

**[DRAFT] Meeting of the Oxford Health NHS Foundation Trust**

**Finance and Investment Committee**

Minutes of a meeting held on

08 February 2018 at 09:00

in the Waddesdon Room, Littlemore Mental Health Centre   
Sandford Road, Littlemore, OX4 4XN

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| **Present:** |  |
| Chris Hurst  Martin Howell  John Allison  Stuart Bell  Mike McEnaney | Non-Executive Director (**CH**)  **FIC 31/2018**  (Agenda item: 14)  Trust Chair (**MH**)  Non-Executive Director (**JA**)  Chief Executive (**SB**)  Director of Finance (**MM)** |
| **In attendance:** |  |
| Kerry Rogers  Hannah Smith  Paul Dodd  Lucy Weston  Claire Dalley  Laura Smith | Director of Corporate Affairs and Company Secretary (**KR**)  Assistant Trust Secretary (**HS**)  Deputy Director of Finance (**PD**)  Associate Non-Executive Director (**LW**)  Director of Estates and Facilities (**CD**) (Part Meeting)  Corporate Governance Officer (**LS**) (Minutes) |

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| **1.**  a | **Apologies for Absence**  No apologies were received. | **Action** |
| **2.**  a  b | **Minutes of the Meeting held on 09 November 2017 and Matters Arising**  The minutes were approved as an accurate record of the meeting with the following changes:   * 7(f) – ‘Recourses’ should read ‘resources’; and * 9(d) – John Allison ‘expressed disappointment in the way the report was worded’   ***Matters Arising***  The Committee confirmed that the following actions from the 09 November 2018 Summary of Actions had been completed, actioned or were on the agenda for the meeting: 10(b), 3(g) and 12(b). |  |
| **3.**  a  b  c  d  e  f | **Minutes of the Capital Programme Sub Committee**  The Director of Finance presented paper FIC 02/2018 and reported that the Learning and Development (L&D) team were preparing a business case to move to Abel House at the Slade. He explained the Slade was costing the Trust £400k per year to run but was not generating any new business. There was a discussion regarding possible use of the site and the Director of Finance explained that a number of options had been looked at and did not appear to be viable. He agreed to provide an update on the options at the next meeting.  The final terms and conditions for the sale of 71 Hill Top Road had been agreed. The Trust would receive £1.1m, adding £0.5m to the bottom line.  The Director of Finance also provided an update on the Warneford development and reported that plans were taking shape and financial discussions underway. Milestones would be ready at the end of February with a plan to sign the memorandum of understanding with the University by the end of the calendar year and open the new facility in 2021.  John Allison noted a reference in the minutes to developments at Littlemore and ‘losing the Café’ and expressed concern that this would impact staff and patients who use the café as a social centre. The Director of Finance said this was being considered and if this happened the café would be replaced.  John Allison said if there was going to be more people on the Littlemore site then there would need to be more car parking spaces. The Director of Finance said car parking needed to be addressed anyway but that getting planning permission for this was difficult.  **The Committee noted the report.** | **MM** |
| **4.**  a | **Capital Programme Sub Committee Terms of Reference**  Item delayed to the March meeting as not the most up-to-date version. | **MM** |
| **5.**  a  b  c  d | **Capital Programme Financial update**  The Deputy Director of Finance presented paper FIC 04/2018 and highlighted the revised forecast of £6.9m due to slippage. There was an expectation of further slippage and this was being tracked closely.  The Chair expressed concerns about the revised forecast being made despite assurance at the last meeting that the previous forecast was achievable. The Director of Finance said the Capital Programme Sub Committee had looked at slippage and delays in detail. A commitment system had been set up which confirms what will be going ahead in FY18 and what will be delayed.  The Chair requested a short narrative in the next report to provide an understanding of the extent to which the revised forecast leads to an increase in short term business and clinical risk.  **The Committee noted the report.** | **PD** |
| **6.**  a  b  c  d  e  f  e | **Capital Programme Project Delivery update**  *Claire Dalley, Director of Estates and Facilities joined the meeting.*  The Director of Estates and Facilities tabled paper FIC 05/2018 and highlighted £800k slippage. Risk to clinical services was being managed including the stairs at Highfield, ventilation in the Wenric seclusion room and the windows at Woodlands. Teams were being kept informed of the situation.  She added that work was underway with the Finance Team to track the budget, spend and commitment. Although just over £700k had been spent, commitment was nearly £1.8m which was not far off target.  John Allison noted the report showed most items being ‘high risk’ and asked if the gradient of risk could be identified. The Director of Estates and Facilities said the grading for ‘high risk’ was 8-15 and agreed to include the rating in future reports.  The Chief Executive noted a number of items in the pipeline and asked the Director of Estates and Facilities to ensure the teams were aware. She explained that monthly estates meetings had been set up with Forensic Services and Buckinghamshire Services to go through the programme, and that the programme would eventually be made public.  The Director of Finance asked for an update on bladder scanners. The Director of Estates and Facilities explained that a business case had gone to Capital Programme Sub Committee, however questions were raised about the benefit, savings and maintenance costs as it was a joint venture with Oxford University Hospitals NHS Foundation Trust (OUH). The Chief Executive requested the paper to go to the Executive Management Team.  The Director of Estates and Facilities reported that planning had started for FY19 capital schemes and potential estates rationalisation.  **The Committee noted the report.** | **CD/ PD** |
