

**DRAFT MINUTES OF A MEETING OF THE NHS TRUST DEVELOPMENT
AUTHORITY AND MONITOR BOARDS HELD ON THURSDAY 28 JANUARY 2016
AT 10.00 AT WELLINGTON HOUSE, 133-155 WATERLOO ROAD, LONDON SE1
8UG – SUBJECT TO APPROVAL AT THE MEETING OF THE BOARD ON 25
FEBRUARY 2016**

Present:

Ed Smith, Chairman
Jim Mackey, Chief Executive

From the NHS Trust Development Authority:

Bob Alexander
Dame Christine Beasley, Non Executive Director
Peter Blythin, Director of Nursing
Sir Peter Carr, Non Executive Director
Sarah Harkness, Non Executive Director
Kathy McLean, Medical Director
Elizabeth O'Mahony, Director of Finance
Caroline Thomson, Non Executive Director

From Monitor:

Lord Ara Darzi, Non Executive Director
Stephen Hay, Managing Director of Provider Regulation
Timothy Heymann, Non Executive Director
Heather Lawrence, Non Executive Director
Adrian Masters, Managing Director of Sector Development
Sigurd Reinton, Non Executive Director
Keith Palmer, Deputy Chairman, Non Executive Director

In attendance:

From the NHS Trust Development Authority:

Lynne Burgess, Senior Governance Manager
Ralph Coulbeck, Director of Strategy

From Monitor:

Jessica Dahlstrom, Head of Governance
Jason Dorsett, Financial Reporting and Risk Director
Ruth May, Nurse Director

1. Welcome and apologies (oral item)

Apologies for absence had been received from Lord Patrick Carter (Non Executive Director), Baroness Joan Hanham (Non Executive Director), Iain Osborne (Non Executive Director) and Hugo Mascie-Taylor (Medical Director).

2. Declarations of interest (oral item)

2.1 No interests were declared.

3. Minutes and matters arising from the meeting of the NHS Trust Development Authority Board held on Thursday 19 November 2015, and the meeting of the Monitor Board held on Thursday 17 December 2015 (BM/16/01)

3.1 The minutes of the NHS Trust Development Authority (NHS TDA) Board meeting held on 19 November 2015 and the Monitor Board meeting held on 17 December 2015 were approved and the matters arising noted.

3.2 On behalf of the Board, the Chairman thanked NHS staff for their hard work during the Christmas period and during January.

3.3 The process for unstarred items on the Board agenda was discussed. The Chair reminded Board members that they could request that any agenda item would be unstarred, meaning that item would be discussed by the Board.

4. Executive Report (BM/16/02)

4.1 The Chief Executive introduced the report, and expressed his thanks to NHS staff for a fantastic performance over the winter period so far.

4.2 The Chief Executive outlined the planning process, and described the series of events planned to engage with providers.

4.3 The Board discussed the Success Regime. The importance of moving at the right pace was emphasised. The relationship between the Success Regime and the Transformation Fund was discussed. The Board noted that work was ongoing to coordinate the two initiatives. The Board emphasised the importance of public and staff engagement in the Success Regime.

4.4 The junior doctor's strike action and its impact to date was discussed. The Board noted that the impact had been uniform across the country. The Board emphasised the importance of understanding the financial impact on providers of any final agreement with junior doctors.

- 4.5 The Board discussed the agency price caps, and noted that to date, the results in terms of decreased spend had been better than expected, and that the impact on service delivery had been well managed by the NHS.
- 4.6 The plans for an event for providers on 11 February 2016 were discussed. This event would be co-hosted by NHS Providers, and provide a forum to launch the Roadmap for providers, a document setting out our implementation plans for the Five Year Forward View. The importance of working closely with other national bodies on this document was emphasised. Board members would be given the opportunity to comment on the document prior to its launch.

ATION: RC/HB

5. Questions and comments from the public (oral item)

- 5.1 A member of the public asked a question about the Five Year Forward View, and particularly about any plans to consult on the implementation. The Chair set out the broad consultation process that had taken place to inform the Five Year Forward View, and explained that any significant changes to local services provision would be subject to public consultation.
- 5.2 A member of the public asked a question about the agency price caps, and how reliable the data was that was currently being reported, both on operational and financial performance. Members of the Board indicated that they expected the quality of data collected to improve over time, and also explained that as financial data was being collected monthly rather than weekly, it was too early to analyse the operational and financial data together at this stage.

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.

RESOLVED:

- 6.2 The Board resolved that representatives of the press and other members of the public should be excluded from the meeting, having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest.

7. Chief Executive's update (oral item)

- 7.1 The Chief Executive updated the Board on negotiations concerning the junior doctor and consultant contracts. The importance of consistency between these and the seven day services policy was emphasised.
- 7.2 Board members noted the progress that had been made establishing control totals for 2015/16, and developing plans for 2016/17 and beyond. The Board

requested an update on plans, and it was agreed that this would be provided at the next Board meeting.

ACTION: EO and JDo

8. Chairman's report (BM/16/06(P))

- 8.1 The Chair introduced the report and provided an update on the recruitment process for Non Executive Directors. An overview of recent meetings of the Public Accounts Committee and the Health Select Committee was also provided.
- 8.2 The Board discussed the Executive Team structure for NHS Improvement which had now been agreed. The importance of establishing clear boundaries between providing support and regulating was emphasised.
- 8.3 The relationship with partnership bodies was discussed, and the importance of working closely with NHS England and the CQC was emphasised. The possibility of having some staff who were jointly appointed was discussed. The Board requested more time to discuss partnership working at a future meeting of the Board.

ACTION: JDa

9. Deputy Chairman's report (BM/16/07(P))

- 9.1 The Deputy Chairman introduced the report and described the NHS TDA's appointments function in relation to Chairs and Non Executive Directors in NHS Trusts. He also highlighted the TDA's role in managing a small number of disputes between Chairs and Chief executives in NHS Trusts. The Board noted some of the key issues that NHS Improvement would need to address to ensure that NHS Trusts had a sustainable supply of strong leaders.

10. Integration update (BM/16/08(P))

- 10.1 The NHS TDA's Director of Strategy introduced the report. The Board discussed the fit of the integration programme with NHS Improvement's business planning process. It was noted that the integration programme and the business planning and budget setting processes were running in parallel, and there was ongoing communication between these programmes of work.

11. Joint provider performance report (BM/16/09(P))

- 11.1 The Financial Reporting and Risk Director introduced the report and invited feedback on the format of the report, which was new as this was the first time Monitor and NHS TDA data has been combined in this way.

11.2 The Board discussed the current financial and operational position and noted that while initiatives were ongoing to try and improve the position by year end, there was a risk associated with the current run rate. The role that fines imposed by commissioners played in the financial position of providers was discussed.

11.3 The Board discussed the reasons for the unprecedented level of financial challenge, and noted that non-recurrent funding being spent recurrently was a key area of concern.

11.4 The Board welcomed the format of the new report.

12. Any other business

12.1 The Chair reminded the Board of the date of the next Board meeting, which would take place on Thursday 25 February 2016.

12.2 The Chair invited Board members to register to attend Monitor's event for providers on 11 February 2016.

12.3 The Chair noted that this was Keith Palmer's last Board meeting, and thanked him for his significant and considered contributions, as Non Executive Director, Chair of the Audit and Risk Committee and Deputy Chairman.

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