

## Board Meeting Held in Public

**Thursday, 26 May 2016, 10:30**  
**Rooms 401-405, Southside, 105 Victoria Street, London, SW1E 6QT**

### **Board Membership and Attendance**

Professor Sir Malcolm Grant	Chairman
Simon Stevens	Chief Executive Officer (CEO)
David Roberts	Vice-Chairman and Interim Audit & Risk Assurance and Commissioning Committee Chairman
Lord Victor Adebawale	Non-Executive Member
Professor Sir John Burn	Non-Executive Member
Dame Moira Gibb	Non-Executive Member and Investment Committee Chairman
Noel Gordon	Non-Executive Member and Specialised Services Commissioning Committee Chairman
Michelle Mitchell	Non-Executive Member
Richard Barker	Interim National Director: Commissioning Operations (ND: CO)
Paul Baumann	Chief Financial Officer (CFO)
Professor Jane Cummings	Chief Nursing Officer (CNO)
Sir Bruce Keogh	National Medical Director (NMD)
Ian Dodge	National Director: Commissioning Strategy (ND:CS)
Karen Wheeler	National Director: Transformation and Corporate Operations (ND:TCO)

### **Apologies**

Wendy Becker	Non-Executive Member
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### **Secretariat**

Lesley Tillotson	Board Secretary
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<b>Ref</b>	<b>Minute</b>
<b>1.</b>	<b>Welcome and Introduction</b>
<b>1.1.</b>	The Chairman welcomed everyone to the meeting, noting that the Board is committed to openness and transparency. The meeting was held in public, but it was not a public meeting.
<b>1.2.</b>	Apologies for absence were received from Wendy Becker, Non-Executive Member.
<b>1.3.</b>	Board Members were invited to declare any interests in respect of specific items on the agenda for this meeting.  Lord Victor Adebawale, Non-Executive Member, requested that "member of Co-Op Group" be added to his declaration.
<b>1.4.</b>	The Chairman reported that, when appointed as CEO, Simon Stevens had taken a voluntary £20,000 cut in his salary. Simon has for a third year informed the Chairman that he wishes to continue with the £20,000 reduction in salary. Additionally, he did not wish to be considered for an annual bonus payment.
<b>1.5.</b>	The Chairman noted that this would be the last meeting for Richard Barker in

	<p>his capacity as Interim National Director: Commissioning Operations. Matthew Swindells, newly appointed National Director: Commissioning Operations and Information, will take up post in NHS England on 30 May 2016. The Chairman thanked Richard for his contribution.</p>
<b>1.6.</b>	<p>The Chairman reported to the Board the recent appointment of the Chairman of the Department of Health's Audit Committee (Gerry Murphy) to the NHS England Audit and Risk Assurance Committee. The Board endorsed the appointment.</p> <p>The Chairman reported that Wendy Becker, recently appointed Non-Executive Member, is appointed to the Audit and Risk Assurance Committee and the Investment Committee.</p> <p>The Chairman invited the Board to extend congratulations to Noel Gordon, Non-Executive Member, on his recent appointment as Chairman of NHS Digital, formerly the Health and Social Care Information Centre. He also paid tribute to the work of the retiring Chairman, Kingsley Manning. Noel will remain a Non-Executive Member of the NHS England Board, continuing to Chair the Specialised Services Commissioning Committee and as a member of the Commissioning Committee.</p> <p>The Chairman reported that the NHS England Annual General Meeting will be held in the evening of 25 October.</p>
<b>1.7.</b>	The Chairman informed the Board that he had appointed an advisory council of CCG Chairs as a source of advice for him, and the council had its first meeting in May. .
<b>1.8.</b>	Finally, the Chairman informed the Board that he would be leading a UKTI/Healthcare UK trade mission to India in the first week of June.
<b>2.</b>	<b>Minutes of the previous Meeting</b>
<b>2.1.</b>	The minutes of the meeting held on 31 March 2016 were approved. There were no matters arising.
<b>3.</b>	<b>Chief Executive's Report</b>
<b>3.1.</b>	<p>The Chief Executive updated the Board, focussing on the following areas:</p> <ul style="list-style-type: none"> <li>• 2015-16 Performance across the NHS as a whole had been a pressured year. However the performance of the NHS in England, on headline measures, still compares favourably to other industrialised countries, with nine out of ten patients being seen in A&amp;E within four hours and nine out of ten operations being undertaken in less than eighteen weeks; facts that, a decade ago, would have seemed staggering. Additionally, although around 1,000 people are waiting for 52 weeks for surgery, this compares with over 200,000 who were waiting that length of time back in 1988. He paid tribute to NHS staff across England who are delivering these standards.</li> <li>• Looking ahead to 2016-17, the NHS is in a stronger financial position, as the frontloaded Spending Review settlement means that, for the first time in a number of years, tariff prices will increase. Recent work has ensured that the level of activity that has been planned and funded throughout the health service is at realistic levels, and good progress has been made on finalising agreements for both local CCG</li> </ul>

