NHS England

Minutes of the Board meeting held in public on 19 September 2014 at Boardroom floor 4, NHS Southside, 105 Victoria Street, London, SW1E 6QT

Present

- Professor Sir Malcolm Grant - Chairman
- Mr Simon Stevens – Chief Executive
- Mr Ed Smith – Non-Executive Director (Deputy Chairman)
- Lord Victor Adebowale – Non-Executive Director
- Professor Sir John Burn – Non-Executive Director
- Ms Margaret Casely-Hayford – Non-Executive Director
- Mr Ciaran Devane – Non-Executive Director
- Dame Moira Gibb – Non-Executive Director
- Mr Noel Gordon – Non-Executive Director
- Mr David Roberts – Non-Executive Director
- Mr Paul Baumann – Chief Financial Officer
- Ms Jane Cummings – Chief Nursing Officer
- Sir Bruce Keogh – National Medical Director
- Mr Ian Dodge – National Director for Commissioning Strategy
- Dame Barbara Hakin – National Director: Commissioning Operations
- Mr Tim Kelsey – National Director for Patients and Information
- Ms Karen Wheeler – National Director: Transformation and Corporate Operations

Apologies

- None

In attendance

- Mr Jon Schick – Head of Governance and Board Secretary
- Mr Tom Easterling – Director of the Chair and Chief Executive's Office

The Chairman welcomed everyone to the meeting and in particular two new Non-Executive members of the Board, Sir John Burns and Mr David Roberts, as well new National Director Ian Dodge, appointed as National Director: Commissioning Strategy.

60/14	**Declarations of interest in matters on the agenda**
	There were no declarations of interest in matters on the agenda
61/14	**Minutes of the previous meeting**
	The minutes of the meeting held on 3 July 2014 were accepted as an accurate record. There were no matters arising.

62/14	**Chief Executive's report**

Simon Stevens drew the Board's attention to key issues within his report, including:

- Progress with partners on the introduction from 2015/16 of access and waiting times standards for mental health services, with announcements to be made shortly;
- Agreement with the Department of Health (DH) to increase the budget for the Cancer Drugs Fund from £200m last year to £280m for this year and next. NHS England would be consulting on the best way to ensure the extra funding would achieve maximum benefit for patients, working with the National Institute for Health and Care Excellence (NICE), patient representatives and industry stakeholders. This would include work to ensure greater alignment of the decision processes within the Cancer Drugs Fund and NICE;
- Further progress on publication of more transparency data on NHS performance, available at www.nhs.uk/mynhs.

Mr Stevens moved on to the principal priorities for NHS England and the NHS over the next 6 months, drawing attention to the parallel work streams that would be required to support delivery over three timescales:

- The NHS needed to improve its performance on fundamental access and care standards through the remainder of the current year;
- The 2015/2016 commissioning round would require a realistic approach to address the challenges that would be facing us next year; and
- Whilst managing delivery over the immediate term, that could not be at the expense of longer term discussion about the future. NHS England was therefore working intensively with partners on the publication of a Five Year Forward View.

Lord Victor Adebowale welcomed the work underway on access standards/waiting times standards for mental health services, a key priority for the Parity of Esteem Board, and asked for further detail on when such standards would be in place. Mr Stevens described work underway with a range of stakeholders, to identify a road map for improvement and agree a clear direction of travel towards parity of esteem on waiting time standards over the next three to five years. The importance of addressing standards for learning disability services was acknowledged.

Dame Moira Gibb welcomed the collaborative working approach that had been described by the Chief Executive between NHS England, Monitor and the TDA as there needed to be excellent alignment between the activities of the three bodies. Simon Stevens described the associated work that was being done by their three Chief Executives, who would be writing jointly to Chief Executives across the NHS to convene regional meetings during the Autumn, also including Local Authorities.

