

**Meeting of the Oxford Health NHS Foundation Trust**

**Finance and Investment Committee**

BOD 120/2018

(Agenda item: 18(c))

Minutes of a meeting held on

Thursday 12 July 2018 at 09:00

in the Boardroom
Warneford Hospital, OX3 7JX

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| **Present:** |  |
| Chris HurstMartin Howell John Allison Stuart Bell Mike McEnaney  | Non-Executive Director (**CH**) (Chair)Trust Chair (**MH**) Non-Executive Director (**JA**)Chief Executive (**SB**) Director of Finance (**MME**)  |
| **In attendance:** Dominic Hardisty Hannah Smith Claire Dalley Paul VincentLaura Smith | Chief Operating Officer (**DH**) Assistant Trust Secretary (**HS**) Director of Estates & Facilities (**CD**) (part meeting) Head of Costing (**PV**) (part meeting)Corporate Governance Officer (**LS**) (minutes)  |

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| **1.**a | **Apologies for Absence** Apologies for absence were received from Kerry Rogers, Director of Corporate Affairs & Company Secretary; and Paul Dodd, Deputy Director of Finance.  | **Action** |
| **2.** ab | **Minutes of the meeting on 10 May 2018 and Matters Arising** Minutes were approved as an accurate record of the meeting.***Matters Arising*** The Committee confirmed that the following actions from the summary of actions on 10 May 2018 had been completed or were on the agenda: 14a.  |  |
| **3.** abcde | **Warneford Hospital Building and Estates Working Group Minutes** The Director of Finance presented paper FIC 23/2018 and reported that there had been a meeting in June with the University and the individual who wanted to build a college on the Warneford site. The meeting had agreed a concept for the site which would include a brand-new hospital built next to the Highfield Unit with the ground floor for clinical services and two incubator floors. Renting out the incubator floors would make the build more sustainable and eventually cost neutral or income generating. They were working on create a more viable proposal for September. The Trust Chair asked what would happen to the existing building and the Director of Estates and Facilities explained that there were several different ideas being thought through but nothing would happen to the existing building until after the hospital was built. The Chair asked what would happen to the number of people on site and requiring car parking. The Director of Estates and Facilities explained that in terms of the number of clinical staff on site would be similar to existing numbers as the intention was to replicate what was already on site and the college would not require parking. She said the main challenge would be around how the development would affect traffic and transport in Headington. The Chief Executive added that there had been another meeting with the University to look at attracting philanthropic donations, particularly for the clinical facility. **The Committee noted the report.**  |  |
| **4.** abcd | **Capital Programme Sub Committee Minutes** The Director of Finance presented paper FIC 33/2018 and highlighted that Response were looking to sell AG Palmer House, which the Adult Directorate were renting space in. There was a discussion about possible uses the Trust could have for the building including additional space for Improving Access to Psychological Therapies (IAPT). The Director of Estates and Facilities noted ongoing problems with regard to space for IAPT, particularly given the plans to expand the service. She said the service were considering relocating outside of Oxford but this would take some time and in the interim they were looking at using the Slade. The Chief Operating Officer said a more strategic view would be needed about relocating all non-patient facing services outside of Oxford. The Director of Finance reported that the sale of 71 Hill Top Road was progressing and planning consent had been agreed. The Trust would receive £400k from the sale. **The Committee noted the report.** |  |
| **5.** abcdef | **Estates Strategy Update** The Director of Estates and Facilities presented paper FIC 36/2018 which had been revised to take account of recent developments such as STP strategies, public estates strategy and the Carter programme. The strategy would be to have Littlemore as a Forensic site, Warneford for acute and locality and neighbourhood locations to support care closer to home. To turn the strategy into a realistic delivery plan there would need to be elements of clinical strategy.She explained that if corporate services were moved to Banbury there would still be a cost for the current premises at Littlemore which could not be used for clinical services. The Chief Executive suggested moving IAPT into corporate services and the Director of Estates and Facilities agreed to consider it. The Director of Finance added that they also needed to utilise technology better to change the way people work and do more mobile working. The Chair said that this would require a change of culture and it would need to be presented to staff as something to make their lives easier, than an extra thing they need to do. There was a discussion around what facilities were needed for mental health services and the Chair suggested that the Trust needed an understanding of growth and that impact on services before deciding where services would go. The Chief Operating Officer said the key things to consider were the interface with primary care, step down pathways and crisis services. The Committee commended the Director of Estates and Facilities for all her work on the strategy. **The Committee noted the report.** |  |
| **6.** abc | **Capital Programme Sub Committee (CPSC) Annual Report** The Director of Estates and Facilities presented paper FIC 34/2018 which summarised the performance and programmed work of the CPSC during FY18. She highlighted that monthly meetings had commenced between Estates and the new Directorates to review risks. An update was provided on the two estates priorities from the recent CQC inspection. The Director of Estates and Facilities explained that the completion date given to CQC for the waiting room at Witney Community Hospital was 31 December 2018, however they were looking to complete the work sooner. The Director of Finance reported that an automated system for fridge temperature monitoring was due to be piloted in the Clinical Pharmacy Support Unit (CPSU) and Oxford Pharmacy Store (OPS) to see how they compare to existing ones they have. Michael Marven, Chief Pharmacist, would make the final decision as to whether these should then be rolled out across the trust. **The Committee noted the report.** |  |
| **7.** abc | **Capital Programme Financial Update** The Director of Finance presented paper FIC 35/2018 and highlighted £12.9m in the capital programme for FY19. Spend for the year-to-date was behind plan at £0.8m against a plan of £2.6m, however that spend did not include commitments that had been made to date. He had no concerns over risk of failure to deliver the plan for the year. John Allison noted that capital appeared to have been spent where there was no budget and asked how this was possible. The Director of Estates and Facilities explained that this was for spend which had been budgeted in FY18 but invoiced in FY19 and had no implications on the FY19 budget. **The Committee noted the report.** |  |
| **8.** abcd | **Financial Plan & Utilisation of Reserves** The Director of Finance provided an oral update and reported that the Trust was £0.8m off target at month 2 and £1.4m off target at month 3. The biggest areas which needed to be focused on were Out of Area Placements (OAPs) £0.5m and supported living £0.4m. The Older People’s Directorate was on plan, Children and Young People’s Directorate was behind plan and the Adult Directorate was approximately £1m behind plan even without OAPs. Contract negotiations were still underway in Oxfordshire and a decision would need to be made about whether to continue to deliver services as they are or to pull back in line with the funding. The Chief Executive added that the review of mental health funding in Oxfordshire being undertaken by Trevor Shipman was underway and would help establish a way forward. **The Committee noted the report.** |  |
| **9.** ab | **Cash Flow Report** The Director of Finance presented paper FIC 37/2018 and highlighted pressure operationally on the cash flow. **The Committee noted the report.** |  |
| **10.** ab | **Cost Improvement Programme (CIP) Highlight Report** The Director of Finance presented paper 28/2018 and highlighted that £56k CIP had been delivered so far. He provided an update on the following individuals CIPs: * New Care Models – expected to get £1m
* Non-pay – expected to deliver the majority
* Service line cost reduction – work in progress
* Technical adjustments – would include £700k from PFI

