

## NHS England

### Minutes of the Board meeting held in public on 6 March 2014 at West Yorkshire Playhouse, Quarry Hill, Leeds

#### Present

- Professor Sir Malcolm Grant (Chairman)
- Sir David Nicholson – Chief Executive
- Lord Victor Adebowale – Non-Executive Director
- Ms Margaret Casely-Hayford – Non-Executive Director
- Mr Ciaran Devane – Non-Executive Director
- Dame Moira Gibb – Non-Executive Director
- Mr Ed Smith – Deputy Chairman
- Mr Paul Baumann – Chief Financial Officer
- Ms Jane Cummings – Chief Nursing Officer
- Dame Barbara Hakin – Interim Chief Operating Officer/Deputy Chief Executive
- Mr Tim Kelsey – National Director: Patients and Information
- Sir Bruce Keogh – National Medical Director
- Ms Rosamond Roughton – Interim National Director: Commissioning Development
- Ms Jo-Anne Wass – National Director: HR and Organisational Development

#### Apologies

- Mr Bill McCarthy – National Director: Policy

#### In attendance

- Mr Jon Schick – Head of Governance and Board Secretary

The Chairman welcomed everyone, especially members of the public, and confirmed the NHS England commitment to holding Board meetings in public, and particularly acknowledged those who joined via the live webcast.

Congratulations were extended to Tim Kelsey and his team for the enormous effort put in to arranging the highly successful NHS Expo for Health and Innovation held earlier in the week. The event had attracted over five thousand attendees each day.

The Chairman welcomed Sir Cyril Chantler to the meeting, to report as Chairman of the Quality and Clinical Risk Committee.

Item	
12/14	<b>Declarations of interest in matters on the agenda</b>
	Lord Victor Adebowale declared an interest in relation to the discussion regarding tariff for mental health services, as Chair of Turning Point, an organisation providing mental health services.

13/14	<b>Minutes of the previous meeting</b>
	<p>The minutes of the meeting held on 24 January 2014 were accepted as an accurate record. It was noted that there was a spelling error on the word 'Pseudonymisation'.</p> <p>The Chairman sought and obtained confirmation that the actions from the previous meeting were either complete or in hand.</p>
14/14	<b>Chief Executive report</b>
	<p>Sir David Nicholson began by reflecting on the NHS Expo, noting that the emphasis of the event had been on engagement and patient focus. In that context he noted that today was <i>NHS Change Day</i>. This had been initiated by a group of junior doctors and nurses to look at changes individuals could make to improve services. The Board noted that the initiative had attracted 200,000 pledges in 2013 which had more than doubled to over 400,000 in 2014. Sir David reported that he had made a personal pledge to bring together wheelchair users, carers and managers of the service; an area that did not always receive the same level of focus as other services. The Board were advised that Rosamond Roughton would act as the Board champion for wheelchair users.</p> <p>Sir David drew the Board's attention to the following areas of his report:</p> <p><u>Strategy</u></p> <p>Sir David confirmed that work was ongoing to develop strategic plans to take forward the six characteristics to deliver a sustainable and great healthcare system. It was noted that further work would emerge over the next few weeks, particularly in relation to engagement with patients and the public with regard to specialised commissioning and primary care.</p> <p><u>Tariff for mental health services in 2014/15</u></p> <p>Sir David reflected on recent interest in the approach taken in partnership with Monitor to the setting of the tariff for 2014/15. Sir David sought to explain the context of the decisions, with specific regard to mental health services and the commitment to parity of esteem.</p> <p>It was noted that in partnership with Monitor, NHS England could allocate resources for service development. It had decided to include an additional uplift in the tariff for acute service in response to some of the pressures highlighted by providers in relation to the Keogh reviews and the implementation of the Care Quality Commission's new inspection arrangements. The Board noted that £150m had been made available to acute services to ease pressures; however, in 2015/16 the Better Care Fund would take £2bn out of acute services to support care out of hospitals.</p> <p>Sir David reasserted the commitment to achieving parity of esteem for mental health services. He advised the Board that a toolkit had been developed and published outlining how CCGs could achieve parity of esteem between physical and mental health, by allocating resources differently. Members were advised that the Parity of Esteem Board had</p>

