**Monitor Accountability Meeting**

**Date:** Tuesday 29th July 2014

**Time:** 3.15pm – 4.45pm

**Attendees:**

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| **Department of Health** |
| The Rt.Hon. the Earl Howe, Parliamentary-under-Secretary of State for Health |
| Richard Douglas, Director General of Strategy, Finance and the NHS |
| Tim Jones, Deputy Director, Economic Regulation |
| Claire Stoneham, Deputy Director, NHS Provider Policy |
| David Martin, Policy Advisor, Economic Regulation |
| Chris Juliff, Assistant Private Secretary to the Parliamentary-under-Secretary of State for Health |
| **Monitor** |
| The Rt. Hon. the Baroness Hanham, Chair |
| David Bennett, Chief Executive |
| Helen Buckingham, Chief of Staff |

**Accountability meeting minutes**

The meeting began with THE MINISTER welcoming BARONESS HANHAM and DAVID BENNETT to the first accountability meeting between DH and Monitor of the 2014/15 financial year.

**Agenda item 1 – Monitor as an Organisation**

THE MINISTER invited reflections on matters relating to the operational aspects of Monitor’s business.

* **Committee of Public Accounts report** – The PAC recently published their report on Monitor’s role regulating Foundation Trusts. BARONESS HANHAM explained that Monitor was already working on the issues that the PAC had raised within the recommendations however, the tone of the report was disappointing for Monitor, particularly given the positive NAO report which had preceded the PAC report.

DAVID BENNETT discussed matters raised within the report regarding the barriers to recruitment of staff with appropriate expertise. There was also a discussion regarding the value for money that the appropriate use of consultancy services can offer, however it was acknowledged that building in-house capacity was preferable where the need for expertise was ongoing.

* **Stakeholder Engagement and Relationships** – BARONESS HANHAM and DAVID BENNETT said that working relationships with key partners such as NHS Trust Development Agency, Care Quality Commission and NHS England were good. The first board to board meeting had taken place between Monitor and CQC.
* Monitor continues to work with CQC to ensure consistency in judgements regarding providers’ performance. All organisations are working together to identify and eradicate overlap and it was noted that there was work to do around publicising the distinct roles that each organisation had responsibility for.
* **Monitor Framework Agreement** – THE MINISTER thanked Monitor and the Sponsor Team for the work that had taken place on the Framework Agreement which was ratified at Monitor’s June board meeting and was now published.

**Agenda item 2 – Provider Policy**

THE MINISTER invited reflections on matters relating to the provider sector.

* **Foundation Trusts’ 2 Year Operational Plans** – DAVID BENNETT explained that Monitor is working closely and constructively with FTs on their two year plans with a particular focus on improving forecasting.
* DAVID BENNETT and HELEN BUCKINGHAM also provided THE MINISTER with a short update regarding Monitor’s work on local health economy diagnostics. More work was taking place to help identify systemic issues around integration.
* **New Organisational Models**  - DAVID BENNETT explained that he had met with SIR DAVID DALTON to discuss new organisational models and in particular, the Dalton Review. It was recognised that ensuring that there was sufficient leadership expertise within any system was of importance.
* **Mid Staffordshire NHS Foundation Trust** – THE MINISTER, DAVID BENNETT and RICHARD DOUGLAS reflected on activity surrounding the Foundation Trust and the ongoing processes for dissolution of the Trust. CLAIRE STONEHAM also provided an update on the judicial reviews.
* **Bedford & Milton Keynes** – DAVID BENNETT provided THE MINISTER with an update on the review of the needs of the local health economy relating to the two hospitals in this area. There was also a discussion around the provision of emergency care in the area.
* **Special Measures** – DAVID BENNETT gave an update regarding the current position of those FTs that were currently in special measures and outlined progress made and some continuing challenges. There was also some discussion around the best way to approach handling in those organisations that were still facing problems. It was agreed that problems needed to be tackled quickly to protect patients and to reduce the risk to provision of quality services and increasing financial problems.

**Agenda item 3 – Choice, Competition & Pricing**

THE MINISTER invited reflections on matters relating to Monitor’s role in respect of Choice, Competition and Pricing policy.

* **Spire Healthcare/Community Services** – THE MINISTER and DAVID BENNETT discussed Monitor’s investigation Spire Healthcare, regarding the operation of patient choice in the Blackpool area. DAVID BENNETT provided a brief explanation about the investigation and said that it had raised some other matters in relation to referrals that Monitor was also considering.
* Monitor expect to publish the outcome of the investigation in September and are currently in discussion about next steps. DAVID BENNETT also informed THE MINISTER that Monitor expected to work closely with NHS England on work on this matter.
* **Competition Update**  - DAVID BENNETT informed THE MINISTER about the changes to the way in which Monitor’s Co-operation and Competition Division advises the Board. The change is operational and has made no difference to outcomes in the way that Monitor approaches competition policy.
* Monitor continues to work with develop its engagement with commissioners and now have a team of three people dedicated to this. DAVID BENNETT also explained that Monitor receive a lot of enquiries about this area of their work.

**Any other business**

* **EU Procurement Directive** ­– TIM JONES provided a short update regarding the EU Procurement Directive.