

**NHS England**

**DRAFT Minutes of the Board Meeting held in Public  
17 December 2015  
Rooms 401 – 405, Southside, London**

**Present:**

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

**Secretariat:**

Steve Verdon	Director of Governance and Assurance
Lesley Tillotson	Deputy Board Secretary

<b>Ref</b>	<b>Minute</b>
<b>1.0</b>	<b>Welcome and Introduction</b>
1.1	The Chairman welcomed everyone to the meeting and reminded members of the public and press that, although the Board was meeting in public, it was not a public meeting.
1.2	There were no apologies for absence.
1.3	Board members were invited to declare any interests in respect of specific items on this meeting's agenda: No declarations were made, outside those previously recorded in the public register of interests.
<b>2.0</b>	<b>Minutes of Previous Meetings</b>
2.1	The minutes of the meeting held on 20 November 2015 were accepted as an accurate record. There were no matters arising.
<b>3.0</b>	<b>Chief Executive's Report</b>
3.1	The Chief Executive updated the Board, focussing on the following areas: <ul style="list-style-type: none"> <li>i. The outcome of the Spending Review announced on 25 November 2015;</li> <li>ii. The publication of the Mandate to NHS England the wider NHS, as laid before parliament on 17 December 2015;</li> <li>iii. The allocation of £560 billion of NHS spending for the period</li> </ul>

	<p>2016/17 to 2020/21, in particular highlighting the following three elements of proposed approach:</p> <ul style="list-style-type: none"> <li>a. stabilising performance, sustainability and maintaining momentum of the Five Year Forward View;</li> <li>b. local funding for primary care, Clinical Commissioning Groups (CCGs) and specialised care; and</li> <li>c. action to cut inequalities; and</li> <li>iv. Continued constructive engagement with various devolution initiatives underway around England.</li> </ul>
3.2	The Chairman thanked the Chief Executive for his report.
3.3	The Board received the Chief Executive's report.
<b>4.0</b>	<b>Strategy for Allocations to Support Delivery of the <i>Five Year Forward View</i> in 2016/17</b>
4.1	The Chairman introduced the report, acknowledging the enormous magnitude and complexity, and the substantial implications for the population of England. For that reason he noted that all directors had been involved in the development of the proposals up to the point of their finalisation and presentation to the Board. The Chairman reminded the Board of the requirement to ensure that the decisions they were about to take should advance the objectives of the Five Year Forward View and NHS England's other documented priorities and commitments.
4.2	<p>Paul Baumann, Chief Financial Officer, talked the Board through the various elements outlined within the paper, further acknowledging the complexity, and reminding the Board that decisions taken today must stand the test of time, as these are choices for the next five years rather than only one or two years as in previous allocation discussions.</p> <p>Mr Baumann thanked the wider allocations steering group, the finance working group and the NHS England allocations team for their hard work and commitment to turning the settlement announced as part of the Spending Review on 25 November 2015 into a complex set of proposals for discussion today.</p>
4.3	<p>Mr Baumann outlined the proposals set out in the paper, and informed the Board that, if these were to be accepted, they would enable NHS England to use the Spending Review funding to achieve:</p> <ul style="list-style-type: none"> <li>i. Greater equity of access through pace-of-change: <ul style="list-style-type: none"> <li>a. in 2016/17 all CCGs will be no more than 5% under target for CCG commissioned services;</li> <li>b. in 2016/17 all CCG areas will be no more than 5% under target for the total commissioning streams for their population; and</li> <li>c. a three year transition to a similar position for primary medical care allocations.</li> </ul> </li> <li>ii. Closer alignment with population need through improved allocation formulae: <ul style="list-style-type: none"> <li>a. a new inequalities adjustment for specialised care and more sensitive adjustments for CCGs and primary care; and</li> <li>b. a new sparsity adjustment for remote areas.</li> </ul> </li> <li>iii. Faster progress against our strategic goals through: <ul style="list-style-type: none"> <li>a. a higher funding growth for GP services and for mental health; and</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>b. the introduction of a Sustainability and Transformation Fund, with a focus in 2016/17 on re-stabilising the NHS and a priority in subsequent years of accelerating transformational investment.</li> <li>iv. Stronger long-term collaboration between commissioners and providers, stimulated and supported through: <ul style="list-style-type: none"> <li>a. a shared strategic planning approach, supported by visibility of projected commissioning resources by locality for the next five years, couple with forward guidance on key tariff parameters in the planning guidance;</li> <li>b. aligned incentives for effective integrated strategic planning; and</li> <li>c. opportunities to pilot shared financial control totals.</li> </ul> </li> </ul>
4.4	<p>After some discussion, the Board agreed:</p> <ul style="list-style-type: none"> <li>i. the proposed allocation of funds between areas of commissioning spend including the establishment of a Sustainability and Transformation fund;</li> <li>ii. the proposed approach to allocation of funding within CCG, primary care and specialised commissioning streams;</li> <li>iii. the proposed approach to pace of change; and</li> <li>iv. the proposals set out in the paper with regard to integrated planning, shared financial targets and accelerated funding realignment between CCGs.</li> </ul>
<b>5.0</b>	<b>NHS England Mandate and planning guidance</b>
5.1	The Chairman introduced this report, noting that the new Mandate reflects the Five Year Forward View, includes a stronger focus on the long term objectives for 2020, and sets objectives for the wider NHS system, including other Arms' Length Bodies.
5.2	<p>Ian Dodge, National Director: Commissioning Strategy spoke to the paper, highlighting that the new Mandate will emphasise local system leadership and the primacy of planning by place rather than by individual institution as in previous planning rounds.</p> <p>It was noted that there would be an expectation of two plans in this round: the first a strategic, whole system Sustainability and Transformation plan for the period October 2016 to March 2021, which will be agreed by both NHS England and NHS Improvement in July 2016 and which is intended to be the local blueprint for delivering the Five Year Forward View and achieving financial sustainability; and the second plan, an operational plan by individual organisation for 2016-17.</p> <p>It was further noted that, in regard to planning, there would be a short list of national requirements for 2016-17, which will be set out in the near future.</p> <p>Mr Dodge also confirmed that work was currently underway with CCGs and other stakeholders to align the way in which CCGs, and indeed local health systems, are assessed - through a revised local health system improvement and assessment framework previously referred to as a CCG scorecard - with plans to consult on this work in January 2016.</p>
5.3	Following discussion, the Board endorsed the general approach, and