	<p>commissioned activity and specialised commissioned activity. This provides confidence that deficits will reduce over the year, alongside the work of NHS Improvement with individual Trusts.</p> <ul style="list-style-type: none"> <li>The work on Sustainability and Transformation plans (STP), which Jo Lenaghan would present later in the meeting, was encouraging. NHS organisations, Local Government and other partners are now in conversation about the big changes that will be necessary to put the NHS on track to deliver against improved health and well-being, improved quality and financial sustainability.</li> <li>The recent launch of the GP Forward View, which set out concrete proposals to support GPs now, as well as to make wider and more profound changes in primary care.</li> <li>The National Audit Office had published a report on the impact that delayed discharges are having on the NHS, pointing to the pressure that has been building in social care. At the time of the Five Year Forward View, it had been pointed out that the NHS' performance depended on a well-resourced and well-functioning adult social care system. There are ways that the interface can be improved, and the STP process will be part of that, but there are a number of broader, unresolved issues in respect of social care that will have to be revisited.</li> <li>Within the last week the latest cancer survival data has been published, showing a further improvement in cancer survival rates at both one and five years, which are at an all-time high. Important data on antimicrobial prescribing by GPs had been published, showing a 7% reduction in prescribing for antibiotics that weren't required, and 16% reduction in broad-spectrum antibiotics, showing that the NHS is a world leader on tackling antimicrobial resistance.</li> </ul>
<b>3.2.</b>	The Board received and noted the Chief Executive's Report.
<b>4.</b>	<b>Sustainability and Transformation Plans – update and next steps</b>
<b>4.1.</b>	<p>The Chairman invited Jo Lenaghan, Director of the Five Year Forward View Board, to speak to this paper.</p> <p>Jo reminded the Board that, following the publication of the NHS Planning Guidance in December 2015, local areas came together to propose their footprints for producing a Sustainability and Transformation Plan (STP), to support multi-year place-based planning to deliver the Five Year Forward View. Each footprint was required to submit an initial return on 15 April 2016, and this, together with an assessment by the regional teams of the six Arms' Length Bodies (ALBs), formed the basis for a series of conversations between the STP footprints and the ALB CEOs and Regional Directors, as well as Local Government colleagues.</p> <p>To date 24 of the STP footprints have been seen directly by the national panel, with the remainder scheduled to meet with the Regional Directors over the next few weeks.</p>
<b>4.2.</b>	The purpose of these conversations was to develop a shared understanding of the challenges in each area, identify the big issues they intend to move forward, and to agree what will be included in their June submission along with what, if any, support they may need from the national team between now and then.

