

**DRAFT MINUTES OF A MEETING OF THE NHS IMPROVEMENT BOARD
MEETING HELD ON THURSDAY 30 MARCH 2017 AT 13.00 AT WELLINGTON
HOUSE, 133-155 WATERLOO ROAD, LONDON SE18UG – SUBJECT TO
APPROVAL AT THE MEETING OF THE BOARD ON 25 MAY 2017**

Present:

Ed Smith, Chairman
Bob Alexander, Executive Director of Resources/Deputy Chief Executive
Laura Carstensen, Non-Executive Director
Lord Patrick Carter, Non-Executive Director
Richard Douglas, Non-Executive Director
Sarah Harkness, Non-Executive Director
Stephen Hay, Executive Director of Regulation/Deputy Chief Executive
Jim Mackey, Chief Executive
Ruth May, Executive Director of Nursing
Kathy McLean, Executive Medical Director
Sigurd Reinton, Non-Executive Director
Caroline Thomson, Non-Executive Director

In attendance:

Victoria Banks, Graduate Intern, Birmingham Children's Hospital
Jessica Dahlstrom, Head of Governance
Kate Moore, General Counsel
Peter Wyman, Chair, Care Quality Commission

1 Welcome and apologies (oral item)

- 1.1 Apologies for absence had been received from Dame Glynis Breakwell, Non-Executive Director and Lord Ara Darzi, Non-Executive Director. It was noted that Dame Glynis Breakwell was currently unwell and the Board passed on its good wishes.
- 1.2 The Chairman welcomed Peter Wyman, Chair of the Care Quality Commission, who was attending the NHS Improvement Board meeting in the spirit of closer collaboration between the Arm's-Length Bodies overseeing the NHS. The Chairman also welcomed Victoria Banks, a Graduate Intern at Birmingham Children's Hospital who was observing today's Board meeting.
- 1.3 On behalf of the Board, the Chairman thanked the NHS staff who had so courageously assisted the victims of the recent Westminster terrorist attack.
- 1.4 There were no declarations of interest.

2 Minutes and matters arising from the meeting held on Thursday 26 January 2017 (BM/17/20)

- 2.1 The minutes of the meeting held on Thursday 26 January 2017 were approved, and matters arising were noted.
- 2.2 The Chairman thanked Board members and others involved in NHS Improvement's Board committees for their contributions, which had both helped ensure strong governance at NHS Improvement and freed up Board time for important discussion of strategic matters.

3 Chief Executive's report (oral item)

- 3.1 The Chief Executive provided an overview of financial, operational and quality performance of the service over the past two months. The Board noted that performance against the A&E target had improved significantly in recent weeks. Considerable efforts were being made to deliver, to the extent possible, the financial plans for 2016/17.
- 3.2 The draft NHS delivery plan entitled "Next steps on the NHS Five Year Forward View" was discussed and it was noted that, while progress had been made there were still significant challenges to be addressed to ensure that plans for 2017/18 were deliverable.
- 3.3 The Chief Executive outlined the close collaboration which had taken place between NHS Improvement and the Care Quality Commission on the development of the Well-Led Framework. The Board noted that the two organisations were working together closely and sharing data on a daily basis.
- 3.4 An overview was provided of recent site visits conducted by the Chairman and by Executive members of the Board. The dedication of the senior nursing team at Pennine Acute Hospitals NHS Trust and the improvement focus of senior clinicians at The Christie NHS Foundation Trust received particular praise.
- 3.5 The Board discussed the factors underlying the recent improvement in A&E performance and noted the link between A&E performance and bed occupancy levels. It was noted that the recent decrease in bed occupancy levels was principally caused by a reduction in admissions which was in line with expectations at the end of winter.

4 Update on Sustainability and Transformation Plans (BM/17/21)

- 4.1 The Executive Director of Resources/Deputy CEO introduced the paper, which provided an overview of progress made on Sustainability and Transformation Plans (STPs) since the last update to the Board in November 2016. The Board discussed key points including the additional capital funding which had been made available for STPs.

- 4.2 The need to align governance of STPs between NHS England and NHS Improvement and to develop clear and robust approvals processes was discussed. The Board highlighted the importance of preserving the autonomy of boards while developing models in which shared decision making could take place.
- 4.3 It was noted that clinical engagement and public accountability would be crucial in ensuring the success of STPs. Public accountability would be discussed at a joint meeting of NHS Improvement's and NHS England's Audit and Risk Assurance Committees scheduled for June 2017. It was noted that colleagues from the Care Quality Commission's Audit and Risk Assurance Committee would also be invited to attend this meeting.
- ACTION: JD**
- 4.4 The future of the NHS's Arm's Length Bodies was discussed and it was noted that, while close collaboration would be required and expected, no changes in primary legislation to bring Arm's-Length Bodies together were foreseen.

