

Agenda

DHI Board Meeting: Wednesday 16th August 2017, 10am – 13.30pm

Venue: Room 201, Collins Building, Richmond Street, Glasgow

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| 1. | Welcome
10.00am | | JJ |
| 2. | Apologies | | JJ |
| 3. | Declarations of Interest | | All |
| 4. | Minutes of Previous Meeting
10.10am | Paper 1 (for approval) | JJ |
| 5. | Chairman's Update – Verbal
10.20am | | JJ |
| 6. | Chief Executive Update
10.30am | Paper 2 (for noting) | GC |
| 7. | Finance Update
10.45am | Paper 3 (for noting) | HA |
| 8. | Phase 2 Delivery
11.00am | | GC |
| 8.1 | Challenge Update | Paper 4 (for approval) | CC |
| 8.2 | Phase 2 Financial Plan | Paper 5 (for approval) | HA |
| 8.3 | Commercial Update
12.30pm | Paper 6 (for approval) | HA |
| 9. | Corporate Risk Register
Close | 12.45pm – 1pm
Paper 7 (for discussion) | All |
| 10. | Date and Time of Next Meeting
Wednesday 22 nd November starting at the later time
of 4.30pm – 7pm | | All |

DIGITAL HEALTH & CARE INSTITUTE

**BOARD MEETING
(Extraordinary)**

Minutes: Monday 24th July 2017

Chairing:

Mr John Jeans

Present:

Prof George Crooks
CEO
Digital Health & Care Institute

David Littlejohn
Executive Dean,
University of Strathclyde

Mr Dave Clark,
Interim CEO,
Digital Health & Care Institute

Mr Hugh Anderson,
Commercial Finance
Director,
Digital Health & Care
Institute

Irene McAra-McWilliam
Deputy Director (Innovation)
Glasgow School of Art

Colin Kirkpatrick, Research
and Enterprise
Glasgow School of Art

Helen Raftopoulos,
Assistant Director,
Scottish Funding Council

Ms Margaret Whoriskey
Head of Technology Enabled
Care and Digital Healthcare
Innovation,
Scottish Government

Mr Alistair Hodgson
Scottish Government

James Cameron,
Head of Health and Life
Sciences,
Highlands & Islands
Enterprise

Louise McKean
Solicitor and Contracts Manager
University of Strathclyde

Conference line

Brian O'Connor, Chair, European Connected
Health Alliance, UK

Professor Andrew Morris
University of Edinburgh

Charles Sweeney, CEO,
Critiqom

Apologies

Ms Donna Chisholm
Regional Head of Sectors, Innovation and
Programmes,
Highlands & Islands Enterprise

Professor Harry Burns
University of Strathclyde

Julia Brown,
Healthcare, Life and Chemical Sciences
Scottish Enterprise

Visiting attendees

Ms Joanne Boyle,
Head of Engagement,
Digital Health & Care Institute

Mr Chaloner Chute
Chief Technology Officer,
Digital Health & Care
Institute

Board Secretary

Shirley Sharp, Office Manager/EPA, Digital
Health & Care Institute

**ACTION
BY**

1. Chair's Introduction and Apologies

The Chair welcomed everyone to today's meeting and submitted apologies on behalf of those unable to attend.

The Chair advised that today is the last Board meeting for Dave Clark, Interim CEO of DHI. On behalf of the DHI board, the Chair thanked and acknowledged DC's major contribution to DHI during his tenure.

DC advised colleagues that today's meeting was called at the request of the Chair at the Board meeting in May, to take a closer look at DHI's activities and review current funding and work to be completed going forward. The focus on Phase 2 was to be delivering clinical impact for the NHS and thereafter adoption of digital tools and services using existing funding streams. DC advised that the Strategic Delivery Group has been established to assess potential work programmes against agreed criteria and so prioritise work going forward. DC advised that the aim of today's extraordinary Board meeting is to challenge the portfolio agreed by the Strategy Group and review the outline costs going forward. The challenges agreed will then be put to the August Board meeting for formal endorsement.