	<p>identified five priority areas:</p> <ul style="list-style-type: none"> <li>• crisis care;</li> <li>• improvements in the way data and intelligence are collected and used;</li> <li>• improvements in skills and capability for commissioning mental health services;</li> <li>• focussed improvements in clinical areas; and</li> <li>• improved focus on the physical health of patients with mental health issues.</li> </ul> <p>Sir David reflected that the six characteristics applied equally to mental health services.</p> <p>In response to comments from members, Sir David acknowledged that communication with patients and the public regarding the service development element of tariff could be improved. Improvements in timetabling of decisions would be built into the process for 2015/16 to ensure there was opportunity for enhanced stakeholder engagement.</p> <p>The Chairman confirmed that he would be chairing a meeting with mental health stakeholders later in the week. This meeting would provide an opportunity to learn and deliver improvements to stakeholder engagement for the future.</p> <p><b>The Board received and thanked the Chief Executive for his report.</b></p>
	<p><b>Patient Insight</b></p>
<p>15/14</p>	<p><b>Patient Voice</b></p> <p>Before presenting this paper, Tim Kelsey acknowledged the thanks paid to his team for organising the NHS Expo event. The Board were advised that plans were already in place for the next Expo in 2015. Mr Kelsey reported that the event had provided a unique opportunity to hold a new kind of conversation with healthcare professionals and citizens.</p> <p>Mr Kelsey presented his update report to the Board drawing attention to:</p> <p><u>Health and Social care digital services</u></p> <p>Mr Kelsey advised the Board that the NHS Choices website had been launched in 2007; it had grown in demand and was now receiving up to 40 million visits per month. Mr Kelsey outlined plans to extend the service through mobile phone apps, SMS, telephone and online channels to support people to access information, provide feedback and participate in their health and care services. Mr Kelsey confirmed that further update reports would be brought to future meetings.</p> <p><u>NHS Citizen programme</u></p> <p>Mr Kelsey outlined the programme to enable citizens to hold the Board to account to deliver real improvements in outcomes for patients.</p>

Lord Adebawale reported that the NHS Citizen programme had been officially launched on the community stand at the NHS Expo earlier in the week. 100 people had attended the launch, enabling an open conversation directly with members of the public about what really matters to them. Lord Adebawale explained that he wanted to see the initiative at the heart of the culture of NHS England and to be reflected at the next Annual General Meeting. Ciaran Devane explained that this initiative provided a real opportunity to listen to citizens' stories of their experiences and to make changes to services.

The Board received assurances that the citizen assemblies included young people and the elderly.

Tim Kelsey introduced a short film to the Board in which patients and citizens described in their own words their concerns and experiences in data sharing.

#### Care.data

Mr Kelsey outlined the background to the Care. Data project noting that in order to shape and improve services in the future it was necessary to have access to accurate data about out of hospital care.

Mr Kelsey acknowledged the concerns raised regarding the safeguards in place and confirmed that a decision had been taken to delay implementation for six months. Mr Kelsey outlined the four key areas of concern:

- the need for clear transparency regarding safeguards for who will be able to access the data and how it will be used;
- clearer explanation of the opt-out processes;
- improved quality of the public information campaign; and
- liaison with the British Medical Association, Royal College of GPs and with GPs themselves, to provide information and support to patients.

The Board were advised that there would be changes to the legislation to safeguard information. There would be a statutory basis to deal with applications to access data; these applications would be considered by an independent body. In addition there would be a statutory right for patients to opt out of having their data made available. Mr Kelsey confirmed the legislation would prescribe uses of data to health benefits, research and academia. Members wished to ensure that there would be an ability for patients to review their decisions and opt in at a later date should they wish to do so.