| **7.**  a  b  c  d | **Acquisition and Disposal Policy for Land and Property**  The Director of Estates and Facilities presented paper FIC 06/2018 and requested approval of the policy.  The following recommendations were made:   * Add a reference to the policy about authorisation; * Page 4: change ‘it provides the necessary guidance’ to ‘it is intended to...’; * Page 4: change ‘The policy is to set out’ to ‘The policy sets out’; * Page 6: add a sentence around interim usage.   John Allison noted that the Trust could, in some cases, be better off leasing out land/property rather than selling it and he asked if consideration was given to leasing before a disposal decision was taken. The Director of Estates and Facilities agreed but explained that the Department of Health is clear that if a site is not used for healthcare then it should be disposed of to bring capital into the system. All cases get reviewed on individual basis to look at strategic benefit and effect on patients.  **The Committee approved the policy with the recommendations.** | **CD** |
| **8.**  a  b  **c**  **d** | **Financial Plan and Utilisation of Reserves**  The Director of Finance provided oral update and highlighted the revised forecast of £1.8m deficit and explained a statement of assurance had been sent to NHS Improvement.  The Deputy Director of Finance provided an update on the month 10 position which was £7m worse than the forecast. He explained that the forecast was at risk because of:   * £260k liability which transferred from Southern Health NHS Foundation Trust (SHFT) – need to clarify why SHFT had not made provision for this. The Director of Finance to look at Business Transfer Agreement and advice from Solicitors at the time; and * Adult Mental Health £400k worse than expected for out of area placements – half of these patient had been brought back.   Lucy Weston asked if there was an early warning system in place for out of area placements. The Director of Finance explained that this was managed within the Directorate because approval by the Finance Team would give them too much input in clinical decisions. There was a discussion regarding obtaining a balance between money and patient safety and it was agreed that the Trust needed to work towards a culture where patient safety was put first, however the Finance Team were informed if there was going to be overspend.  **The Committee noted the oral update.** | **MM** |
| **9.**  a  b | **Cash Flow Report**  The Deputy Director of Finance presented paper FIC 07/2018 and highlighted a forecast of £18m, however he noted that this would need to be revised based on the capital plan.  **The Committee noted the report.** |  |
| **10.**  a | **Cost Improvement Programme highlight report**  The Chief Operating Officer (COO) was not present and no report was received. The Chair commented that, given the importance of the CIP to financial delivery, it was important for the COO to attend the Committee’s meetings on a regular basis to enable appropriate challenge and discussion to take place. |  |
| **11.**  a  b  c | **Draft Operational Plan**  The Director of Finance provided an oral update on the draft operational plan and highlighted a deadline of 08 March 2018 for submission to NHS Improvement. The plan would go to the Operational Management Team, Executive Management Team and Board of Directors before submission.  Discussions were underway in Oxfordshire and Buckinghamshire regarding local contracts which were due for agreement on 23 March 2018. The Trust was notified about additional money available in Oxfordshire and the Director of Finance said requests had been submitted around the Mental Health Five Year Forward (MH5YF). He noted that engagement in Buckinghamshire was limited.  **The Committee noted the oral update.** |  |
| **12.**  a  b  c  d  e | **Recommendation of annual budget and long term financial planning**  The Director of Finance and Deputy Director of Finance gave a presentation covering the detail of the forecast, FY19 financial plan, benchmarking, key assumptions, changes to long term financial plan, the latest FY19 position, income and opportunities for additional contributions.  The Chief Executive noted that OUH activity could potentially increase the risk for the Oxfordshire system with a significant financial risk around urgent care. He said that this was a potential opportunity for the Trust to extend the Abingdon and Witney community hospital models across the county to help close the gap and a decision would be needed in due course on whether to pursue this approach.  The Trust Chair said the business should be looked at as two separate entities; one for mental health and another for community, and ring fence mental health funds so they are not used to plug the £3m deficit in community.  The Chief Executive said the ideal scenario would be to split funding one third to community/primary care and one third to mental health.  **The Committee noted the presentation.** |  |
| **12.**  a | **Electronic Health Record update**  **The Committee noted the report.** |  |
| **14.**  a  b | **Oxford Pharmacy Store (OPS) Performance Report**  The Director of Finance presented paper FIC 11/2018 and requested an item at the next meeting for a revised OPS Business Plan. Representatives from OPS and Michael Marven, Chief Pharmacist, to attend.  **The Committee noted the report.** | **MM** |
| **15.**  a | **Any Other Business**  No further business to discuss. |  |
|  | The meeting was closed at: **11:32**  **Date of Next Meeting:** Monday 19 March 2018 09:00-11:30 in the Ascot Room, Corporate Services, Littlemore Mental Health Centre, OX4 4XN |  |

**Attendance 2017-2018**

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|  | **May 17** | **July 17** | **Sept 17** | **Nov 17** | **Feb 18** | **Mar 18** |
| Chris Hurst (chair) |  |  |  |  |  |  |
| Martin Howell |  |  |  |  |  |  |
| John Allison |  |  |  |  |  |  |
| Stuart Bell |  |  |  |  |  |  |
| Mike McEnaney |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| Dominic Hardisty |  |  |  |  |  |  |
| Kerry Rogers |  |  |  |  |  |  |
| Hannah Smith |  |  |  |  |  |  |
| Paul Dodd |  |  |  |  |  |  |