The Chair advised colleagues that the UK Government has recently announced £86m worth of investment towards adopting technology and improving access across the NHS. There is no clarity as yet to what funds may be made available to the Scottish Government. However, DHI's close relationship with NHS Scotland is a unique and important proposition that will benefit Scotland

DC advised that CC will give a brief presentation and overview of the selected challenges. HA will then discuss the financial costs involved going forward.

2. DHI Challenges – Options Appraisal Presentation

CC gave Board colleagues a presentation on the challenge process. He advised that colleagues would have the opportunity to review the background and issues being addressed, the options appraisal process described, the process output, the approach being proposed to address the output, the financial impacts and timelines to be addressed and the recommendations/advice required by the Board. CC advised that the DHI Board is being asked to support the new Phase 2 challenge portfolio and to approve the financial plan, including any deficit recovery options.

IMcA would like Board colleagues to note that the document being discussed was received at short notice and has not been accepted by GSA in principle.

CC advised colleagues on the reason for the options appraisal process. DHI has a limited budget and is time limited in what can be achieved through Phase 2. 5/6 challenges have been agreed going forward on a baseline budget of £4.7m.

CC went on to describe the method developed, identifying critical criteria, which were then submitted to the Strategic Delivery Group to critique, shortlist and ensure balance to the Challenge portfolio.

A detailed discussion ensued with colleagues raising the issue of the importance of clinical leadership within each challenge, data sharing challenges and ensuring that activities remain aligned to Scottish Government policy context and strategic priorities. AM advised that the calibre of clinical leads involved is crucial and asked for DHI colleagues to make available to board colleagues, the clinical leads currently aligned to each challenge. CC

Colleagues also discussed the need for industrial partners along with clinical leadership.

CC went on to describe the 6 Challenge areas being proposed, Remote Gastro (Scotcap), Atrial Fibrillation (AF), Lanarkshire Diabetes, Data Sharing (TBC), the Modern Outpatients programme and Next Generation Asthma. JJ asked if there were any members of the Strategic Delivery Group available to comment on the process carried out and decisions reached on the agreed challenges. AH advised that he attends this group and can confirm that there was a robust process involved and Scottish Government are content with challenge outputs reached. Colleagues discussed DHI's potential role within Scottish Government's Digital Health & Care Strategy and it was agreed that this would be beneficial for DHI to actively participate in the consultation process.

CC then went on to describe the Phase 2 outputs required with a focus on delivering compelling cases for investment by August 2018. This includes services created in challenges and the overall DHI model. Discussion ensued around the need to build on Phase 2 and have a portfolio of work to interest business and industrial partners. JJ also mentioned the need to include 3rd sector partners.

HA went on to discuss the high level financial projections for the next two years. The programme proposed would cost £5.5m to deliver which created a deficit of £0.8k versus the know firm funding of £4.7m. HA advised that the SMT have looked to restructure resources with the restricted funding available. Staff reductions have been included as one scenario to be considered.

IMcA asked colleagues to discuss the proposed GSA resourcing going forward.

DC advised that a meeting was held with all core partners involved to discuss alternative proposals on how to manage within the confirmed budget. It was agreed that design team staffing would reduce from 11.4 to 8.4 heads. This will be achieved in the coming months via natural leavers. HR advised that SFC will require a report on the details of the proposed changes. JJ advised that a letter will be drafted by DHI SMT team, which will then need to be approved by this Board, for the Principal's signature. HA and HR will meet to discuss. HA will present commercial interests at the next board meeting in August. HA/HR
HA

HA went on to discuss mitigation actions to eliminate the deficit. These will look at potential third-party income review, a possible reduction in third party HEI grants, and a reduction in the overhead recovery rates for all academic grant awards. The possibility of an earlier commencement of phase 3 was raised as was a reduction in the scope of the demonstration toolkit. A review of the organisations structure will be undertaken to ensure that DHI is in the best place to deliver on its commitments and a vacancy management process will be implemented. It was agreed that further consideration will be given on overhead recovery rates. A detailed discussion took place and it was agreed to establish some initial discussions with SFC on the principle. A comprehensive evidence based proposal will need to be put forward in August next year that will secure a break even at the end of Phase 2. The Chair agreed that action is required and it will be unrealistic to move forward at risk beyond the summer of next year.

