

**MINUTES OF A MEETING OF THE MONITOR BOARD HELD ON WEDNESDAY
29 APRIL 2015 AT 10.30 AT WELLINGTON HOUSE, 133-155 WATERLOO ROAD,
LONDON SE1 8UG**

Present:

Joan Hanham, Chairman
David Bennett, Chief Executive
Stephen Hay, Managing Director of Provider Regulation
Heather Lawrence, Non Executive Director
Adrian Masters, Managing Director of Sector Development
Iain Osborne, Non Executive Director
Keith Palmer, Deputy Chairman, Non Executive Director
Sigurd Reinton, Non Executive Director

In attendance:

Helen Buckingham, Chief of Staff
Miranda Carter, Executive Director of Provider Appraisal
Catherine Davies, Executive Director of Co-operation and Competition
Jason Dorsett, Finance, Reporting and Risk Director
Philippa Harding, Board Secretary
Fiona Knight, Executive Director of Organisational Transformation
Toby Lambert, Director of Pricing
Catherine MacDonald, Project Director (Policy) (from item 12)
Hugo Mascie-Taylor, Medical Director (Executive Director of Patient and Clinical Engagement)
Jeremy Mooney, Executive Director of Strategic Communications
Kate Moore, Executive Director of Legal Services
Peter Sinden, Chief Information Officer
Nick Ville, Project Director (Policy) (until item 12)
Chris Walters, Chief Economist

No members of the public were in attendance for the public session of the meeting.

Executive officers attended the meeting as detailed under specific agenda items below.

1. Welcome and apologies

1.1 Apologies for absence had been received from Timothy Heymann (Non Executive Director).

1.2 The Chairman welcomed Toby Lambert to his first Board meeting as Director of Pricing.

2. Declarations of interest

2.1 No interests were declared.

3. Minutes and matters arising from the meeting held on Wednesday 25 March 2015 (BM/15/41)

3.1 The minutes of the Board meeting held on 25 March 2015 were approved and the matters arising noted.

4. Provider Appraisal Update (BM/15/42)

4.1 The Board noted the report which provided information about significant developments with regard to the work being undertaken by Monitor's Provider Appraisal directorate since the last meeting of the Board.

4.2 It was reported that consideration was being given to launching an investigation at St George's University Hospitals NHS Foundation Trust as a result of the deterioration of its financial performance. In light of the fact that the Trust had recently been granted NHS foundation trust status, the Provider Appraisal directorate would work with the Provider Regulation directorate to understand any lessons learned for the assessment process from the investigation. The Board requested regular updates in relation to this work.

5. Pricing Update (BM/15/43)

5.1 The Board discussed the report which provided an update on the key issues being addressed by the Pricing team in the past month.

5.2 Board members noted that a decision was still to be taken with regard to the finalisation of the 2015/16 National Tariff. Monitor could either re-consult the sector with new proposals, or refer the matter to the Competition and Markets Authority (CMA). In the meantime, work continued by both Monitor and NHS England to agree the scope and content of the 2016/17 National Tariff. Recommendations with regard to the publication of the Tariff Engagement Document would be brought to the Board in due course.

5.3 It was reported that the 'how to' guide for patient level linked datasets was almost complete. Board members emphasised the importance of clarity with regard to the actions that could be taken in relation to linked datasets, particularly with regard to the implementation of the NHS Five Year Forward View. In this context consideration was also given to the progress being made to enable support to be provided to the Vanguard sites and Integrated Care Pioneers.

6. Executive Report (BM/15/44)

- 6.1 Board members considered the report which summarised key developments at Monitor since the Board meeting held on 25 March 2015.
- 6.2 The Board noted the various projects being progressed by the Economics team. It was noted that briefings on these would be circulated in correspondence.
- 6.3 Consideration was given to the work being undertaken by the Strategic Communications directorate with regard to engaging with MPs and staff in the new Parliament after June 2015. It was noted that the Department of Health was also working to ensure that it was fully prepared for the new Parliament.
- 6.4 It was reported that the organisation's Directors' and Officers' liability cover was due to be renewed. Board members confirmed that they were content in principle for the cover to be renewed. A final decision would be taken in correspondence.

7. Governance Review (BM/15/45)

- 7.1 Philippa Harding presented the report which provided information about the outcome of the annual review to ensure that the Rules of Procedure and other key governance documents remained appropriate. It was noted that the proposed changes to the Rules of Procedure were trivial in their nature.

RESOLVED:

- 7.2 The Board resolved to agree that the proposed changes should be made to the Rules of Procedure.

