HOUSE OF COMMONS

Health Committee

Oral evidence: Pre-appointment hearing for Chair of NHS Improvement, HC 479

Tuesday 17 October 2017

Ordered by the House of Commons to be published on 17 October 2017.

Watch the meeting

Members present: Dr Sarah Wollaston (Chair); Luciana Berger; Mr Ben Bradshaw; Dr Caroline Johnson; Diana Johnson; Johnny Mercer; Andrew Selous; Maggie Throup; Dr Paul Williams.

Questions 1 - 49

Witnesses

I: Baroness Harding of Winscombe

Examination of witness

Witness: Baroness Harding of Winscombe.

Chair: Good afternoon and welcome, Baroness Harding, and to those following from outside, to the pre-appointment hearing for the chair of NHS Improvement. Thank you for joining us today. I am going to go first to Diana Johnson to open the questions.

Q1 **Diana Johnson:** I am sorry but I have to leave quite shortly, so I wanted to come in first of all. My opening question to you is: why did you apply for this very challenging role when you clearly do not have any experience in health or social care?

Baroness Harding: Can I answer the question in two parts—first, why I would like to do a role in the NHS and then why this role particularly? If we begin with why I would like to work in the NHS, I spent much of the last year working out what I would like to do on stepping down as chief executive at TalkTalk. I concluded that the work I have been doing in the public sector over the last few years in child internet safety, on the Court of the Bank of England, and with the Holocaust Memorial Foundation, is much more fulfilling and meaningful work for me personally than the work I have been doing in the private sector. So, about a year or so ago, I could have told you that I wanted to find a role in public service. I am pretty analytical by nature and so I work through where I think my skills and experience could be most useful and effective in the public sector. All my past experience has been in working and leading large consumer service organisations.

If I am good at anything, it is leading change in consumer-facing, citizen-facing, large, people organisations. If you are looking at where the biggest, most important front-line citizen-facing services are, the NHS comes to the top of the list. Over the course of the last year I have looked at health, but also at education, at Home Office-related public services, prisons or the Border Agency. To be really honest, the more time I have spent talking to people working in the NHS, in the various different trusts I have visited and to all of us who use it, the NHS has got under my skin. I have concluded that, if I want to make a personal contribution to improving front-line citizen-facing services, there could not be a better place to try to do it than the NHS. That is why I would like to make the shift into the sector.

Why this role specifically? Basically—I am sure the Committee will want to go into a bit more detail on this—my skills and experience, absolutely acknowledging that they are not from the health and social care sector, are most likely to be directly relevant in a role like this. I think I can make the most meaningful contribution to the sector in this sort of a role.

Q2 **Diana Johnson:** You said, in the first part of your answer, about using the NHS. Do you use the NHS?

Baroness Harding: Yes, I do. I spent 20 years as an amateur steeplechase jockey, so I am afraid I have probably racked up more time in A&E than most people have.

Q3 **Diana Johnson:** Obviously, there are many challenges facing the NHS over the next few years. What do you think are the top three that you will be faced with?

Baroness Harding: That I will face personally or the system as a whole?

Q4 **Diana Johnson:** You as the chair. What would you be faced with?

Baroness Harding: The first important and immediate challenge for me as someone coming in from outside the health and social care sector is that I need to learn a lot quickly. Personally, that means I am trying to do more of what I have been doing over the last year, which is getting out. I am a retailer by trade and background, and you learn in retailing by going out and talking to people—people using and working at the frontline. So, I think, personally, that is my first and most immediate challenge.

If we look at the sector as a whole, you have to put it into the context of healthcare worldwide, which is ageing populations driving increased demand, but also technology making it possible to treat conditions that it was unimaginable could be treated 10 or 20 years ago. By the way, those are both good things: to live in a world where you can live longer and we can treat more things, but that is driving demand up inexorably, and that brings the system into real challenge in a world where money is finite.

Q5 **Mr Bradshaw:** I have a follow-up to Diana's question about you using the NHS. So you do not have private health insurance.

Baroness Harding: No; I do as well. I have worked in the private sector as a senior director for 20 years. I have had private health insurance throughout that time. I have used both, as my family use both. Personally, I am a really firm believer in the principle of a national health service, free at the point of delivery. It is one of the great pillars of British society, but I do not think we should demonise people who work in or use private healthcare as well.

Q6 **Mr Bradshaw:** As a senior leader in the NHS, would you not think it would be better for you to relinquish your private health insurance for the duration of this post?

