

**MINUTES OF A MEETING OF THE NHS IMPROVEMENT BOARD MEETING
HELD ON WEDNESDAY 24 JANUARY 2018 AT 15.00 AT WELLINGTON HOUSE,
133-155 WATERLOO ROAD, LONDON SE18UG – SUBJECT TO APPROVAL AT
THE MEETING OF THE BOARD ON 25 JANUARY 2018**

Present:

Baroness Dido Harding, Chair
Bob Alexander, Executive Director of Resources/Deputy Chief Executive
Professor Dame Glynis Breakwell, Non-Executive Director (Senior Independent Director)
Ian Dalton, Chief Executive
Richard Douglas, Non-Executive Director
Sarah Harkness, Non-Executive Director
Stephen Hay, Executive Director of Regulation/Deputy Chief Executive
Ruth May, Executive Director of Nursing
Kathy McLean, Executive Medical Director/Chief Operating Officer
Sigurd Reinton, Non-Executive Director

In attendance:

Jessica Dahlstrom, Head of Governance
Kate Moore, General Counsel
Elizabeth O'Mahony, Chief Financial Officer

1. Welcome and apologies (oral item)

- 1.1. Apologies for absence had been received from Lord Patrick Carter (Non-Executive Director) and Lord Ara Darzi (Non-Executive Director).
- 1.2. The Chair welcomed Ian Dalton, the new Chief Executive of NHS Improvement, to his first public Board meeting. She also thanked Bob Alexander for his contributions as Executive Director of Resources/Deputy CEO.
- 1.3. There were no request to unstar any of the starred items on the Board agenda, and all those present confirmed they were content with the meeting being filmed.

2. Minutes and matters arising from the meeting held on Thursday, 30 November 2017 (BM/18/01)

- 2.1. The minutes from the meeting held on Thursday 30 November 2017 were approved and matters arising were noted.

3. Chair's report (BM/18/02)

- 3.1. The Chair introduced her report by thanking all staff working in the NHS and at NHS Improvement for their hard work over the winter period.
- 3.2. An update was provided on the joint working arrangements with NHS England. It was noted that David Roberts, Non-Executive Director on the Board of NHS England, would join the NHS Improvement Board as an Associate Non-Executive Director. The NHS England Board were expected to appoint Richard Douglas, one of NHS Improvement's Non-Executive Directors, to the NHS England Board in the same associate capacity at their next meeting.
- 3.3. The Board discussed the Joint Finance Committee which had been created by NHS England and NHS Improvement to facilitate joint financial planning and execution of plans for the NHS. The Joint Finance Committee had met for the second time on Tuesday 23 January 2018 and had discussed its Terms of Reference, which would be submitted to the Board for formal review and approval at its next meeting in March 2018. It was noted that the Joint Finance Committee would be advisory to the NHS England and the NHS Improvement Boards.
- 3.4. The Board noted that space was being held in diaries for joint meetings with the NHS England Board in May and September 2018. The Chair thanked Lord Patrick Carter and Sigurd Reinton for agreeing to have their terms as Non-Executive Directors extended, and provided an update on the process to recruit new Non-Executive Directors.

4. Chief Executive's report (BM/18/03)

- 4.1. The Chief Executive introduced his first public report to the Board and expressed his gratitude to all NHS staff for the very significant efforts which were being made to manage the winter period. Although the NHS had planned better for winter than ever before, staff working across the NHS had faced challenging circumstances as a result of very high demand and 'flu issues. The fact that improved operational performance had been delivered in these circumstances was the result of the hard work of NHS staff.
- 4.2. A discussion took place on various aspects of the management of the NHS over the winter period and the Board noted the two decisions which had been taken by the National Emergency Pressures Panel. The first, on 20 December 2017, was to recommend deferral of all non-urgent inpatient elective care to free up capacity for emergency care and the second, on 2 January 2018, was to extend this period of deferral to the end of January 2018.
- 4.3. The Chief Executive updated the Board on the decisions to remove West Hertfordshire Hospitals NHS Trust from Special Measures, and to place King's College Hospital NHS Trust into Special Measures for financial reasons.

- 4.4. It was noted that NHS England and NHS Improvement planned to issue joint planning guidance shortly, and that work was ongoing on developing an organisational design model to enable further joint working between NHS England and NHS Improvement.
- 4.5. The findings of the staff survey were considered and the Board noted that although the survey showed material improvement in the last 12 months, there was more that needs to be done to improve staff engagement. Further proposals would be brought back to the Board in the near future specifically regarding more clearly defining the purpose and operating model for NHS Improvement.
- 4.6. Board members welcomed the proposal to work more jointly with NHS England and requested that a formal evaluation methodology would be established to measure progress in this regard. This should include the collection of baseline data and the measurement of progress both internally and externally. The Executive Director of Strategy would be asked to lead on the evaluation.

