

**To:** The Board

**For meeting on:** 29 April 2015

**Agenda item:** 6

**Report by:** Executive Committee

**Report on:** Executive Report

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**Summary:**

1. This report summarises key developments at Monitor since the Board meeting held on 25 March 2015.

**EXECUTIVE COMMITTEE BUSINESS UPDATE:**

2. At its meeting on 14 April 2015 the Executive Committee (ExCo) conducted the following business:
  - a. Considering information about the enquiries and complaints received by Monitor in February 2015.
  - b. Considering information about the expansion of the complaints and whistleblowing team within the Strategic Communications directorate to provide the Provider Regulation directorate with greater support and expert advice.
  - c. Reviewing a summary of the organisation's year to date expenditure position as at 28 February 2015.
  - d. Discussing the progress made since the directorate-level 'Pulse' survey results were circulated in December 2014.
  - e. Considering an update on the work of the Patient and Clinical Engagement directorate and its agreed priorities for 2015/16 (further information can be found under agenda item 8, ref: BM/15/46).

3. At its meeting on 21 April 2015 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. Reviewing information about ongoing activity in the Organisation Transformation directorate across its priority areas of focus.
  - c. Discussing a proposal to set up and manage a network of stakeholder forums. Further work is required.
  - d. Considering the arrangements for establishing a more formal structure within which Monitor's corporate social responsibilities should be carried out. A Corporate Social Responsibility Group is to be established and this group will organise and co-ordinate volunteering activity which will be open to all employees. Further information will be brought to the Board once a proposed schedule of activities has been drawn up.
  - e. Scrutinising the outcome of the annual governance review ahead of its submission to the Board (further information can be found under agenda item 7, ref: BM/15/45).
  - f. Determining the arrangements underpinning the development of a central register of corporate policies.
  - g. Reviewing the ExCo's operation over the past year and confirming minor amendments to its terms of reference.
  - h. Discussing the approach to be taken to performance management within Monitor. ExCo members agreed the aims for performance management within the organisation and discussed the most appropriate method to achieve these.

## **ECONOMICS UPDATE**

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

4. Feedback has now been received on the **Community Services** 'fact pack' from key contacts in the sector. The team is on track to share the pack across Monitor teams through a series of presentations in May 2015.
5. The team is on track to test its hypotheses around the drivers of the decline in accident and emergency (A&E) performance over 2014/15.

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

6. The team has progressed according to plan on the project to understand the 'financial impact of moving care out of hospital'. Deloitte has completed the project to understand the costs of four case study interventions. The team will be able to develop its findings on the impact of these schemes on whole system costs when it receives the draft simulation model from PwC at the end of April 2015. User testing of the model will be conducted throughout May 2015 with the aim of launching all outputs in summer 2015. At the same time, the team will present its views of the implications of these findings for Monitor's functions and the New Models of Care programme. It will also consider opportunities for follow on work.
7. The team has concluded its provider interviews on the '**workforce**' project. It will be pulling together the insights from this with its wider analysis to generate outputs for Monitor and the sector in summer 2015.
8. Both of these projects fit in to the team's wider programme of work on the '**economics of new care models**', which it is currently scoping.

## **STRATEGY & POLICY UPDATE**

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

18. The Strategy and Policy team has facilitated an event with c.40 clinical leads to talk through the strategy development toolkit and work through an exercise to support them in putting these ideas into practice.
19. The team published an updated Risk Assessment Framework for NHS foundation trusts (NHSFTs) on 26 March 2015, which will take affect from 1 April 2015.
20. The Ed Smith review of centrally funded functions for the improvement in leadership and capability development has now concluded. The recommendations are now awaiting the approval of incoming Ministers.
18. A guide for governors on member and public engagement was published jointly alongside the NHS Providers 'Govern Well' programme on 11 March 2015 and the 2014/15 survey of NHSFT governors was published on the 27 March 2015.
19. The leadership strategies and culture work is being re-scoped to ensure this work can continue using alternative resources.
20. Revisions to Monitor's 'Well-Led' framework will be published in April 2015.
21. Monitor's integrated care licence condition guidance and summary of consultation responses was published on 27 March 2015.

22. The team launched a survey of NHS provider non executive directors (NEDs), jointly with the NHS Trust Development Authority (NHS TDA), in order to establish any outstanding NED support needs and to identify NEDs in the sector who may be willing to help develop and support non-executive and executive peers given their background experiences.

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

23. The Joint Review on Agency Spend (Monitor/Cabinet Office) has been finalised and the findings presented to the Provider Regulation Executive. Monitor actions include delivering training and support to the sector in collaboration with the NHS TDA and setting up an Agency Intensive Support Team (AIST) with the Provider Sustainability directorate.
24. Monitor is commencing the roll out of the AIST with initial testing of the concept at a pilot Trust from 17 April 2015. The team is still trying to finalise funding arrangements with DH.
25. Design work continues on the Whole System Intervention/Success Regime covering selection of local health economies, diagnostic phase, solution development and implementation. The ExCo and Board will be updated on progress over the next month.

