Minutes of the Sixty-fourth Meeting of NHS Blood and Transplant held at 8.30am on Thursday 2 October 2014 at the Marriott Hotel, Mill Lane, Cardiff CF10 1EZ

Present:	Mr J Pattullo	Mr K Rigg
	Mr R Bradburn	Dr C Ronaldson
	Dr C Costello	Mr I Trenholm
	Ms L Fullwood	Dr H Williams
	Mr R Griffins	Mr S Williams
	Ms S Johnson	Dr L Williamson
	Mr J Monroe	
In attendance:	Ms L Austin	Mr G Brown
	Mr M Cox	Mr A Campbell
	Mr D Evans	Ms P Vernon
	Mr M Potter	Ms J Minifie
	Dr D Kennedy	

14/111 **APOLOGIES AND ANNOUNCEMENTS**

Mr Pattullo welcomed Mr Trenholm to his first Board meeting as Chief Executive of NHSBT and on behalf of the Board wished him every success in his new role. He also welcomed Mr Williams, who had returned from a sabbatical; Ella Poppit, Head of Service Design ODT and Katherine Robinson, Deputy Director of HR, who were attending as observers; and Aaron Powell, Interim Director of ICT.

Apologies had been received from Mr Blakeman.

14/112 **DECLARATION OF CONFLICT OF INTEREST**

There were no conflicts of interest.

14/113 **AGREED WAYS OF OPERATING FOLLOWING THE BOARD DEVELOPMENT DAY**

Mr Pattullo highlighted (iv) *Working at all times with colleagues in a challenging but supportive manner.* He said that achieving an appropriate balance between “challenge” and “support” is difficult and he felt that in the last couple of Board meetings we may have over emphasised “support” at the expense of “challenge”. This view was consistent with feedback from executive Board members to raise constructive challenge whenever they consider this appropriate.

14/114 **MINUTES OF THE LAST MEETING**

The minutes of the previous meeting were agreed. With regard to the IT/Digital Strategy, Mr Trenholm said that he would work with Mr Powell to deliver a document for the November meeting.

14/115 **MATTERS ARISING**

Paper 14/98 was noted.

14/116 **BLOOD AND DTS PRICING PROPOSALS FOR 2015/16**

Mr Bradburn presented paper 14/99. This did not propose differential pricing between O negative and other groups, as anticipated following previous discussions, because of adverse feedback to the concept from customers.

Dr Williams said he would not recommend pursuing differential pricing for 2015/16 because of negative feedback received from stakeholders at recent meetings of the National Blood Transfusion Committee and the Expert Panel and at the British Blood Transfusion Society Conference.

Dr Costello said this reaction had highlighted the need for current data about where O negative is being used and why and this information is essential before a differential pricing structure can be developed. Dr Williams said it would be important to take time to devise a system which would ensure that hospitals which use large percentages of O negative for clinical reasons are not disadvantaged.

Ms Fullwood asked how we compare to other blood services in terms of differential pricing and Dr Williamson said she would make enquiries amongst EBA colleagues. **LW**

Mr Williams asked whether maintenance of the current price for red cells continued to be acceptable to hospitals or whether they were seeking further reductions in the price. Mr Bradburn said this was not a serious issue for 2015/16 but he anticipated that the position for 2016/17 was likely to change.

The Board agreed to endorse the pricing proposals for 2015/16 for submission to the NCG in November as set out in the paper.

14/117 **FRAMEWORK AGREEMENT FOR THE SUPPLY OF MAINTENANCE FOR ENVIRONMENTAL MONITORING SYSTEMS WITHIN NHSBT PREMISES**

Dr Ronaldson presented paper 14/100. He drew attention to the inclusion of a six month termination clause which will allow NHSBT to consider and implement new and emerging technology or purchasing options without delay.

Dr Costello questioned the award to Kelsius in the light of potential concern over its financial position. Dr Ronaldson said an older, wired system remained available as a back up should this company fail. Mr Bradburn said the financial risk around the supplier was related to large losses reported in the company's published accounts. He noted, however, that the company was a private equity backed start up and it appeared that the backers were continuing to provide funds to support the company's growth plans. The viability of the company therefore remained something of a concern but, given the availability of the wired system back up, was considered acceptable.

