NHS Digital

Minutes of Board Meetings

Wednesday 01 February 2017

Part 1 - Public Session

Present:

Non-Executive Director (Chair)	Noel Gordon
Non-Executive Director (Vice Chair)	Dr Sarah Blackburn
Non-Executive Director (Senior Independent Director)	Sir Ian Andrews
Non-Executive Director	Marko Balabanovic
Non-Executive Director	Daniel Benton
Non-Executive Director	Soraya Dhillon, MBE
Non-Executive Director	Prof. Maria Goddard
Non-Executive Director	Sudhesh Kumar
Non-Executive Director	Rob Tinlin
Chief Executive Officer	Andy Williams
Director of Digital Transformation	Beverley Bryant
Chief Operating Officer	Rob Shaw
Director of Finance and Corporate Services	Carl Vincent

In attendance:

Medical Director and Caldicott Guardian	Prof. Martin Severs
Executive Office Secretariat	Nicola Rhodes

1. **Chair's Introduction and Apologies** **NHSD 17 05 01 (P1)**

1.1 The Chair convened a meeting of the NHSD Digital Board.

1.2 The Chair reported that he had received apologies from Rachael Allsop, Director of Workforce, Sir John Chisholm, Non-Executive Director, Professor Keith McNeil, NHS Chief Clinical Information Officer (CCIO) and Tamara Finkelstein, Director General for Community Care, DH. The Chair confirmed that the meeting was quorate.

The Chair welcomed and introduced the newly appointed Non-Executive Directors NEDs to the NHS Digital Statutory Board Meeting.

The Chair noted that this was the final meeting for Professor Maria Goddard, Non-Executive Director. The Chair thanked her on behalf of the Board for her valuable contribution to the organisation whilst in post as a NED and wished her all the very best for the future.

2. **Declaration of Interests and Minutes** **NHSD 17 05 02 (P1)**

2.1 (a) Register of Interest (paper) NHSD 17 05 02 (a) (P1)

The Board agreed the register of interests was correct.

The Chair asked Board members to make declarations of interest for the Agenda items listed.

2.2 (b) Minutes of Board Meeting on 30 November 2016 NHSD 17 05 02 (b) (P1) (paper)

The Board ratified the minutes of the meeting held on 30 November 2016.

2.3 (c) Matters Arising (oral) NHSD 17 05 02 (c) (P1)

The Board were advised that Soraya Dhillon, Non-Executive Director was responsible for board oversight for clinical governance and safety, working with Martin Severs. Medical Director and Caldicott Guardian.

2.4 (d) Progress on Action Points (paper) NHSD 17 05 02 (d) (P1)

The Board noted the progress on action points resulting from the previous meetings.

It was noted that the content of the action update was incomplete. A revised version of the action updates will be republished as soon as possible that fully reflects next steps.

3. **Strategic Delivery and Operational Performance** **NHSD 17 05 03 (P1)**

3.1 (a) Board Performance Pack (paper) NHSD 17 05 03 (a) (P1)

The Chief Executive Officer (CEO) presented this item. The purpose was to provide the Board with a summary of NHS Digital's performance in December 2016. The CEO updated the board as follows:

Programme Achievement during December was reported as Amber-Green. Across all reported programmes, overall delivery confidence for December was 65.7% - an increase from 64.8% in November 2016. It was noted that although the overall position is Amber-Green, delivery confidence across the Paperless 2020 portfolio of

programmes was Amber, which comprises of 30 Paperless 2020 programmes and 10 legacy programmes. There were no Paperless 2020 programmes reported as Red. However, seven were reported as Amber-Red. It was noted that these were complex programmes and some programmes were in early stages. It was felt that overall, the trend was positive.

Delivery confidence across the legacy programmes was Amber-Green and continues to improve. It was noted that one legacy programme, Child Protection Information Sharing, was reported as Red. The Board were assured that a root and branch review had been undertaken to understand the issues. It was found that a new approach was required and improved results are expected from April 2017.   It was agreed that a more detailed paper outlining the issues, action taken and timelines for improvement would be brought back to the March Board for Information.

Action: Director of Digital Transformation

IT Service performance was reported as Green. All services met their service objectives for all the services reported on. The Board briefly discussed NHS Mail service issues and sought assurance that the NHS Mail platform remained stable and the issues resolved. The Board were advised that Accenture had made a number of modifications to the platform.

Organisational Health was reported Amber and is forecast to remain the same in the following months. The organisation continues to focus on recruitment campaigns by profession, the development of new employment pipelines, and on building on the success of the graduate scheme. It was noted that the lowest attrition rate within the organisation was with graduates.

