

Minutes of Board Meeting

PHIN 1720 Board Meeting held on 13th July 2017

Board Attendees*

Andrew Vallance-Owen [AVO] (Chair)
Jayne Scott [JS]
Fiona Booth [FB]
Professor Nancy Devlin [ND]
Don Grocott [DG]
Michael Hutchings (MH) (Joined by Telephone)
Matt James (CEO) [MJ]
Gerard Panting [GP]
Professor Sir Cyril Chantler [CC]
Natalie-Jane Macdonald [NM]
Professor Sir Norman Williams [NW]

Apologies

Dr VJ Joshi, Clinical Informatics Director [VJ]

Other attendees

Geoff Green, Finance Director [GG]
Jonathan Finney, Member Services Director [JF]
Mona Shah, Office Manager [MS] Minutes

**Note, for the purpose of these minutes, Board members will be referred to as Attendees.*

AVO welcomed the Attendees to the meeting.

1. Request for declarations of Conflicts of Interest

Attendees noted the following declarations;

- AVO continues as Senior Independent Director at The Royal Brompton & Harefield NHS FT
- NW continues as a NED on the Board St Georges NHS Trust
- NJM continues as NED on the Board of Nuffield Health

ND advised that the OHE had changed its status from “Not for Profit” to a “Charity”; although not a conflict, it was for noting by Board; duly noted.

NW informed that meeting that he had received the slides per his request at the last Board meeting and shared them with consultants at a meeting of c.200 medical directors in NHS, chaired by Prof Tim Evans. The feedback was very positive. Attendees continued to discuss the issue of conflict and sensitivities relating to non-publication of data for consultants, both for NHS and Private activity; noting that this data will be available to public after April 2018.

NW suggested PHIN contact NHS Improvement and the GIRFT and NCIP programmes to align on data.

CC asked whether PHIN's data might be able to highlight instances in which a consultant was practising outside his or her competence, for example with reference to their NHS practice. MJ replied that that question had come up in relation to the Ian Paterson case and others, and that PHIN is investigating

ACTION MJ to liaise with NW to seek a meeting with Tim Evans and Tim Briggs to discuss PHIN's role with respect to these issues. AVO to join if possible.

2. Approval of Minutes from Board Meeting held on 25th May 2017

The minutes of the meeting were **approved** subject to the two minor revisions.

3. Reports of sub-committee

a. RemCom

FB (Chair of RemCom), provided a verbal update for the Board, noting that budget proposals included uplifts in remuneration for the chair (having not been adjusted for three or more years) and deputy chair (having been appointed to that role during this year) in the coming financial year. FB noted that uplifts had not been requested by the individuals concerned, but rather by other NEDs, and that the individuals concerned had not influenced the decision. RemCom supported the proposed uplifts. Benchmarking requested by the Committee had been circulated with the meeting papers and included in the budget forecast.

b. Audit & Risk

The minutes of the A&R meeting of 25th January 2017 and call held on 10th May 2017 were taken as read and no further questions were raised. JS (Chair of Audit & Risk committee), provided a verbal update for the meeting held on 12th July. Board noted that the Committee reviewed the financial position for the current year and budget forecast for next year. JS highlighted that approval had been requested to start enforcement procedures for non-paying organisations and JS had volunteered to contact the Finance Directors of these NHS organisations as a final attempt to ask them to engage with PHIN. There was a discussion regarding a draft "Reserves Policy" and it was concluded that the current policy of retaining reserves equivalent to 6 months of costs would be retained for now, but that this position should be periodically reviewed. Mark Sherlock from the auditors, Brebners, had joined the meeting and the year end audit timetable had been agreed. The Risk Register (also enclosed in the Board papers) was reviewed and attendees noted that the current format was helpful and suggestions to improve would be actioned in time for the next review in January 2018.

MH added that the minimum subscription fee of £1k for hospitals that have very low activity was also discussed and MJ confirmed that this was documented in the Subscription Agreement.

