



**DRAFT MINUTES OF A MEETING OF THE NHS TRUST DEVELOPMENT
AUTHORITY AND MONITOR BOARDS HELD ON THURSDAY 25 FEBRUARY
2016 AT 13.00 AT WELLINGTON HOUSE, 133-155 WATERLOO ROAD, LONDON
SE18UG – SUBJECT TO APPROVAL AT THE MEETING OF THE BOARD ON 22
MARCH 2016**

Present:

Ed Smith, Chairman
Jim Mackey, Chief Executive

From the NHS Trust Development Authority (TDA):

Bob Alexander, Deputy CEO, Executive Director of Resources (Designate)
Dame Christine Beasley, 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 Patrick Carter, Non Executive Director
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

In attendance:

From the NHS Trust Development Authority:

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

From Monitor:

Helen Buckingham, Chief of Staff (items 15 and 16)
Miranda Carter, Executive Director of Provider Appraisal (items 10 and 11)
Jessica Dahlstrom, Head of Governance
Jason Dorsett, Financial Reporting and Risk Director

1. Welcome and apologies (oral item)

- 1.1 Apologies for absence had been received from Sir Peter Carr (TDA Non Executive Director), Peter Blythin (TDA Director of Nursing), Hugo-Mascie Taylor (Monitor Medical Director), Ruth May (Monitor Nurse Director) and Iain Osborne (Monitor Non Executive Director).

2. Declarations of interest (oral item)

2.1 No interests were declared.

3. Minutes and matters arising from the joint NHS TDA and Monitor Board meeting held on 28 January 2016.

3.1 Minutes of the previous meeting were approved and the matters arising noted.

4. Chief Executive's report

4.1 The Chief Executive gave an overview of key activities during February. A major conference had been held on 11 February at which appointments to NHS Improvement's executive team had been announced. Proposals for the establishment of a clinically-led Improvement Faculty to drive the improvement agenda had attracted a lot of interest from clinicians. The Faculty would be a key vehicle in delivering NHSI's improvement agenda. Sigurd Reinton offered his congratulations to the Chair, Chief Executive and Lord Darzi on the success of the event.

4.2 Delivery against the A&E standard remained very challenging. A group of providers from across the performance spectrum would be brought together with the aim of sharing areas of good practice.

4.3 Intensive work was underway to agree provider plans and control totals for NHS providers.

4.4 The Board discussed implementation of the Carter efficiency programme. A series of work-streams had been established to take forward different aspects of the programme and the Board would be provided with regular updates on progress.

5. Joint corporate report

5.1 The Board received a report on recent committee activity.

5.2 The Deputy CEO, Executive Director of Resources (Designate) informed the Board that work was underway to develop NHS Improvement directorate level budgets with an emphasis on releasing synergies between the two component organisations. The outcomes of the budget setting process would be reported to the Board by the end of April.

Action: BA

6. Strategic and operational planning 2016/17 to 2020/21

- 6.1 The Deputy CEO, Executive Director of Resources outlined the process for developing and assuring operational and strategic plans for 2016/17 to 2020/2021 in partnership with NHS England.
- 6.2 The over-arching objective for the 2016/17 plans would be to provide a basis for system stability and recovery.
- 6.3 The Board discussed the challenges associated with demand and capacity planning including the interaction with social care provision. The Board considered the options open to providers to increase their control on the delayed discharge issue which may include the development of new social care models.

7. Quarterly report on the performance of the NHS provider sector: 9 months ended 31 December 2015

- 7.1 The Board received a report on the operational and financial performance of the provider sector for the nine months ending 31 December 2015.
- 7.2 A&E performance had deteriorated since the same period last year and high levels of demand were continuing to prove challenging for acute providers. In addition, the sector continued to face financial pressures with acute providers facing the greatest difficulty. These trends had developed over a number of years and would take time to turnaround.
- 7.3 There was discussion about the proportion of patients being admitted to hospital through A&E. The Medical Director highlighted the opportunity for NHS Improvement to enhance clinical engagement on this, and other, issues..
- 7.5 The Chief Executive highlighted the need to improve transparency on performance data to help drive improvement across the sector.
- 7.4 The Board discussed the need to ensure that required savings on capital expenditure did not impact on patient safety.