GC/HA

DL discussed the third-party income review, alignment with Scottish Government work and possible co-funding with SE. They have advised that supporting SMEs working with DHI on challenge is the most likely scenario that would create opportunities where they would fund.

HA

3. AOB

JJ updated colleagues on information fed back from the Chairs of IC's group meeting and the level of proof required in getting Business Case approval by SFC. JJ will keep colleagues up to date going forward.

JJ

Capex – LMck advised HR she will send details of the tender in due course.

LMck

DHI/SG Estonia Visit – DL advised colleagues that CC has completed a very useful report on the Estonia model and suggested this be circulated to colleagues for info. CC will send to SS for circulation to board members.

CC/SS

4. Date and Time of Next Meeting

The next scheduled meeting will take place on Wednesday 16th August @ 10am, Collins Building, Richmond St, Glasgow.

Minutes of the Previous meeting (2)

Paper 1

DIGITAL HEALTH & CARE INSTITUTE

BOARD MEETING Minutes: 30th May 2017

Chairing:

Professor George Crooks and Mr John Jeans,

Present:

Mr Dave Clark
Interim CEO
Digital Health & Care Institute

Professor Harry Burns
UoS

Irene McAra-McWilliam
Deputy Director (Innovation)
Glasgow School of Art

David Littlejohn
Executive Dean,
UoS

Helen Raftopoulos
Scottish Funding Council

Professor Andrew Morris
University of Edinburgh

Mr Alistair Hodgson
Scottish Government

Donna Chisholm,
Regional Head of Sectors,
Innovation and Programmes,
Highlands & Islands
Enterprise

Colin Kirkpatrick, Research and Enterprise
Glasgow School of Art

Louise McKean
Solicitor and Contracts
Manager
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Julia Brown,
Healthcare, Life and Chemical Sciences
Scottish Enterprise

Conference line Brian O'Connor, Chair, European Connected
Health Alliance, UK

Apologies Charles Sweeney, CEO,
Critiqom

Mr John Connaghan
Chief Operating Officer
NHS Scotland

Visiting attendees Mr Hugh Anderson,
Commercial Finance Director, DHI

Mr Chaloner Chute
Business Development, DHI

Board Secretary Shirley Sharp, Office Manager/EPA, Digital
Health & Care Institute

1. Chair's Introduction and Apologies

The Chair welcomed everyone to today's meeting and submitted apologies on behalf of those unable to attend.

2. Appointment of New Chairman and Board Endorsement

The Chair advised that this would be his last meeting as DHI Chairman, and formally thanked colleagues for their help and support over his tenure.

The Chair informed colleagues that John Jeans has been asked to take up the role of Chairman of the DHI and would like Board colleagues to formally approve and endorse John Jeans as the new Chair. Board colleagues fully endorsed JJ's appointment. JJ agreed to Chair the remainder of today's meeting, with the exception of the minutes from the last meeting.

3. New Chairman Opening Remarks

JJ advised colleagues that it was a privilege to be asked to take on the role of Chair of the DHI and sees this as a rare opportunity in helping to transform health and social care using digital technology. JJ advised that health care is now unaffordable in the developed world, with many reasons for transformation and adoption of digital technology, but dissemination remains a problem. The DHI is a unique opportunity, jointly funded by those providing health and care to the people of Scotland. JJ recognised that phase 1 of DHI has been difficult, but has established good foundations going forward into phase 2. The credibility of phase 3 relies on the ability to deliver from phase 2. JJ advised that he would like to focus on 2 areas in particular. The first to ensure that DHI is delivering into clinical practice, and the second area of focus should be on creating a robust and credible plan moving forward into phase 3. JJ advised that time is not on our side, with phase 1 creating some issues, but JJ will dedicate his time and efforts over the next two years to creating a clear brief on what needs to be delivered in phase 2.

4. Minutes of last Meeting (16/02/17)

The minutes were agreed as an accurate record and all actions reviewed.

Action Updates

AH updated colleagues on the Digital Health and Care Strategy, discussed by JC at the last board meeting in February. Scottish Government is currently reviewing its strategy and social care provision for the people of Scotland. SG are currently working with local Government's Chief Digital Officer on best alignment of digital services and discussions have begun. Two meetings have been held of the Strategic Oversight Group, which JC and AM attend. AH advised that it has been agreed DHI will be involved in this process, the when and where is still to be addressed. AH advised that hopefully by the end of the summer he will be able to share more information with colleagues on the work of this group.

