

**MINUTES OF A MEETING OF THE NHS IMPROVEMENT BOARD
MEETING HELD ON WEDNESDAY 12 DECEMBER 2018 AT 9.00am
AT WELLINGTON HOUSE, WATERLOO ROAD, LONDON SE1 8UG – SUBJECT
TO APPROVAL AT THE MEETING OF THE NEXT NHS IMPROVEMENT BOARD**

Present:

Baroness Dido Harding, Chair
Lord Patrick Carter, Non-Executive Director
Ian Dalton, Chief Executive
Lord Ara Darzi, Non-Executive Director
Richard Douglas, 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
Sian Jarvis, Executive Director of External Affairs
Kate Moore, General Counsel
Elizabeth O'Mahony, Chief Financial Officer (from item 9 onwards)

1. Welcome and apologies (oral item)

- 1.1. Apologies for absence had been received from Professor Dame Glynis Breakwell (Non-Executive Director/Senior Independent Director) and Dr. Tim Ferris (Non-Executive Director).
- 1.2. The Chair declared that she had been asked to become the Deputy Chair of the Bank of England, and had accepted.

2. Minutes and matters arising from the meeting held on Thursday, 22 November 2018 (BM/18/78)

- 2.1. The minutes from the meeting held on Thursday 22 November 2018 were approved and matters arising were noted.

3. Chair's report (BM/18/79)

- 3.1. The Chair presented her report and expressed her thanks for the hard work of the Executive Directors who had decided to leave NHS Improvement. Their dedication and professionalism were praised. The Chair congratulated the Executive Director of Nursing on her appointment as Chief Nursing Officer and thanked all NHS Improvement staff for their commitment during the Joint Working programme.
- 3.2. The Board welcomed the efforts on volunteering made by the Chair, who had given up her own time to volunteer and pioneered a formal volunteering scheme for staff.

4. Chief Executive's report (BM/18/80)

- 4.1. The Chief Executive presented his report and outlined the ongoing winter preparations and the pressures which the NHS was currently already experiencing. The Chief Executive had written to Chief Executives, Medical Directors and Nursing Directors of providers recently to support them in the complex decisions which they would have to make over the winter period. A discussion took place on the measures which had been taken to increase available capacity ahead of this period.
- 4.2. The key points of guidance released recently about trusts setting up subsidiaries were set out, and an update was provided on the situation at Shrewsbury and Telford NHS Trust which had been placed into special measures for quality reasons in November. Maidstone and Tunbridge Wells NHS Trust and Gloucestershire Hospitals NHS Foundation Trust were congratulated for exiting special measures for quality reasons.
- 4.3. The Chief Executive highlighted the new Executive Director appointments which had been announced, thanked the Executive Directors who had decided to leave, and welcomed new members of the Executive Team. The Board noted that the Leadership Academy in Health Education England would be transferred to NHS Improvement from 1 April 2019.

5. National Guardian's Office report (BM/18/81)

- 5.1. Dr. Henrietta Hughes, National Guardian, attended the meeting for consideration of this item.
- 5.2. The National Guardian presented the annual report from the National Guardian's Office, setting out progress made during 2018. She outlined key developments and next steps for the year ahead. There were over 1,000 Freedom To Speak Up (FTSU) Guardians now working in different parts of the NHS. Bullying and harassment was one of the key themes of issues raised with Guardians. The importance of ensuring Guardians had protected time to fulfil their role to its full potential was highlighted.

- 5.3. A discussion took place on the link between speaking up cultures and performance of provider organisations. It was noted that work was ongoing to address some barriers to speaking up including the effective implementation of FTSU and related policies such as reporting conflict of interests. The perception that settlement agreements could prevent speaking up was considered. The Board emphasised the importance of clarifying this was not the case and a communication strategy in this area was discussed.
- 5.4. Board members highlighted the importance of seeing FTSU as a proactive rather than a reactive work programme. A discussion took place on the possibility of expanding FTSU into social care. Board members also suggested that data from the FTSU programme should be included in NHS Improvement Quality Dashboard. The need to engage with all professional bodies in England and internationally was highlighted, and Board members suggested that the FTSU programme resources could be used in the context of trusts in special measures.
- 5.5. The success metrics for the programme were considered. These included relevant questions already included in the staff survey. An index of the six key questions had been created to measure FTSU progress. Data from the ombudsman was also relevant to demonstrate a trust's approach to responding to complaints.

