

Minutes of Board Meeting

PHIN 1842 Board Meeting held on 22nd November 2018

Board Attendees*

Andrew Vallance-Owen [AVO] (Chair)
Professor Sir Cyril Chantler [CC]
Professor Nancy Devlin [ND]
Don Grocott [DG]
David Hare [DH]
Michael Hutchings (MH)
Matt James (CEO) [MJ]
Gerard Panting [GP]
Jayne Scott [JS]
Professor Sir Norman Williams [NW]

Apologies

Natalie-Jane Macdonald [NM]

Other Attendees

Jonathan Finney, Member Services Director [JF]
Dr Jon Fistein, Chief Medical Officer [JLF]
Geoff Green, Finance Director [GG]
David Minton, Chief Technology Officer [DMI]
Mona Shah, Director of People & Process (Company Secretary) [MS] Minutes

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

AVO welcomed the Attendees to the meeting.

Apologies were received from NJM due to illness which the Board accepted.

AVO also welcomed JLF to his first Board meeting.

ND advised the meeting that she would be resigning from the PHIN Board from the end of 2018, as she had accepted a role with the University of Melbourne and this would be ND's last meeting. The Chair, on behalf of the Board, regretfully accepted this resignation and thanked ND for her tremendous support and contribution to PHIN.

1. Request for declarations of Conflicts of Interest

Attendees noted that all declarations of conflicts as recorded to date in the register still applied.

JS advised the meeting that she had been appointed to the Board of the NHS Fraud Committee and added that she did not perceive that this would be a conflict with her role with PHIN.

No additional declarations of conflicts had been reported since the previous Board meeting.

2. Approval of Minutes

- a. **Minutes of the Board Meeting held on 27 September 2018** were **approved** subject to two corrections, as highlighted by Attendees.

Attendees also noted that MJ and DH had started to discuss how to proceed with obtaining external verification of volumes from Providers. N Silvey had attended a recent meeting that included British Society of Urinary Gynaecologists (BSUG) and contact had been established.

3. Reports of sub-committee

a. **Audit & Risk Committee (ARC) 24th October 2018**

JS advised the meeting that draft minutes of the meeting had been circulated for the Board to be able to read in advance of this meeting. Referring to the minutes, JS added that the ARC did not have any issues with the Annual Accounts, as prepared by Brebners, who had also been extremely complimentary of the way that the PHIN team had handled the audit process. ARC was very pleased with the clean audit process and JS thanked GG, MS and the team for achieving this.

The Q-Pulse demonstration had also been extremely useful, and ARC concluded that it was a good system and was happy for the team to proceed with populating PHIN's risk and threat information. JS added that it was **agreed** that the next step was for the Board to understand how it could discharge its responsibilities related to risk management using Q-Pulse.

Attendees noted that a presentation and discussion would be scheduled for the January Board meeting.

MH joined the meeting at this point.

4. PHIN Executive Report

The report was taken as read and MJ invited the Executive team to present key points from their reports.

Engagement

JF advised the Board the next website refresh was scheduled for 4 December and would now include just under 380 hospitals, representing in excess of 90% of the market and patient volumes. The user guide to accompany the Data Maturity Report had been made available to hospitals through the portal and had been well received. Engagement with hospital groups continued regarding Article 22 and providing PHIN with their procedure package pricing data. Attendees also noted that conversations continued with The Cleveland Clinic and The Schoen Clinic, about potentially submitting data to PHIN.

Engagement also continued with consultants in regard to fees collection and publication; to date over 6,000 consultants had logged onto the portal and over 2,000 had completed their profiles, with

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around 1,500 having signed off their measures. Appointments had been scheduled with consultants and societies to test the first release of the collection process in December, in preparation for the wider release in the new year. JF clarified that there were three categories of consultant; those for whom PHIN had received patient data, those without data submitted but who had a private practice, and those without data and without private practice. Attendees noted that pro-active engagement with consultants for whom PHIN did not receive data would only commence after April 2019. Meeting further discussed consultant private and NHS practices and in response to a question, JF clarified that most of the consultants would not sign off their NHS data due to accuracy issues. Board further noted that the CMA was considering how it might help boost engagement with PHIN by sending letters direct to consultants.