4.3.	<p>The next checkpoint will be 30 June, when each STP footprint will submit their plans – again these will form the basis of further face to face conversations throughout July. It is recognised that some of these plans will be more detailed than others, depending upon where in the journey each footprint is, and the July conversations will be a bespoke process to account of this.</p>
4.4.	<p>The Board discussed the update and the proposed next steps and confirmed their support for the ongoing process</p>
5.	<p><b>Strategic Framework for Specialised Services</b></p>
5.1.	<p>The Chairman invited Jonathan Fielden, Director of Specialised Services Commissioning, to present this paper to the Board.</p> <p>Jonathan reminded the Board that Specialised Services Commissioning covers 146 prescribed services, from the rarest conditions to those that affect significantly more patients but are very often of high cost and which need to be located with specialised teams.</p> <p>The purpose of the paper was to outline a strategic framework for specialised services, intended to provide direction in line with the Five Year Forward View.</p>
5.2.	<p>The Board discussed the paper, and agreed the proposed vision and priorities of the strategic framework, and the proposed next steps, including the expectations for local plans and the national level changes.</p>
6.	<p><b>NHS England Corporate and NHS Performance Report</b></p>
6.1.	<p>Karen Wheeler introduced this report, providing the Board with assurance that NHS England has delivered on its business planning priorities for 2015-16, following a series of year-end stocktakes which assessed each corporate priority against the 2015/16 deliverables as well as gaining an overview of the programmes' delivery planning for 2016/17. David Roberts assured the Board that the Audit and Risk Assurance Committee had reviewed the entire programme portfolio and the degree of central programme management oversight and control.</p>
6.2.	<p>Richard Barker reviewed the 2015/16 NHS performance as a whole. More than nine out of ten patients who attended A&amp;E were admitted, transferred or discharged within four hours. Non-elective admissions in 2015/16 were up around 2% on the preceding twelve-month period. Richard also noted that the excellent progress across 2015/16 around all of the Mental Health standards, including improving access to psychological therapies and dementia.</p>
6.3.	<p>The Board noted the NHS England Corporate and NHS Performance Reports.</p>
7.	<p><b>Consolidated 2015/16 year-end financial report</b></p>
7.1.	<p>Paul Baumann informed the Board that, since the meeting held in March 2016, finance teams across the NHS have drawn up the final figures for 2015/16 – a process that had been delivered smoothly thanks to the professionalism of finance teams in CCGs, CSUs and within NHS England. As a result a full set of draft accounts for the Commissioning Sector of the NHS has been submitted to the National Audit Office (NAO) for their review.</p>

	These draft figures show a planned underspend figure of £599m, but it would be unwise to extrapolate this underspend into 2016/17 as it resulted from a number of non-recurrent factors in 2015/16.
7.2.	In turning to 2016/17 Paul reported that teams across the NHS are now working on finalising plans which will seek to improve both financial sustainability and balance. At the final submission one week ago, the CCG and NHS England operating plans showed an overall balanced position, with the required contingency set aside. There is, however, a significantly higher risk than in previous years in terms of maintaining this position throughout the year, and as a result there will be a requirement for NHS England to build in continuous monitoring with swift intervention and support where individual organisations show a deviation from those plans.
7.3.	The Board noted the finance report.
8.	<b>NHS England Governance Manual Approval</b>
8.1.	Karen Wheeler updated the Board on the work that the Governance and Assurance teams have been carrying out, through the Audit and Risk Assurance Committee, looking at embedded controls and assurance processes. Some changes to the NHS England Governance Manual are proposed.
8.2.	As part of that ongoing work, the Standing Orders, Standing Financial Instructions, and Scheme of Delegation for NHS England have been revised to reflect changes in the management structure, as well as to streamline some of the way the organisation operates.
8.3.	The Board considered the amendments, and approved the proposals for the revised contents of the NHS England Governance Manual. The Board also approved the revised Standing Orders, Standing Financial Instructions and Scheme of Delegation for NHS England.
9.	<b>NHS England Complaints Policy Update April 2016</b>
9.1.	Karen Wheeler informed the Board that the NHS England Complaints Policy has been updated. Although the changes to this document are not substantive, they are important in helping prompt responses to complaints. The changes reflect a change in the number of senior members of staff who are authorised to sign off complaint responses.
9.2.	The Board considered and approved the revised NHS England Complaints Policy.
10.	<b>Managing Conflicts of Interest</b>
10.1.	Ian Dodge reminded the Board that, at the meeting in March 2016, approval had been given for a consultation on a strengthened arrangement for how Clinical Commissioning Groups (CCGs) manage Conflicts of Interest.
10.2.	In response to the consultation feedback received, it was proposed to make a