**The Committee discussed the position and expressed its concern about the increased financial risk inherent in the delayed delivery of the CIPs.** |  |
| **11.** abcd | **Learning Disability Low Secure Unit – Revised Business Case** The Director of Finance presented paper FIC 46/2018 which provided a revised version of the business case for the Learning Disability Low Secure Unit which went to the June Board of Directors. John Allison said the concerns he had raised about staffing the new unit had not been addressed in the business case. It was noted that discussions around this risk had taken place and should be referred to in the business case. It was agreed that the Board needed a better understanding of this business case and other areas with Learning Disabilities, particularly regarding staffing. **Action** for an item on Learning Disabilities to be scheduled for a future Board Seminar. **The Committee noted the report.***John Allison left the meeting.*  | **HS** |
| **12.** abcde | **Procurement Status Report** The Director of Finance presented paper FIC 39/2018 which provided an update on projects in progress, upcoming projects, key performance indicators and national and local developments. He highlighted that the KPIs showed only 50-55% compliance, however this needed further refinement because some things didn’t fit the scope. The Trust was also taking part in the National Development Procurement Transformation Programme which should create opportunities for improvements. He added that the team were very good and efficient and were managing to improve despite lower staffing levels in the team due to long term sickness. He said the team should be back up to full complement by the end of the year. The Chief Executive questioned whether there was a way to make the process easier as the procurement process was often seen as a source of stress and frustration for staff. It was agreed that there appeared to be a disconnect between the Procurement team and service staff and that this needed to be looked at further.  **The Committee noted the report.** |  |
| **13.** a | **Treasury Management Annual Report** **The Committee noted the report.** |  |
| **14.** a | **Treasury Management Policy** **The Committee approved the Treasury Management Policy.** |  |
| **15.** abcd | **National Reference Costs Review** *Paul Vincent, Head of Costing, joined the meeting.* The Head of Costing presented paper FIC 42/2018 and highlighted that the Trust was taking part in an NHS Improvement roadmap of mental health costings. The Director of Finance reported that the Trust’s reference cost index for FY17 was 92, which was an improvement from FY16. He said it was important to maintain reference costs below 100. Community services were less efficient than mental health, particularly in Podiatry and Intermediate Care. A new agreement had been made between the Trust and OUH regarding the Hart Service, which may improve the reference costs for Intermediate Care. *Paul Vincent, Head of Costing, left the meeting.* **The Committee noted the report.** |  |
| **16.** abc | **IM&T Status Report** The Director of Finance presented paper FIC 43/2018 and highlighted that he was working on a draft variation of contract for Advanced with the him the Director of Strategy and Chief Information Officer. **Action** for Martyn Ward, Director of Strategy and Chief Information Officer, to be invited to future meetings.**The Committee noted the report.** | **LS** |
| **17.** a | **Oxford Pharmacy Storey (OPS) Performance Report** **The Committee noted the report.** |  |
| **18.** a | **Oxford Pharmacy Store (OPS) Board Minutes** **The Committee noted the minutes.** |  |
| **19.** a  | **Any Other Business** No further business to discuss.  |  |
|  | The meeting was closed at: **11:30****Date of Next Meeting: Thursday, 13 September 2018 09:00 – 11:30 in the Boardroom, Warneford Hospital, Headington, OX3 7JX** |  |

**Attendance 2018 - 2019**

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|  | **May 2018** | **July 2018** | **Sept 2018** | **Nov 2018** | **Jan 2019** | **Mar 2019** |
| Chris Hurst  |  |  |  |  |  |  |
| John Allison  |  |  |  |  |  |  |
| Martin Howell  |  |  |  |  |  |  |
| Stuart Bell  |  |  |  |  |  |  |
| Mike McEnaney  |  |  |  |  |  |  |
| Kerry Rogers  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| Dominic Hardisty |  |  |  |  |  |  |
| Paul Dodd |  |  |  |  |  |  |
| Claire Dalley  |  |  |  |  |  |  |
| Hannah Smith  |  |  |  |  |  |  |