

NHS England

Minutes of the Board meeting part ii held on 19 September 2014

Present

- Professor Sir Malcolm Grant - Chairman
- Mr Simon Stevens – Chief Executive
- Mr Ed Smith – Non-Executive Director (Deputy Chairman)
- Lord Victor Adebawale – 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

In attendance

- Mr Jon Schick – Head of Governance and Board Secretary
- Mr Tom Easterling – Director of the Chair and Chief Executive's Office
- Ms Margaret Exley – undertaking Board Effectiveness Review

Item	
1	Declarations of interest in matters on the agenda
	There were no declarations of interest in matters on the agenda.
2	Minutes of the previous meeting
	The minutes of the meeting held on 2 and 3 July 2014 were accepted as an accurate record. There were no matters arising.
3	Update for Board members on organisational alignment and capability (OAC) programme
	The Board's attention was drawn to the detail in the briefing pack, including the planned 1 October start for consultation, and anticipated requirement for a number of redundancies for which funding arrangements would need to be agreed with HMT. DH approval was needed for VSM redundancies.

	<p>The Board was asked to consider some potential risks associated with the programme, raised in the public meeting and at the Audit & Risk Assurance Committee (ARAC) earlier in the week. In that context, it was noted that work programmes were under way on the roles of AHSNs, Clinical Senates, the NHS Leadership Academy and NHS IQ. These would aim to ensure maximum benefit was gained from those organisations and explore how they could help mitigate some potential risks associated with the OAC proposals.</p> <p>Discussions from a recent deep dive by the ARAC were fed back, and the Committee would continue to focus closely on the control environment related to OAC implementation. The potential for an improved and more connected control environment as a result of the review was noted, as well as the need to create additional capacity in some priority areas. The Board:</p> <ul style="list-style-type: none"> • Noted this was a transitional period with a likely need for further consideration of organisational shape over time; • Were updated on work to ensure funding could be identified to cover potential redundancy costs; • Emphasised the importance of people, talent management and development to ensure the organisation had the right capabilities, culture, behaviours and processes in place to deliver in the future; • Asked about the impact of the proposals on CCGs and about the capacity and capability of the future field force to be able to address issues where CCGs might be struggling; • Emphasised the importance of organisational development, including giving the right signals and having the right dialogue, starting with the new leadership team, to support and embed the aims and ambitions of the organisation; • Asked for regular feedback on identified unintended consequences of the proposals, as well as learning on management of change as the organisation went through the OAC process, as the Board will wish to learn from these to inform its future work.
Actions	KW would consider feedback from the discussions and come back with proposals on how the comments would be responded to
4	Proposed revision to the Board committee structure
	<p>The Board considered these proposals, which had been drawn up to follow its discussions in July, and were aligned with the OAC programme. The importance of providing robust assurance from executive management was emphasised as an important part of the context, as well as the potential for streamlining in light of experience over the past year.</p> <p>Terms of reference and proposed membership for the new committees would be developed for the November meeting. Enabling frameworks such as the Scheme of Delegation would also need amending. The importance of informal relationships and work outside of Committees with NEDs was emphasised.</p>

	<p>The Board invited Margaret Exley to comment in light of her current work on the Board Effectiveness review. She was supportive of the proposals and emphasised the need for clarity on the role of the Board, and the associated role of Committees therefore being to extend the reach of the Board. A good connection and information sharing between Committees and the Board were essential. She was still considering which Committees the organisation required, and would make some proposals including ensuring a proper focus on outcomes.</p> <p>The proposals were supported, and it was agreed that a convergence between the Committee proposals and the Effectiveness Review would be helpful before both came back to the Board in November.</p>
5	<p>Transforming Primary Care Support services</p>
	<p>The Board received a progress report and were updated on the establishment of a programme board as the key forum for making most decisions related to the programme, until a Board decision is required to appoint a bidder. The Board's attention was drawn to the timescales outlined in the paper, with some recent changes to the procurement process enabled by faster award of the contract following agreement of an approved bidder. To support the programme, an interim management team was also being established, and a stakeholder (customer) board was being set up.</p> <p>The Board raised the importance of close operational relationships and effective supplier management in the future. The Board was content with the proposed timescales, programme governance arrangements and plans for stakeholder management. The Programme Board were given authority to agree the outline business case for submission to HMT.</p>
6	<p>Primary care contracts 2015/16</p>
	<p>The Board received an update on progress with 2015/16 primary care contracts. They were informed of the latest position for GMS, with the uplift remaining for consideration by the DDRB – the recommendations from whom therefore posed a risk of additional financial exposure. The Board were informed that dentists were almost certainly also likely to go to DDRB; a number of efficiencies had been identified within their contract, and also in the contract for community pharmacy.</p>
7	<p>NHS Public Health Functions (S7A) Agreement 2015/16 including the transfer of 0-5 years public health commissioning to Local Government</p>
	<p>The Board were updated on the current position, including proposals related to the transfer of commissioning for services for 0-5s to Local Government in October 2015. The Board endorsed the approach and agreed to delegate authority to the Chief Executive, Chief Financial Officer and National Director:</p>

	<p>Commissioning Operations to agree the final settlement.</p> <p><i>Sir John Burn left the meeting after this item</i></p>
8	<p>Preparations for 2015/16 planning round</p>
	<p>The Board were updated by the Chief Finance Officer on current estimates about the likely financial position, alerted to pressures such as additional NHS Litigation Agency costs, and considered proposed options to mitigate the resulting emergent significant risks.</p> <p>The Board were supportive of the overall approach that had been outlined, agreed the overall objectives for the planning guidance, and were content with the proposed timetable and the coverage and content of the plans.</p> <p><i>Mr Noel Gordon left the meeting after this item</i></p>
Actions	
9	<p>Remuneration and Terms of Service Committee feedback</p>
	<p>The Board noted the report.</p>
Actions	
10	<p>Report from the Finance and Investment Committee</p>
	<p>The Board authorised the signature/execution of a proposed contract with Vodafone for NHS 111 telephone infrastructure.</p> <p>The Board agreed to recommendations endorsed by the Committee related to the financial commitments to the merger of the Heatherwood and Wexham Park and Frimley Park Hospital NHS Foundation Trusts.</p>
11	<p>NHS England performance report</p>
	<p>The Board received the update on NHS England's performance and asked for further information in future reports on timescales and actions to reduce the risks to delivery (and thereby impact upon RAG ratings).</p>
Actions	<p>KW to reflect Board feedback on future report content.</p>
12	<p>Any other business</p>
	<p>The Board were updated on arrangements for the treatment of Ashya King.</p>
Date of next meeting	<p>6 November 2014 Quarry House, Leeds</p>