

Minutes of the Board Meeting

Location: Online meeting via Microsoft Teams

Chair: Andrew Vallance-Owen

PHIN PB2123 Board Meeting held on 18 May 2021

Board Directors*

Andrew Vallance-Owen (Chair) [AVO]
Kay Boycott [KB]
Professor Sir Cyril Chantler [CC]
Don Grocott [DG]
David Hare [DH]
Nina Hingorani-Crain [NHC]
Michael Hutchings [MH]
Matt James (CEO) [MJ]
Nigel Mercer [NM]
Jayne Scott [JS]
Professor Sir Norman Williams [NW]

Apologies

Jon Fistein, Chief Medical Officer [JLF]

Other Attendees

Jonathan Finney, Member Services Director [JF]
Jack Griffin, Finance and Commercial Director [JG]
David Minton, Chief Technology Officer [DMI]
Mona Shah, Director of People & Process (Company Secretary) (Minutes) [MS]

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

Welcome and introductions (Chair)

The Chair welcomed all attendees to the virtual meeting.

1. Governance

a. Insurer nomination update

The Chair advised that he had received correspondence from the Association of British Insurers (ABI) and notification that they were pursuing further candidates. Nominations would be put forward in due course. Noted that AVO and MJ had received an invitation to attend the June ABI meeting.

b. Review & Consideration of the Directors' Register of Interests

Directors noted that all declarations of interest as recorded to date in the register still applied. There were no new declarations.

c. Conflicts of Interest for MAC Chairs

Directors noted that there is a benefit to have consultant representatives who held this post and did not consider this to be a serious conflict of interest. Board **agreed** that Directors who hold such posts should make declarations and recuse themselves from relevant discussions.

d. Confirmation of Committee Chairs, Membership & Terms of References (ToR)

The Chair thanked all the Directors for volunteering to join the Board committees and working group.

JS offered to write report to outline how the following committees will work together going forward. **ACTION JS**

The Chair asked for approval of the membership and ToR for each committee as submitted.

- i. Audit & Risk Committee – Membership and ToR approved
- ii. RemCom - Membership and ToR approved
- iii. Customer Committee - Membership and ToR approved.
- iv. Strategy Implementation Group (SIG) - Membership and ToR approved.

The Board approved the membership and ToR of each committee

ACTION RemCom to review the NED remuneration in light of the additional time commitment

2. Approval of Minutes and Actions

a. Board meeting held on 28th January 2021

The minutes of the Board Meeting held on 24 March were approved as submitted. Noted that the minutes were tighter and more concise.

3. Reports of sub-committee

a. Audit & Risk Committee (ARC) 15 April 2021

It was noted that NHC will be taking over as Chair of ARC from the next meeting and JS highlighted three key areas discussed at the last meeting; risk, information governance and financial strategy implementation.

The risk management process continued to mature and was being well managed by the team but a process to fully capture strategic risks needed to be established. A workshop for the Board to review strategic risks, should be arranged later in the year. The Data Protection Officer attended to report on Information Governance (IG) matters and commented that the culture in PHIN is very positive in managing IG, providing a high level of assurance. Implementation of the Financial Strategy to support the 2021-25 Strategic Plan was on the agenda and it was noted that external audit had been brought in by JG to provide assurance over the financial modelling.

ACTION MS to arrange a strategic risk workshop for the Board.

b. Strategy Implementation Group (SIG)

The report submitted was noted and no further questions were submitted.

c. Customer Committee

The Committee had held its first meeting. It was agreed that 'customer' meant consumers/patients, and would only concern itself with other audiences (e.g. insurers, GPs, employers) to the extent that they were intermediaries for patients or consumers.

The Committee reviewed a paper presenting the evidence and options available for enhancing focus on patients.

The committee agreed key agenda items for the next three planned meetings through to Autumn 2021, to develop the longer term future work plan. Meeting also reviewed the website delivery roadmap, future marketing strategy (depending on funding), options for additional ways of engaging with customers such as "live chat" and data syndication.

It was noted that patients do not always know what procedure they need and the patient entry point should ideally be based on conditions and not procedures. Meeting further discussed whether PHIN could educate patients about procedures, package pricing and patient groups using private healthcare (new entrants v experienced users). Jon Fistein will be asked to join the next meeting (July) to discuss current work on enhancing website search functionality and the potential for specialty-based and condition-based search.

Key issues will be brought to the Board over the next few months.

4. Matters Arising

The outstanding actions were reviewed, updated and there were no additional matters arising from the previous meeting.

5. Executive Report

a. PHIN Executive Report

MJ updated the meeting advising that the website project remains on track, aiming to launch to the public on 7th July, with a launch PR campaign scheduled for September.

A meeting has taken place with the CMA, working jointly on a number of initiatives to encourage consultant participation, and aspects of the Strategic Plan were discussed.

The DHSC response to Paterson has recommenced with new leadership and is actively progressing. Recommendations 1 and 3, relating to production of a data base of consultant information for the public and informing the public about the differences between private and public healthcare, may be combined into a single "Task & Finish Group" to take these recommendations forward.

Board noted that a number of senior stakeholders contributed video clips to support PHIN's entry in the HSJ Partnership Awards (Data Alignment & Information Sharing category). **ACTION MJ to add video to the Dropbox folder.**

Meeting further discussed PHIN's operational costs, currently estimated at 0.08% of the sector's turnover and the impact of the proposed increase.

6. Finance

a. Finance Report, Management Accounts and Reserves – March YTD

Board noted key highlights from the report, specifically, the small deficit in the month, driven by staff and recruitment costs, this was largely offset savings made due to continued home working

and a rent holiday from the King's Fund. JG also highlighted that a deficit was still projected to the end of the year, as budgeted.

