which introduced the national tariff, its aims and Monitor's role in setting it - this highlights how useful blogs can be as a more informal way of engaging stakeholders in highly complex topics.



**Performance of targeted emails to the sector**

We sent 52 targeted emails to 121k recipients.  
 Average open rate = 31%  
 Average click through rate = 35%

Our open rate is almost x3 higher than the average open rate (11.2%) for government sector organisations using the GovDelivery platform

**Top 5 visited pages on the website by unique page views**

National tariff payment system 2014/15	15,909
2015/16 tariff consultation notice	12,690
NHS foundation trust directory	8,465
2015/16 tariff engagement documents	5,211
Enabling integrated care in the NHS	4,743

**Most viewed press release**

New action taken at Heart of England  
 4,086 unique pageviews

284 tweets sent

300 retweets | 73 replies | 1.7k clicks

Our tweets were seen 300,000 times

Tweet with the highest engagement explained how the NHS budget is split across different parts of the national tariff.



## PATIENT AND CLINICAL ENGAGEMENT UPDATE

35. The following three core strategic objectives have been identified in respect of both engagement strategies:

- Raising awareness of Monitor's role and the work that it is doing
- Ensuring that the clinical and patient voice is heard as part of Monitor's policy-and decision-making processes
- Ensuring that clinicians and patients are engaged at a local level

36. Recruitment is currently underway to a number of new posts in the team, namely a Deputy Medical Director and Nurse Director, and four part-time Associate Medical Director posts to help bring specialist clinical knowledge and expertise into the organisation. This additional capacity will allow the clinical team to provide a greater level of input to Monitor's activities across its regulatory functions. In

tandem, work is being done to refresh Monitor's mechanisms for accessing clinical advice and engaging clinically across the sector. The feasibility of the following is currently being assessed:

- a) Development of a new multi-disciplinary advisory forum
- b) Mechanisms to allow Monitor to work more closely with professional bodies such as the Medical Royal Colleges and Faculty of Medical Leadership and Management
- c) Development of an online forum to facilitate collaborative discussions with NHSFT clinical leaders

37. With regard to patient engagement, a number of engagement activities are already taking place across the organisation with patient groups such as Patient Association, National Voices, Healthwatch England and local Healthwatch groups. Further work is also being done to understand partners' approaches and potential areas for collaboration, for example with the Care Quality Commission and the NHS TDA.

## **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.*