5 Questions and comments from the public (oral item)

- 5.1 A member of the public asked the Board to outline the impact which STPs would have on social and health inequalities. The Board discussed the importance of ensuring that such inequalities were taken into account in STPs and addressed where possible. It was noted that while all STPs aimed to reduce inequality, the confidence in the realisation of this ambition varied by area. A local example from Gloucestershire was considered, and the Executive Director of Nursing undertook to follow up with the Chief Nursing Officer who was due to visit this area, and report back to the Board.
- ACTION: RM**
- 5.2 A member of the public asked a question regarding engagement with the public and the third sector in the development of STPs. The Board emphasised the need to engage with the public and third sector and highlighted the value which could be added as a result. It was acknowledged that the third sector had not been as integrated as it should have been in the STP process, and plans to improve this were discussed.
- 5.3 The Chair thanked the members of the public for their attendance and questions.

6 Private session – resolution (oral item)

- 6.1 The Chair moved a resolution in order to move into private session to consider private items of business.

7 Baseline projections for 2017/18 and implications (BM/17/28(P)) and Business Plan and Remit Letter (BM/17/29(i)(P))

- 7.1 Ben Dyson, Executive Director of Strategy, attended the meeting for this item.
- 7.2 The Board noted the draft NHS delivery plan entitled “Next steps on the NHS Five Year Forward View” and thanked the Chair, Chief Executive, the Executive Director of Strategy and the Executive Director of Resources/Deputy CEO for their hard work in their efforts to ensure the document reflected the challenges faced by NHS providers.
- 7.3 The Chief Executive presented an overview of the financial and operational plan for 2017/18. The Board emphasised the importance of placing quality and safety at the centre of all NHS Improvement’s plans. The importance of taking a positive approach was highlighted and the Board commended the efficiency improvements which had been achieved by the service to date. The work of the Operational Productivity directorate was discussed and the Board noted the positive impact of the Financial Improvement Programme and the Financial Special Measures regime.
- 7.4 The risks in the plan were considered. The Board noted a number of external factors which impacted on the ability of NHS providers to deliver the 2017/18 plan. The importance of additional social care funding resulting in lower occupancy levels was highlighted, and the need for realistic demand forecasts was discussed. The Board emphasised the importance of setting out these external factors clearly in NHS Improvement’s plans, and using ranges in producing forecasts for the sector to reflect the uncertainty associated with these external factors.
- 7.5 The Board considered operational performance. The recent improvement in performance against the A&E target was noted and the Referral To Treatment target was discussed. The Board discussed the impact on patients of being on waiting lists for longer periods and emphasised the importance of a robust prioritisation process.
- 7.6 An overview was provided of capital expenditure plans and the need to address backlog maintenance issues urgently was considered.
- 7.7 The Board requested that the Executive Team would continue work on the baseline projections for 2017/18 and on NHS Improvement’s Business Plan and Remit Letter. Both documents would be circulated to the Board in correspondence for comments and would come to the Board meeting in May 2017 for final approval.

ACTION: BA/BD

8 Proposed budgets for 2017/18 (BM/17/29(ii)(P))

- 8.1 Ben Dyson, Executive Director of Strategy attended the meeting for this item.
- 8.2 The Board noted the paper which set out NHS Improvement’s proposed budget for 2017/18. It was noted that a working group, chaired by the

Chairman of the Board, had been set up to examine resource allocation in detail.

- 8.3 The Board confirmed its support for the proposed budget and delegated responsibility to the Executive Team to finalise work on the 2017/18 budget working with colleagues at the Department of Health.

RESOLVED:

- 8.4 The Board resolved to approve the proposed budget for 2017/18 and to delegate authority to the Executive Team to finalise the 2017/18 budget working with colleagues from the Department of Health.

9 Annual Governance Review and Board Effectiveness (BM/17/34(P))

- 9.1 The Board noted the report and thanked the Governance team for its hard work on the Annual Governance Review. The Board emphasised the importance of continuing to reflect on its own performance using the Board Effectiveness Framework.

10 Any other business

- 10.1 The Board noted that the annual review of Board members' contribution would commence shortly. The Chairman would lead the review for the Non-Executive Directors and the Chief Executive would lead the review for the Executive Directors.

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