7. Information Governance Management Framework

An update was provided in the Executive Report and no additional items were submitted for discussion.

8. PHIN Strategy & Implementation

a. 2021-25 PHIN Strategic Plan

The Chair advised the Board that approval for the document was required in principle and invited additional comments. Board noted that consultation of the Strategic Plan has taken place over a number of months, both internally and externally, and everyone's input has been taken into account. Further revisions may be required subject to additional comments and suggestions put forward, these included the following;

- The latest version was user friendly and in the opening pages, it was suggested that the content broken down the sections of information for the key groups
- Clarity about patient impact over the five years, clear vision about understanding options, risks and costs and what the expected outcome is going to be
- Review and remove some of the examples of options such as "live chat" which have not been fully explored and read like decisions have been made
- Be clear about outcome metrics and how consultant whole practice will be presented.
ACTION NM to draft appropriate wording and send to MJ. MJ to check comments provided by NW.

The Board discussed the possibility of not further pursuing the publication of consultant fee information (explicitly required by the CMA's Order) if hospital price information (*not* explicitly required by the CMA's Order) could not also be published. Noted that this would release some resources to focus on performance measures, although no resources are currently wholly dedicated to fees. No firm conclusion was reached at this stage.

The Board approved the strategy in principle, subject to further changes submitted and ongoing discussion with the Partnership Forum.

b. Strategic Plan Scenarios and Financial Plans

Board noted that the financial modelling paper had been discussed in detail at the last ARC meeting and the focus of this discussion should be about the acceptability of the financial plan and how to communicate it to Members. The proposal to reduce the reserves from 6 months to 5 months was a reasonable and prudent approach for the Financial Plan, but longer term this should revert back to a 6 months reserves policy.

The Chair introduced specific questions to frame the discussion on the Financial Plan, including the funding requirement for PHIN and provisions under the CMA Order to impose fees to achieve delivery of the requirements under the CMA Order; their priority and key trade-offs; and how to communicate this to provider Members to address their concerns.

Following MJ and DH meeting the five largest providers as a group informally known as the "Partnership Forum", questions and comments had been submitted to MJ, requesting high, medium and low financial options. MJ reminded the Board that having incorporated responses from members to PHIN's 2020 strategy consultation, in anticipation of these discussions, and noting the delays already caused by Covid-19, anything ambitious or beyond the CMA's Order requirements had

already been stripped out of PHIN's Strategic Plan. The proposed Financial Plan is therefore effectively already the "low" option. This represents, in PHIN's view, the minimum resource levels that PHIN believes are essential for a reasonable prospect of delivering the four agreed strategic objectives, which are themselves aligned to the CMA Order requirements.

Continuing to develop working partnerships with GIRFT, NCIP and ADAPt is vital to create a collaborative group working to achieve a "collect once and use often" process, and some benefits from that process have been assumed as part of the Plan.

If PHIN continues to operate with the current resource level, it can continue with the current level of activity, but it will not be able to achieve the scope of the CMA Order over next 5 years, and the rate of progress will continue to slow as business-as-usual activity gradually grows. An honest approach has been adopted in drafting the financials and consideration given to PHIN's level of reserves to manage fee increases. Any reduction of resource will impact on the ability to achieve the objectives, either in terms of timing or scope. Positive assumptions have also been made around roles that partners will play going forward as, if PHIN were to end up doing all the work itself, it will require a higher level of resource.

The Chair argued that it was important to ensure that the IHPN Partnership Group understands that this is the minimum resource required for PHIN to progress at the rate expected by stakeholders. However, it was felt that the current draft of the Strategic Plan document seems to convey that the resourcing is for delivering a "gold" standard service, which could be misinterpreted. It is important that the IHPN Partnership Group understands the operating model and that PHIN has been running as a "bare boned" minimum organisation to date. The honest approach taken is not clear in the document and needs to be clearly communicated.

PHIN needed to be clear about what being "customer centric" actually means and it is not expecting to deliver more than it actually can. It was suggested that the plan should be more explicit about what can't be done, such as outpatient activity, which is not part of PHIN's remit. It was highlighted that the GMC and the private sector generally (including consultants and insurers) all have a duty to ensure better outcomes for patients and that the providers are also mandated under the Order to ensure that consultants submit information to PHIN i.e. the wider responsibility is not PHIN's alone.

It was highlighted that the IHPN Partnership Group had only met once whereas the Board has been discussing the strategy for some months. The Forum has not yet in fact seen the draft Strategic Plan. There was therefore a potential asymmetry of information, and the Forum would need time to reach an understanding. A parallel process for the Board to review output from this group should be introduced. The IHPN Partnership Group have four meetings scheduled to 7th July and a documented approach will be scheduled with the group. Following the last meeting, the Board will need to review next steps and responses depending on final outcomes, before the Members' meeting on 21 July. Engagement with other stakeholders will be initiated after this date. **ACTION MJ to share feedback from IHPN Partnership Group with the Board**

The Chair advised that work has already been undertaken with scenario planning and the Executive team will be able to call on this information over the next few weeks if required to support the discussions and thanked the team for their hard work in producing the information. **ACTION MJ/JG to have a parallel track and share with Board all information sent to IHPN Partnership Group.**

It is important that the Board is able to assess whether or not Members are supportive of the strategy before taking any vote in July. It was suggested that reaching a good understanding with members was perhaps more important than sticking rigidly to the July target for sign-off.

It was noted that the business case explaining the reasoning behind the Financial Plan was being drafted and would be circulated to the IHPN Partnership Group by Friday, in preparation for a meeting next week. **ACTION MJ to share the Business Case with the Board**

The Board fully supported the plan and forward discussion with IHPN Partnership Group.
Directors agreed that they would support the Executive team by attending Stakeholder meetings if required.

9. AOB

None raised.