Mr Kelsey confirmed that work was underway to address the concerns raised, particularly around the public awareness campaign. The Board noted that Ciaran Devane would chair an oversight advisory group.

Sir Bruce Keogh confirmed that, from a medical perspective, it was vital to pursue this agenda and ensure that citizens were confident regarding the safety and quality of data. He noted that interpretation of the data would bring huge benefits to services and would expose areas of variation.

	<p>Members confirmed their support for the project and commitment to work with citizens.</p> <p><b>The Board received and noted the update.</b></p>
<b>Actions</b>	<p><b>Tim Kelsey to bring a further report on the development of the health and social care digital service to a future meeting</b></p> <p><b>Tim Kelsey to provide regular updates to the Board regarding the implementation of Care.data</b></p>
	<b>Clinical quality</b>
16/14	<p><b>Medical Revalidation</b></p> <p>Sir Bruce Keogh presented the Board with an update on risks to the successful implementation of medical revalidation. Sir Bruce advised the Board that revalidation was key to improving quality, where people can feel safe and receive effective care. He confirmed that organisations have a duty to provide the supporting infrastructure for revalidation.</p> <p>Sir Bruce outlined the background and structure of the revalidation process. It was noted that 99% of the c160,000 doctors have a link to NHS England through their responsible officer, with the remaining 1,000 linking directly to the Department of Health. NHS England had identified a number of responsible officers to deliver the programme:</p> <ul style="list-style-type: none"> <li>• first tier – 27 responsible officers within area teams responsible for doctors in primary care;</li> <li>• second tier – four responsible officers at regional level responsible for their area teams and provider organisations; and</li> <li>• third tier – National Medical Director responsible for the four regions, NHS Litigation Authority, NHS Trust Development Authority and Health Education England.</li> </ul> <p>Sir Bruce described the risks to the programme; it was agreed that there was a need to ensure that there was sufficient capacity to deal with the very significant volume of appraisals and to ensure that a consistent approach was in place across England. The Board acknowledged the support required for area teams and regions.</p> <p>In response to questions from members, Sir Bruce confirmed that it is the responsibility of doctors to ensure that they are revalidated in order to continue to practice.</p> <p><b>The Board thanked Sir Bruce and noted his report</b></p>
<b>Action</b>	<b>Sir Bruce Keogh to provide six monthly progress reports to the Board</b>
	<b>Planning and Strategy</b>
17/14	<b>Integration – Better Care Fund</b>

	<p>Jane Cummings presented the report in Mr McCarthy's absence, setting out the approach to the implementation of the Better Care Fund, within the context of wider work to promote integration of services. Ms Cummings drew the Board's attention to the definition of integrated care co-developed with National Voices.</p> <p>The Board were advised that there were four broad elements to the work associated with the duty to promote integration and to build a modern system of integrated care and support.</p> <p><u>Local integration pioneers programme</u></p> <p>It was noted that the programme had been established in May 2013. 14 of the most innovative and committed localities across the country had been selected to be pioneers. A range of tools and techniques were being developed to support health and social care services to work together, to provide better support at home and earlier treatment in the community, to prevent people needing emergency care in hospital and care homes.</p> <p><u>Strategy planning process</u></p> <p>Ms Cummings outlined strategy process and planning guidance which identified the six characteristics of any high quality, sustainable health and care system. This would help to ensure that CCGs would be able to focus on building services around the patient.</p> <p><u>The Better Care Fund</u></p> <p>It was noted that a £3.8bn fund would be established in April 2015 to ensure closer integration. Ms Cummings reported that there was no new money for the Better Care Fund and much of it would be re-invested from existing NHS services.</p> <p>Members noted that the fund would be allocated on the basis of robust local plans jointly agreed by councils and CCGs, and signed off by Health and Wellbeing Boards.</p> <p>The Chairman acknowledged the opportunities provided by the Better Care Fund but also drew attention to the potential risks. It was agreed that there would be regular tracking reports submitted to the Board.</p> <p>Members supported the direction of travel recognising this provided an excellent opportunity to integrate services around the patient. However concerns were expressed that, whilst NHS England remained accountable for use of the fund, local Health and Wellbeing Boards would be responsible for agreeing its application. Ms Cummings confirmed that there would be a clear framework of expectations and significant central oversight of the fund.</p> <p><b>The Board welcomed the report and required regular reports to future meetings</b></p>
<b>Action</b>	<b>Bill McCarthy to bring regular tracking reports to the Board</b>
18/14	<b>Emergency preparedness, resilience and response (EPRR)</b>