It was highlighted that there are 178 posts at an unconditional offer / appointment stage which indicates that new starters joining the organisation is strengthening and reflects a big effort undertaken to attract talent within the organisation. Work continues to improve this further. The Board discussed the focused areas for recruitment which included Project and Programme management, digital and commercial. It was noted that the market was tight but that NHS Digital was seen as an attractive place to work. It was agreed that the NHS Digital rebrand had made a difference and the name itself has attracted further talent to the organisation. It was accepted that there are roles that won't be filled via recruitment; the board were assured that alternative solutions were being explored further. The importance of retaining talented staff was discussed at length.

It was noted that as organisation emerges from strategy and design into delivery and execution the board would need to focus on how the organisation links talent to delivery capability it was agreed that the outline of the talent map would be bought back to the March Board for further consideration.

Director of Workforce/ Director of Finance and Corporate Services

Data Quality was reported as Amber. It was noted that further improvement is required. There is a plan in place to address this.

Financial Management was reported as Red. The budget for the year has been materially restated at month nine to include the transfer of DH assets to NHS Digital, the transfer of Paperless 2020 revenue funding to NHS Digital and the realignment of some NHS England funding from external income.   After making these adjustments to budgets, there is forecast underspend for the year of £11.3m. The Board noted the paper for information.

3.2   (b) NHSmail Incident Summary (paper)   NHSD 17 05 03 (b) (P1)

The Director of Operations and Assurance presented this item. The purpose was to provide an overview of the NHSmail Incident and actions undertaken in response to the incident. Rob Shaw provided context to the issue advising that the 500 million emails were issued within one day due to one incident. The Board described the steps taken to prevent the recurrence of this, or of any similar issues. The Board debated the matters raised at length and discussed the importance of robust business continuity plans.

The Board discussed the lessons learned from NHS Mail incident and considered the impact of future relapses of functionality. The Board were assured that robust performance and scenario testing was undertaken routinely to ensure that everyone is aware of alternative plans in the event of service failure. It was agreed that any future relapses of functionality within the platform will be taken to either the ARC or Information Assurance and Cyber Security Committee (IACSC) for discussion.

The board noted the update observing that they were assured the way the incident had been resolved by NHS Digital and Accenture.

4	**Strategy and Capability**	**NHSD 17 05 04 (P1)**

4.1 <u>(a) Capability Review Update (paper)</u>   NHSD 17 05 04 (a) (P1)

The Director of Finance and Corporate Services presented this item. The purpose was to update the Board on progress to date within the Capability Review. Carl Vincent provided context advising the review was required to support delivery of the paperless 2020 portfolio of programmes. He spoke about the review being undertaken externally so that it would remain objective and allow the opportunity to benchmark against other organisations. Interim reports are in development and work continues on the production of the final report and implementation plan.

Carl Vincent provided a high level summary of the findings for consideration which the Board debated at length. It was observed that the organisation was going through a period of unprecedented change, where every part of the operating model has changed; the organisation must now change delivery of the programmes using agile delivery methods.

Assurance was sought that external stakeholders had been given the opportunity to critique and receive feedback particularly around client engagement. The Board were assured wider stakeholder groups had been given the opportunity to comment on the recommendations.

The final report and implementation plan will be submitted to the Statutory Board meeting for approval scheduled to take place on 28 March 2017. In the meantime a broadly agreed implementation plan will be developed. Where recommendations are non-contentious and can be developed within existing resources, the implementation will start in advance of Board approval.

Action: Director of Finance and Corporate Services

The Board noted the update.

4.2 <u>(b) Implementing and Business Change Portfolio Proposal</u>   NHSD 17 05 04 (b) (P1)
<u>(paper)</u>

The Director of Digital Transformation presented this item. The purpose of the paper was to present the final version of the Implementing and Business Change Portfolio Proposal to the Board for approval. Beverley Bryant summarised the issues encountered implementing business change on a programme by programme basis

and the impact of this on front line users. It was highlighted that there is currently no organisational ownership for business as usual products, moving into implementing business change following the end of their business case resulting in a lack of clarity for future developments and product direction. Beverley Bryant described the vision for the service and summarised the content of the proposal, the Board debated the proposal at length. There was consensus that the Business Change portfolio was required.

The Board debated the skill set required within team and future skills required to successfully embed the Business Change Portfolio. The Board were supportive of the proposal and approved the approach outlined within the paper noting that ongoing training requirements may require further consideration.

| 5 | **Governance and Assurance** | **NHSD 17 05 05 (P1)** |

5.1 (a) Board and Sub-committee Appointments (paper)   NHSD 17 05 05 (a) (P1)

The Chair presented this item. The purpose was to review and formally note the appointment of five new non-executive directors and to appoint members to the Board's sub-committees.