ACTION: ID, BD

5. Update on winter (BM/18/04)

- 5.1. Raghuv Bhasin, Deputy Director, Provider Projects attended the meeting for consideration of this item.
- 5.2. The Deputy Director, Provider Projects introduced the paper and provided an overview of developments in relation to the winter period since the Board's last update on 30 November 2017. The Board noted that in the period before Christmas, there had been high demand and cold weather while the additional capacity to be purchased with the extra funding for winter had not yet been available. This had led to a deterioration in performance during this period and a recommendation from the National Emergency Pressures Panel, on 20 December 2017, to defer all non-urgent inpatient elective care.
- 5.3. In the period between Christmas and New Year, capacity had started to increase but additional pressures caused by a rapid increase in 'flu cases had resulted in performance not improving in line with capacity, leading to the recommendation to extend the deferral of non-urgent inpatient elective care. From the first week of January 2018, pressures had started to ease somewhat and more bed capacity had become available, leading to improved performance although the challenges associated with the 'flu cases were still significant. It was noted that more data on 'flu would become available later in the week.
- 5.4. A discussion took place on the variability of performance across the country and across individual organisations. The importance of ensuring that lessons were learned from high performing organisations and learning was shared across the NHS was highlighted. The Board also emphasised the importance of continuing the hard work on transforming emergency services to ensure that the NHS was even better prepared for next winter.

5.5. The Board discussed the decisions by the National Emergency Pressures Panel and it was noted that while many providers would have incorporated lower capacity for inpatient elective care in their plans, the national support and guidance regarding deferring such care was considered helpful. Consideration was given to the variable uptake of the 'flu vaccination among NHS staff and the Board requested that evidence would be collated to demonstrate the impact of this. This evidence should be incorporated in the lessons learned from winter review.

ACTION: KMcL, RB

5.6. The importance of a continued focus on patient experience as well as patient safety during the winter period was highlighted, particularly in the context of the decision to allow mixed sex accommodation during this period.

5.7. A discussion took place on zero day admissions, i.e. patients admitted to hospitals and discharged again without an overnight stay. It was noted that such admissions occurred partly as a result of changes to the clinical approach but also to manage bed capacity. The Board emphasised the importance of understanding zero day admissions and the impact on patients and suggested that an analysis of data on readmissions and 999 calls following discharge would be useful.

5.8. The Board requested that an initial debrief on winter would be presented to the Board in March 2018, with a full lessons learned review to follow when all data was available. As well as an analysis of the cause and impact of zero day admissions, the debrief and review should include lessons learned around pre-hospital care, such as better integration between 111 and other emergency services and the availability of GP services. It should also include lessons learned on delayed transfers of care and working with the social care sector.

ACTION: PP, RB

5.9. It was noted that the operational planning guidance which would be issued to providers shortly would include a request for detailed winter plans to be developed in parallel with operational plans. The winter funding had now been included in the baseline funding for providers which allowed providers to prepare better plans for capacity over the winter period.

5.10. The Board thanked the National Director for Urgent and Emergency Care, the Deputy Director, Provider Projects and their teams for their hard work to help manage the winter period.

6. Questions and comments from the public

6.1. A member of the press commented on the meeting of the Joint Finance Committee which had taken place on 23 January 2018 and asked the Board to set out the year end forecast for 2017/18. He also asked the Board to clarify what the cost of the extra bed capacity for the winter period had been. The Chief Financial Officer outlined the timetable for the submission of financial

data to NHS Improvement which meant that at the moment, the data requested was not yet available.

- 6.2. A member of the press asked the Board to clarify whether the report on the independent investigation into the governance of Wirral University Teaching Hospital Foundation Trust would be published. The Chair and Chief Executive emphasised NHS Improvement's commitment to transparency and indicated that they had a strong expectation that the report would be published provided there were no legal issues preventing publication. They also highlighted the importance of creating a safe space for individuals to speak out as part of investigation, which meant confidentiality would need to be respected. It was confirmed that any learnings for NHS Improvement would definitely be published.

