

## NHS England

### Minutes of the Board meeting held in public on 15 May 2014 at NHS England, Southside, 105 Victoria Street, London

#### Present

- Professor Sir Malcolm Grant Chairman
- Mr Simon Stevens – Chief Executive
- Lord Victor Adebawale – 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
- Mr Tim Kelsey – National Director: Patients and Information
- Ms Rosamond Roughton – Interim National Director: Commissioning Development
- Ms Karen Wheeler – National Director: Transformation and Corporate Operations
- Mr Bill McCarthy – National Director: Policy

#### Apologies

- Sir Bruce Keogh – National Medical Director

#### In attendance

- Mr Jon Schick – Head of Governance and Board Secretary

The Chairman welcomed Simon Stevens, Chief Executive Officer and Karen Wheeler, National Director: Transformation and Corporate Operations to the meeting. It was noted that Sir Cyril Chantler would join the meeting to report as Chairman of the Quality and Clinical Risk Committee.

Item	
30/14	<b>Declarations of interest in matters on the agenda</b>
	There were no declarations of interest in the matters to be discussed
31/14	<b>Minutes of the previous meeting</b>
	Minutes of the 7 March 2014 meeting were accepted as an accurate record.
32/14	<b>Chief Executive report</b>
	Simon Stevens thanked the patients, carers and staff who had taken the time to meet with him in his first months at NHS England to share their views and experiences. He reflected that there was a good deal of work to be proud of,

whilst recognising the challenges going forward. Mr Stevens continued by presenting his report, drawing attention to the following areas:

Commissioning performance – against a backdrop of significant improvements in waiting times for routine surgery over the last decade, the vast majority of patients being seen and treated within 18 weeks, urgent action was needed between CCGs and providers to ensure this standard continued to be met.

Better Care Fund – Mr Stevens reported that local detailed plans were being developed. NHS England was working with partners to ensure:

- a rigorous review of the local plans;
- acute hospitals were engaged with the planning process;
- proper financial risk sharing; and
- CCG accountable officers attest that the investments are an appropriate use of public money.

In response to questions from members, Mr Stevens confirmed the fund would enable Health and Well-Being Boards to invest differently in services, including mental health services.

Co-commissioning of primary care – The Board were advised of the potential for a unified population-based approach to spending. No arrangements would be recommended to the Board unless and until there were transparent and fair governance arrangements in place, in particular safeguards against conflicts of interest.

Five year forward view – Mr Stevens confirmed that following NHS England's Call to Action last year, CCGs and health care providers had been asked to develop their five year outline plans. It was noted that Mr Stevens would say more on this in his speech to the NHS Confederation.

NHS England – Mr Stevens reflected on the successes of the organisation in its first year of operation, recognising the views from stakeholder, CCG and staff surveys. As the organisation moved into its next phase, he had asked Karen Wheeler and Ros Roughton to lead a review of organisational structure, management processes, core commissioning capabilities and focus of effort. Mr Stevens reported that Bill McCarthy, National Director: Policy would shortly be leaving the organisation; he intended to appoint two new National Directors; Commissioning Strategy Director and Director of Specialised Commissioning.

Transparency – it was noted that as part of NHS England's commitment to openness and transparency, National Directors' meetings with non-NHS/non-public sector organisations would be published on a quarterly basis from now onwards, using a similar approach to that adopted by government departments. The Chairman welcomed the commitment. He commented on recent media reports regarding expenses reflecting that, as a national organisation, the National Directors need to engage with staff, patients and providers across the country, not just from centrally located offices. He confirmed that publication should not inhibit these ways of working.