	<p>Dame Barbara Hakin provided an update on the actions since the last report to the Board in February 2013. Dame Barbara took the Board through the annual assurance process. It was noted that overall, good assurance had been gained via the processes undertaken in each region and area.</p> <p>The Board were advised that in an emergency situation, NHS England would assume a command and control function. Dame Barbara reported that there were prescriptive escalation processes in place.</p> <p>Dame Barbara outlined the work programme for emergency preparedness in 2014/15.</p> <p><b>The Board noted the progress with the implementation of the EPRR model and received assurance that NHS England and the NHS in England is in a state of full preparedness to respond to emergencies and the necessary resilience to be able to continue to provide safe patient care.</b></p>
	<b>Board Committee Feedback</b>
19/14	<p><b>Efficiency Controls Committee</b></p> <p>The Board noted the report submitted by Paul Baumann. Mr Baumann confirmed work was on-going with the Department of Health to try to reduce the current level of administrative burden associated with procurement.</p>
20/14	<p><b>Finance and Investment Committee</b></p> <p>The Board noted the report submitted by Dame Moira Gibb.</p>
21/14	<p><b>Business Planning Committee</b></p> <p>The Board noted the report of the Business Planning Committee. The Board noted the on-going discussions regarding the budget and the likelihood that there would be a need for variation in-year.</p> <p>The Board delegated formal responsibility to sign off the Business Plan to the Business Planning Committee.</p>
22/14	<p><b>Directly Commissioned Services Committee</b></p> <p>The Chairman presented the report of the Committee, drawing attention to the particular challenges and need to contain expenditure in the area of specialised commissioning, which would continue to receive focused attention.</p> <p>The Board noted and received the report.</p>
23/14	<p><b>Audit Committee</b></p> <p>Ed Smith, Deputy Chairman, presented the report of the Audit Committee, drawing attention to the year-end processes which were reliant on CCGs working to the timescale and standards required. Mr Smith reported that</p>

24/14	<p>there had been useful meetings held with CCG Audit Committee Chairs; further workshops would be in held in September 2014.</p> <p>The Board were advised that good progress was being made in relation to resolving the legacy balances issue.</p> <p>Mr Smith confirmed that the Committee had received the results of the internal audit review of the complaints function. It was noted that there had been an under-estimation of the volume of complaints coming into the centre and that the process had needed to be re-engineered. There would be a need for a new technical platform to deliver a fully fit for purpose solution in the future, which was subject to a business case for funding in 2014-2015.</p> <p>The Board noted and received the report.</p> <p><b>CCG Authorisation and Assurance Committee</b></p> <p>Lord Adebowale presented the report, highlighting that the minutes relating to Midlands and East should refer to Herefordshire. The Board noted that following Naguib Kheraj's departure, a further non-executive director was needed to complete the Committee membership.</p> <p>The Board noted that the focus of the Committee was now on assurance of CCGs, together with discussions around potential mergers and partnerships.</p> <p>The Chairman confirmed that the process of recruiting non-executive directors was underway and the Board noted and received the report.</p>
25/14	<p><b>Quality and Clinical Risk Committee</b></p> <p>Sir Cyril Chantler presented the report of the last two meetings of the Committee drawing attention to the following areas:</p> <p>Medical revalidation – the Committee had discussed the importance of revalidation with regard to improving quality of services. The Committee had been assured that actions were being taken to secure resources to support the process;</p> <p>Patient safety collaborative – the Committee welcomed the introduction of the collaborative;</p> <p>Board assurance framework (BAF) – the Committee had received an update on the BAF. Sir Cyril confirmed that the Committee would be responsible for seeking assurance on those actions that were led by the Chief Nursing Officer and National Medical Director. He reported that the Committee would also review those risks that could impact on patient safety. The Committee had recommended that the relationship between NHS England and professional bodies should be reflected in the BAF;</p> <p>Complaints – the Committee had expressed concerns regarding the complaint risk highlighted in the BAF and welcomed the review by the National Quality Board;</p> <p>Measurement of improving quality – the Committee had debated how improvement in quality is measured and the importance of understanding</p>