Baroness Harding: As I said, I do not think we should be criticising people who work or use private healthcare. We should do both. What I choose to do for myself and my family, in terms of healthcare—as I say, I am a very active user of the NHS, but I have worked in the corporate environment for a long time and have had that private healthcare—I do not see anything wrong with it.

Q7 **Mr Bradshaw:** You and your family have used private healthcare.

Baroness Harding: From time to time, yes.

Q8 **Mr Bradshaw:** Do you understand the argument of many people, including many people who work in the NHS, that private healthcare acts as a drag on the NHS and that by doing that you are sending out completely the wrong message, in a leadership role, for what is a huge public organisation, about its values and your commitment to it?

Baroness Harding: Personally, I don't, and I don't think that the many brilliant physicians who work in the private sector and in the NHS are doing what you would suggest either, nor are the many people who use private healthcare for different parts of their lives. I do not think we should demonise that and I do not think that in any way should take away from mine or any other people's commitment to a national health service free at the point of delivery.

Q9 **Andrew Selous:** Good afternoon. I came across you before, a long time ago, although I do not suspect you will remember it, when Claire Perry assembled an informal parliamentary Committee to look at child internet safety quite a few years ago now. Could you reflect on the role that TalkTalk took in that? TalkTalk was singled out as a company that grasped this issue in advance of some of the other companies involved within the field. What reflections would you have on how that experience might be useful in this role in engaging with the public sector and taking a national role like this?

Baroness Harding: Yes, of course. TalkTalk was the first company to introduce what people call home filters—family-friendly filters that enabled parents to block harmful content or types of content on any device in the home. I cannot take the personal credit for that. My chairman at TalkTalk, Charles Dunstone, had initiated that before I joined some eight or nine years ago, but we launched it while I was there.

My contribution personally, where I got most involved, was not just the company developing its own technical solution, but working out what as an industry we should be doing to play our part in civilising the digital world, if you like, and protecting some of the most vulnerable early users of the digital world—our children. I worked with all the chief execs of the other large internet service providers to create an organisation called Internet Matters, which is a not-for-profit organisation that the four ISPs have funded—Google and the BBC have since joined—with the aim to educate parents on how they can help keep their children safer online.

Q10 **Andrew Selous:** Is there anything from that experience that you have learned in terms of bringing in change that you think would be useful to your potential role as the chair of NHS Improvement?

Baroness Harding: Yes. Sorry, I did not get there fast enough for you. I am very accustomed, from that and other things in telecoms, to working across a sector with different organisations that will have overlapping but not identical interests, and working out how you find a path through to get stuff done. In that context it is not easy to have direct competitors

collaborating on something, but if you can use evidence and persistence to convince everyone that they are all getting something from it, you can drive meaningful change. So, yes, I have learned quite a lot from that.

Q11 **Mr Bradshaw:** When you were at TalkTalk, you were criticised at the time of the cyber-attack. Do you think those criticisms were fair?

Baroness Harding: It depends which ones you are referring to.

Q12 **Mr Bradshaw:** About your general handling of the event and its effect on the company's share price.

Baroness Harding: I guess the first thing I must say before I talk about anything more is that, of course, I regret the worry and concern that all the publicity around the hack and the impact on affected customers caused. You would not be human if you did not feel that.

One of the reasons why my name is inextricably linked with cyber-attacks is because at TalkTalk we made a choice to warn our customers very quickly after the attack. The thing that I was criticised for most in the business press was for speaking out too early and saying, "I don't know," on the "Today" programme a few times. I think I did exactly the right thing there, and, what is more, the TalkTalk customers told us after the event that they thought that I personally and the company had done the right thing.

We learned a really important lesson as a business. I am sorry—it is only four months, so I still refer to it as "we." We learned a really important lesson: that, in trouble, if you do what is right for your customers, even if everyone around you thinks it is a naive and stupid thing to do, and if you have looked after your customers in trouble they reward you in the end because it is the right thing to do.

So, yes, I received a lot of criticism for being naive and speaking too early. If anything, I would speak earlier if I was in that same situation again. We broke the story at 10.30 at night because we had spent the afternoon discussing with the Metropolitan police whether or not it was okay to warn our customers. The police wanted us to keep quiet and we as a business thought we should not. In retrospect, I would not have wasted that afternoon, and I would have gone out in a calmer way in the middle of the day and might not have caused quite so much concern, but I would not have gone later, which is the thing I was criticised for.