AH

5. CEO Recruitment and Governance

DL updated colleagues on the recruitment process so far. DL advised that in addition to the usual university advertising procedures, head hunters were also employed to assist with the recruitment of a new CEO. UoS received 20 applications and met with several prospective candidates, both from overseas and within the UK. From the longlist, 6 applications were shortlisted for interview, of which 3 withdrew and no subsequent appointment was made from the 3

remaining candidates after interview. Feedback from the head hunting consultants appeared to indicate that the short-term funding of DHI had been detrimental to those considering applying.

A possible secondment option was discussed with Scottish Government colleagues, but no suitable name has yet been put forward. Professor George Crooks, outgoing Chair, met with UoS principal, Professor Jim McDonald and it was agreed that a transition CEO would be appointed during this current funding period. The prospective candidate has been interviewed successfully and it is hoped that UoS will be able to announce the name of the successful candidate at the end of this week. DL

5.1 Governance Papers

DC updated colleagues on two papers within today's Boardpack, the DHI Board Terms of Reference paper and the Strategic Delivery Group paper. AH advised as JC will be moving on, his replacement has yet to be announced within government and therefore representation for this board has still to be determined. A broad discussion took place, discussing quorate of the DHI Board (ToR) and representation on the Strategic Delivery Group. Colleagues agreed to feedback comments/views to DC on these working documents and DC agreed to update the documents after feedback and will disseminate to colleagues prior to the next board meeting in August for ratification. All/DC

JJ advised that going forward, the board papers will be issued to colleagues, 5 working days in advance of the proposed meeting date. This will hopefully give colleagues time to digest the content, in particular, any items that need board approval/endorsement.

6. Update on Board Papers

DC updated colleagues on the content of the DHI Boardpack. DC informed colleagues that this has been a particularly busy quarter and a great deal of work has gone into planning the next phase. DC would like to thank all UoS/GSA and DHI staff on progress to date. DC would like colleagues to note the work of HA and CC regarding the progress and detail on the three themes and proposed challenges; Wellness Services, Living Well in the Community and Unscheduled Care Decision Support. Currently there are 12 challenges within the 3 themes, CC will update colleagues on a selection of those further on in today's agenda.

DC advised that LMck of UoS and CK from GSA are currently finalising the collaboration agreement, which should hopefully be completed over the next week or so.

DC advised that with regard to funding, £5.3m in total is in place as planned, with the exception of £900k from Scottish Enterprise. JB sought to clarify the SE funding position to date and advised that the figure of £1.3m can be broken down into 4 parts. £130k transition funding was received by DHI; £655k was approved for community labs project, but did not progress; £250k for a proposed cluster management project and finally £250k proposal towards platform project. Only the transition funding progressed to completion. A discussion took place and it was agreed that DL/JB and DC will meet outwith today's meeting to discuss a way forward.

Donna Chisholm arrived at 10.30am.

DC advised that the DHI SMT are currently working on KPI definitions. DC would like to have this finalised over the next few weeks and send out to Board colleagues for comment. DC informed colleagues on the need for a small recruitment process going forward. All technical posts will be put on hold until the options appraisal process on Challenges has been completed, however programme management and engagement remain a priority. DC

JJ asked for DC to clarify for Board colleagues, the role of the Strategic Delivery Group. DC advised that a small core team has been set up to have a strategic overview of the Challenge activities and will support and validate the programme of work including operational requirements. This core team will, when required, be supplemented by additional colleagues with appropriate expertise and authority from Scottish Government. DC advised that the DHI will be the internal owner, with Scottish Government the external owner, which will endeavour to ensure strategic direction of the challenges. The group will report to the CEO, who will then advise the DHI Board, ensuring a sense check on what's going forward with stakeholder involvement. HB advised on a recent paper he has submitted to Scottish Government re patient involvement (targets and indicators), looking at digital means of patient assessment on services received within health and social care. HB has suggested that DHI be involved and will keep colleagues informed on progress.

