

## Minutes of the Board Meeting

Location: Marlborough Room 3, The King's Fund, 11-13 Cavendish Square, London W1G 0AN and online

**Chair: Jayne Scott**

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### PHIN PB2363 Board Meeting held on 2 November 2023

#### Board Directors\*

Jayne Scott (Chair) [JS]  
Don Grocott (Deputy Chair) [DG]  
Professor Sir Cyril Chantler [CC]  
Ian Gargan, Chief Executive [IGN]  
Jack Griffin, Chief Financial Officer [JG]  
David Hare [DH]  
Michael Hutchings [MH]  
Nigel Mercer [NM]  
Keith Richards [KR]  
Hugh Savill [HS]  
Claire Whyley [CW] *attended online*  
Professor Sir Norman Williams [NW]

#### Other Attendees

Jessica Harcourt, Virtual Assistant (Minutes) [JH]  
David Minton, Chief Technology Officer [DM]  
Mona Shah, Director of People & Process (Company Secretary) [MS]  
Alistair Moses, Communications Manger – *joined for item 6 only*

#### Apologies

Jonathan Finney, Member Services Director [JF]

*\*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 meeting and the above apologies were noted.

#### 1. Review and consideration of the Directors' Register of Interest

CW advised the Board of 3 new appointments as follows:-

Member of the Financial Conduct Authority /The Payment Systems Regulator Limited Competition Decisions Committee  
Member of Scottish and Southern Energy Strategic Stakeholder Panel  
Member of the Management Board of the Consumer Code for Homebuilders.

There were no other new declarations of interest nor potential conflicts of interest raised either in general

or in respect of the current agenda.

The Directors agreed to the Chair's suggestion that Board Meetings be extended to 3 hours duration in recognition of the work the Board needed to undertake and to allow time for reflective discussions. Meetings would run from 10.30.am to 1.30pm and would include a break.

The Chair also advised that an annual work plan for the Board would be brought to the February 2023 meeting.

## **2. Governance**

### **a. Proposal for Non-Executive Director (NED) Succession Planning & Recruitment**

The paper was taken as read. The Chair summarised the recommendations in the paper that related to the 4 NEDs who were due to complete their second term of office at the end of March 2024. The recommendation was to appoint 2 new NEDs by April 2024 and, following a review of the size of the Board, consider appointing a further 1 or 2 NEDs in 2025. As a result, 2 of the 4 NEDs will stand down as planned at the end of March 2024 and 2 will be asked to consider a further year's extension to 31 March 2025.

The Directors acknowledged that there would be a cost for the recruitment and noted that PHIN would make best efforts to control these costs by performing work in house where possible. The Directors discussed possible profiles of the new NEDs and it was deemed possible that 1 NED could be identified through existing networks. To this end, the Directors were asked to consider if they wished to make any recommendations to the Chair.

It was acknowledged that to ensure that PHIN could reach as diverse a candidate pool as possible, that working with a specialist recruitment agency may be required. A tender process would be carried out and there would be a focus on minimising costs as far as possible. The Directors were open to considering a first time NED for one of the roles.

The Chair asked that the People and Remuneration Committee be involved in the recruitment process and a draft person specification would be shared with the Board for comment.

The Board **agreed** with the recommendations set out in the paper.

## **3. Approval of Minutes and Actions**

### **a. Board Workshop Notes and Actions**

The notes and actions from the Board Workshop held on 13 September 2023 were **APPROVED** subject to 2 minor typographical corrections being made.

A Director recommended that PHIN should seek public law advice on a limited set of questions to understand PHIN's position post 2026 and the fulfilment of the CMA Order. IGN agreed to consider this, noting that it would be helpful to have the outcome of the external governance review to inform the decision.

The Directors agreed that the workshop notes should be kept under review and be included in the papers for the Board Workshop in February 2024.

### **b. PHIN Board Meeting**

The minutes of the PHIN Board Meeting held on 21 September 2023 were **APPROVED** as presented.

#### **4. Reports of sub-committee**

##### **a. People and Remuneration Committee (PRemCom)**

MH summarised the key topics of discussion at the recent PRemCom meeting which included the appraisal process. As was best practice for an organisation of PHIN's size, a 360-degree feedback process would be piloted.