Q13 **Mr Bradshaw:** Nevertheless, as far as the public are concerned, they see that when that happened the share price went down 30%, and when you announced you were leaving it went up 10%. They may take from that that the judgment of the market was that you were not a great success. Now you have told us you have found this new desire to do public good and work in public service. A cynic might look at this and think, "She wasn't going to hack it any longer at the top level in the private sector, so she is looking for a cushy, Government-appointed job."

Baroness Harding: I certainly do not think this is cushy, by any stretch of the imagination. It is easy to blow your own trumpet having run a business for seven years, but I would step back and say that, over the seven and a half years that I was chief executive of TalkTalk, the thing I am personally most proud of is that TalkTalk's customer service is dramatically better than it was when I took over. It is not perfect; it is far from perfect. But seven and a half years ago, sadly, TalkTalk accounted for more complaints to Ofcom than the whole of the rest of the industry put together, whereas when I left in May complaints were lower than BT for broadband and TV, and at or just slightly above industry average. I am very proud of the fact that a business that had grown very rapidly, from organic growth and from merging of different parts and different companies, delivers a better service for customers while I have been there.

Shareholders, by the way, have also benefited. The company has doubled in value through that period, and if you had invested in TalkTalk at the beginning of the journey, when we first floated when I joined, you would have earned more as a shareholder than if you had invested in the FTSE 100.

By those measures—I start purposefully because the customers are the most important, and if you do what is right for customers the profit will come—my tenure at TalkTalk was a success. In the end, TalkTalk customers know that.

Q14 **Johnny Mercer:** Can I ask you about independence? I am a Conservative Member of Parliament from Plymouth. First, have you had a job outside London? I have seen your CV, but have any of your jobs been outside London?

Baroness Harding: Outside London?

Johnny Mercer: Yes.

Baroness Harding: Tesco in Cheshunt would like to think of itself as outside London, but, to be honest, this is where dual careers with a husband and wife trying to juggle locations mean that, as you know, my husband—

Q15 **Johnny Mercer:** Have you ever lived outside London?

Baroness Harding: I have lived in America for a couple of years and we consider home as a family to be Somerset, in my husband's constituency. I have been a retailer for most of my working life and so I have spent a very large amount of time on the road, visiting shops at one end of the country to another. But, because of our family circumstances, it has never been achievable to have a third destination—constituency, home, home in London and a third place of work. The family life would just not work.

Q16 **Johnny Mercer:** I understand that. When it comes to independence, I

am not a massive fan of the Government marking their own homework, particularly in other areas. Do you think it is a legitimate concern? You are a Conservative Member of the House of Lords. You are married to a Conservative Member of Parliament. How confident can we be that you are going to be robust in challenging Conservative Ministers, where appropriate?

Baroness Harding: Can I take, first, me and then the actual appointment? I have spent the last seven years at TalkTalk. One of the things I could have added to my answer just now on what I have achieved is campaigning to change Government policy on broadband, very publicly, through a series of Secretaries of State, including the current Secretary of State for Health, where TalkTalk and I personally fronted up a campaign to change Government policy to separate Openreach, culminating with the legal separation decision. I have no hesitation in challenging Government, of whatever party, if I think it is the right thing to do for the organisation I am running, and I have that track record that I can point to.

In terms of NHSI itself, I do not view this as a political appointment, and I do not think that the Government do either, not least because there are two Labour peers already on the board of NHSI, both of whom were appointed by a Conservative Secretary of State.

Q17 **Johnny Mercer:** Public perception on this is everything, is it not? Do you think that could be improved, for example, by being a Cross-Bench peer during the time of this appointment, or perhaps not voting on really contentious issues in this area?

Baroness Harding: As you know, in the written submission that I put in to you last week, I have thought quite hard about how to—as you say—demonstrate that I am really aware of the perceived conflict risk as well as the actual.

If we take each of my conflicts in turn, the first one is that I am married to a Conservative MP. I would intend to recuse myself from any discussion or decision that directly affects Weston-super-Mare, my husband's constituency. I would not expect to be able to see any papers or be involved in any discussions about that. I would have to keep that separate because, clearly, otherwise, there is a clear conflict.

In managing the potential conflict with the House of Lords, I would expect not to vote on any issues that are health or social care issues in the Lords. I would look to think very carefully and be very cautious about speaking in the Lords on health issues. I would not wish to rule out speaking entirely because the Standing Orders in the Lords do encourage Members to speak when they have specific knowledge. Obviously, you declare the interest and you think very carefully on the specific matter, but that is how I would intend to manage those two conflicts.