	number of adjustments to the guidance for CCGs to allow the new requirements to come into force in June 2016.
<b>10.3.</b>	The Board considered and approved the proposed adjustments, delegating approval of the final version of the statutory CCG guidance to the Chief Financial Officer and the National Director: Commissioning Strategy
<b>11.</b>	<b>Update on the NHS Diabetes Prevention Programme</b>
<b>11.1.</b>	Karen Wheeler reminded the Board that this Programme formed an important part of the Five Year Forward View Prevention Programme. It demonstrated a good partnership between NHS England, Public Health England and Diabetes UK, delivering real change for patients.
<b>11.2.</b>	Karen informed the Board that the procurement process has secured the necessary services.
<b>11.3.</b>	The Board noted the helpful update on the Diabetes Prevention Pilot Programme.
<b>12.</b>	<b>Update on the NHS England Healthy Workforce Programme</b>
<b>12.1.</b>	Ian Dodge reminded the Board that the Five Year Forward View had set an ambition for “the NHS as an employer [to set] a national example in the support it offers its own staff to stay healthy”, and that the Healthy Workforce programme was launched in September 2015.
<b>12.2.</b>	There are currently twelve demonstrator NHS employers, who have agreed to lead implementation. Progress has been made across a number of areas, and a financial incentive has been introduced to support health and wellbeing, national action has been taken on local food, and work is currently underway in partnership with RAND Europe to develop and deliver a bespoke health and wellbeing survey, across both the 12 pilot sites and a matched “control” group, to provide a baseline for future work.
<b>12.3.</b>	Karen Wheeler informed the Board that NHS England is itself strongly championing this work. Various support mechanisms have been developed and NHS England staff are encouraged to positively improve their physical and mental wellbeing, both at work and personally.
<b>12.4.</b>	The Board noted the update and progress to date on the NHS Healthy Workforce Programme.
<b>13.</b>	<b>Reports from Board Committees</b>
<b>13.1.</b>	David Roberts reminded the Board that the Audit and Risk Assurance Committee had looked at progress, from both an Internal and an External Audit perspective, and is content that all is on track for the NHS England Annual Report.  ARAC has also looked at the broad NHS England strategy, and felt that good progress has been made, with organisational effort now switching to

	implementation and delivery.
	Finally, ARAC has looked at NHS England's governance processes, where there has been considerable progress over the last twelve months.
<b>13.2.</b>	The Board noted the update from the Audit and Risk Assurance Committee meeting.
<b>13.3.</b>	The Board noted the update from the Commissioning Committee.
<b>13.4.</b>	The Board noted the update from the Specialised Commissioning Committee – in particular noting that there will be an extraordinary meeting of the Committee on Tuesday 31 May, at which the Committee will consider legal advice on whether NHS England has power to commission Pre-Exposure Prevention treatment.
<b>13.5.</b>	The Board noted the update from the Investment Committee.
<b>14.</b>	<b>Any Other Business</b>
<b>14.1.</b>	There were no further items of business to discuss.
	The meeting closed at 12:27, when 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).

**Agreed as an accurate record of the meeting:**

<b>Date:</b>	
<b>Signature:</b>	
<b>Name:</b>	Professor Sir Malcolm Grant
<b>Title:</b>	Chairman, NHS England