

**MINUTES OF A MEETING OF THE NHS IMPROVEMENT BOARD  
MEETING HELD ON THURSDAY 22 NOVEMBER 2018 AT 13.00 AT  
WELLINGTON HOUSE, WATERLOO ROAD, LONDON SE1 8UG – SUBJECT TO  
APPROVAL AT THE MEETING OF THE BOARD ON 12 DECEMBER 2018**

**Present:**

Baroness Dido Harding, Chair  
Professor Dame Glynis Breakwell, Non-Executive Director/Senior Independent Director  
Ian Dalton, Chief Executive  
Lord Ara Darzi, Non-Executive Director  
Richard Douglas, Non-Executive Director  
Dr Tim Ferris, Non-Executive Director  
Stephen Hay, Executive Director of Regulation/Deputy Chief Executive  
Wol Kolade, Non-Executive Director  
Ruth May, Executive Director of Nursing  
Kathy McLean, Executive Medical Director/Chief Operating Officer  
Sir Andrew Morris, Non-Executive Director  
David Roberts, Associate Non-Executive Director  
Laura Wade-Gery, Non-Executive Director

**In attendance:**

Jessica Dahlstrom, Head of Governance  
Kate Moore, General Counsel  
Elizabeth O'Mahony, Chief Financial Officer  
Pauline Philip, National Director for Urgent and Emergency Care

**1. Welcome and apologies (oral item)**

1.1. Apologies for absence had been received from Lord Patrick Carter (Non-Executive Director).

**2. Minutes and matters arising from the meeting held on Thursday, 27 September 2018 (BM/18/72(P))**

2.1. The minutes from the meeting held on Thursday 27 September 2018 were approved and matters arising were noted.

**3. Safety strategy (BM/18/73(P))**

3.1. Aidan Fowler, National Director of Patient Safety, attended the meeting for consideration of this item.

- 3.2. The Board considered a paper which sought Board agreement to engaging on a Patient Safety Strategy alongside the NHS Long Term Plan and funding the Patient Safety Collaboratives Programme for three years, extendable to five years with an annual break clause.
- 3.3. An overview was provided of the key components of the strategy including the approach to collection and analysis of data on patient harm. The approach to patient safety training was outlined and an overview was provided of patient safety initiatives including Patient Safety Collaboratives. The need for better alignment and sharing of best practice was highlighted.
- 3.4. Board members were provided with an overview of the patient safety team and noted that this was currently based within the NHS Improvement medical directorate and that there was no separate team in NHS England. A discussion took place on the reporting and escalation mechanisms for the patient safety team and it was noted that this team would report to the Quality Committee in Common. The interaction between this Committee and the National Quality Board needed to be clarified and the alignment with the new regional structure would also need to be resolved.
- 3.5. The Board noted that the governance around the Patient Safety Strategy would be included in the ongoing work on shared governance and the Quality Committee in Common in particular.

**ACTION: LAD/JD**

- 3.6. The importance of measuring the impact of the Patient Safety Collaboratives and other elements of the Patient Safety Strategy was highlighted. Board members also commented on the quality of reporting and encouraged a move to meaningful reporting with a focus on capturing learning. The technology to ensure learning was an automated feature was available.
- 3.7. The Board encouraged the patient safety team to learn from other sectors on mechanisms to improve safety and learning. There was also a suggestion that ways to measure safety culture should be included in the Patient Safety Strategy.

**RESOLVED:**

- 3.8. The Board resolved to approve the recommendations as set out in the paper which were to agree to engaging on a Patient Safety Strategy alongside the NHS Long Term Plan and to funding the Patient Safety Collaboratives Programme for three years, extendable to five years with an annual break clause.

**4. Chief Executive's report (BM/18/78(P))**

- 4.1. The Chief Executive presented his report which provided an overview of operational performance and safety issues as well as the current financial position. The Long Term Plan would be discussed in a working session with the

NHS England Board in the afternoon of 22 November 2018. Further progress was needed on efficiency including significant service changes.

- 4.2. In relation to the Joint Working Programme, the Chief Executive thanked his senior colleagues for their professionalism in progressing the work on organisational design. Further work was required by the two Chief Executives and their new Executive Team on leadership and ways of working.

## **5. Q2 financial and operational performance of providers (BM/18/74(P))**

- 5.1. The Board considered a paper which provided a detailed overview of the financial and operational performance of providers during Q2 of 2018/19. An overview was provided of the purpose and target audience of the paper.
- 5.2. Board members noted key trends as set out in the report and discussed forecast non-recurrent items which would affect the year end position. An overview was provided of the risks in the plan and mitigation strategies which were being developed. The impacts of Agenda for Change funding and lower than expected Referral to Treatment activity were discussed. The Urgent and Emergency Care team was working closely with the worst performing trusts to ensure robust plans were in place for winter.
- 5.3. In line with previous reports, this Q2 report showed record levels of demand with no corresponding increase in capacity. This had caused increasing levels of pressures in the system. The potential role of the independent sector in alleviating some of this pressure was considered.