JF informed the Board that work also continued to refine the procedure grouping used to present data back to hospitals/consultants and for patient searches on the website. Attendees asked whether the procedure groupings had been signed off by the Board and MJ advised that this may not be possible in practice. The Board requested that it could sign off the process and receive regular reports; Attendees were reassured that was the intended process.

ACTION: JLF to consider how the Board can reasonably review and approve the procedure groupings work and related methods.

CC requested that contact should be made with “The Pelvic Floor Society” and that there were many organisations not on the list who should also be contacted. MJ added that contact with organisations would be made progressively, as there were too many to deal with all at once.

ACTION JF to add The Pelvic Floor Society and BSUG to the list and to progressively contact other organisations.

Board noted that work continued towards developing the capability to collect consultants’ fees via the portal, with a soft launch planned for early December. Capture of procedure package prices was also being developed to enable hospitals to submit this information to PHIN. Work had begun to specify the requirements and design for presenting patients with fee information on the website and would in due course be tested with patients. Attendees noted that the traffic to the website was growing slowly and in October, over 7,000 visits were recorded.

The terms and conditions (T&Cs) to support the sharing of PHIN’s published information with stakeholders had been finalised and BUPA, WPA, Laing and Buisson and CQC had signed and returned the T&Cs, with AXA PPP being the latest. A number of other organisations had not returned their signed T&Cs and were being chased to do so.

Board noted that MJ and J Evans had attended a meeting with the Bishop of Norwich (BON) inquiry panel and the evidence presented had been shared with Attendees. The panel was very supportive of PHIN and offered PHIN the opportunity to suggest recommendations.

The ADAPt programme was proceeding with a great deal of support to its communications and engagement activity from J Evans. The first round of engagement meetings with NHS Partners Network and two Expert Reference Groups, looking at information governance and technical considerations, had been scheduled. Attendees were also advised that PHIN’s media presence had recently been quieter.

Informatics

JLF presented key points from his report and advised the Board that the Data Maturity model had been updated to give a fairer and more transparent state of data submission from providers. This had now been published on the Portal, with accompanying guidelines, about how to improve the quality of data submission. Work continued to document the processes and procedures required to support the delivery of the CMA mandated measures and producing procedure grouping to facilitate both navigation of the website by patients and the back-end functionality for consultant/provider navigation. JLF also informed the Board that he had held introductory meetings with Medical Directors of BMI, Spire and HCA.

JLF continued that the primary focus for the team had been to support the usual business functions, resulting in a backlog of work including further documentation of processes, procedure group to CCSD (Clinical Code and Schedule Development) mappings to support Article 22 and devising an appropriate method for reporting adverse events. Attendees further discussed the issue of reporting adverse events and whether they should be reported against a consultant or hospital site. JLF reminded the Board that the CMA's Order required publication of measures at consultant level, but acknowledged the problems of doing so and clarified that all measures would be developed and published at hospital level in the first instance.

Attendees **agreed** that this was definitely the better option and acknowledged that personal responsibility could be considered further along the development process. Attendees added that the objective should be to create a supportive culture where transparency could be achieved without blame attached: i.e. where acknowledgement that a problem occurred did not necessarily imply that the consultant was at fault. Board discussed examples of high-profile consultant cases and responsibilities of the hospitals involved. Board noted that adverse event publishing was in likelihood still six months or more away, based on the timeline required to discuss, develop, and test measures.

JLF added that he was looking to recruit a Clinical Fellow and Technical Author to the Informatics team.

Technology

DMI referred to his report and presented key points. Attendees noted that a full time QA Tester had now joined the team and was focusing on the Azure environment. This appointment would mean that the testing would be faster and more efficient, with aspects to be automated in due course.

Development of the Portal and Website continued. Work on the consultant journey for fees was complete, and initial testing with consultants would commence on 3rd December, followed by small enhancements, and the final release of the data capture mechanism in the portal was scheduled for early January 2019. Work related to requirements definition for both hospital package pricing and a suite of management information reports would be completed by the end of this year and the build was expected to commence in the new year.

The Azure migration was proceeding well and four environments (sets of systems that will deliver the final product) had been set up in Azure since mid-October, including a full automation system for code migration. Board noted that PHIN's website would run from the Azure platform from 29

November, with the Claranet hosting to be turned off around 24 hours thereafter. The portal staging environment had also been running in Azure since mid-October and migration was scheduled for 8/9 December.