Ed Smith enquired about progress since the last meeting on arrangements for the Better Care Fund (BCF). The Board was updated on significant progress in this

	area, with strengthened programme management arrangements working with the Local Government Association and other partners. The first five local plans had been fast-tracked to obtain rapid learning, and assurance work was now underway with the remaining 146 plans to ensure they would deliver the required much better integration of health and social care. It was agreed that the Board should receive further assurance that robust arrangements were in place to ensure delivery of effective care integration and value for money at local level, before April 2015. **The Board noted the report and asked that an update providing further assurance on the BCF arrangements should be placed on a future agenda.**
63/14	**The NHS Planning round for 2015/16**
	Ian Dodge reported on the scope, timing and priorities for the NHS planning round in 2015/16. The aspiration for 2015/16 was for simpler, more useful and joined up plans to deliver three overall themes: • The main focus for planning for 2015/16 would be a refresh of the second year of operational plans already developed by the NHS for 2015/16, with clear focus on delivery of constitutional commitments and financial balance across the commissioning and provider sectors. This would require close partnership between NHS England, Monitor and the TDA. Planning for 2015/16 would also need to be effectively joined up with BCF plans already under construction. There were no proposals to introduce substantial new requirements for 2015/16 other than a commitment to introduce new mental health access standards to deliver a commitment within the current Mandate; • The NHS would need to continue to transform care through work already undertaken on local five year strategic plans, with encouragement to local systems to press on with these plans within the context of the Five Year Forward View; • Evolution of the commissioning system would continue in 2015/16, with new integrated personal commissioning arrangements, greater involvement of CCGs in specialised commissioning and co-commissioning of primary care with CCGs. In response to a question from Ciaran Devane about realism of future, it was noted that good understanding of local trends in the current year would be an essential contribution to the 2015/16 plans. **The Board noted the report.**
64/14	**The NHS five year forward view**
	Simon Stevens introduced this discussion by acknowledging that staff across the NHS and its partners had been working hard under difficult circumstances and,

whilst performance had generally held up well, there was an emerging consensus over what needed to change. Some of that change would be within the remit of NHS England and other NHS organisations, other aspects extended beyond the NHS, relying on changed relationships with communities, society and other parts of the economy. The purpose of this exercise would be to identify some of the strategic choices and different scenarios, acknowledging that some of the variables are outside of our control, and to begin a conversation about what it would take to get the NHS onto a more sustainable footing.

This paper represented conversations NHS England was having with many partners; it built upon work already done in the *Call to Action*, local planning and other extensive public engagement exercises. It provided an opportunity for the NHS to speak with one voice to inform the national debate on the future of health in this country. In discussion the Board made the following comments:

- There needed to be realism about the problem, about the solutions and realism that change takes time, resources and capability;
- There was a need to be direct, open and ambitious, and to frame the work around the health of the nation;
- The document needed to be simple, short and clear, demonstrating how we could achieve sustainable change;
- Some ambitions would take longer than others and would require co-creation of the ambitions and solutions for the future;
- Development of the strategy and its implementation locally needed to involve work with the public and front line staff to identify solutions to the questions posed in the Board paper;
- The work needed to identify the value provided by the NHS to the country as a whole – for example considering interfaces with the benefits system and education;
- There was a need to acknowledge the important role of Information Technology in identifying, analysing and influencing trends in supply and demand developed and the potential of emerging technologies and products to transform the capacity of patients for self-monitoring and self-treating.
- The importance of prevention was reinforced within the context of an ageing population. Upfront investment could result in future benefits. It was also acknowledged that co-design of prevention strategies was essential in order to address the very different prevention needs of different groups within society.

The Chairman urged a sense of realism about what could be achieved with the Forward View, which would not be a detailed top-down strategic document. Further development work would need to be undertaken to identify what was feasible and achievable over the next five years. All fifteen questions would need further design and consultation with the public, patients and the wider population subsequent to publication of the Forward View, and the executive were asked to continue the current conversations with Board members as the work