## **6. NHS Improvement ownership of supply chain company – Evaluation and preparation (BM/18/76(P))**

- 6.1. Miranda Carter, Director of Mergers, Acquisitions and New Organisational Models, and Marianne Loynes, Transactions and Sustainable Solutions Director, attended the meeting for consideration of this item.
- 6.2. The Board received a paper which provided an update on the evaluation and preparation process supporting the potential transfer of Department of Health and Social Care's (DHSC) centralised procurement company (the company) to NHS Improvement on 1 April 2019. The paper highlighted key outstanding areas of work and current conclusions on the assurances NHS Improvement would require. Clarification was required on the funding model.
- 6.3. Board members requested further detail on the proposed acquisition and the indemnity which would be offered. The company held several contracts between suppliers and NHS providers for supplies into the NHS, and was responsible for procurement, logistics and IT. It was noted that the transaction was highly likely to proceed, and that the NHS Trust Development Authority could be directed to take this company on. However, this did not alter the need to do due diligence and document the risks properly.

- 6.4. The involvement which NHS Improvement had had to date in the appointment of the company's board was outlined. Board members discussed how losses generated by the company would be funded and the reputational risks of taking on the company were considered. The advantages of taking ownership of a company crucial in the delivery of the Long Term Plan were also discussed. Board members highlighted the importance of demonstrating to providers how the company could add value.
- 6.5. A discussion took place on ideas for ensuring buy-in from NHS providers. There was a cultural challenge to be overcome. The risk associated with not having the Chief Commercial Officer in place yet at the time of acquisition was raised.
- 6.6. Two key actions were now required. A detailed due diligence exercise would need to be completed and brought back to the Board, to enable the Board to approve the terms on which NHS Improvement was prepared to take on the company. In addition, an analysis was required to understand the benefits which could be achieved through the company for the NHS and how providers could be incentivised to cooperate to achieve these.
- 6.7. It was suggested that a Task and Finish Group should be established involving Non-Executive Directors with relevant experience to assist the executive colleagues currently working on this project. The views of providers should also be sought.

**ACTION: MC/JD**

## **7. Preparations for winter (BM/18/66(P))**

- 7.1. Pauline Philip, National Director of Urgent and Emergency Care, attended the meeting for consideration of this item.
- 7.2. The Board received a paper which provided an overview of the NHS-wide preparations being undertaken for winter 2018/19. In the last winter, the NHS had been very effective at protecting patient safety, although the quality experienced by patients was not as good as it should have been. Going into this winter, the focus was on continuing to protect patient safety while maintaining quality to the extent possible. The capacity position was challenging but work was ongoing to ensure that progress continued to be made on waiting lists.
- 7.3. There was some data now available on 'flu vaccinations and performance on staff vaccinations was ahead of last year. The National Director of Urgent and Emergency Care outlined the issues which had arisen as result of dual vaccines and a phased delivery of vaccines into the primary care service. It was noted that performance on population vaccinations was behind last year as a result but now catching up. The NHS would need to reflect on lessons learned from this exercise.

- 7.4. There had not been sufficient progress in reducing length of stay including the reduction in the number of patients staying in hospital for more than 21 days. There had been an investment in social care to alleviate hospital capacity pressures, but this had not yet had the expected positive impact. This was the most important factor that could improve the NHS's performance over this coming winter and efforts should be focused on this area. The importance of individual patient-level decision making was highlighted.
- 7.5. The Board was asked to help communicate to all stakeholders the importance of reducing length of stay where possible.

## **8. Update on the Joint Working Programme (oral item)**

- 8.1. Joanne Shaw, Non-Executive Director (NHS England) and Emily Lawson, National Director: Transformation and Corporate Operations (NHS England), attended the meeting for consideration of this item.
- 8.2. The Board had received the consultation documentation which had now been sent to staff. An overview was provided of the contents and the early feedback received. Thirty responses had been submitted since the consultation was launched on Friday 16 November. A 'lessons learned' document had been prepared setting out learnings from the process of preparing the Phase 2 consultation document and these lessons would be considered carefully as part of the preparation for Phase 3. The plans for the Phase 3 consultation were outlined.
- 8.3. The Board received an overview of the discussions which had taken place at the Joint Transition Advisory Group, and the forward plan for this Group. The meetings were valuable partly because of both Chief Executives attending. The Board thanked all the executives who had been involved in the Joint Working Programme.
- 8.4. Board members discussed the size of the shift from centre to regions as presented in the paper and queried whether more could be done to increase this shift. It was noted that the proposals had been developed with a view to matrix working and supporting the regions as efficiently as possible.
- 8.5. The importance of providing clarity soon for the remainder of the workforce was highlighted and Board members emphasised the difficulties of retaining staff in an uncertain environment. It would be important to move as quickly as possible and simplifying job descriptions might help with this. Initiatives to provide some certainty for staff in programme roles were outlined.
- 8.6. Board members highlighted to importance of continuing to invest in culture and leadership.

**9. Any other business**

9.1. There was no other business.

**Close**