DMI informed that Board that a small risk would be carried into the live environment until completion of a PEN test. This would mean that for two weeks live data would be held in Azure before a PEN test could be carried out. MJ added that the team was assured that Azure was an extremely safe environment and was comfortable with this risk. Board **supported** this approach.

Board also noted that a secure third-party password repository had been adopted and was being used by both the Technology and Informatics teams.

Information Governance and Risk

GG presented the key points and advised the meeting that work continued to bring PHIN's policies up to date and thanked R Atherton and D Ariyadasa for their continued effort. Board noted that the second internal audit had been rescheduled to take place on 29 November, by Monmouth Partners. Attendees noted that control areas that Monmouth would be reviewing. The next ISO27001 surveillance visit by Certification Europe had been scheduled for 13 February 2019 and work on the areas being reviewed had already commenced internally. A Business Continuity Exercise had also been planned for January 2019.

The Annual Audit report by Brebners had highlighted an issue about how PHIN needed to review its billing policy for cancer patients and ensure consistency. Board noted that the process needed to be formally documented and agreed.

ACTION GG to document a consistent approach for subscription invoicing for cancer patients

GG advised the Board that the Q-Pulse risk management system would be reviewed at the January Board meeting. The Incident Management Policy would be submitted to the January ARC meeting, with onwards review at the Board, if approved by ARC. Attendees noted that progress was being made on a detailed action plan for submission of the NHS Data Security and Protection Toolkit (DSPT, replacing the IG Toolkit) in March; GG advised that the new process seemed far simpler than the one it had replaced.

Board noted that the banking services received from HSBC had not really improved and GG had met with Metro Bank to obtain information about their services. GG reminded Attendees that PHIN also had an account with Lloyds bank, which was not actively in use. Board noted that GG would be pursuing a change of bank in the new year, once all options had been considered.

The Subscription and Information Sharing Agreement (SISA) had been updated to reflect GDPR terminology and the removal of consent processes. It had not been deemed to be essential for providers to sign the new version of the SISA, but all providers would be alerted that a new version was now available and only new providers would be requested to sign this version. JF added that he would ensure that the announcement would appear in a members' bulletin.

ACTION JF to announce the availability of the new SISA in the Members' Bulletin

People & Process

MS referred to key points in her report and Board noted joiners and leavers.

Board noted that a Project Manager had been successfully appointed and would be starting on 3rd December. There were a number of recruitment drives progressing in parallel and the outcomes would be shared in due course.

The office space had been converted to allow the Engagement team to move across to the previous Board room, however there had been some issues with the set up of the infrastructure for internet and telephone access which had delayed the move. Attendees noted that all the 2019 Board meetings would take place at Chandos House. Attendees asked whether PHIN had considered a possible office move in the future and MS responded that there was a tipping point with the number of staff we could accommodate at the current location and this would probably be reached mid-2019. MJ noted that an office move had not been discussed in detail but acknowledged that it may need to be considered in the future.

Chief Executive

MJ updated the Board regarding the BON inquiry and apologised for the incorrect draft version circulated in advance. The correct version had been tabled at this meeting. MJ added that the Rev Graham James was actually part of the conversation with two other panel members, Alex Kafetz and Peter Burgin. The panel had asked positive questions and wanted to learn about PHIN's work and how PHIN interacted with consultants. A further meeting would take place in January 2019 to demonstrate PHIN's consultant portal. DH advised the meeting that he had also met with BON panel. The final report was due to be published around June 2019.

Board discussed the consultant appraisal process both in the NHS and private sector and the expectation that the BON inquiry would be reviewing the process together with its role in revalidation. PHIN did not have any direct involvement in or control over the appraisal process, but anticipated that the whole-practice data that PHIN produces would and could be made available to consultants in private practice. Board noted that where consultants practice both privately and in the NHS they have a single Responsible Officer (RO) appointed by the NHS, which includes responsibility for private work. Where consultants practice wholly privately, other organisations including the Independent Doctors Federation (IDF) provide an RO service. The role of Medical Directors in private hospitals included a statutory duty to ensure that appraisals were being carried out. MJ added that PHIN's role was not regulatory but was limited to the provision of accurate data.