The Directors noted the verbal update.

##### **b. Delivery Oversight Committee (DOC)**

JS, as Co-Chair of DOC, reported a good level of discussion at the recent meeting and feedback had been given on the presentation of the reporting to improve clarity. Portal 6 had also been discussed and further information was included in the Chief Executive Report. The September 2023 CMA reporting pack would be reviewed under agenda item 8a.

##### **c. Audit & Risk Committee (ARC)**

HS, as Chair of ARC, advised that the main agenda item had been the review of the draft financial statements and the meeting had been attended by a representative from Brebners, PHIN's External Auditors.

ARC had agreed to endorse the draft financial statements for approval by the Board.

ARC had been pleased to hear the implementation plans for Pentana, the new risk management system. MS confirmed that the project kick-off meeting had taken place the day before. A Director asked that the Board be given an overview of the new system in due course.

The Directors noted the verbal update.

#### **5. Chief Executive Report and Executive Operational Report**

IGN presented the summary section of the Chief Executive Report which included an overview of the patient research work being undertaken. In addition, IGN presented the initial results of the staff survey noting that a formal report would be brought to the February 2024 Board Meeting once a full analysis had been carried out.

The Directors discussed the need for a better understanding of the extent and scope of private practice in the Devolved Nations. IGN provided an overview and committed to providing further information at the February 2024 Board Meeting.

##### **ACTION 02.11.23.1 IGN to provide information on scope of private practice in Devolved Nations to February 2024 Board**

IGN advised that Portal 6 was on schedule for delivery as planned. In response to a question, DM provided the Directors with an overview of the Portal 6 project and the work that was still to be done. IGN also noted that Delivery of Order was on schedule for Stage 1 completion.

The Chair advised that at the recent DOC meeting, attendees discussed the go live date of mid-December for the consultant related features of Portal 6. A suggestion was made to consider delaying this to early January 2024 if there were any issues likely to arise which would require managing over the holiday period.

The Directors discussed the draft PHIN vision statement and were broadly supportive. Some minor suggestions on the wording were made.

The Board **APPROVED** the proposed vision statement as outlined in the Chief Executive Report subject to minor amendments to wording. The decision on the final wording was **delegated** by the Board to the PHIN Leadership team.

In response to a question from a Director, IGN clarified that the same reporting pack was submitted to the CMA and to the Partnership Forum. IGN wished to keep the reporting mechanism under review to consider if more comprehensive reporting would be helpful.

A suggestion had been made by the Partnership Forum that a workshop be held to assist PHIN in gaining clarity on the future direction of the company post fulfilment of the CMA Order. The Directors welcomed the suggestion and noted that the timing of this would need to be carefully considered.

Regarding PHIN's patient engagement work, a Director stressed the importance of PHIN encouraging engagement from traditionally "hard to reach" groups so that these voices could be amplified.

#### **ACTION 02.11.23.2 Patient Engagement: IGN and JF to identify and engage with "hard to reach" groups**

There were no further questions or comments on the Chief Executive report and the operational report was taken as read.

### **6. Matters Arising**

#### **a. Media Engagement Strategy**

*Alistair Moses, PHIN Communications Manager joined the meeting at this point.*

AM introduced the paper that set out the proposed Communications and Media Engagement Strategy for PHIN that was intended to grow awareness of, and trust in, PHIN and to communicate PHIN's programmes and achievements to various audiences.

The Directors noted that the paper clearly illustrated that the focus of PHIN's communications strategy was increasing awareness of PHIN amongst patients. It was considered important to align the implementation of the strategy with PHIN's readiness to provide a good experience to patients via the website.

A Director asked that GPs be included in the scope of the strategy as they were usually the first contact point for patients.

A Director asked that the paper be updated to include a section on the reasons that an engagement strategy was required. This should note that the Board acknowledged that there were risks inherent in engaging with the media and suggest how the Board would consider and balance these risks. The strategy should provide the framework for the Board to support the work of the Leadership team when engaging with the media.

The Directors discussed the benefits of using an external PR company specialising in healthcare. It was noted that PHIN did work with a broadcast media company, predominantly in relation to the quarterly updates. In the absence of a marketing budget, the option of working with a specialist PR company could not be considered immediately but would be kept under review.