6. Workforce Race Equality in the NHS (BM/18/82)

- 6.1. Dr. Habib Naqvi, Policy Lead, NHS Workforce Race Equality Standard (WRES), and Marie Gabriel, Chair, East London NHS Foundation Trust, attended the meeting for consideration of this item.
- 6.2. The Board received a paper which set out progress on WRES implementation to date and outlined the need for accelerated improvement on Black and Minority Ethnic (BME) representation at senior positions across the NHS. The proposed strategic approach to ensuring leadership was representative of the overall BME workforce by 2028 was considered, including the resources required to deliver on this ambition.
- 6.3. The WRES team thanked the Board, the Chair and the Chief Executive for their support for the WRES programme of work. It was noted that the governance and reporting lines for the programme should be clarified and the new People Committee in Common of NHS Improvement and NHS England was likely to be the appropriate governance forum.
- 6.4. Board members thanked the WRES team and highlighted the importance of diversity as clear benefit to the effective running of organisations and to patient outcomes. An increased focus on culture and behaviours was required to address the issue of BME representation in leadership positions. The importance of supporting aspiring leadership candidates was highlighted, and NHS Improvement's role in this was considered.

- 6.5. NHS Improvement would need to focus on ensuring sufficient diversity at senior levels within its own organisation.

RESOLVED:

- 6.6. The Board resolved to approve the recommendations set out in the paper which were to approve the proposed strategic approach of ensuring leadership is representative of the overall BME workforce by 2028, including the resources required to deliver on this ambition, and to agree to the publication of the strategic approach and its communication to the wider system.

7. Questions and comments from the public

- 7.1. A member of the public raised a query about the reference to 'freedom' in the FTSU programme when speaking up should be the norm. It was important to expand the FTSU work to the social care sector, possibly using the Care Quality Commission (CQC) regional care reviews as a vehicle. The member of the public also congratulated the Executive Director of nursing on her appointment as Chief Nursing Officer and thanked the Chair for all her hard work and for allowing members of the public to come and speak at the Board.

8. Private session – resolution (oral item)

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

9. Chief Executive's update (BM/18/86(P))

- 9.1. The Chief Executive presented his report and provided an overview of current status of the Long Term Plan including proposed publication dates. A balance between vision and detailed deliverables had now been achieved in the document but there were issues to be resolved around the model of change which would need to be tailored for different parts of the country.
- 9.2. Workforce modelling was still ongoing with matters such as international recruitment, retention and undergraduate training programmes being considered to resolve the currently forecast vacancy gap. The issue of growing demand and the lead time for increasing capacity was highlighted.
- 9.3. The Chief Executive provided an overview of Brexit planning discussions, focusing on medicines and workforce supply. The implications of individual patient decisions to stockpile medicines were discussed.

9.4. Board members discussed winter preparations and it was noted that several emergency departments were already very challenged. The risk of patient harm would need to be managed including ensuring high risk patients were directed to the right departments urgently. A note would be circulated to the Board by the Chief Executive setting out the approach to the most challenged providers. This would include a narrative explaining the causes of the challenges.

ACTION: ID

9.5. The support being offered by NHS Improvement was outlined and the interaction with the proposed changes in regional leadership was considered. It was important that the service knew who was accountable for each region throughout the winter period.

10. Freedom to Speak Up at NHS Improvement 2018/19 (BM/18/87(P))

10.1. Donna Pannell, Freedom to Speak Up Guardian, attended the meeting for consideration of this item.

10.2. The Board considered the bi-annual report from NHS Improvement's FTSU Guardians with contained several recommendations regarding the next steps for the FTSU Guardians' work.

10.3. Board members thanked the FTSU Guardians for their hard work and advice. An overview was provided of the informal and formal work conducted by the Guardians. Many of the cases were HR-related and the Guardians were working closely with HR colleagues. Bullying and harassment was one of the key themes and Board members were provided with an overview of the pattern of reporting. The need for more Guardians and HR colleagues to be based in regions was highlighted.

10.4. The role which line managers should play in resolving these issues was discussed and the importance of culture and behaviours forming part of performance evaluations was highlighted. Urgent training would need to be provided to support line managers during the transition period.

