

To: The Board

For meeting on: 30 March 2017

Agenda item: 7

Report by: Jessica Dahlstrom, Head of Governance
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Report on: Corporate Report

Introduction

1. The Corporate Report brings together reports of all of NHS Improvement's Board committees. This report summarises the committees' activity since the last meeting of the Board, which took place on 26 January 2016.

Operational Productivity Programme Delivery Group – 26 January 2017, 8 February 2017, 28 February 2017

26 January 2017

2. Update on Pathology at Barts: The Group discussed the progress that had been made in relation to the pathology consolidation at Barts Health NHS Trust. The appropriateness of the level of savings that had been identified through this work and the changes that would be required at the Trust to deliver these savings and efficiencies were considered. The importance of ensuring that the Trust was fully engaged on the development of any proposed changes in the provision of pathology services was emphasized.
3. Update on Corporate Services at Barts: The Group considered the work that had been undertaken on corporate services consolidation at Barts Health NHS Trust and the proposed next steps.
4. Update on Orthopaedics at Barts: The Group considered the report which outlined the work that had been undertaken on Trauma and Orthopaedic services at Barts Health NHS Trust. The proposed next steps and potential interaction of this work the 'Getting It Right First Time Programme' were discussed.
5. Update on Imaging at Barts: The Group was provided with an update on the Imaging workstream that had commenced at Barts Health NHS Trust.

8 February 2017

6. Purchase Price Index Benchmarking tool and Nationally Contracted Products update: The Group considered the progress of the actions from the Procurement Programme, particularly in relation to the development of the Future Operating Model, the re-procurement of a number of products and services currently provided by NHS Supply Chain, and the progress made and savings delivered through both the Purchase Price Index Benchmark tool the Nationally Contracted Products Programme.
7. Workforce: Job planning and rostering: The Group discussed an update on the Workforce Project. The links between this work and the 'Getting It Right First Time' Programme were noted. It was considered that further work would be undertaken to develop a short list of key actions that could be taken by trusts to drive efficiencies in four or five priority workforce areas.
8. Regional pharmacist recruitment and project update: The Group considered an update on the hospital pharmacy and medicines optimisation project and the proposed next steps. The approval of joint pharmacy posts between NHS England and NHS Improvement was discussed.
9. Implementation of pathology consolidation: The Group considered an update on the progress that had been made on pathology consolidation. The savings that had been identified and delivered through the Programme to date and the actions that could be taken to increase the progress of this work were discussed.
10. Barts Health NHS Trust: brief update: The Group discussed the work that had been undertaken at Barts Health NHS Trust to accelerate the process of identifying and delivering savings in Pathology, Orthopaedics, Corporate Services and Imaging.

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11. Trauma and Orthopaedic Services: The Group considered an update on the work that had been undertaken on Trauma and Orthopaedic services at Barts Health NHS Trust. The potential savings that had been identified, the work that would be required to deliver these and the potential return on investment associated with this were considered.
12. Pathology: The Group discussed the significant progress that had been made in relation to the pathology consolidation work that had been undertaken at Barts Health NHS Trust. The proposed next steps and the potential risks associated with these were considered.
13. Corporate Services: The Group considered the progress of the corporate services consolidation work that had been undertaken at Barts Health NHS Trust. The Group challenged the appropriateness of the potential savings that had been identified in relation to the Trust's Finance, Information Management and Technology and HR functions.

14. Full minutes of the meetings are attached as Confidential Annex A.

Provider Leadership Committee – 26 January 2017

15. New Code of Governance: The Committee considered a paper which outlined the new Governance Code on Public Appointments and the proposed arrangements for applying the principles in the Code.
16. NExT Director Scheme: The Committee approved proposals to relaunch the NExT director scheme in 2017/18 as part of NHS Improvement's commitment to talent management in the NHS under "Developing people, improving care".
17. Remunerating NHS trust chairs and NEDs: The Committee discussed a paper which provided an update on NHS trust chair and non-executive remuneration issues and considered options for rationalising remuneration.
18. Full minutes of the meetings are attached as Confidential Annex B.