Q18 **Dr Williams:** I am still going to ask about independence, because in this

role you will have responsibility for ensuring financial balance. How will you challenge Ministers when you know that patient safety is likely to be compromised by the amount of finance that is available?

Baroness Harding: You raise absolutely the most challenging issue for all of us. First, as Simon Stevens said to you last week in his hearing, it is for Parliament to decide how much money we spend on the NHS, but, as the chair of NHSI, if I am lucky enough to be appointed, clearly NHSI, as do the other national bodies, has a view on when the system is at full stretch. From the outside in, everything I have read and everyone I have spoken to says the system is at full stretch. It is very important that Government Ministers and Parliament hear the concerns on that tension and are not just carrying on, hoping that everything is going to be all right, when plainly there are some really difficult choices ahead of us.

Q19 **Dr Williams:** If necessary, yours will be a voice speaking out in favour of protecting patient safety and quality—

Baroness Harding: Yes. I am not someone who is good at steady state, keeping quiet, playing quietly. If I think something needs to be said, I will say it. I will also maintain good relationships with everyone in that process. As I say, that is what I have done in the last seven years in telecoms. I have been a pretty big thorn in the side of Ministers who did not like what I was saying, but I have remained on good terms with them through that process. In that way your point is heard better than if you just fall out.

Q20 **Mr Bradshaw:** Being the chair is different from being a board member, as I am sure you appreciate. Lord Adonis went on to the Cross Benches when he was appointed by the Government to chair the Infrastructure Commission. Do you not honestly think, given that almost every single thing that you will be voting on in the House of Lords, whether it is budgets or Brexit, is massive for the health service and for social care, that it would be far better if you were to go on to the Cross Benches and recuse yourself from voting on anything that could be remotely related to the very important job that you do?

Baroness Harding: I may be wrong, but, when I checked last week with the Lords, I believe Lord Adonis has taken the Labour Whip back while retaining the chairmanship. That was one of the precedents that led me to the conclusion that I had made.

Q21 **Mr Bradshaw:** Even so, your role in health is affected, as I say, by almost everything—particularly Brexit but also budgetary decisions that are made. Would it not be better, particularly given your party-political background and your business background, in terms of public confidence, as a gesture, for you to say that you will be a Cross Bencher?

Baroness Harding: The Lords, as you know, does not vote on any money Bills, so budget would not be an issue that came to the Lords at all. Honestly, it is a sensible and pragmatic way forward that I am

suggesting. I will not vote on anything that is directly related to health. I will speak and, as with the other members of the board, retain the Whip.

Q22 **Mr Bradshaw:** What about indirectly related to health, such as Brexit? It is massively indirectly related, as we are about to launch an inquiry into it.

Baroness Harding: I have had to walk that very same path with my position on the Court of the Bank of England over the course of the last few years. The way I have managed it is that, clearly, some things are very easy. The Bank of England Bill was not something I could have anything to do with at all. Direct issues of financial stability as related to Brexit were not something I could have anything to do with at all, but my experience in business and my role in the Bank of England were not a conflict if I want to talk about free trade, which I have in the Lords. In doing that, I have thought very carefully each time. I have consulted the Register of Interests in the Lords and made sure that I am doing something with which the organisation I am on the board of—the Bank of England—is also comfortable. I have to look both ways, both of which are tests of public responsibility. That is the more mature way to do it, rather than making a symbolic gesture, which probably is not as authentically true to my public duty to both institutions.

Q23 **Mr Bradshaw:** Can you assure us, finally, chair, that you are not going to be another Rona Fairhead? I was on a previous Committee when we were doing a pre-appointment hearing and we supported this appointment. As you know, Rona has subsequently been appointed to the House of Lords and been given a ministerial job. That is not your long-term game plan—to do this for a bit and then come back as a Government Minister.

Baroness Harding: I am absolutely comfortable to put on the record that I have no desire to be a Government Minister at all. I often joke that having one professional politician in the family is arguably one too many. That is my husband's life, not mine. I have spent my entire career running and leading organisations. I recognise and really respect the difference in being a professional politician and being an organisational leader. They are very different skills. I have one and not the other.

Q24 **Chair:** Baroness Harding, you implied that it would be tokenistic for you to become a Cross Bencher. What would be the advantage for you in staying as a Conservative peer and not doing that, because a lot of this is about public confidence? So, it is more than just tokenism as far as the public are concerned.