8. Questions and comments from members of the public

- 8.1 A member of the public questioned the appropriateness of current A&E performance metrics. The Chief Executive responded that the issue was forming part of the discussions in relation to the new vanguard sites but emphasised that the time spent waiting in A&E remained an important aspect of patient safety and experience.

- 8.2 A member of the public queried published data in relation to agency spending. Members of the Finance team would meet separately with the individual after the meeting to discuss the data in more detail.
- 8.3 A member of the public raised a query in relation to patient choice in mental health services referring to her previous correspondence with several health bodies. The Chair and Chief Executive undertook to look into the issue and contact the individual directly.
- 8.4 In response to a question from a member of the public the Chief Executive confirmed that the publication of data on a trust by trust basis was under consideration.

Action: ES/JM

9. Private session - resolution (oral item)

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

RESOLVED:

- 9.2 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.

10. Briefing on Foundation Groups

- 10.1 The Board was provided with an overview of the development of a regulatory approach to chains of providers to be known as Foundation Groups, together with an update on those NHS foundation trusts which were closest to forming vanguards (Northumbria, Royal Free and Salford and Wigan). A range of criteria was being developed with a view to introducing an accreditation process. This would be aligned to NHSI's operating model.
- 10.2 The Board discussed the need for a comprehensive and robust evaluation process for Vanguard proposals including a peer review element.

11. Authorisations of Community NHS foundation trusts.

- 11.1 The Board discussed the approach to authorising community NHS foundation trusts in the context of wider policy considerations. It was agreed that impending applications from Birmingham, Sussex and Wirral Community NHS Trusts should be considered in March but that, thereafter, a revised approach would be taken to community trust applications.

12. Chief Executive's update

- 12.1 Operational performance had remained poor across parts of the provider sector. A number of providers had delivered A&E performance levels of 60-70% for some considerable time and even some well performing organisations were not delivering the target consistently. It was hoped that a move towards greater transparency of data would incentivise organisations to improve their performance.
- 12.2 Financial performance was a source of concern and was attracting significant attention from the Department of Health (DH). Two thirds of providers had accepted controls totals for 2016/17.
- 12.3 The Board discussed the current position with regard to the imposition of the junior doctors' contract.
- 12.4 A report on the implications of the clinical disputes on quality, access and efficiency would be presented at a future board meeting.

Actions: KMc

13. Chairman's report

13.1 The Chair offered his congratulations to the newly appointed Executive team of NHS Improvement and highlighted a recent visit to a range of healthcare providers in the United States.

14. Strategic and operational planning 2016/17 to 2020/21

14.1 The Deputy CEO, Executive Director of Resources (Designate) reported on the key risks emerging from the planning process, in particular the position with regard to agreement of controls totals with individual providers.

14.2 The Board discussed the impact of agency controls. The Chief Executive reported that there was no evidence of safety concerns arising from application of the latest ratchet.

15. Integration update

15.1 The Chief of Staff reported on the latest position with the integration of the NHS TDA and Monitor to create NHS Improvement. Following appointment of the new Executive team, work was underway to agree ways of working for NHS Improvement with particular emphasis on the interface between directorates together with a common set of values and behaviours.

16. Quarter three risk and performance report

16.1 The Board received quarter three risk reports from the NHS TDA and Monitor together with a performance report in respect of the latter.

16.2 The Deputy CEO, Executive Director of Resources (Designate) and the Chief of Staff reported that work was ongoing to create a unified system for NHS Improvement.

16.3 The Board discussed the risk relating to internal IT infrastructure and the potential role of the Technology and Data Assurance Committee in NHS Improvement. The Chair advised that a new committee structure was being developed and would be presented to the Board at a later date.

17. Other business

17.1 The Board was presented with a list of proposed dates for Board meetings during 2016/17. Diary invitations would be circulated once the dates had been confirmed.

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