	<p>Mr Stevens reported that a 12 week consultation would shortly be launched in relation to choice of mental health service provider. Lord Adebawale confirmed that one strand of the Parity of Esteem work related to mental health services for children and young people, and commented that there was currently no parity of response in relation to crisis response times.</p> <p>Lord Adebawale referred the Board to Roger Kline's recent report 'Snowy White Peaks'. Mr Stevens commented on the governance of Trusts and the need for leaders of organisations to be better connected to the population being served.</p> <p><b>The Board received and thanked the Chief Executive for his report.</b></p>
33/14	<p><b>Patient Voice</b></p> <p>Tim Kelsey presented an update of activities over the previous year and looked ahead to some of the programmes being taken forward in 2014/15. Mr Kelsey took the Board through the report, drawing attention to the following:</p> <p><u>Transparency and data</u> – it was noted that consultant level data had been published for ten surgical specialties in summer 2013. There was a commitment to increase this to 13 specialties later in the year.</p> <p><u>Care.data</u> – in acknowledgement of the concerns raised by patients, clinicians and the public, a decision had been taken in February 2014 to defer extraction of GP data. Mr Kelsey advised the Board about legislative changes to increase the protection of confidentiality and ensure greater transparency around the release of data by the Health and Social Care Information Centre (HSCIC). In conjunction with stakeholders, a phased roll out of the data extraction to begin in autumn had been proposed. This would be evaluated and refined in advance of a national roll out.</p> <p>Mr Devane, chair of the independent care.data advisory group, confirmed that stakeholders supported the implementation with appropriate safeguards in place. The advisory group was engaging with patients and patient organisations regarding the scope of the programme now and into the future. There would be a series of workshops held around the country between now and the autumn.</p> <p>In response to questions, Mr Devane confirmed that information regarding who had requested access to data and how data were used would be published.</p> <p><u>Patients online and in control</u> – Mr Kelsey outlined the vision for all citizens to have free online access to their health records by 2015. Negotiations were underway with the software industry for new standards to be developed to make this happen. Work was underway with the Tinder Foundation to support 80,000 people to improve their online skills and to get better access to services. In response to a question from the Chairman, it was confirmed that currently GPs may still charge for patients receiving paper copies of their health records.</p>

	<p>Mr Kelsey drew the Board's attention to the announcement made the previous day regarding the £240m Integrated Care Technology Fund.</p> <p><u>Friends and Family Test (FFT)</u> – it was noted that since its introduction, over two million people had provided feedback to the NHS on services they had received. The Board noted some of the changes made by Trusts in relation to feedback. Mr Kelsey reported that the test would be rolled out to GP practices by the end of December 2014, and that a staff FFT would be introduced.</p> <p><u>Personal health budgets</u> – it was noted that the personal health budgets for people who are eligible for NHS Continuing Healthcare would be offered from October 2014.</p> <p><u>NHS Citizen</u> the Board noted the activities and workshops under way to develop the model for the NHS Citizen programme, designed to bring the diversity of citizens' voices and views into the heart of NHS England's decision making. The Board acknowledged the culture shift in the NHS embodied in this work, with the principles needing to be embedded across the organisation.</p> <p><b>The Board acknowledged the work underway and thanked Mr Kelsey for his report.</b></p>
34/14	<p><b>Performance report</b></p> <p>Karen Wheeler presented the report noting the format had been reviewed to provide the Board with a more succinct outline of performance against Mandate goals for 2013/2014. Further work was underway to provide a dashboard of metrics and measurements to inform the Board's consideration of performance at its future meetings.</p> <p>Ms Wheeler drew the Board's attention to NHS England's performance in relation to customer service. There had been improvements in response times but further progress was still required.</p> <p>Dame Barbara Hakin took members through the performance data against NHS Constitution standards. Although the four hour target for 95% of patients to be seen and treated in A&amp;E had been met in each quarter of the year, further work was underway to support the ongoing position and to support ambulance services in achieving the required response times. The Board acknowledged the hard work of front line staff in continuing to provide a high quality service in times of increasing demand.</p> <p>The Board noted the standard of 18 weeks for referral to treatment had been missed at the end of 2013-14. Dame Barbara highlighted that there had been a significant increase in demand for planned elective treatment. The Board received assurances that work was underway with local organisations to improve performance; however the impact was not likely to be seen for several months.</p> <p>Dame Barbara confirmed that there had been a significant reduction in the number of mixed-sex breaches, cancelled operations and waiting times.</p>

	<p>The Board were advised information on IAPT and dementia would be included in future reports once information flows had been improved.</p> <p>Ms Cummings updated the Board on actions being taken in response to the Winterbourne View report. It was noted that the second quarterly data collection up to 31 March 2014 would be published shortly. The Board were advised that there had been some improvements, but not as great as expected.</p> <p>Ms Cummings outlined the progress made in respect of the number of in-patients with planned transfer dates and named advocates, and described action taken to strengthen the programme governance with key stakeholders. Options to bring people together and deliver the required outcomes were being considered and a further report would be brought to a future meeting. Lord Adebawale confirmed that there was a willingness amongst not for profit organisations to support this work. The Chairman requested an update to be brought to each Board meeting, and a proposal from the Deputy Chairman that a brief note be prepared on the organisational learning from Winterbourne View implementation was also supported.</p> <p>The Board welcomed the revised format of the report but acknowledged that in some areas the data were 9-12 months old. Mr Stevens confirmed that action was being taken to quantify proxy measures more tangibly.</p> <p><b>The Board noted the update performance report</b></p>
<b>Action</b>	<p><b>Review of options to implement the Government’s response to the Winterbourne View report to come to a future Board meeting</b></p> <p><b>To consider how the performance report can quantify more tangibly impact on outcomes, concentrating on which key measures need to be tracked</b></p> <p><b>Brief note on organisational learning from Winterbourne View and what that means for other future work we may take on</b></p>
35/14	<p><b>Consolidated 2013/14 Financial Report</b></p> <p>Paul Baumann presented the report updating the Board on the consolidated 2013/14 financial results across all commissioners. It was noted that the report was based on the final accounts for NHS England and all CCGs, which were currently undergoing external audit.</p> <p>The Board noted that the planned expenditure for 2013/14 via the Mandate from Department of Health had been £94.7bn. Actual expenditure was reported as £94.5bn, 0.3% favourable to plan.</p> <p>Mr Baumann drew the Board’s attention to the following areas of the report:</p> <ul style="list-style-type: none"> <li>• <u>CCGs</u> –overall, CCGs had delivered to plan with a 0.1% underspend against allocation. However, there had been significant variation between individual CCGs.</li> </ul>