Baroness Harding: Dr Wollaston, I respect the challenge. I am married to a Conservative Member of Parliament and I have been for a long time. Therefore, I am not sure that resigning the Whip would meet a material test. It is the way that I act and behave.

Q25 **Chair:** What would be the advantage of retaining it, given that the public perception is very important? I take your point that you feel it would be a

gesture.

Baroness Harding: It would be suggesting that this is a political appointment, which for future candidates for this role might be a bad thing as well.

Q26 **Chair:** But you are appointed by the Government.

Baroness Harding: Yes, but, as I said, I do not see it as a political appointment when you have two existing peers who have taken a Whip but also voted on health matters and spoken on them at the same time. I am already moving quite a long way from what has been practice in this organisation.

Q27 **Luciana Berger:** In terms of language, you said earlier that you would not expect to vote. Can I just clarify for—

Baroness Harding: I have no intention: I won't. I am sorry if I wasn't clear.

Q28 **Dr Caroline Johnson:** As someone who has worked in the NHS since 2001—I am a consultant paediatrician—I understand completely how personally rewarding working in the NHS can be and the opportunity to make a difference to people's lives is great. When you were asked by Diana, at the beginning, why you were the best person for the job, you explained in some detail your motivation for doing the job, and you explained quite eloquently why you felt that moving from the private sector into the public sector would offer you the opportunity to provide service to the public. You also described how opportunities to provide public service are perhaps the highest within the NHS, but why would you be the best person to do that when there may be other people who have such experience within the health service?

Baroness Harding: What I have taken as my guide is the job specification that was issued for the role. I have gone through it and I have a lot of relevant experience. It is not sector specific, and I would be the first to admit that I need to complement my technical and practical experience of the issues of driving change with that sector knowledge and understanding. But, if you take each of them, I have spent my entire career working in and leading large organisations that serve the very same people who rely on and work in the NHS, so I start from a position where I understand the people. Fundamentally, this is a people system. It is all about the people— the patients who use the NHS and the people who work in it. Those organisations I have worked in serve the very same people.

I have a lot of experience in working in very fast-moving environments, facing a lot of change. I have led teams, for example, where they have been responsible for identifying best practice in one country and sharing and spreading that across the world in different organisations, so very much the same work as the improvement work that NHS Improvement does.

I have spent the last seven years as the chief executive of a very technical business. Engineering is a very different form of technical profession to medicine, but none the less it is very technical and I am not an engineer. I have learned, during that period, how to earn the respect of those technicians and to lead them. So that is another direct parallel that I would be able to bring to the role.

I am collaborative by nature, and I have spent, as I was saying to Mr Selous, a lot of time in my corporate career working with my competitors and my suppliers. I am used to the complexity but also the opportunity that that collaboration can bring—something that you see the NHS working towards in large measure.

I have a lot of board experience, in the public sector, the private sector and in not-for-profits. For good or ill, courtesy of the ups and downs of TalkTalk, I am used to the public scrutiny that comes from these sorts of roles. Those are the skills I bring, but, as I say, I do not for a moment underestimate the importance of also acquiring the sector-specific knowledge and understanding.

Q29 **Dr Caroline Johnson:** I would make one point about what you said about people; it is definitely a people organisation, but the people who decide to be a TalkTalk customer have made that choice, whereas the vast majority of people who are using the NHS services are doing so because they are unwell and they need to use those services. While some, like yourself, may have private health insurance, the vast majority do not and are now using, essentially, a provider because they need to. You need to bring them along in a different way as opposed to increasing customer base, as it were.

The other question I had to ask is about balancing what is often described as the postcode lottery, with the need to improve services and to prevent monopoly suppliers. How do you think NHS Improvement should manage that challenge?

Baroness Harding: Let me take the first point first. I have to say that in some geographies a number of broadband customers feel they do not have a choice, and I have deep sympathy with that, but I do recognise what you say. It is why the challenge of leading organisations within and as part of the NHS is much harder, because you have an even greater obligation to do what is right for patients, precisely, as you say, because they might have a choice. I do take that very seriously and I would not wish to imply, and I hope I have not, that selling baked beans, as I did for 10 years in food retailing, is anything like as important or complicated and challenging as working and operating in the NHS. But I do think the skills that I have honed in that environment can be directly relevant; that is all.