	delegated, to the Chairman and the Chief Executive, the authority to finalise the formal planning guidance in agreement with the other ALBs.
<b>6.0</b>	<b>NHS Performance Report</b>
6.1	<p>Dame Barbara Hakin led the Board through the report, highlighting the following key areas:</p> <ul style="list-style-type: none"> <li>• An update on the performance of the NHS where the figures demonstrated how busy the NHS is.</li> <li>• Reiterating and assuring a number of actions which have been taken jointly with NHS Improvement to ensure that performance remains good and there is resilience in place for the winter period; and</li> <li>• A specific update and assurance around emergency planning actions, particularly in light of the continued potential for Junior Doctors' industrial action, as well as the detail of the immediate learning following the recent terrorist attack on Paris.</li> </ul>
c6.2	The Board noted the report, and received assurance on NHS England's actions to support NHS Performance.
<b>7.0</b>	<b>Consolidated Month 7, 2015-16 Finance Report</b>
7.1	Paul Baumann, Chief Finance officer, presented this report to the Board, noting that the financial position continues to improve in line with our commitment to have a balanced position at the year end. It was noted that work continues with CCGs to ensure that any resilience problems are resolved at their source.
7.2	The Board noted the report.
<b>8.0</b>	<b>Reports from the Committees</b>
8.1	The Board noted the report of the meeting of the Commissioning Committee held on 25 November 2015.
8.2	The Board noted the report of the meeting of the Investment Committee held on 16 November 2015.
<b>9.0</b>	<b>Any Other Business</b>
9.1	Simon Stevens, Chief Executive Officer, noted that NHS England will publish a report following an independent investigation into Southern Healthcare this afternoon. A helpline has been established, which will continue to run for patients and relatives.
9.2	<p>The Chairman placed on record the Board's gratitude to three members for whom today's Board meeting would be their last:</p> <ul style="list-style-type: none"> <li>• Tim Kelsey, who is leaving NHS England to take up a role in Australia;</li> <li>• Sir Ciaran Devane, who is leaving as his term of office has come to an end; and</li> <li>• Dame Barbara Hakin, who is retiring from the NHS after over forty years' service.</li> </ul>
	With no further items of business, the Board resolved to exclude representatives of the media and members of the public from the remainder of the meeting due to the confidential nature of the business to be transacted.

The meeting closed at 12:20.
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<b>Date of Next Meeting: 28 January 2016, Southside, London</b>
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<b>Agreed as an Accurate Record of the Meeting</b>	
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<b>Signature:</b>	
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<b>Name:</b>	Professor Sir Malcolm Grant
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<b>Title:</b>	NHS England Chairman
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