7. Chief Executive's report (oral item)

- 7.1. The Chief Executive provided a high level overview of the impact which the winter pressures were likely to have had on the financial position of providers. As the data on financial performance for month 9 was not yet available it was difficult to be precise, but the Board noted that it was likely that the deferral of non-urgent inpatient elective care had had a negative impact on income and therefore on the forecast outturn position of the provider sector. The link between operational performance and access to the Sustainability and Transformation Fund was also discussed.
- 7.2. An overview was provided of the discussions currently ongoing with the Department of Health, HM Treasury and NHS England on planning for 2018/19. The Board noted that these discussions were expected to conclude in the near future and that planning guidance would be issued to providers shortly. A discussion took place on the likely targets for the year ahead on the financial position of the provider sector and on operational performance. The importance of not compromising on quality of care for patients was emphasised, and the Board also highlighted the importance of careful profiling of elective work to optimise performance against both elective and emergency waiting time targets.

8. Update on sector performance (BM/18/07(P))

- 8.1. The Chief Financial Officer presented a report setting out key data on financial and operational performance for month 8 and provided an overview of the planning discussions which had been ongoing with the Department of Health, HM Treasury and NHS England.
- 8.2. A discussion took place on the balance which would need to be struck between quality, financial and operational performance. The challenges with delivering against plan on all three fronts were acknowledged and the importance of delivering the best outcomes possible for patients was highlighted. It was noted that NHS Improvement was working closely with NHS England on the planning

guidance and that discussions were ongoing to ensure there was a more balanced approach to managing risk across providers and commissioners in 2018/19, recognising that their success was intrinsically linked. The marginal rate tariff for emergency care was discussed and it was noted that efforts were being made to address the issues caused by this tariff as part of the 2019/20 tariff negotiations.

- 8.3. A high level discussion took place on the early indications regarding the year end outturn and the impact which the deferral of non-urgent inpatient elective care had had on provider income. The timetable for publication of financial results was considered and the Board noted that Q3 results were due to be published on 19 February 2018.
- 8.4. The importance of using the current challenges faced by the NHS to generate a debate on transformation was emphasised. The Board commented that whilst not wishing to diminish the challenges it was also important to maintain a positive mindset and use the challenges as a platform for driving positive change.

9. Joint working with NHS England: Update on the South region and on the proposed broader programme of work (BM/18/09(P))

- 9.1. Ben Dyson, Executive Director of Strategy and Emily Lawson, NHS England attended the meeting for consideration of this item.
- 9.2. The Executive Director of Strategy introduced the paper, which set out the findings from initial work carried out with staff in the South region on joint working and provided an overview of initial discussions with NHS England around the options for future joint working.
- 9.3. The Board noted that a road map had been developed for the journey towards future joint working and that initial proposals would be presented to the Board at the Strategy Day on 22 February 2018. It was noted that the resources initially dedicated exclusively to the evaluation of the joint working arrangements in the South had now been refocused onto the wider joint working review.
- 9.4. Board members commented that the joint working model would need to be flexible in light of the potential developments regarding commissioning and provision of care across the NHS. It was noted that lessons could be learned from the joint working in the Nursing Directorate as well as from the South region, and the Board emphasised the importance of supporting colleagues in the South region with regard to any current challenges and to ensure that their joint working developed in a direction that was compatible with the wider review. The importance of seeking input from the Executive Managing Regional Directors was highlighted.
- 9.5. The timetable for the review was considered and the Board noted that, following the initial proposals to be presented at the Strategy Day in February,

more formal recommendations would be made to the Board at the end of March 2018.

- 9.6. The Board requested that the findings from the staff survey would be incorporated in the joint working review.

10. Staff survey and action plan (BM/18/10(P))

- 10.1. The Board noted that Adam Sewell-Jones, Executive Director of Improvement and the executive lead on the staff survey, had sent his apologies and the Executive Medical Director/Chief Operating Officer presented the report on his behalf.
- 10.2. The Board welcomed the report and improvements shown in the outcome of the staff survey. It was noted that continued efforts were required to ensure a positive experience for staff of working at NHS Improvement and a number of practical adjustments could be made immediately, as outlined in the action plan.
- 10.3. The importance of clarity on NHS Improvement's purpose and operating model was emphasised and the Board noted that this would form part of the work on organisational design and joint working with NHS England. Regular updates on this would be provided to the Board.
- 10.4. The Board thanked the Executive Director of Improvement for his hard work on the staff survey and the action plan.

11. Any other business

- 11.1. The Board was updated on the outcome of a recent Employment Tribunal case, and thanked the Executive Director of Nursing and the General Counsel for their hard work on this case.

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