8. Patient and Clinical Engagement directorate update (ExCo/15/46)

- 8.1 Hugo Mascie-Taylor presented the report which provided an update on the work of the Patient and Clinical Engagement directorate and agreed priorities for 2015/16. Board members focussed upon the key mechanisms that been identified to support the directorate's operating model.
- 8.2 Board members welcomed Monitor's participation in the National Medical Director's Clinical Fellow Scheme of the Academy of Medical Royal Colleges (AoMRC), which was possible as a result of having appointed the Medical Director (Executive Director of Patient and Clinical Engagement). Detailed consideration was given to the relationship that was being built with the Faculty of Medical Leadership and Management of the AoMRC. In light of this organisation's role in setting standards and providing and encouraging training and development, the Board emphasised the value of supporting it.

- 8.3 With regard to Monitor's relationship with the AoMRC and the proposed Clinical Advisory Group (CAG), the Board noted that there would be times when the CAG was unable to support a proposal that Monitor put to it and vice versa. This was accepted by both Monitor and the Academy of Medical Royal Colleges and considered a necessary aspect of securing independent clinical advice. It was reported that the proposed approach had also been discussed and supported by the National Quality Board. Consideration was given to how the outputs of such an approach might be measured and Board members emphasised the importance of clear and robust performance management.
- 8.4 The Board was content with the progress being made to establish the Patient and Clinical Engagement directorate. A further update was requested for submission to the Board in the Autumn.

ACTION: HMT

9. Questions and comments from the public (oral item)

- 9.1 No members of the public were present.

10. Private session - resolution (oral item)

- 10.1 The Chair moved a resolution in order to move into private session to consider private items of business.

RESOLVED:

- 10.2 The Board resolved that representatives of the press and other members of the public should be excluded from the meeting, having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest.

11. Co-operation and Competition Update (BM/15/47(P))

- 11.1 Board members considered the report which provided information about significant developments with regard to the work of the Co-operation and Competition directorate since the meeting of the Board on 25 March 2015.
- 11.2 Consideration was given to a case that Monitor was seeking to resolve informally. Board members emphasised the importance of taking formal action when it was necessary to protect the interests of patients.

12. Provider Regulation Update (BM/15/48(P))

- 12.1 Board members noted the paper which provided an overview of the NHSFTs subject to formal enforcement action. An update was provided with regard to key developments in relation to the Annual Plan Review process, recent regulatory

action and the implementation of organisational design changes within the Provider Regulation directorate.

13. Chief Executive's update (oral item)

- 13.1 David Bennett updated the Board on his recent discussions with the Shelford Group, which represented ten leading academic healthcare organisations.

14. Costing and Coding assurance services (BM/15/49(P))

Yashwant Patel (Pricing Enforcement and Case Management Director) joined the meeting for the consideration of this item.

- 14.1 Toby Lambert presented the report which asked the Board to approve expenditure for the continuation of a programme of costing and coding audits that had been delivered under the Payment by Results assurance programme since 2007/08.
- 14.2 Board members noted the proposal to procure a one-year interim programme, followed by a three year programme. It was considered that this would enable Monitor to test the market for the provision of such services before awarding a longer term contract. This was particularly important as it had been some time since the contract for these services had originally been awarded and Monitor had no visibility with regard to the appetite to provide such services.

RESOLVED:

- 14.3 The Board resolved to approve in principle the proposed level of expenditure set out in the report. A final decision on this expenditure would be made following a competitive tendering process.

15. Bradford District Care NHS Trust (BM/15/50(P))

Ruth Nolan (Senior Assessment Manager) joined the meeting for the consideration of this item.

- 15.1 The Board considered the application before it to become an NHSFT pursuant to the National Health Service Act 2006. In advance of the meeting, the Board had received and read a detailed briefing pack on the applicant.
- 15.2 The Board agreed that, unless an issue was specifically raised on the basis of a cause for concern, which would have been highlighted in the briefing pack, it would be assumed that:
- (a) the applicant's constitution was compliant with Schedule 7 to the 2006 Act and otherwise appropriate;

- (b) the Directors and Governors of the applicant had been appointed in line with the constitution;
- (c) the applicant had taken steps to ensure representative membership;
- (d) all elections were compliant;
- (e) all statutory consultations had been held; and
- (f) the applicant would be able to provide mandatory goods and services.

15.3 The Provider Appraisal team presented the Board with the background to Bradford District Care NHS Trust, a £132m integrated community and mental health trust, and the key issues and any concerns surrounding its application.

15.4 Board members focussed upon the Trust's quality governance arrangements and how these had been tested by the Provider Appraisal team. Consideration was also given to the manner in which the Trust had sought to ensure that its staff were fully engaged.

RESOLVED:

15.5 The Board resolved that:

- (a) Bradford District Care NHS Trust be Authorised as an NHS Foundation Trust from 1 May 2015; and
- (b) that a side letter be sent to the Trust requiring it to perform a review of the ongoing effectiveness of the Quality and Safety Committee.

16. Any other business

16.1 No other business was raised.

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