MJ advised that the ADAPt Programme was progressing well and stakeholder engagement had commenced prior to a limited public consultation, for which a consultation paper was being drafted for January 2019. MJ added that the lack of a mechanism for clinical correction of data errors in published NHS HES data would mean that consideration would need to be given to an interim solution with ongoing work to effect a more complete integration in due course, which could require legislative or policy changes. MJ commented that the rapid proliferation of information systems collating data that consultants needed to check and maintain (PHIN, specialty audits and registries, GIRFT/NCIP, local systems) was likely to become a major irritation for consultants, but that ADAPt possibly offered a solution. Key stakeholders now acknowledge the issue, and a single unified

approach must be the target for the future. The Board was supportive of this approach and DH added that there was also a need to demonstrate that a longitudinal process.

Attendees noted that MJ had met with a number of the private provider CEOs and the meetings had been positive.

5. Matters Arising

a. PHIN Articles review at AGM

The Chair presented the current position in relation to adopting revised Articles, and reminded the meeting of the discussion in September, during which four amendments proposed by members had been reviewed by the Board, each of which suggested reverting to the original wording. Further correspondence had been received from members, and DH added that CEOs in sector had also communicated that they were unhappy with some of the proposed changes to the Articles. The Chair outlined the options available to PHIN as to how this should be approached at the forthcoming AGM. MJ noted that the critical changes required to the Articles to ensure continued compliance with HMRC's mutual trading status rules, and to improve provision for managing directors' conflicts of interests, were not at issue; rather, members wanted to revert to original wording on some relatively minor proposed changes. He believed that since PHIN had operated successfully with the wording in that form for six years, the risk to PHIN in accepting members' proposed amendments was very low.

The additional proposed amendments were as follows:

- i. Restore Articles 23 and 24 per the 2012 version of the articles such that unanimous consent of Directors is required for Board reserved matters.
- ii. Amend Article 51 – allowing the Board to accept a potential conflict of interests – such that the unanimous consent of directors is required.
- iii. Reinstate an Article allowing the appointment of alternates by Directors.
- iv. In Article 4, restore the words “but not further or otherwise” after the expression of PHIN's Powers.

Board accepted the amendments proposed by members.

ACTION AVO/MJ/MS for AGM – PHIN to present a resolution to accept revised Articles of Association as reviewed by members in July, with amendments to the resolution tabled in the Notice to restore original wording and/or principles (as appropriate) for the Articles discussed.

The Chair added that the Board would need to consider the implications of the new Articles, and in particular to review any perceived or actual conflicts in light of the revised Articles.

ACTION MS to add review of conflicts to the Board agenda for January 2019.

6. PHIN AGM & Annual Report

MJ advised the Board that due to the work involved for the BON inquiry panel, there had been a delay in drafting the Annual report and would be sent out for comments in the next few days. MJ requested for any comments to be received by Friday 30th November and added that the report would be shared with members w/c 3rd December.

ACTION ALL to send comments on the Annual report to MJ by Friday 30th November

7. Finance

a. Draft Annual Accounts & Audit Adjustments

GG advised the meeting that there were no major issues to highlight. The report had been reviewed in detail by ARC and the income statement was straight forward. **Board noted that ARC was recommending approval of the Annual Accounts.** The Chair invited any additional questions and comments and nothing further to raised.

The Board formally approved the Annual Accounts for 2017/18 as submitted.

GG read the resolutions to the Board and Board agreed to the resolutions, which were circulated for signature.

b. Draft Management Letter 2018 & Responses

Attendees agreed that none of the issues raised were material and noted the audit adjustments would be passed to the book keepers to implement.

c. Finance Report & Management Accounts October 2018

GG presented the key points from his report and informed the Board that during October, the monthly expenditure had fallen significantly under budget, largely due to an underspend of staffing costs, due to difficulties in recruitment leading to delayed appointments. The IT expenditure was also below budget due to a lower than expected cost for the Azure migration and portal costs delayed into November. In addition, marketing costs were underbudget, resulting in overall costs in the month of £65k under budget.

Attendees noted that the October surplus was £53k and YTD surplus was almost £109k over budget. The cash position increased to £1.243m, reflecting the longer delay in receiving the Q1 subscription fees from a number of hospitals, including a couple of the larger groups. The debt was being actively managed, and the old debt had fallen to £140k of which £65k was over 90 days.