The Board approved the award of the contract as recommended.

14/118 **ODT NATIONAL HUB AND TECHNOLOGY TRANSFORMATION: BUILDING THE BUSINESS CASE**

Ms Johnson presented paper 14/101. She emphasised the crucial importance of the ODT national hub in providing a sound foundation to underpin the programme of improvements required throughout the donation and transplantation pathway.

Mr Rigg asked for assurance that there is sufficient in-house capacity to oversee this work without impacting on other areas of work. Ms Johnson said that dates had been set for interviews to backfill the substantive Assistant Director – Transplantation Support Services post but, although she expected the consultancy work to be divided into separate pieces, given its critical nature she considered that there would be a need to increase internal capacity to support the work in the longer term.

Mr Griffins said that he was uneasy about the cost of the contract and suggested that the work might be deferred until after the IT strategy had been confirmed at which point there might be more resource available in-house. Whilst acknowledging the logic of that suggestion Mr Trenholm said he would be concerned if this work was postponed because some of our critical IT systems had already passed the point at which they needed to be replaced. It was his view that it was necessary to buy in this support although he saw the work as a number of separate milestones to be pursued in stages rather than one piece. He also said that the IT resource was only one element of what was required. Mr Williams said he shared Mr Griffins' unease, particularly as this use of Atos could expose us to unfair criticism, but said he accepted the arguments for the need for consultancy in this particular case.

Mr Monroe said he fully supported the need for a robust hub before embarking on work on other projects and he did not think it appropriate for NHSBT to employ most of these skills in house.

Ms Fullwood asked whether we are working in partnership with the four government health departments to ensure all their potentially

different requirements are covered. Ms Johnson said that she was confident that a process for this was already firmly established in the case of the Organ Donor Register and agreed that it would be essential to ensure the same level of involvement with each of the steps involved in this work.

Mr Griffins asked what approach would be taken if the money was not forthcoming. Ms Johnson said it might be possible to make some changes around the margins but we will be operating at risk. She said NORS will deliver savings but only over the longer term and it is difficult to deliver efficiencies without investment.

Mr Pattullo said he believed the Board was right to be concerned about the amount being spent on external consultants but that it was necessary for them to agree to proceed as proposed as it was not acceptable to continue with the existing systems. He proposed that the business be awarded to Atos in segments which would give us the opportunity to terminate the relationship if not satisfied. In addition a proportion of the fees should be dependent on results. The Board agreed to proceed on this basis. Mr Trenholm will report back to the Board at the next meeting to explain the fee structure employed. **IT**

The Minister, Prof Mark Drakeford AM, had joined the meeting at the beginning of this discussion. He thanked the Board for the opportunity to attend. He said that the discussions had brought to mind some of his own experience of large IT investment where an incremental approach had been seen to give a significantly better return on investment. He also commented that in his experience IT systems were usually only part of a solution with changes to ways of working on the part of users being the greater issue.

14/119 **ODT STRATEGIC PERFORMANCE MANAGEMENT REVIEW; AND VERBAL UPDATE ON ODT FUNDING**

Ms Johnson presented an update on strategic performance in ODT and this was very well received.

Ms Johnson said it was clear that progress to date had been achieved by increasing the number of families who were asked to consent and in future the focus needed to be on increasing the rate of consent.

Mr Rigg said he believed that the sharing of evidence based good practice was key to increasing the number of transplants. A peer review process needed to be put in place to do this and it would take several years to acquire sufficient data.

Leaving the meeting, the Minister thanked the Board for the interesting presentation. He said that while the presumed consent initiative in Wales was progressing well, aided by positive reporting of the change of the law in the media, this was only one strand of the

2020 Strategy. He said he supported Ms Johnson's view that it was important to focus on trends rather than react quickly to individual data items.

Mr Rigg commented on the need to develop an evidence base for the introduction of new perfusion techniques and the need to be able to demonstrate financial as well as clinical benefits of these innovations. Ms Johnson said that the DH are carrying out some work to demonstrate the financial benefits of transplantation over dialysis although the fact that dialysis centres are not always in the same funding streams as transplantation was a complication. She pointed out that the question of whether patients should only receive transplants which deliver savings to the NHS was a matter for debate.