Attendees noted that a minor risk had been examined and accepted arising from the potential for the underlying activity informing 2017-18 billing (2016 volumes) being less than used for the current year (2015 volumes), given that some data had not yet been finalised; this would be covered under the financial section.

c. Conflicts of interests (ad-hoc sub-committee)

AVO summarised for the attendees how the draft policy had evolved and gave a brief overview of the content, highlighting that the policy had been drafted by the Board working group (AVO, MJ, MH, and DG). Attendees were also advised that a register of interests would to be established.

ACTION MS to circulate a declaration form to NEDS and compile a register of interests

In response to a question and following discussion, it was **agreed** that if attendees carried Private Healthcare insurance, it did not need to be declared.

Board **Approved** the policy to be adopted from the date of this meeting.

AVO also advised the Board that the current Articles of Association were difficult to understand and legal language was almost impenetrable; Mills & Reeve had been contacted to review the current Articles and offer improvement.

4. Chief Executive's report

The report was taken as read and attendees requested that MJ talk through the key points.

Board noted that PHIN would reach its fifth anniversary on 18th July 2017.

It had been a busy time with new arrivals, year-end invoicing and governance. PHIN successfully passed the ISO 27001 Surveillance audit with one minor non-conformity raised, which was a very good outcome for a small organisation like PHIN. Security incidents analysis had been undertaken and, in all, very minor incidents had occurred and nothing that would affect individuals or involve the ICO. Meeting noted that PHIN was registered with the ICO as a data controller.

After extensive joint working with the aim of publishing a Q&A to provide reassurance on data protection for NHS Trusts, the Editorial Board of the NHS Information Governance Alliance (IGA) had declined in fact to endorse or publish them. In the meantime, PHIN had published the Q&A and NHS Improvement had kindly circulated a link to that briefing to Trusts.

DG noted that Dame Fiona Caldicott (National Clinical Data Guardian) had written an article in The Times newspaper and recommended that all attendees read it. MJ commented that it would be good to arrange a meeting with Dame Fiona and other high-profile figures to highlight the positive aspect of PHIN's work.

MJ gave an overview of the new staff who have joined PHIN and the roles they would be undertaking, making the in-house expertise stronger. Attendees noted that potential candidates for a senior role as previously discussed were now unavailable but a recruitment search for a CTO had been initiated.

Active engagement with Stakeholders had taken place and with the CMA, NHS representatives in Scotland, Wales and Northern Ireland had all been positive. The CMA had agreed to send a number

of key letters by the end of the month to hospital operators in England, Wales and Northern Ireland to highlight their non-compliance to the Order. JS had agreed to follow up with hospitals in Scotland, following on from the meeting with NHS Scotland.

MJ advised that at the AIHO Board meeting in April, he had provided a verbal update and the Members had not raised any issues in his presence. The PHIN team was planning meetings with the CEOs of the leading providers.

Meeting noted that the level of engagement at the Implementation Forum (IF) had been very poor, with only 12 Members attending the last meeting. Board discussed how engagement by the Providers could be improved, specifically discussing the barriers and issues voiced by Providers and Insurers.

Board **agreed** that PHIN should suggest that the CMA ask the Chairman of the Board of each Provider organisation to acknowledge the CMA's letter. All Directors on Boards should be copied into the letter as they hold joint responsibility. Other organisations do ask for Chairman's sign off.

Meeting discussed the value of the data produced by PHIN and noted that post launch of the website, trade publications had been positive and HSJ had become more interested in private sector data. Meeting noted the lack of a prominent patient advocacy group in the sector. Board agreed that a harder message on data compliance, maybe in the press, was now required to ensure PHIN's success.

Meeting also discussed what PHIN would do if data showed any risk regarding individual consultants and the obligation to report to the appropriate governing body covering the profession in question. Meeting agreed that PHIN would need to have a policy on outliers, and noted that under GMC guidelines all doctors have a duty to raise concerns where they believe that patient safety or care is being compromised, which could include VJ and others on the Board. Attendees suggested talking to the GMC and for PHIN's Chairman to take a higher profile in advancing this conversation. Attendees discussed what information could be obtained from the trends that data collected by PHIN may show and help organisations in the industry with investigations.