ACTION: RM, Emily Lawson

RESOLVED:

10.5. The Board resolved to approve the recommendations set out in the paper.

11. Proposed national tariff policies for 2019/20 (BM/18/88(P))

11.1. Chris Walters, Chief Pricing Officer, attended the meeting for consideration of this item.

11.2. The Chief Pricing Officer presented a paper setting out key policy recommendations for the 2019/20 national tariff. The Board was asked to delegate the approval of the final consultation document to the Chair of the

Board, and to delegate the approval of the final tariff to the Resources Committee.

- 11.3. The key policies set out were on blended payments, the Market Forces Factor (MFF) and centralised procurement. These were outlined in detail. The impact of MFF changes on the London region was discussed and it was noted that the total amount of funding for the region was increasing because of increased Clinical Commissioning Group (CCG) allocations. A table setting out the combined impact at regional level would be made available to Board members.

ACTION: CW

- 11.4. Board members discussed the communication strategy for the proposed changes. The fact that some London trusts were international centres of excellence should be considered.

RESOLVED:

- 11.5. The Board resolved to approve the recommendations in the paper which were to:

- 11.5.1. approve the policies in this paper to be used for prices to accompany the 2019/20 planning guidance and the statutory consultation on the next tariff, subject to consideration of the impact assessment by Joint Pricing Executive and Resources Committee;
- 11.5.2. delegate to the Chair the responsibility for signing off the complete statutory consultation materials, including the impact assessment, in January 2019; and
- 11.5.3. agree that Resources Committee could make the final decision on publishing the 2019/20 National Tariff Payment System in March 2019, following the statutory consultation, if the objection threshold was not met.

12. Update on actions taken in response to Independent review into Liverpool Community Health NHS Trust: Stress Testing Exercise (BM/18/89(P))

- 12.1. The Board received an overview of the lessons learned from the stress testing exercise conducted by NHS Improvement's regions as part of the actions taken in response to the Independent review into Liverpool Community Health NHS Trust.

- 12.2. The need to clarify the operating model and ensure consistency in the regions in the implementation of the lessons learned was emphasised. The transition risk arising from the Joint Working programme would need to be managed carefully and this had been raised at the Joint Working Programme Board. A Single Responsible Officer would be appointed. A paper on the proposed operating model would be brought to the Delivery and Performance Committee in January 2019.

ACTION: ID, KMcL, Emily Lawson

13. 2018/19 Budget and Plan refresh (BM/18/90(P))

- 13.1. A paper was presented setting out the outputs of a light touch budget review exercise which had taken place in October considering the Department of Health and Social Care's final budget allocations made to NHS Improvement. An overview of the historic position was provided and the implications of the additional Brexit work programme were discussed.
- 13.2. The Board requested a monthly pack on NHS Improvement's performance against business plan and budget. The format of the quarterly performance report was discussed, and Board members requested that thought should be given, jointly with NHS England, to the Business Plan and to measuring the impact of the actions which had been completed by the organisations. This would be presented to the Strategy Committee in Common in February 2019.

ACTION: EO

RESOLVED:

- 13.3. The Board resolved to approve the revised directorate budget allocations for 2018/19, including agreeing the Executive Committee recommendations regarding underspend and the RTT budget.

14. Proposals for revised governance arrangements in joint working context (BM/18/91(P))

- 14.1. The Chair presented a paper setting out revised governance arrangements in the context of joint working, including proposed committee membership and draft Terms of Reference for the committees in common with NHS England.
- 14.2. A discussion took place on the Executive Director membership of the committees, and it was noted that this would need to be looked at carefully, balancing the need for Executive Directors to be involved in key decision making processes with the committee time burden on Executive Directors.
- 14.3. Board members commented that it would be appropriate in the case of some committees, including for example the Quality Committee, to have members from other Arm's Length Bodies. All committees should be focused on improvement as well as assurance.
- 14.4. There was a discussion on regulatory decision making and Board members noted that plans were in place for an executive level committee which would report to the NHS Improvement Board.
- 14.5. The importance of communicating the new governance model clearly to the NHS was highlighted and it was required that the communications team would assist in the production of a clear depiction of the structure.

ACTION: SJ, JD

15. Any other business

15.1. The Chief Executive outlined to process for finalising and approving the Long Term Plan.

15.2. The NHS England Board had recently had an informative session on primary care and it was suggested that a similar session could be arranged for the NHS Improvement Board.

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