	<ul style="list-style-type: none"> <li>• <u>Direct Commissioning</u> – the Board were advised that there had been an overspend of £(347)m or (1.3)% of allocation. The most significant driver for this had been specialised commissioning activity growth and issues around budget baselines following disaggregation of PCT budgets.</li> <li>• <u>Admin costs 2013/14</u> – it was noted that NHS England and CCGs had underspent by £230m against admin budgets. This predominantly reflected organisations being in start-up mode for a large part of the year and the availability of non-recurrent monies, which would not be available in 2014/15.</li> </ul> <p>The Board acknowledged the hard work of staff to achieve the timetable for producing the annual accounts.</p> <p><b>The Board noted the report.</b></p>
36/14	<p><b>2014/15 Commissioning Round - update</b></p> <p>Simon Stevens introduced the report which set out the current position with regard to the 2014/15 commissioning cycle and the proposed next steps. Mr Stevens outlined the pressures for 2014/15.</p> <p>It was noted that, overall, CCGs had 393 contracts with providers, and area teams had 291 contracts for specialised commissioning. The Board noted the progress made against the contract tracker, recognising that a small number were anticipated to go to arbitration.</p> <p>It was noted that significant progress had been made over recent weeks with regard to specialised commissioning. Dame Barbara reported that £400m drawdown had been allocated to specialised services, with the ten area teams having been informed of their revised allocations. The Board were advised that area teams were continuing to work with providers to agree contracts.</p> <p>Mr Baumann explained that the £400m drawdown had been applied to areas with the greatest financial need, noting that the priority had been given to specialised commissioning this year, in recognition of the particular pressures in this area. All other areas were required to work to their allocation and produce balanced plans.</p> <p>The Board noted the on-going work with the 11 challenged health economies.</p> <p><b>The Board noted the report, commending the work undertaken to get the significant proportion of contracts in place. Members asked to receive regular reports regarding the management of financial risks.</b></p>
<b>Action</b>	<b>To bring back updates to the Board on use of drawdown and implications for future years, as part of regular updates on management of financial risks (including specialised commissioning)</b>
37/14	<b>Adoption of new Board Assurance Framework 2014/15</b>

	<p>Simon Stevens introduced the draft revised Board Assurance Framework (BAF), which provided a revised list of strategic risks, and also marked the closing of the 2013/14 BAF. It was noted that the BAF was presented in a revised format for the Board's approval. The BAF was under development and members were asked to consider how risks were calibrated and how they may be grouped in the future.</p> <p>Ed Smith reported that the BAF had been discussed and supported at the Audit Committee, shared with colleagues at the Department of Health, and that internal auditors had commended the NHS England's transparent approach in publishing the document.</p> <p>Dame Barbara Hakin assured the Board that the high level risks were receiving attention and that the BAF was used as a management tool to identify risks and manage mitigating actions.</p> <p>Karen Wheeler reported that she would be taking over management of the BAF and assured members that the BAF would continue to be developed as a management tool and would actively be used in the management process.</p> <p><b>The Board noted the report.</b></p>
<b>Action</b>	<b>To further develop and refine the BAF for presentation to subsequent Board meetings</b>
	<b>Board Committee Feedback</b>
38/14	<p><b>Audit Committee</b></p> <p>Mr Smith presented the report from the Audit Committee confirming that actions were in place to develop the Annual Report and Annual Governance Statement.</p> <p>The Board noted and approved changes to the Standing Financial Instructions.</p> <p>The Board noted and agreed proposed changes to the terms of reference for the Committee.</p>
39/14	<p><b>Business Planning Committee</b></p> <p>The Board received the report of the Business Planning Committee, noting the rigorous process that had been undertaken to sign off the Business Plan at the end of March 2014. The Board agreed there was no capacity for additional commitments given the significant scale of ambition in the plan. It was noted that the Board would receive assurance reports over the coming year.</p>
40/14	<p><b>Commissioning Support Committee</b></p> <p>Dame Moira Gibb presented the report of the Committee meeting held on 17</p>