7. **Challenge Themes Status**

DC asked for CC to update colleagues on the Challenge Theme status document and what is meant by Themes and Challenges. CC outlined the three themes agreed by the DHI Board, Scottish Funding Council and Scottish Government Health and Social Care. Each challenge or workstream will sit within a theme and can be core funded by DHI or sponsored by a third party. Discussion ensued and it was agreed that with regards to reporting, it would be helpful to have clarity around outputs, delivery and accountability. DC agreed to action. DC

JJ asked if CC could highlight some of the 10 challenges within the paper with a view to looking at what could be potentially developed and accomplished. CC updated colleagues on the following challenges, HICAP (a national remote gastroenterology Service; 5G Asthma (smart inhaler); Macmillan – Tailored Cancer Care (algorithm development) and AF, Alivecor (early detection of Atrial Fibrillation). A broad discussion ensued, and it was agreed that the DHI SMT will carry out a carry out an options appraisal exercise and discuss in detail the priority challenges at the Strategic Delivery Group meeting (6th June). JJ then asked that there be an extraordinary meeting held of the DHI Board within the next six weeks to discuss the recommended challenges that have been prioritised by the SDG. DC/HA

HA and AM left the meeting 12 noon.

8. **Finance Report**

HA updated colleagues on the finance report, highlighting the phase one financial outcome and the proposed budget for phase 2. The final position of phase one, has resulted in a cash positive position and discussions are under way with SFC re this cash being applied to phase 2. HR advised that any underspend needs to be agreed by SFC Strategic Funding Group, with justification required re application to DHI phase 2. HR advised that DHI will need to produce a paper making this request to HR, who will then take it to the SFC board for approval. HA then went on to discuss the proposed budget for phase 2 and the money secured to date. HA stated that financial challenges exist and that the original proposal to SFC in December 2016 was always predicted on the need for further

income to support the delivery of the challenges, principally from the sponsorship of a further public sector led challenge and from corporate investment. This remains the case, but has been exacerbated by the current position to the projected funding from Scottish Enterprise. DL advised that the significant deficit from phase 1 has been reduced, but that UoS is not prepared to take the risk on the remaining deficit. Discussion with colleagues ensued on what can be done with existing funding and any additional funds made available. JJ advised that the Board will await the outcome of the prioritisation exercise from the Strategic Delivery Group and colleagues will discuss potential outcomes at the extraordinary board meeting in July. CEO

Demonstration Environment

JJ asked HA/CC to talk board colleagues through the demonstrator environment paper and how this will work in practice. CC advised colleagues on the proposed DE that has been supported by SG Health and Social Care Directorate and SFC. The DE is an area that will enable stakeholders and investors to create, develop and play, showcasing innovative digital technologies and potential technical interoperability for service model adoption. The proposed use of UoS, City Observatory as the initial anchor will hopefully enable key stakeholders and decision makers, to attract investment and accelerate the development of the digital facility. A discussion ensued and it was agreed that CC will produce a paper on how best to describe the use and merits of DE to DHI and present to board colleagues for comments and approval. CC/CEO

9. Marcoms Update

HA advised that DHI is currently in the process of revisiting the marketing and communication strategy, given the change in business from phase one to phase two. The emphasis will be on communicating a clear message and actions for key audiences with an overriding vision, mission and values. A fuller marcoms strategy and activity will be developed once the phase two narrative is clear. This should hopefully be in place by September 2017 and the document will clearly define what does DHI do; why is DHI well positioned; its vision; mission; values with priority audience messaging. It was agreed by colleagues that the learnings from phase one should feed into the message going forward into phase two.

10. SFC Quarter 3 MEF Report for Approval

HA advised that he will send a copy of the SFC quarter 3 MEF report to colleagues upon completion. This will be submitted to SFC by the end of the week. HA

11. AOB

JJ advised that SS will send out a doodle poll re the date for the extraordinary meeting in July and it will be his intention to secure dates for future board meetings during the phase 2 funding period. JJ/SS

13. Date and Time of Next Meeting

The extraordinary board meeting will take place on Monday 24th July @ 10.30am, University of Strathclyde. Room venue to be confirmed.