Taking your second question about how you manage the urgent need to collaborate with the competition regulatory challenges, is that a fair summary—

Q30 **Dr Caroline Johnson:** What I meant was, when you are trying to improve a service, you will find that the service is delivered in different ways by different people, potentially, in terms of a skill mix in different areas of the country, using different equipment or with different drugs. With a private sector organisation, you might decide that one is better than the other, but, if you decide that everything should be done in the same way, you then create a monopoly supplier for a different product or a different medicine, which can in the long term increase costs to the NHS. If you allow things to happen in different ways and different places, then people perceive that there is a postcode lottery for the care that they receive. Equally, if you want to make improvements, you may want to introduce them in a given small area, before spreading them out wide to see if they do perform as you wish. How do you balance that as an improvement organisation?

Baroness Harding: It may surprise you but some of the very same challenges exist in private organisations in that, if you really listen hard to what consumers and patients want, local tailoring will be the right answer for them, but the scale benefits, as you described, about doing something once in the short term can be attractive; and just as you describe for the NHS, in private businesses, if you put all your supply with one supplier, you do not have choice, so I do not think the dilemma is that different.

I begin on this by taking as read and accepting the basic structure of the NHS as we have today, which is very much about empowering local communities to work out what is right for them. In all the learning I have done over the last year, everyone I have spoken to at every level has said to me that they think the process of developing STPs as plans and then as partnerships is the right answer, and that getting the different organisations at a local level to work out what the full end-to-end care picture should be for that local geography is the right answer. By the way, when you go abroad and talk to people in other health systems they say the same thing. That seems to be a universally held truth.

However, as you rightly say, that does generate real challenge. It is a bigger challenge for you, as the political representatives in the geographies, because once you allow local decision making you will get difference in different local communities and that feels like a postcode lottery.

Chair: That is great. Thank you very much. I think we are going to move on now to Maggie's question.

Q31 **Maggie Throup:** The need to appoint a new chair, really, is a direct result of the chief executive of NHSI moving on. How will you approach the appointment process of looking for a new chief exec, and what attributes are you going to be looking for?

Baroness Harding: The process began for the search for the replacement for Jim Mackey over the summer, as I understand it from

the outside, from the *Health Service Journal*. Over the course of the last week I have been able to get a little closer to that process. Personally, it may be more helpful if I could say what I would be looking for in a chief executive.

Maggie Throup: Yes.

Baroness Harding: You want to have, in the chief executive, someone who is steeped in the service, someone with deep operational experience and credibility, ideally having successfully run a large and complicated trust, partly to compensate for my lack of experience, but also there is a difference between the chief executive and the chairman in this. While my arguments are for why I bring skills as the chairman, I would not pretend that that would be a sensible argument to make to be the chief executive. The chief executive needs to be steeped in the service, but they also have to have the ability to operate at a national level, which is a much more ambiguous and grey world than the more black-and-white world of delivering on an operation. Those are very rare people. I may have just described Superwoman or Superman, who have both those skill sets, but in an ideal world that is what you want: somebody who has the operational expertise, but also the strategic thinking capability, the leadership qualities to cope with multiple masters and the coaching, as well as the challenging that the organisation needs to do.

Q32 **Maggie Throup:** Do you think the role is a bit of a poisoned chalice?

Baroness Harding: I think the headhunters described it as not for the faint-hearted, didn't they? I do not think it needs to be a poisoned chalice at all. Maybe I am unduly optimistic in life. If you are doing what you believe in—everyone I have spoken to working in the health service is doing what they believe in—and you feel that you have support around you, which will very much be the role of the chair, then, no, it is not a poisoned chalice at all.

Q33 **Maggie Throup:** Moving on to looking at the relationship of NHSI with other organisations, how do you see your linking with the CQC?

Baroness Harding: I have had one conversation with the chair of the CQC as part of my discovery process. Compared with the relationships with NHS England, it seems that the relationship is a more stable one and I have had less feedback that there are challenges between the two, whereas, with regard to the relationship between NHS Improvement and NHS England, everyone I have spoken to has told me of challenges, overlap and contradictions.

Q34 **Maggie Throup:** I was going to ask about that. How are you going to handle that relationship with NHS England?

Baroness Harding: There is the handling of the relationship and then there is the working out what to do. The relationship is by being open, honest and straightforward, and wanting to build personal relationships with everyone. It is really important to build relationships with the chairs

and chief execs of all the arm's length bodies, but probably particularly with NHS England.