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

26. The team has completed work on defining Monitor's contribution to the Forward View and co-ordinated this with individual directorates' business plans to ensure it is embedded into Monitor's work for 2015/16. Monitor's contribution will focus on supporting work in four areas: new care models, whole system intervention (Success Regime), efficiency and empowering patients. The team has also provided feedback to Sam Jones' New Care Models team on its initial thoughts on support proposals for the Vanguard sites.
27. Existing work to support the development of new models of care in local areas continues and knowledge transfer to the new support arrangements for Integrated Care Pioneers is in hand. A joint conference with NHS England on international care models is planned for April 2015.
28. The NHS provider landscape for elective surgery project has begun with observational visits to orthopaedic and ophthalmology services. The team has met with the British Orthopaedic Association and the Royal College of Ophthalmology to win their support for its work. The team has also agreed to work closely with DH's 'Get it right first time' team to share knowledge, insights and data on how elective care might be improved. The project aims to identify what high value care models look like from international data and intelligence on best practice; to generate insights into the future delivery models/configuration and finally what the subsequent implications would be of the new models on existing providers.

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

29. In March 2015, the Board approved a draft business plan for use as the basis of operational planning and an external publication. The team is now finalising the business plan ahead of its publication on Monitor's website. The operational planning process with all teams commenced in late March 2015.
30. The Risk and Performance team is reviewing performance measures across the organisation.
31. The project to develop a framework for diagnosing problems in trusts has held a workshop to discuss initial thinking on the way forward. The work now needs to focus on developing a 'strawman' that can be progressively refined with internal experts over the coming weeks to develop a draft diagnostic tool.

## **STRATEGIC COMMUNICATIONS UPDATE**

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

37. The Media team announced enhanced buddying arrangements with Guy's and St Thomas' NHS Foundation Trust as part of Monitor's regulatory action at Medway NHS Foundation Trust. The supportive tone of the announcement was welcomed by Roy Lilley who comments frequently on Monitor. He blogged: "Medway FT - getting help from Guy's; read this, from Monitor. Note the change in language; they might just be waking up to the idea that helping people is better than hammering them". The local MP and the trust also issued positive statements.
38. Monitor set out the undertakings that were required in its investigation into Spire Healthcare's complaint; positive coverage was achieved in regional publications including the 'Blackpool Gazette' and the 'Lancashire Evening Post'.
39. Among the coverage of regulatory action, there was a particularly interesting item on BBC London Radio comparing the difficulties that King's College Hospital NHS Foundation Trust, London, and Barts Health NHS Trust have had as a result of taking on troubled hospitals from other trusts.
40. The Monitor press release and response from the Trust on the announcement that North London and Goole Hospitals NHS Foundation Trust would seek emergency funding from DH generated significant and generally positive coverage in regional media ('Yorkshire Post', 'Grimsby Telegraph', 'Doncaster Free Press' and 'Scunthorpe Telegraph') and national and sector media (ITV News, HSJ and Nursing in Practice').
41. In response to the recent NHSFT status approvals, NHS Providers' Chris Hopson said: "The foundation trust pipeline continues to flow enabling patients to have a greater say over their health services and benefit from the cornerstones of foundation trust status".

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

42. Alongside the drive to engage with individual Health & Wellbeing Boards, the Stakeholder Engagement team is developing Monitor's strategic relationship with the local government sector and to that end met with the Local Government Association to identify its priorities in healthcare (which were funding, sustainability of councils, adult social care and devolution) in advance of planned executive-level contact.

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

43. The Health Foundation and NHS Confederation issued briefings on the impact of competition in the NHS. They argued broadly that competition has had a lesser and more evolutionary impact than the debate around the Health & Social Care Act sometimes implies.

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

44. Plans to engage with MPs and staff in the new Parliament are progressing: officials from the Health Select Committee will visit Monitor in early June 2015 to be briefed on a range of topics, including pricing and competition, and later that month David Bennett will meet the All Party Health Group to explain the role of health regulators. Similar talks for researchers and a presentation on the Policy team's work on moving care from acutes into the community are also planned.

45. There is considerable interest across the wider sector in Monitor's new Provider Sustainability Directorate (PSD) and plans to work with the sector across health economies. For example, the Health Foundation sees PSD as very much aligned with its own objective to 'do more to support' the sector through Improvement, and is looking to collaborate.

46. As part of its 'Pulse' survey action plan, the Strategic Communications directorate is rolling out a 'Professional Experience Programme' which will see junior and middle-ranking members of staff undertake two week secondments with communications teams at the NHS frontline and in other arm's length bodies. The first three placements have been confirmed and will be at Central and North West London NHS Foundation Trust, East London NHS Foundation Trust and NHS Clinical Commissioners.

47. 82% of the 90 staff who provided feedback during 2014/15 said the monthly all-staff briefings are either 'great' or 'OK', and 76% find them either 'very useful' or 'quite useful'. Responding to feedback the team has:

- scheduled the briefings to start at the slightly later time of 4.15pm to allow those who have meetings finishing at 4pm to make it in time

- used staff feedback to help speakers shape their presentations and make them more relevant and impactful
- asked the Wider Leadership Team to encourage their teams to attend the briefings.

The team continues to evolve the briefings to ensure they meet the needs of Monitor's staff and is considering other feedback, for example, about making more use of the voting technology and asking for questions from staff in advance of each briefing.

48. 'Inside Track' remains one of Monitor's primary internal communications channels. There is a continuing upward trend in readership; on average during Q3 2014/15, 53% of staff was opening it each week, and in Q4 this increased to 80%. The staff interviews remain one of the most popular features, and the team is generally receiving many more submissions for content from across Monitor. The team is shortly moving to a new newsletter distribution system which will enable it to analyse how each department is engaging with 'Inside Track'.

## **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.*