Nominations and Remuneration Committee – 27 January 2017

19. 2016/17 pay award for Executive and Senior Managers: The Committee considered the 2016/17 pay award proposals for Executive and Senior Managers.
20. Terms and conditions of employment: The Committee considered a paper on the recruitment of employees onto Monitor terms and conditions. A number of individual cases were also considered.
21. Full minutes of the meetings are attached as Confidential Annex C.

Audit and Risk Assurance Committee – 21 February 2017

22. Deep dive risk review – business continuity: The Committee considered work undertaken to build a Business Continuity and Incident Management (IM) capability and the near final draft of NHS Improvement's Business Continuity Management Framework. The Committee expressed some concern in relation to the delay in the migration to a single emergency communication platform and emphasised the need ensure momentum was maintained.
23. Internal audit progress report: The Committee considered the report which provided an update on progress against the internal audit plan for 2016/17 and approved management's request for the audits for transactions, pricing operations and risk management be deferred to the 2017/18 audit plan.
24. Internal audit reports: The Committee received internal audit reports on data analytics, new care models, sector financial forecasts and cyber security. It was noted that cyber security would be discussed in more detail at the Board meeting on 30 March.

25. Internal audit action update: The Committee considered the report which provided assurance that recommendations raised in the internal audit reports had been addressed.
26. Draft 2017/28 internal audit plan: The Committee considered and approved the draft internal audit plan for 2017/18, subject to the review of safe staffing be postponed to Q1 of 2018/19 and consideration be given to including audits covering the Nursing Directorate and IT.
27. Production of the Annual Report & Accounts: The Committee considered the approach to the preparation of Monitor and NHS Trust Development Authority annual report and accounts for the financial year 2016/2017. Two separate reports would be produced but much of the material would be common to both and as far as possible have the same look and feel, thus making sure the statutory requirements for both entities were met.
28. Annual Report & Accounts – key assumptions within the 2016/17 annual accounts: The Committee considered the report which set out a number of issues impacting the statutory accounts for Monitor and NHS Trust Development Authority. The issues related to VAT, apportionment of costs and virement of budget. HM Revenue and Customs (HMRC) had raised some concerns and had not yet responded to the request for Monitor to join TDA's VAT group. The Committee was content with the approach taken to address HMRC's concerns.
29. Update on consolidated NHS foundation trust accounts 2016/17: Since the last Committee meeting there had been no significant changes to the planned assurances and no significant changes were expected. The Committee considered and was content that the two risks raised at the last meeting had been considered and approved the proposed the more streamlined approach to the consolidated annual governance statement.
30. Risk update: The Committee considered the strategic risk register and approved the addition of business critical models to the risk register. The Committee also considered the draft schedule of deep dive risk reviews.
31. External Auditors' progress report: The Committee received a report from the National Audit Office (NAO) which outlined the position and progress of NAO's 2016/17 audit of NHS Improvement bodies. A full interim progress report would be provided at the next meeting.
32. Full minutes of the meetings are attached as Confidential Annex D.

Technology and Data Assurance Committee – 22 February 2017

33. Technology and data progress update: The Committee considered a paper which provided an overview of progress made in four key technology and data workstreams (peripathetic workforce, connected workforce, data warehousing and analytics and digital). Key challenges, including the requirement to remain

flexible as NHS Improvement continued to absorb additional responsibilities, and the lack of executive ownership of technology and data work programmes, were discussed.

34. Technology and data future focus: The Committee discussed future projects in the technology and data work programme, and legal and practical barriers to the creation of a single organisation.
35. Update from Chief Information Officer: The Committee considered a paper which provided an update on the National Information Board Strategy, System Governance and Paperless 2020 Programme.
36. In addition, the Committee discussed its role going forward, and received an update on cyber security.
37. Full minutes of the meetings are attached as Annex E.

Recommendation

38. The Board is asked to note recent committee activity.

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