With regard to the practical, on how the two organisations should move to working more closely together, my starting point is that they should. The lead in that should be the chief executive and not the chairman. The chief executive should lead that, and I would expect to support and challenge the chief executive and the executive team in defining that.

Bear in mind I am learning a lot, but my opening assumption from everyone I have talked to is that I hear too much feedback from people at the frontline, saying they receive contradictory messages; they are encouraged by the early trials of combining at a regional level and there simply has to be an opportunity to save money, which can be invested more in front-line care, and make it easier for the organisations that regulate to work with both NHS England and NHS Improvement.

Q35 **Maggie Throup:** Finally, do you think that NHS Improvement is striking the right balance between autonomy and regulations with the trusts?

Baroness Harding: To be really honest, I do not think NHS Improvement has quite worked out what it is aiming for in that, if I am being really candid. In the learning I have been doing, people cannot quite articulate to me how much of a challenger regulator NHS Improvement should be, versus an identifier, scaler, sharer of best practice. They are quite different things. This is not a criticism. It is a reflection, probably, of how young NHS Improvement is. It is not even a merger; it is an amalgamation of existing legal entities. One of the things that the new chief executive would need to do is take some time to properly work out where it should sit on that spectrum and if we are set up to do it properly.

Q36 **Maggie Throup:** From your personal point of view, where do you think it should sit on that spectrum?

Baroness Harding: If you take it, as I have said earlier, that considered wisdom is that collaboration in a geography is the right answer, what I have seen on the ground is amazing examples of individual best practice, but I have seen very little real scaling of that nationally. Relative to where roughly NHSI is today, I would like to see more of the coaching and scaling of best practice, rather than just the big stick regulation.

Q37 **Luciana Berger:** How do you assess the performance of the NHS against the Five Year Forward View?

Baroness Harding: Gosh, a very big question. I have, sitting here—

Q38 **Luciana Berger:** Specifically the objectives set out in the Five Year Forward View.

Baroness Harding: So how would I assess the performance against the objectives?

Luciana Berger: Yes, so far.

Baroness Harding: I have, sitting here, the CQC's summary page from their report from last week, saying that, if you step right back, is the quality of care good enough? The CQC view is of it being maintained, and in some cases improving and in some cases not, but maintained under incredibly challenging circumstances. You have to start with that as a basic assessment. The NHS is doing more for more people than it was—what?— two and a half years ago when the Five Year Forward View was set out. So, to be maintaining the quality as costs come under enormous pressure and volumes grow has to be something that we should be proud of.

Again, you may accuse me of being naive as an outsider, but one of the things I would like to do is talk more positively about the good things and not only about the challenges. That is in no way an attempt to diminish the scale of the challenges, but we should remember that by external metrics, the Commonwealth Fund or other, we have the best system in the world. Of course it needs to get better and better, but I would start with the more positive.

The progress that the NHS is making on parity of esteem between physical and mental health is good but nowhere near the end destination. I am trying to pick out some of the elements of the Five Year Forward View.

Clearly, the challenges on getting from conversations about integrated care in a geography through to actual practical execution is a work in progress, and I do not know enough from the outside. It is very easy to say, as an outsider, but I cannot see the detailed action plan that goes from STP conversations through to accountable care organisations—and I cannot at the moment. That is probably more my ignorance than practice, but there seems to be real agreement on the direction of travel but the devil is going to be in the detail of the implementation, and I suspect that is where the Five Year Forward View is.

Q39 **Luciana Berger:** I will come back on just two points that you made. You touched on parity of esteem for mental health. What role do you believe NHSI should be playing in order to achieve parity of esteem for mental health?

Baroness Harding: We all have to overcompensate because society is a long way from having real parity of esteem, and we are the generation that is learning, medically and societally, how mental health and physical health interact so much. I think NHSI has to overcompensate and do much more because we are trying to shift attitudes. It is the unconscious bias that means that you only think about the physical health that is the most insidious and difficult to change. NHS Improvement's role as regulator and best practice sharer is going to need to be more skewed towards mental health if we are really to achieve the goals.

Q40 **Luciana Berger:** You just touched on the finances and the topic of our conversation about the STPs. Do you think there is enough money being put forward in the system to ensure that STPs will be successful?

Baroness Harding: As I think I said earlier, ultimately it is for Parliament to decide how much money goes into the NHS as a whole, but you do not need to be an expert to look from the outside and say that, as we all get older, as technology gets more and more complicated, costs are going to go up. The challenge for the chair of NHSI is, first, to help NHS Improvement play its role, which is to make sure that, whatever funds Parliament grants to the NHS, we help, support, challenge and cajole trusts to spend that money as effectively and efficiently as possible, but in the end also to be honest if we are reaching the point—everything I read tells me we are—where we will need more money.