	<p>the quality of services being commissioned; and</p> <p>Quality Surveillance Groups (QSG) – the Committee had received the report of the Midlands and East QSG. The Committee agreed that these groups were an important part of the quality assurance process and provided important links between area, region and national level.</p> <p>The Board received and noted the report.</p>
	<p><b>Performance and assurance</b></p>
<p>26/14</p>	<p><b>Performance report</b></p> <p>Paul Baumann presented the update report, drawing attention to the overall summary of performance against the 11-point scorecard. Mr Baumann invited National Directors to update the Board in relation to specific priorities.</p> <p><u>Priority One – satisfied patients</u></p> <p>Jane Cummings highlighted the increased numbers of respondents to the Friends and Family Test which provided feedback at a granular level. This had led to an increase of 'you said we did' data available in hospital trusts. Mr Kelsey reported that to-date there had been 1.8m responses received through the Friends and Family Test. He reported that the initiative would be extended to general practice in December 2014 and to all funded contracts in 2015.</p> <p>Ms Cummings outlined the work-plan for 2014/15 in relation to improving patient satisfaction, including:</p> <ul style="list-style-type: none"> <li>• a CQUIN for early adoption in areas not using FFT;</li> <li>• work to increase response rates;</li> <li>• planning guidance would require plans to be developed to address poor performance;</li> <li>• the National Team would be working with area teams and regions to help develop those plans;</li> <li>• a lead had been identified to look at support for children and young people and vulnerable people; and</li> <li>• revision of the FFT guidance to focus on how to deliver improvements.</li> </ul> <p><u>Priority Five – helping people to recover from episodes of ill health or following injury</u></p> <p>Mr Baumann reported that provisional data were available in the report. It was noted the data did not show any significant change at this point.</p> <p>Sir Bruce Keogh advised that England was the only country using Patient Reported Outcome Measures (PROMS) on a large scale. This enables patients to report outcomes in a structured way.</p> <p><u>Priority seven – treating and caring for people in a safe environment and</u></p>

protecting them from avoidable harm

Mr Baumann reported that MRSA was showing as a red indicator, whilst C. difficile infections was showing as green. There had been significant improvements in the infection rates in both cases. The Board were advised that a single incidence of MRSA would automatically trigger a red rating.

Priority nine – NHS constitution and rights

Dame Barbara Hakin drew the Board's attention to the national performance against standards data. The Board noted the performance against the 95% target for patients waiting less than four hours recognising that this was the most difficult quarter of the year.

The Board noted concerns that Category A ambulance response times had not been achieved for the last three months; in addition the Category 2 standard had not been met in December 2013. Dame Barbara assured the Board that significant work was underway to support Trusts in improving performance.

The Board were advised that there continued to be improvements in NHS 111 performance in relation to the speed of answering calls and levels of patient satisfaction. Dame Barbara confirmed that all areas were now covered by the 111 service and that contracts had been transferred to the step-in providers. The Board were assured that contingency plans were in place to deal with the extended Easter bank holiday period.