The Board, being satisfied with the information received, approved the Board and Sub-committee appointments.

5.2 (b) Directions for Acceptance   NHSD 17 05 05 (b) (P1)

(i) Directions: Sexual Reproductive Health Attendance   NHSD 17 05 05 (b)(i)
Data (paper)   (P1)

The Medical Director and Caldicott Guardian presented this item. The Board, being satisfied with the information and assurances provided, accepted the Direction.

5.3 (c) Committee Reports   NHSD 17 05 05 (c) (P1)

(i) Assurance and Risk Committee (ARC) Report: 18   NHSD 17 05 05 (c)(i)
January 2017 (oral)   (P1)

Sarah Blackburn, Non-Executive Director and Chair of the Assurance and Risk Committee (ARC) presented this item. The purpose was to provide the Board with an update from the last committee meeting, which was held on 18 January 2017.

The Board were advised that no deep dives had been considered at the ARC. The discussion focused on the capability review and was attended by Deloitte. The draft recommendations of the Capability Review were presented to the Committee for consideration and comment. The implementation plan will be presented to the ARC on 15 March 2017 for approval.

Three Internal Audit reports were expected from Health Group Internal Audit Services (HGIAS) which were deferred. The three of the reports will now be discussed at the Information Assurance and Cyber Security Committee (IACSC) to ensure that each item has sufficient time for discussion.

The Anti-Fraud Audit Report was presented to the Committee for consideration. The report was moderate. HGIAS assured the Committee that they were on track to deliver the 2016/17 Audit plan by the end of the year as planned.

The Committee reviewed the first draft of the annual accounts commentary and also considered the financial report, issues and risks. The transfer of non-current fixed

assets that have been transferred from DH was discussed at length. The Assurance and Risk Committee were satisfied that the trajectory is going in the right direction. The Board noted the update.

| 5.4 | (d) Board Forward Business Schedule 2016-17 | NHSD 17 05 05 (d) (P1) |

The Chair presented this item. The purpose was for The Board to note for information the NHS Digital Board forward business schedule for the financial year 2016-17. It was noted that this schedule is subject to frequent change. The Board noted the paper for information.

| **6** | **Any Other Business (subject to prior agreement with chair)** | **NHSD 17 05 06 (P1)** |

6.1 The Board were advised that the Annual Review of Board Effectiveness would be deferred until April 2018. The Senior Independent Director advised this was due to the recent appointment of Non-Executive Directors. Furthermore, they did not believe there were any significant issues that may give rise to a different conclusion to previous years. The Chair advised that the routine 1:1 meetings were now established with Board members which will also support the review of the Board development.

The Board were advised that the National Back Office Tracing review will be published in due course.

| **7** | **Background Papers (for information)** | **NHSD 17 05 07 (P1)** |

| 7.1 | (a) Staff Survey Results 2016-17 (paper) | NHSD 17 05 07 (a) (P1) |

The Board noted this paper for information.

| 7.2 | (b) Data Release Audit Status Report (paper) | NHSD 17 05 07 (b) (P1) |

The Board noted this paper for information.

| 7.3 | (c) Forthcoming Statistical Publications (paper) | NHSD 17 05 07 (c) (P1) |

The Board noted this paper for information.

| 7.4 | (d) Programme Definitions (paper) | NHSD 17 05 07 (d) (P1) |

The Board noted this paper for information.

| 8 | **Date of Next Meeting** | |

8.1 The next statutory Board meeting will take place on Tuesday 28 March 2017.

The Board resolved that pursuant to the Public Bodies (Admission to Meetings) Act 1960 that representatives of the press and other members of the public be excluded from the remainder of this meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest' (Section 1 (2) Public Bodies (Admission to Meetings) Act 1960).

Table of Actions:

Action	Action Owner
Child Protection Information Sharing It was agreed that a more detailed paper outlining the issues, action taken and timelines for improvement would be brought back to the March Board for Information.	**Director of Digital Transformation**
Talent Management It was noted that as organisation emerges from strategy and design into delivery and execution the board would need to focus on how the organisation links talent to delivery capability. It was agreed that the outline of the talent map would be bought back to the March Board for further consideration.	**Director of Workforce** **Director of Finance and Corporate Services**
Capability Review The final report and implementation plan will be submitted to the Statutory Board meeting for approval scheduled to take place on 28 March 2017. In the meantime a broadly agreed implementation plan will be developed. Where recommendations are non-contentious and can be developed within existing resources, the implementation will start in advance of Board approval.	**Director of Finance and Corporate Services**

Agreed as an accurate record of the meeting	
Date:	
Signature:	
Name:	Noel Gordon
Title:	NHS Digital Chair