

Minutes of Board Meeting

PHIN 1921 Board Meeting held on 18th July 2019

Board Attendees*

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

Apologies

None

Other Attendees

Jonathan Finney, Member Services Director [JF]
Jon Fistein, Chief Medical Officer [JLF]
Jack Griffin, Finance and Commercial Director [JG]
David Minton, Chief Technology Officer [DMI]
Mona Shah, Director of People & Process (Company Secretary) [MS]
Nicola Slade, Executive Assistant, (Minutes) [NS]

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

AVO welcomed Attendees to the meeting.

1. Review and consideration of the Directors' Register of Interests

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

New appointments from CC and JS had been declared and added to the register. Attendees were encouraged to review the register during the meeting and make amendments if necessary.

2. Approval of Minutes and Actions

- a. **Minutes of the Board Meeting held on 4th April (PB1909)** were **approved**, with a minor correction.
- b. Actions listed were completed or on the agenda for today's meeting.
- c. **Notes from the Strategy & Risk Workshop 6th June 2019 (PB1917)** were noted with some minor corrections.

3. Reports of sub-committee

a. Audit & Risk Committee (ARC) 17th April 2019 – verbal update.

JS updated Attendees on the ARC that had taken place the previous day, the main item had been the draft budget for 2019-20, which would be discussed at the relevant point on the agenda.

ARC had also discussed Health and Safety incident reporting, which raised the wellbeing of PHIN staff. ARC had asked for the Wellbeing Policy to be revised and submitted to the September Board for review and approval. In addition, Health and Safety reporting to be included in Executive report going forward.

ACTION: MS to review the Wellbeing Policy and submit to the September Board for approval
ACTION: MS to include Health and Safety reporting in the Executive report.

4. Matters Arising

a. Board Strategy Away Day (9th evening dinner and 10th All Day) – verbal update

Attendees **agreed** that the Strategy Day would focus on PHIN business and there would no longer be a requirement for an external speaker.

5. PHIN Executive Report (PB1918)

The report was taken as read and MJ raised key points from the report.

Summary of key points discussed:

- **Hospital CEO dinner:** DH and MJ attended a very successful dinner with the hospital CEOs, five out of the six CEOs were present. This was the first time for several years the dinner had taken place; it was planned going forward to arrange an annual dinner to continue to build relationships and discuss PHIN strategy. DH added that the meeting had been very positive, and he had received excellent feedback following the dinner. MJ commented that it would be helpful to also engage with Medical Directors in a similar way to progress current issues.
- **ISO 27001 Recertification:** PHIN passed its recertification in July, a full audit took place over three days, led by MS and DM. This was an excellent piece of work by all involved.
- **FIPO Council meeting and FIPO letter:**
 - PHIN attended the FIPO Council meeting on 1st July, this was the first interaction with FIPO, since PHIN had received correspondence regarding Consultant measure publication on the website. The meeting was very positive, and the letter had not been raised during discussions.
 - PHINs substantive response had not yet been sent, PHIN had taken legal advice and the main concerns raised in the letter could easily be responded to. However, our lawyers had concerns that elements of PHINs approach could initiate a Judicial Review.
 - PHINs approach of encouraging Consultants to review their data prior to publication was currently seen as part of the process and Consultants were under the impression that they approved their own data rather than just review. Whether

- Consultants agreed with the data or not, PHIN has the right under the CMA Order to publish the data submitted.
- Attendees agreed that PHIN should clearly distinguish between review and approve, finding the correct wording for the process for the website/portal, which would make the process clear to all parties.
 - Attendees asked MJ to give urgent attention to the FIPO letter and to respond as soon as possible.
- **Candesic proposal:** PHIN have received a proposal for support in assessing member and stakeholder opinions to feed into the Strategic review. This proposal is not included in the current budget
 - **NED recruitment:** Saxton Bampfylde had been approached to initiate the search for a new NED. Attendees **agreed** to delay initiation of the search and to discuss in more detail at the Strategy Away day in September.
 - **ADAPt Programme Board:** Phase 2 Consultation would be released subject to a final internal legal review by NHSD; the programme has been further delayed and next steps would be shared in due course. The Department of Health had officially launched NHSX which is engaging in policy for all NHS data and technology.
 - **PHIN Staff:** The PHIN team had achieved a great deal over the past few months, with all staff working at a high-level of output. Attendees noted that three senior managers were leaving imminently and there are some concerns over recruitment to fill vacant posts.
 - **Executive Report:** Attendees appreciated the ongoing changes to the report, providing additional information. Further updates were asked for on the following items:
 - High level milestone plan: patient satisfaction with Consultants: request for an in-depth conversation at future Board meeting
 - Key reports – website and portal measures: date to be added in the headings for previous and current reporting
 - Key reports – website and portal measures: add the total number of procedures to the reporting statistics
 - Managing queries from consultants and hospitals: Attendees, noting the levels of engagement and the impact on the team, asked when in the Executive’s opinion this activity would level. MJ advised that, as a result of staff turnover at hospital level, PHIN had been engaging with hospitals and had arranged workshops and seminars, to induct hospitals in the process of data reporting. The member of staff who had led this initiative was one of the current leavers. However, the more detailed questions were handled by one member of staff on the phone. PHIN was reviewing ways of making this more efficient, a helpdesk was one of the options being considered.
 - Key reports – rolling 12 months website usage: Attendees asked JF for website activity for the past three years, to see the growth over the whole period.
 - Overview of the development, production and publication of (Article 21) measures: Attendees asked JLF for the consultant adverse events to be included, for internal information only

ACTION: MJ to respond to the FIPO letter as soon as possible.