41/14	<p>March 2014. Dame Moira commended the hard work of staff in CSUs. The Board were advised that the lead provider framework had been well received by CSUs.</p>
42/14	<p><b>Authorisation and Assurance Committee</b></p> <p>Lord Victor Adebawale presented the report noting that the Committee was moving into assurance rather than authorisation. Dame Barbara Hakin drew attention to the work in progress to develop the assurance framework, noting the need to focus on delivery of outcomes, not just assurance of process.</p>
43/14	<p><b>Efficiency Controls Committee</b></p> <p>The Board noted the update from the meetings of the Efficiency Controls Committee meetings.</p>
44/14	<p><b>Finance and Investment Committee</b></p> <p>The Board noted the update from the meetings of the Finance and Investment Committee meeting.</p>
45/14	<p><b>Quality and Clinical Risk Committee</b></p> <p>Sir Cyril Chantler joined the Board to provide an update on the work of the Committee. He reported that there had been an interesting discussion with Internal Audit, noting the parallels between good risk management and continuous improvements in the NHS.</p> <p>The Committee had discussed the actions being taken to provide clarity regarding the complaint processes. Action was being taken to ensure there was a clear and rigorous response to complaints received. Mr Stevens said that work was needed across the NHS to ensure the complaints process worked better for patients.</p> <p>The Committee had expressed concerns that responsibility for primary care was fragmented and questioned whether this could be simplified. Sir Cyril reported that the Committee had therefore strongly welcomed proposed moves towards co-commissioning with CCGs.</p> <p>It was noted that three patient representatives had been appointed to the Committee.</p> <p><b>CHD task and finish group</b></p> <p>Bill McCarthy presented the report, noting that all papers and minutes for the group were publicly available through the website. Mr McCarthy expressed his thanks to families and charity groups for their involvement, helping to shape the work and standards being developed.</p> <p>The Chairman noted that this would be Bill McCarthy's last Board meeting for NHS England, took the opportunity to congratulate Mr McCarthy on his appointment as Deputy Vice Chancellor at the University of Bradford and thanked him for his major contribution to the development of NHS England.</p>



Action	<b>Work over the medium term to ensure that the complaints system across the NHS works better for patients</b>
46/14	<p><b>Transforming primary care support services</b></p> <p>Dame Barbara Hakin took members through the nature of the services provided by primary care support services, noting that 20% were already outsourced, the remaining 80% having been transferred to NHS England from PCTs.</p> <p>The Board were assured that work had been undertaken to fully scope the services and consider how they could be delivered to best support providers and provide best value for money for tax payers. The Board acknowledged this had been a difficult time for staff providing this vital service for a number of years.</p> <p>Dame Barbara confirmed that alongside the reforms, it had been a requirement to reduce admin costs in primary care services by 40% so any solution would mean a reduction in sites and staff numbers. At the end of 2013 the Board had been advised that an existing provider, SSCL had submitted a bid to provide this service. Members were advised that an analysis of the options would take place in the private session of the Board due to the commercially sensitive nature of the information, the public disclosure of which being likely to worsen the savings available for taxpayers.</p> <p>The Chairman acknowledged the work that had been undertaken and reported that he had earlier met with Nick Bradley of Unison to discuss the concerns raised. Sir Malcolm had shared Mr Bradley's letter outlining those concerns with members of the Board in advance of today's meeting.</p> <p>The Board reiterated their commitment to the key principles central to the process as described in the report.</p> <p>Members acknowledged this was a difficult time for affected staff and it had taken longer than originally envisaged to reach a decision. Dame Barbara reported that whilst the vast majority of information had been received, there remained some outstanding issues which needed to be resolved before a final decision could be taken.</p> <p><b>The Board noted the update and confirmed that this matter would be subject to further debate in the private session</b></p>
47/14	<p><b>Any other business</b></p> <p>No further matters of business were raised.</p>
Date of next meeting	3 July 2014, Birmingham

Representatives of the press and members of the public were asked to withdraw from the remainder of the meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest. (Section 1 (2) Public Bodies Admission to Meetings Act 1960)