JS highlighted the appendix to the October finance report and advised the Board that at the ARC meeting there had been a discussion regarding potential additional posts that had been identified as needed, noting that the planned increased budget for staffing costs would not

cover all posts identified. JS noted that the Board would need to be aware of any recruitment outwith the scope of budget and the potential long-term financial impacts, including on future subscription fees. MJ added that this paper had been submitted only to raise the Board's awareness, that no executive decision had been taken to recruit into all posts identified, and that the Board was not being asked at this point to approve unbudgeted spend. Attendees agreed that any planned overspend would require Board approval. Board noted the paper for information.

d. Financial Authority Limits

Board noted that the updated financial authority limits now included DMI and JLF and the spending limits for MS had been updated to reflect that of other Directors. MJ noted that in practice, despite the spending authorities, only GG and MJ could make bank payments and only MJ and AVO had corporate credit cards. This was a key reason to move away from HSBC, who had been unable to provide an effective system to manage low-level purchasing and expenses.

Attendees noted an error with JS not included as a signatory as previously approved.

ACTION GG to add JS to the Financial Authority Limits document as approved by the Board

In response to a question, MJ explained that HSBC did not require two signatories and outlined the authorisation process implemented by PHIN, noting that with electronic banking the process for online payment approvals arguably carried more responsibility and risk than processes reserved to signatories. JS added that all transactions were subject to management controls and were reviewed by ARC and the Annual Audit process.

8. Governance

a. Information Governance Management Framework

MJ advised that the Board was required to acknowledge and approve the document and use it for reference.

The Board **approved** the Information Governance Management Framework V2.2

9. AOB

- a. The Board discussed recruitment in light of the resignation received from ND. At the Chair's invitation, MJ suggested that the Board might want to consider a structured set of questions, for example, whether it wanted to replace ND and, if so, whether to make a like-for-like replacement in terms of skills or whether a broader review of skills and gaps should be considered which could lead to one or more appointments. The Board might also want to consider what type of recruitment process it would like to employ; e.g. executive search vs open advertised recruitment.

- b. DH asked whether a Board review had been carried out and suggested that this could be done as part of the process.

ACTION MJ/MS to consider arranging a Board review.

ACTION NEDS to feedback comments and suggestions on the recruitment process to AVO

- c. The Chair shared with the meeting his suggestion to invite members of the press to the AGM and Attendees discussed the proposed agenda for the meeting. Board welcomed the demonstration of transparency but noted some practical issues with respect to timing and likely levels of interest given no expected major announcements.

ACTION Board agreed to invite press to the AGM.

- d. MJ informed the Board that he had been offered a NED role with the Disabilities Trust, a national charity providing publicly funded social care services, and was considering the offer. The position was not remunerated. **Board fully supported MJ accepting the role and could not see a conflict.**

In closing, the Chair, on behalf of the Board, thanked ND for her contribution to the PHIN Board and outlined her career achievements to date. ND expressed that her time with PHIN had been amazing and would continue to be strongly supportive of PHIN. ND added that the professional and executive staff were exceptional, and Board was a great model of good governance.

10. Presentation on Collection of Fees/Website Development

The presentation was deferred to 12 December 2018

11. Dates of next meetings:

Board Meetings will commence at 10.30am.

PHIN Board meeting dates for 2018

Wednesday 12 December 2018 – 1.00-2.00pm Lunch followed by AGM

PHIN Board meeting proposed dates for 2019

Thursday 24 January 2019 – 10.30am-1.00pm

Thursday 4 April 2019 – 10.30am-1.00pm

Thursday 6 June 2019 – 10.30am-1.00pm

Thursday 18 July 2019 – 10.30am-1.00pm, followed by Lunch & Informal Members' Meeting
1.00-4.00pm

Thursday 26 September 2019 – 10.30am-1.00pm

Thursday 21 November 2019 – 10.30am-1.00pm

PHIN RemCom meeting proposed dates for 2019

Thursday 4 April 2019 – 9.30-10.30am

Thursday 6 June 2019 – 9.30-10.30am

PHIN Audit & Risk Committee meeting proposed dates for 2019

Wednesday 16 January 2019 – 11.00am-1.00pm

Thursday 25 April 2019 – Telecon 10.00am-12.00pm

Wednesday 17 July 2019 – 2.00-4.00pm

Thursday 17 October 2019 – 10.30am-1.00pm