Dr Kennedy said that while he supported the need for the hub it could not be assumed that the funding would be available. He said he was concerned at the apparent lack of immediately available savings and NHSBT's case for central funding would be strengthened if it can demonstrate it is already making savings efficiencies within its own budgets. He said it was possible that sufficient funding would not be available and the only option will be to prioritise the different projects in which case he would welcome the Board's advice. Mr Brown and Mr Campbell concurred with these concerns.

Ms Johnson said we have provided the DH with a programme of efficiencies which will deliver approximately £14m over the next five years and we are starting to deliver some of these initiatives now. She acknowledged that prioritisation would be challenging and said that this would require further debate both internally and with partners. She also pointed out that the views of the donation and transplant communities are likely to be different. Mr Pattullo said it would be important to look to the expertise of the 2020 Oversight Group on the question of priorities.

Mr Bradburn said that more work was required in order to generate the financial plan. The donor and transplant numbers were below plan and hence a revised view of activity levels was necessary. In addition the work to specify the scope and timing of the various supporting projects was not yet complete. He acknowledged that in any event the improvement projects do not generate savings in 2015/16 and hence if funding was not available the only way forward was to prioritise projects and/or match activity levels to the available funding.

Mr Pattullo said he and Mr Trenholm would be raising the issue of the urgent need for a new funding structure for 2015/16 with the DH at their next regular meeting on 13 October.

14/120 **BIRMINGHAM BLOOD CENTRE GROUND FLOOR RECONFIGURATION**

Mr Bradburn presented paper 14/103 and thanked Mr Rigg and Mr Griffins for reviewing the proposal. Mr Griffins said that Mr Bradburn had confirmed that the continued use of Interserve was appropriate within the P21+ procurement framework. Dr Ronaldson drew attention to the importance of the relocation of the irradiator room, emphasising that this refurbishment project included important health and safety and regulatory features. The Board approved the refurbishment and reconfiguration of the ground floor at the Birmingham Blood Centre at a total cost of £2.85m.

14/121 **CLINICAL BIOTECHNOLOGY CENTRE UPDATE**

Dr Williams presented paper 14/104.

Mr Monroe asked why the commercial performance of the centre had improved beyond expectations. Dr Williams said he had originally taken a cautious approach as it takes time to build this area of business, but the new Business Development Manager had produced results very quickly. Mr Pattullo reminded the Board that employees at the Centre had been more optimistic; and Dr Williamson reminded them that the reason why responsibility for this facility had been transferred from her Directorate to DTS was to allow it to benefit from the relevant expertise.

Dr Costello said she strongly supported the work of the unit which had enormous potential in terms of translational research.

Mr Bradburn said that it was vital that the sales pipeline was continually refreshed as any financial gap would effectively put pressure on blood prices. In that context it would also be important to ensure that the work undertaken was in keeping with NHSBT's core purpose.

Dr Williams said the position would be reviewed again in March in the light of our refreshed stem cell strategy and the Government's response to the House of Lords' Science & Technology Committee Inquiry into Regenerative Medicine; and he would continue to maintain a focus on CBC in the meantime. The Board asked him to convey their thanks and congratulations to the Site Manager for the improvements achieved in quality and finance. **HW**

14/122 **ANNUAL REVIEW OF KEY RISKS**

Mr Bradburn presented paper 14/105, drawing attention to the defined *risk appetite* in the risk management strategy.

Mr Griffins said the paper reflected the outcome of the very useful risk workshop at the GAC and he commended the Integrated Governance Framework document to the Board. He also drew

attention to the response to the recent quality events in Cellular and Molecular Therapies (set out in paper 14/111) as an example of our low appetite for risk.

Ms Fullwood asked whether the DH had responded to us on the process for the escalation of risks to the DH Audit and Risk Committee as set out in the Framework Agreement. Mr Bradburn said this process had not yet been finalised and there was also work to be done to develop a risk escalation process to the other UK HDs.

