**Joint statement from NHS England and Monitor**

*“The National Tariff Payment System for 2014/15* sets out the responsibility of providers and commissioners to agree the prices paid locally for mental health services. NHS England remains committed to the delivery of parity of esteem for mental health services, and we intend to review commissioners’ plans for 2014/15 to ensure that this happens.

“The service development uplift for the national prices in the 2014/15 national tariff consisted of two aspects; the Friends & Family test uplift which applied to all providers, and an uplift to help address reported cost burdens associated with recommendations coming from reviews such as those conducted by Robert Francis and Bruce Keogh.

“NHS England has estimated that providers will spend an additional £150 million in 2014/15 to meet requirements linked to these recommendations, the costs of which relate primarily to acute health services. It was therefore decided that the cost uplift should apply specifically to the acute sector.

“However the National Tariff Payment System for 2014-15 allows commissioners and providers to negotiate and agree local prices where there is no national price.  It is therefore open to a commissioner to agree a price which reflects the particular costs of their local provider.

“Both NHS England and Monitor are committed to working with all parts of the service, including mental health and community services, to understand cost pressures in order to support development of the 2015/16 national tariff. We are committed to moving towards a more evidence-based approach to pricing.”