MJ presented updates following meeting with the Breast Implant Registry and a Research Opportunities meeting, facilitated by ND, involving several academics and leading health economists.

ACTION MJ to seek meeting with Dame Fiona Caldicott. AVO to attend if possible

ACTION AVO to seek meeting with President, GMC. MJ to join.

5. Finances

a. Finance Report & Management Accounts -April Year-to-date

GG presented the finance position to end of May and advised the Board that the billing process for FY16/17 was completed mainly in May and only a small number of invoices were raised in June as they required amendments. Letters sent by the CMA to debtors had initiated a response from some but, about 30 organisations were still not engaging with PHIN, in any form. Attendees noted that a journal that had been incorrectly posted in October 2016 had been identified and rectified, and that this had increased forecast surplus for the year. Third party costs were underspent but salary costs were increasing to budgeted levels. Attendees discussed the year end surplus figure.

b. 2017-18 Budget Review for sign-off

GG presented the Budget Forecast and the Board noted that the rebate for Providers as agreed, would be actioned by 31st July 2017; Board **agreed** with the proposal and **approved** for this to go ahead. Attendees also noted and agreed that the subscription fees per records would remain at £3.30 for FY17/18.

Board reviewed the figures presented in the Forecast and **agreed** that a process must be in place to establish whether the volumes received by PHIN match the volumes that Providers have sent. MJ advised that this process was already in place and Providers were being asked to confirm the volumes they have sent through. Board **accepted** the revenue forecast as presented.

Attendees noted that costs will be higher next year, especially staff costs, taking into account planned increases in headcount including potentially a CTO, and modest salary uplifts for some existing staff, and the requirements to comply with pension auto-enrolment. Board agreed that staff with appropriate skills had been recruited to enable PHIN to deliver its remit but noted that this was a huge task; attendees commented that it was visible how hard the team had been working, and agreed that lack of resource appropriate to the task could still be a risk.

The increase in staff had led to the office being reconfigured and the loss of the Board room for meetings, requiring external meeting space. Legal fees has been re-budgeted, in line with past experience. Attendees discussed liability cover and queried the limits. GG advised attendees of the current arrangements. Board **agreed** that quotes should be sought at higher levels.

ACTION GG to obtain quotes for Director's & Officers Liability insurance cover to ensure that adequate cover is in place

Attendees requested an update regarding Directors' responsibilities and suggested that as Mills & Reeve were reviewing PHIN's Articles of Association, they could advise on this and the implications of GDPR.

ACTION GG/MS to invite Mills & Reeve to future meeting.

Board approved the proposed budget.

AVO thanked GG/MS for their contribution.

6. Matters arising

a. Review of Risk Register

Board noted that over reliance on key people was still the top risk and appointing an appropriate CTO would partially mitigate this risk by reducing reliance on VJ and providing further support to MJ. Meeting further discussed the risks involved with holding commercially sensitive information on the website and agreed that this should be added to the register and a policy should be drawn up to cover this issue.

ACTION GG to add to the Risk Register and draft a policy

b. Members' Meeting 2017

Board noted that having received legal advice, it was unnecessary to hold a formal general meeting to announce that a rebate will be issued, hence the meeting will be an Informal Members' meeting. There was nothing to put to a vote. Board also noted the names of the Member representatives attending the meeting and requested copies for their reference; duly provided.

c. NED, Chair and Vice-Chair Remuneration

Discussed previously and approved

7. AOB

No other agenda items were raised.

Dates for Future Meetings

MH gave apologies for September meeting.

- Meeting dates for 2017

PHIN Board meeting dates for 2017

Thursday 28 September 10.30am-1.00pm
Thursday 16 November 10.30am-1.00pm
Thursday 07 December – AGM -10.30am followed by lunch.

PHIN RemCom meeting dates for 2017

None

PHIN Audit & Risk Committee meeting dates for 2017

Thursday 26 October 2017 – 10.30am-12.30pm