Ms Johnson pointed out that it was more challenging to balance a low appetite for risk with the day to day work of ODT than in other parts of the organisation. In this context she proposed that test cases should be used to assess whether Management Process Descriptions (MPDs) are appropriate in order to avoid considerable extra work that would not, in practice, result in any real change.

Mr Bradburn asked whether the Board agreed with the Executive's assessment of the top five key risks. Mr Rigg said he considered that the risk ranked fourth in the paper, relating to productivity and financial efficiency, should be broadened to cover the whole of NHSBT's operations. Mr Bradburn agreed and said that the limitation of funds for ODT would potentially imply a different operating model and a significant risk in its own right. Mr Rigg suggested that this might be the first risk on which the Board might conduct a deep dive review.

Dr Costello said she was concerned about the Board's accountability and responsibilities for risk, in particular the NEDs' heavy reliance on the Executive Team and the GAC. She was also uneasy about what she felt had been changes of emphasis over the years from full Board responsibility to GAC responsibility and back again in the matter of risk. Mr Pattullo responded by highlighting the difference between accountability and responsibility for work and said delegation to the GAC was normal practice in the private sector and in his view appropriate for NHSBT. He said it was the responsibility of the Board to ensure governance systems are in place and these were set out in the Integrated Governance Framework referred to by Mr Griffins. Mr Griffins explained the relationship between the GAC and the CARE Committee, chaired by Dr Williamson.

The Board agreed to discuss one or two selected risks in detail at a seminar in January after the further work being done by the GAC in November.

14/123 **STAKEHOLDER ENGAGEMENT UPDATE**

Ms Austin provided an update, highlighting areas where good progress has been made and areas where further action is needed. She said details would be included in the next outline report which would be circulated in approximately two weeks' time.

Ms Austin emphasised the importance of timely feedback from meetings with stakeholders to ensure momentum is not lost. Mr Williams questioned whether the Board was making this enough of a priority, given inevitably competing priorities. To help in this he suggested that the Board should give the Communications team permission to be more demanding of them and the Board supported this proposal.

14/124 **HR OPERATIONS – WORKFORCE DIRECTORATE FUNCTIONAL REVIEW**

Mr Evans introduced Katherine Robinson, Deputy Director for Human Resources, and and Shane White, HR Business Partner ODT and HR Development, who were the architects of the HR Operations structure as it now functions. Ms Robinson and Mr White presented an overview of the working arrangements. Mr Trenholm commented on the positive feedback he had encountered about the HR function and congratulated them on this achievement.

On enquiring, Ms Fullwood was pleased to learn that careful review by an advanced practitioner employee meant that the need for legal advice for HR issues was restricted to a minimum.

Mr Pattullo said that he and Mr Trenholm had been discussing the issue of inter-dependency amongst ALBs and considered that it would be interesting to explore the potential for NHSBT to carry out some work on behalf of other ALBs.

The presentation was very well received and the Board were pleased by the progress made.

14/125 **CHIEF EXECUTIVE'S REPORT**

Mr Trenholm presented his first impressions of NHSBT. He said the Executive Team would be focusing on some of the areas he had highlighted in discussions at the end of October. He anticipated that the Board would have the opportunity to discuss them as business cases come through for specific projects.

14/126 **BOARD PERFORMANCE REPORT**

Mr Bradburn presented the report 14/108. He said red cell demand continued to decline although this was broadly in line with plan. He drew attention to the fact that despite demand declining the operational supply planning challenges were in fact increasing (e.g. O neg red cells, A group platelets, FFP etc.)

Mr Bradburn said DTS continued to operate ahead of plan financially but noted that cord blood issues were behind plan. As such it will be necessary to opportune to consider the future of cord banking in some depth during the stem cell strategy update early next year.

The key performance issue remains in ODT with donor and transplant numbers 16% behind plan and the MAT trending below the 2013/14 outcome. As mentioned earlier in the meeting, however, organ donation numbers had shown some improvement in September.

Overall the financial position for the year remained healthy with an underlying surplus being generated. The main challenge for NHSBT was achieving a balance in future years between much needed investment in IT systems and transformation projects whilst maintaining prices.