Whilst it was understood that PHIN was independent and did not comment on government policy, caution should still be exercised regarding communications in the run up to the General Election. It was anticipated that this would coincide with PHIN's delivery of the bronze milestone and communications regarding fulfilment of the Order could continue to be issued.

Recognising that PHIN's remit was the United Kingdom, the Chair asked that the Communications team ensure that the strategy was also considered from the perspective of audiences in the Devolved Nations.

The Chair asked that the paper be updated to reflect the comments of the Directors and brought back to the February 2024 Board Meeting. Action 21.09.23.4 was updated accordingly.

*Alistair Moses left the meeting.*

## **7. Finance**

JG noted that the draft Financial Statements for the Year Ended 31 July 2023 had been received the previous day and circulated to the Board. These superseded the draft financial statements previously circulated.

JG provided an overview of the discussions held at ARC noting that the Financial Statements had received an unqualified audit opinion and had been recommended by ARC for approval by the PHIN Board. JG summarised the year end position and highlighted that, as anticipated during the second half of 2022/23, due to the year-end audit adjustments and the additional costs incurred on the portal 6.0 project, the rolled-forward reserves would be 4.9 months operating expense cover.

JG was pleased to report that all recommendations in the audit report were accepted. The majority of issues related to delays in obtaining the final trial balances from the bookkeepers and had been proactively brought to the attention of the Auditors.

JG referred to item 12 in the Management Representations Letter and gave the Directors an explanation for the reference to the small balance held in an interest-bearing savings account. This was that the balance had been such that it had not triggered a bank statement as at the financial year-end.

### **a. Financial Statements and Management letter – overview**

The Board noted the paper.

### **b. Draft Financial Statements & Audit Adjustments 2022/23**

As the paper had been finalised and distributed the previous day, it was decided that the Directors would be given more time to review and were asked to provide comments by Monday 6 November 2023.

JG highlighted that the changes made in the most recent draft included an updated narrative related to Going Concern and to the description for professional fees in the additional disclosures provided to members.

A Director asked that the list of Directors be presented in alphabetical order.

The Board **APPROVED** the Annual Report and Financial Statements 2022/23 subject to the Board reviewing the paper and providing any comments by Monday 6 November 2023. The Directors to be listed in alphabetical order.

The Chair extended thanks on behalf of the PHIN Board for the work undertaken by JG and ARC.

### **c. Draft Management Representations Letter**

The Board **APPROVED** the draft Management Representations Letter for signature.

### **d. Draft Audit Finalisation Report 2022/23**

The Board noted the paper. There were no questions or comments.

**e. Draft Annual Report Finance Chapter**

JG advised that final edits were being made and the draft finance chapter would be sent to the Board the following week for feedback.

The Board noted the paper.

**f. Finance Report, Management Accounts and Reserves – September YTD**

JG summarised the paper for the Directors which showed the financial position in month 2. JG highlighted the pressure on the recruitment budget arising from the replacement of 3 senior level technical positions early in the year.

JG also provided an update on progress on business and resource planning for 2024 onwards, following discussions at the Board strategy awayday in September.

The Board noted the paper.

*MH left the meeting at this point.*

**8. PHIN Strategy**

**a. CMA Order progress reporting – 4 Domains – September 2023**

JG introduced the paper and summarised the reporting for the Directors and noted that the reporting pack had been reviewed by DOC at the October 2023 meeting.

A Director noted both the decrease in patient engagement with the PHIN website and the increase in all satisfaction indicators reported in the pack. It was discussed that reasons for this were not clear and that as analytical insight was expensive, PHIN were investigating a potentially free solution for Not-for-Profit organisations.

The Board **APPROVED** the report “CMA Order progress reporting – 4 Domains – September 2023”.

**b. External Governance Review Update**

JG advised that Mazars had been appointed to undertake the external governance review following a tender process. It was anticipated that Mazars would observe the PHIN Board Meeting in February 2024 and report back at the March 2024 meeting.

The Board noted the update.

**9. AOB**

**a. 2024 Meeting Dates**

The paper was noted.

**b. Preparation for AGM**

IGN gave the Directors an overview of preparations being made for the AGM including the proposed agenda topics.

**Date of next meeting: Tuesday 5 December 2023 AGM**