Q41 **Chair:** This is the final question. If you are appointed in this role, what will you do personally to make sure that you are engaging with stakeholders and bring yourself up to speed with the challenges in the system?

Baroness Harding: I would expect to spend a large amount of time on the road, getting out. I am a big believer that you get out and you meet people in their environment; you do not expect them to come to you. I would travel a lot to visit trusts; I would want get to know people at all levels in the health service and in all parts of the organisation. I am pretty high energy. I spend a lot of time doing that, wherever I can.

I would also want to roll my sleeves up a little bit. One of the things on parity of esteem is that I understand some people—I learned this last week—have trained as mental health first aiders. I would like to do something like that. I was in a hospital last week and very nearly had two flu jabs while in the lift, as people were brilliantly running flu campaigns. It would be things like that.

Q42 **Chair:** So you recognise there would be a need to do something—

Baroness Harding: Absolutely.

Chair: I am conscious we need to leave time for discussion. Does anyone have a very brief final question? We do need to continue now.

Q43 **Mr Bradshaw:** Returning briefly to governance and the relationship with NHS England, what would you think about a merger of the two organisations?

Baroness Harding: As I understand it, that would require legislation.

Q44 **Mr Bradshaw:** If the Government were to say they were going to make that legislation, would you support that and would you be interested in being the chair yourself—the joint chair?

Baroness Harding: Bear in mind I am looking at this from the outside. I can see that there is real need to simplify the regional footprint of NHS England and NHS Improvement. I am sure there is opportunity to save

money by combining functions in the centre, but, if I am entirely honest, my experience in business is that structure and reorganisations on their own do not often change very much. If I am worried about anything I have heard and learned about in the conversations I have had, it is very heavy on, "If we just move the structure of the regulators, magic will happen." It is much more important that you build leadership, skills and capability to change across the whole system, and you change culture. I would be more focused on that, regardless of the legislative likelihood.

Q45 **Mr Bradshaw:** Apologies to you, Chair, and to Baroness Harding. I must return very briefly to the issue of private health insurance. I do apologise. You are hoping to run an organisation called NHS Improvement. Ninety-five per cent of the population do not have access to private healthcare; they cannot jump the queue. Do you not think it would send a good and positive message if, for the duration of your term, you were to relinquish your private health insurance?

Baroness Harding: I really do not, not least because a very large number of the trusts that NHS Improvement regulates do private business as well as NHS business, and I do not think we should be demonising one over the other. The NHS itself is absolutely a pillar of British society. As I have said, it is pretty obvious from the outside that the system needs more money. We would be cutting off a hand to spite our face if we demonise private healthcare.

Q46 **Chair:** It is a reasonable question. I travel second class on the train because I think my constituents need to have confidence that they know that I am using the system as they use it. It is a reasonable question to ask.

Baroness Harding: I agree. As I say, when I have spoken to trust chief executives about their private business, they have all said there will be less money for the national health service—

Q47 **Chair:** That is my other question. I need to clarify my point. I am not suggesting that the NHS is a second-class service. Let us be clear about that: I am not. What I am suggesting is that it is about people having confidence that you are using the same service that others are using. Do you think that is a reasonable point?

Baroness Harding: Yes. As I said, I have been a somewhat more regular user of the NHS than maybe most people in my position.

Q48 **Chair:** But you have an option not to use it as well.

Baroness Harding: Yes.

Q49 **Andrew Selous:** Are you familiar with the Getting It Right First Time programme that is part of the NHS?

Baroness Harding: Familiar in that I have read about it from a distance— not that I have spoken to any of the people working on it directly. I have spoken to some of the hospitals to get their view, and it

seems to me, from a distance, that the data gathering that Lord Carter's team did, in terms of the Carter Review, has provided a very good baseline. It is completely brilliant that Getting It Right First Time is led by clinicians. All my experience of driving change in large service organisations is that you need the professionals in that organisation—my past life is engineers—to lead the change. The fact that Getting It Right First Time is led by clinicians from the outside is very encouraging, but I have not had a chance to kick the tyres in detail.

Chair: Thank you very much for coming this afternoon. We will try to get a response to you—to the Government as soon as possible.

Baroness Harding: To the Government, yes. Thank you very much for your time.