14/127 **CLINICAL GOVERNANCE**

Dr Williamson presented paper 14/109. She drew attention to (i) two recommendations from the final report from the Science and Technology House of Commons Inquiry on blood, tissue and organ screening and the DH's response, detailed in the report; and (ii) the item relating to the Ebola outbreak. She said that blood donors who have travelled to West Africa are deferred for six months because it is a malarious zone so there was no need for any additional donor deferral measures.

Dr Williamson said that since her report had been circulated she had learned that the issue of MSM and blood donation was to be raised at the Liberal Democrat Conference. She said that the change to the deferral criteria in 2011 had not resulted in any increase in transfusion transmitted infections.

Dr Williamson said that she proposed changing the way this report is presented. In particular she planned to include graphs to show trends in events and some clinical outcome measures and she said any other suggestions for improvements to the shape of the report would be very welcome.

Mr Griffins proposed that in future GAC meetings be scheduled to enable governance papers to be considered by the GAC before the Board papers are issued; and CARE meetings be scheduled to enable governance papers to be considered by the CARE Committee before papers are issued to the GAC. This was agreed, although it was noted that a new timetable would take time to evolve.

14/128 **SERIOUS INCIDENT SUMMARY REPORT**

The Board received paper 14/110.

14/129 **QUALITY EVENTS IN CELLULAR AND MOLECULAR THERAPIES**

Dr Williams presented paper 14/111. The Board noted the recent increase in major quality incidents in Cellular and Molecular Therapies and the steps being taken to reduce the possibility of

future events. They were pleased to note that the incidents had not caused harm to patients.

14/130 **ANNUAL REVIEW OF BOARD COMMITTEES**

Mr Pattullo said the Remuneration Committee had approved its annual report, paper 14/120 included for information at agenda item 31, at its meeting the previous day. This completed the annual reporting process for Committees for 2013/14.

14/131 **MINUTES OF THE GOVERNANCE AND AUDIT COMMITTEE MEETING 13.6.14**

The minutes were noted.

14/132 **MINUTES OF THE TRUST FUND COMMITTEE 2.7.14**

The minutes were noted.

14/133 **MINUTES OF THE R & D COMMITTEE 11.7.14**

The minutes were noted.

14/134 **MINUTES OF THE NATIONAL ADMINISTRATIONS COMMITTEE 18.7.14**

The minutes were noted.

14/135 **REPORTS FROM THE UK HEALTH DEPARTMENTS**

Paper 14/116 included reports from Scotland and Wales. Mr Brown drew attention to the launch of the new National Memorial for Organ and Tissue Donors in the Royal Botanic Garden in Edinburgh and he encouraged Board members to visit when they had an opportunity. Mr Campbell drew attention to the appointment of Jim Wells as the new Minister for Health, Social Services and Public Safety. He also again emphasised the financial challenges facing Northern Ireland in 2015/16.

14/136 **ANY OTHER BUSINESS**

Following the earlier discussions about prioritisation of projects Mr Rigg highlighted the possibility of a need to change the prioritisation of projects, including NORS, because of Conduct Guidance restrictions during the pre-election period. On the basis that some projects might be delayed and others accelerated Mr Trenholm agreed to review and consider the programme of Board decisions for the next 18 months to two years. **IT**

14/137 **DATE OF NEXT MEETING**

The next meeting will be held on Thursday 27 November at the Royal College of Gynaecologists.

14/138 **RESOLUTION ON CONFIDENTIAL BUSINESS**

The resolution was agreed.

14/139 **HEALTH & SAFETY REPORT 2013/14**

The report was noted.

14/140 **INDEPENDENT REVIEW OF SOLID ORGAN ADVISORY GROUPS: IMPLEMENTATION OF THE RECOMMENDATIONS**

Paper 14/119 was noted.

14/141 **REMUNERATION COMMITTEE ANNUAL REPORT 2013/14**

The report was noted.

14/142 **NHSBT CONTRACT PIPELINE REPORT**

The report was noted.

14/143 **FORWARD AGENDA PLAN**

Paper 14/122 was noted.