ACTION: MJ/AMK/MS to provide an item for discussion at a future Board meeting, on the timelines for patient satisfaction for Consultants

ACTION: JF to provide dates in the headings for previous and current reporting

ACTION: JF to add the total number of procedures to the reporting statistics

ACTION: JF to provide website activity for the past three years

6. Finance

AVO formally welcomed Jack Griffin, Finance and Commercial Director to his first Board meeting.

a. Management Accounts YTD May 2019 (PB 1919)

Attendees noted that the current financial position for June 2019 YTD is £177k.

Debtors were discussed in detail at ARC on 17th July and new procedures would be implemented to assist with credit control.

Reserves currently stand at five and a half months and would be kept under regular review by ARC. Attendees agreed that it was not ideal for the reserves to have dropped below six months.

b. 2019-2020 Final Budget (PB1920)

Attendees noted that the revised budget for 2019-2020 was forecast to run at a deficit. JS advised that ARC had discussed the budget in detail at the meeting on 17th July, looking at all the aspects of how PHIN could handle the deficit. ARC recommended an increase to cover inflation, based on relevant external verification; this to be linked to clear communications with Members regarding the reasons for the increase. ARC agreed the budget was for operating business as usual, with no major expenditure and the only possible item that could be trimmed was the NED recruitment.

Attendees agreed with ARCs comments and discussed the following additional points:

- Any inflationary increase should be measured and appropriate, not a reaction to the deficit budget
- PHINs work on behalf of the industry and subscription fees currently represent 0.01% of the sector and PHIN should better communicate the value it represents to the sector
- However, Attendees felt it was not the right time for a substantial increase, although the subscription fee reduction issued in 2017-18 demonstrated PHINs fair approach to setting subscription fees
- An increase to cover inflation could be 2 – 4%, although the meeting noted that social care staff were to receive an increase in the region of 5.9%. PHIN could consider proposing a mid-point increase of 3%
- Any proposed increase would be introduced to the Members at the December AGM with careful preparation of key parties beforehand.

PHIN's remit and support to the Members should be considered and included when reviewing subscription fees, Members should be made aware of the pressure PHIN is under. Staff wellbeing should also be considered as part of the process; if key additional resources could be made available, recruitment for vacant and replacement positions could proceed. The Strategy Away day would be the right time to review the budget again and make a decision on whether it to go ahead with the NED recruitment. Attendees were concerned that there was no contingency in the Budget at all and suggested a review of liabilities and cash flow in case of need to close the company

Attendees accepted the short-term risk related to setting a deficit Budget and will keep under review over the next six months and, taking account of the points made in discussion, **approved the Budget for 2019-20 as presented.**

c. Bank Mandate Changes for Approval – verbal

With the new Finance and Commercial Director, Jack Griffin, in post, a change to the bank mandate was required. It was proposed to add Jack Griffin and remove Geoff Green, former Finance Director, from the bank mandate and as a signatory. **The Board formally approved the changes to the bank mandate adding Jack Griffin and removing Geoff Green.**

ACTION: JG to complete the mandates for the Bank.

7. Governance and Risk

a. Governance, Information Governance & Risk Report

The report was discussed in the Executive Report.

8. AOB

a. Members Meeting: 18th July 2019

AVO reminded Attendees that an informal Member meeting would follow the Board. The format would be a brief introduction from AVO; a presentation by MJ, with a Q and A session and Attendees were encouraged to mingle with the Members afterwards.

Apologies for the Members meeting were noted from CC and GP.

b. CMA Announcement: 3rd July 2019

MH raised the recent CMA announcement about a suspected anti-compete arrangement in the private health sector, issued on 3rd July, asking if there was any further information. Attendees were unaware of more detail and **agreed** to follow up if no updates were provided.

c. Remuneration Committee:

Attendees noted that the Remuneration Committee had **agreed** an increase, for the current financial year 2018-2019, to cover inflation for staff eligible to receive an increase. The minutes of the last Committee meeting would be brought to the September Board meeting.

ACTION: MS - Remuneration Committee minutes to be added to the September Board agenda

9. Dates of next meetings

Board Meetings will commence at 10.30am.

PHIN Board meeting proposed dates for 2019

Monday 9th September 2019: Board dinner, details to be confirmed
Tuesday 10th September 2019: Board Away Day, details to be confirmed
Thursday 26th September 2019: 10.30am to 1pm
Tuesday 5th November 2019 – 10.30am-1.00pm
Thursday 12th December 2019: AGM and Lunch 10.30am to 2pm

PHIN Audit & Risk Committee meeting proposed dates for 2019

Wednesday 23rd October: 10.30am to 1pm

PHIN RemCom meeting

Dates for 2020 to be confirmed