	The Board noted the report.
65/14	**NHS Performance Report**
	Dame Barbara Hakin introduced a report on NHS performance against a range of high level patient care and activity indicators over the period to the end of August 2014. She drew particular attention to performance against NHS Constitution standards to which patients were entitled. Of these, a number had not been delivered to expected standards in recent weeks. Some, such as waits within A&E, were likely to be a barometer of pressure in the system more generally, including access to primary care and/or mental health services, as well as indicators of patient flow and its impact on bed availability within hospitals. Dame Barbara described action being taken to improve performance by Monitor, TDA and NHS England, so all patients could access care meeting the appropriate standards. System resilience groups were working to reduce pressure on A&E departments and additional funding had been made available both to support urgent care and to fund additional elective activity. Where relevant, provider level recovery plans were in place. Dame Barbara emphasised the essential role of tri-partite arrangements including local authority and social care given the critical local interdependences. Sir Bruce Keogh noted that the Urgent and Emergency Care Review would inform longer term solutions for sustainable improvements to reduce pressure on A&E. Such solutions would include a greater digital offering to patients, improved access to pharmacy advice, general practitioners and enhanced use of the skills of ambulance staff. The BCF with its emphasis on more integrated care would enable more people to be cared for out of hospital. In further discussion the Board: • Were advised that detailed data identifying local variation were analysed, and that system resilience groups were targeting areas presenting the most concern; • Requested that the recent review of the Friends and Family Test (FFT) should be circulated to the Board. They heard from Tim Kelsey that lessons had been learned with, in particular, changes to the way data were published; • Asked for an update on actions taken in response to Maternity FFT results. Jane Cummings explained that most of the work was undertaken locally and through the Maternity Programme Board. Areas of concern to be addressed included providing named midwifes to ensure greater continuity of care during pregnancy, and providing more health visitors to support women after giving birth. The Board were updated on financial performance, Paul Baumann confirming that since the July meeting, balanced plans had been finalised and agreed. Expenditure had been just below plan up to month 4 (July) and was forecast to remain at or below plan by year-end. Mr Baumann drew attention to the context, with a planned reduction of £385m in the cumulative brought-forward surplus of £867m from 2013/14. He noted that QIPP performance had improved from last year but also drew attention to a number of risks in the financial position including those related to

	specialised commissioning and the Cancer Drugs Fund, as well as legacy commitments arising from continuing healthcare provisions. In addition, increasing pressure in the system was evident from commissioners, NHS Trusts and, more recently, NHS Foundation Trusts – which meant that getting the right balance of financial risk and mitigations would be very important for 2015/16 plans. Work was underway to develop further mitigating/compensating strategies and would be reported back as part of a more detailed in-depth financial stocktake at Month 6. **The Board were satisfied with the assurances received that expectations were either being met or plans were in-hand to take appropriate mitigating actions.**
66/14	**Update for the Board on the Organisational Alignment and Capability programme**
	Karen Wheeler provided an update on progress with NHS England's Organisational Alignment and Capability (OAC) programme. The programme aimed to ensure the organisation could meet its priorities and had the right capabilities to undertake its current and future work, as well as enabling savings to meet the anticipated baseline for 2015/16. Consultation would be launched on 1 October. Ms Wheeler drew attention to the risks identified in the paper and explained work being undertaken to identify final numbers of staff who may be affected by change, which would be confirmed very shortly. Non-Executive members recognised the need for the programme while expressing concern for the potential impact on staff morale and on delivery of existing organisational priorities. The Board was keen to understand how the experience of patients would be incorporated into the realignment of the organisation, whether there were any duties NHS England needed to give up, and how the control environment would be impacted by the organisational realignment. Ms Wheeler acknowledged the scale of change but noted the process was helping NHS England to focus on core tasks, work more effectively and reduce duplication. The programme would not fundamentally change the national structure of the organisation. Further work was being undertaken to provide additional assurance about objectives and risks requiring collaboration across the organisation, overseen by a programme board. Dame Barbara Hakin noted that as CCGs developed their commissioning role, the OAC programme would support reconfiguration of Area and Regional Teams, ensuring they maintained their statutory responsibilities (for example with Safeguarding Boards), prioritising their support for CCGs and helping to reduce duplication through developing a single integrated tier in the local field force. **The Board noted the report, the risks identified and discussed, and were content with the assurances that had been provided.**
67/14	**Board committee feedback**

	The Board noted reports from following committees: • Audit and Risk Assurance • CCG Assurance and Development • Efficiency Controls • Finance and Investment
68/14	**Any other business**
	No further matters of business were raised
	Date of next meeting 6 November 2014, Leeds

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)