The Board noted that the referral to treatment targets had been met but that performance had fallen for the third consecutive month. Dame Barbara confirmed that NHS England was working closely with Monitor and the NHS Trust development Authority to support trusts.

Priority ten – becoming an excellent organisation

Jo-Anne Wass referred to the discussion at the previous Board meeting regarding the outcome of the second staff barometer. The Board were advised that a further barometer survey would be undertaken in April 2014, which would report in June 2014.

Priority eleven – high quality financial management

Paul Baumann took the Board through the financial report for month nine. It was noted that the full year forecast surplus before risk adjustment had increased by £14m to a full year surplus of £168m (0.2%) above plan. Mr Baumann explained that the largest movements in the full year position had been a £(60)m worsening in direct commissioning (including a £(64)m adverse movement in specialised) netted off by a £28m improvement in CCGs.

Mr Baumann drew the Board's attention to the surplus forecast. It was noted that the forecast had been 'risk adjusted' resulting in a forecast adverse variance of £(93)m against the planned surplus. Mr Baumann explained the impact of Treasury rules on depreciation and provisions and the estimate of legacy balances on the overall planned surplus. He provided an update on the legacy estimate which indicated a significant improvement in the bottom

	<p>line impact which would be reflected in the next report to the Board.</p> <p>Mr Smith thanked Mr Baumann for his report reflecting that the Annual Governance Statement which would be included in the annual report would give an honest reflection of where the organisation was and would take into account the position of CCGs.</p> <p><b>The Board noted the update</b></p>
27/14	<p><b>Board assurance framework (BAF)</b></p> <p>Dame Barbara Hakin presented the report highlighting the changes in risk levels. It was noted that there had been a reduction of the scores for two risks; the urgent care demand risk and the transition transfer of assets and liabilities risks. Dame Barbara reported that the activity control risk had increased in relation to the likelihood of the risk materialising. The Board were assured that additional mitigating actions had been identified to manage the risk.</p> <p>The Board noted that the risks would be carefully mapped to the new model for the BAF.</p> <p><b>The Board noted the updated report</b></p>
28/14	<p><b>Review of Winter performance</b></p> <p>Dame Barbara Hakin presented a review of the overall performance during the winter period. The Board commended front-line staff for their commitment to maintaining high quality services during this difficult period.</p> <p>Dame Barbara confirmed that a weekly winter health check was published on a weekly basis, and that sit reps would continue through March 2014.</p> <p>The Board received assurances that work was underway in partnership with voluntary and independent sector to plan for next winter.</p> <p><b>The Board noted the report.</b></p>
29/14	<p><b>Any other business</b></p> <p>The Chairman reported that Jo-Anne Wass had taken a secondment opportunity to take up a post at the University of Leeds. Sir Malcolm acknowledged Ms Wass' contribution to the establishment of NHS England, particularly in relation to transitioning staff into the new organisation, ensuring it was fit for purpose, and ensuring staff were in post, well supported and paid on time. He commented that Ms Wass had made an outstanding contribution to vital areas, including organisational development, setting the tone and style of the new organisation.</p> <p>Sir Malcolm also reported that this would be Sir David's last Board meeting as Chief Executive. He reflected that Sir David had been appointed as Chief</p>

	<p>Executive of the NHS in 2006, and had worked with five secretaries of state. Sir Malcolm paid tribute to Sir David's work: for 18 months he had undertaken two demanding roles, assuming responsibility for setting up NHS England and ensuring it was fully fit for purpose from April 1, 2013, while still being responsible for the performance of the NHS under its old structure. He had led the move to a new model of commissioning, with the potential of being transformative of healthcare provision in England and transcending political timelines, so as to secure a sustainable NHS for all, for now and for future generations.</p> <p>Sir David thanked the Board for their kind wishes. He stated that it had been a privilege to work in all levels of the NHS over the last 36 years, through some difficult periods, to deliver changed services and changes to how the system worked. He believed the new organisation was committed to the values and principles of the NHS.</p>
Date of next meeting	15 May 2014, London