

**Meeting of the Oxford Health NHS Foundation Trust  
Finance and Investment Committee**

**RR/App 19/2021**  
(Agenda item: 30(d))

**Minutes of a meeting held on  
Tuesday, 19 January 2021 at 09:00  
Via Microsoft Teams Virtual Meeting**

**Present:**

Chris Hurst	Non-Executive Director ( <b>CMH</b> ) (the Chair)
John Allison	Non-Executive Director ( <b>JA</b> )
Nick Broughton	Chief Executive ( <b>NB</b> )
Mike McEnaney	Director of Finance (the <b>DoF/MMcE</b> )
David Walker	Trust Chair ( <b>DW</b> )

**In attendance:**

Katrina Anderson	Service Director Oxon & BSW Mental Health ( <b>KA</b> ) - <i>part meeting</i>
Claire Dalley	Director of Estates & Facilities (the <b>DoE/CD</b> ) - <i>part meeting</i>
Jude Deacon	Director of Forensic Mental Health ( <b>JD</b> ) - <i>part meeting</i>
Paul Dodd	Deputy Director of Finance (the <b>Deputy DoF/PD</b> )
Karen Drabble	Head of Thames Valley & Wessex Forensic Network Programme ( <b>KD</b> ) - <i>part meeting</i>
Duncan Ford	Provider Collaboratives Lead (Eating Disorders) ( <b>DF</b> ) - <i>part meeting</i>
Paul Pattison	Senior Directorate Accountant ( <b>PP</b> ) - <i>part meeting</i>
Debbie Richards	Executive Managing Director for Mental Health and LD&A Service ( <b>DR</b> ) - <i>part meeting</i>
Kerry Rogers	Director of Corporate Affairs and Company Secretary ( <b>KR</b> )
Andrea Shand	Head of Service CAMHS and ED Transformation ( <b>AS</b> ) - <i>part meeting</i>
Hannah Smith	Assistant Trust Secretary ( <b>HS</b> ) - <i>part meeting</i>
Mohinder Sawhney	Non-Executive Director ( <b>MH</b> ) - <i>part meeting</i>
Martyn Ward	Director of Strategy & Chief Information Officer (the <b>DoS/CIO/MW</b> ) - <i>part meeting</i>
Susan Wall	Corporate Governance Officer ( <b>SMW</b> ) (Minutes)

1.	<p><b>Apologies for Absence</b></p> <p>a Apologies for absence were received from: Aroop Mozumder, Non-Executive Director.</p>	
2.	<p><b>Minutes of the Meeting held on 17 November 2020 and Matters Arising</b></p> <p>a The minutes of the meeting held on 17 November 2020 were approved as a true and accurate record.</p> <p><i>Mohinder Sawhney joined the meeting</i></p> <p><b>Matters Arising</b></p> <p><b>Item 3(g) Agency costs</b></p> <p>b The Director of Finance informed the Committee this item would be deferred to March FIC 2021 as finance were operating with reduced capacity in support of the vaccine programme set up.</p> <p><b>Item 8(c) IT Estate</b></p> <p>c It was acknowledged Trust staff had received several updates via staff communications and Trust webinars that highlighted the improved IT estate. It was noted there had been positive feedback from staff from the deployment of new laptops. The Committee considered the action closed.</p> <p><b>Item 9(g) Digital Strategy</b></p> <p>d The Director of Strategy &amp; Chief Information Officer stated the Digital Strategy draft had been shared with Executives, and there was a working group in place. The revised draft would be brought to the next FIC in March 2021.</p> <p>e The Committee noted the following actions were to be progressed: <ul style="list-style-type: none"> <li>• 3(g) Agency Cost analysis, from November 2020; and</li> <li>• 6(e) Warneford Foundation Steering Group Minutes transport proposal, from November 2019.</li> </ul> </p> <p>f The Committee noted the following actions were completed or on the agenda:</p>	

	<ul style="list-style-type: none"> <li>• 11(d) Overview and discussion of financial management arrangements, including processes for financial escalation and holding budget holders to account</li> </ul>	
<p><b>3.</b></p> <p>a</p> <p>b</p> <p>c</p> <p>d</p>	<p><b>Review of current financial performance:</b></p> <p><b>a) Summary of YTD financial position – to include Financial ICS update</b></p> <p>The Director of Finance gave an oral update for Month 9 (December 2020) FY21 stating the position at year to date was £0.3 million better, with £0.5 million surplus to plan. The Trust was currently receiving cash one month in advance and finances were stable. Covid-19 costs were being recovered monthly and were down slightly as significant purchases had occurred in previous months. He noted challenging pressures for Oxfordshire were Out of Area placements (<b>OAPs</b>) and agency costs. The high cash balance from receiving cash in advance was favourable to lower Public Dividend Capital payments. He noted vaccine costs should be recoverable.</p> <p>The Chair raised questions arising from November Financial Report, Month 8 at Reading Room/Appendix RR/App 11/2021. He highlighted agency costs attributable to Covid-19 were £2 million from a total of £3.6 million. This showed an underlying agency spend of £1.6 million. He enquired how agency spend would be contained as the Trust moved out of the pandemic. The Director of Finance responded there were controls in place that would be applied.</p> <p><i>Martyn Ward joined the meeting</i></p> <p>The Trust Chair enquired how long the current emergency financial regime would continue. The Director of Finance replied it would be extended to the end of June 2021. There had been no clarification received for what payment regime would follow, however the Trust was in a sound position should advance payments be ceased. He noted common to all Trusts' were efficiency gains set by NHS England (<b>NHSE</b>) to be recovered by 2023/4 for Cost Improvement Programmes (<b>CIPs</b>).</p> <p>The Director of Finance stated the agreed funds of £5.6 million for Mental Health Investment from Oxfordshire CCG to the Trust just prior to the pandemic were still to be received. He said plans for the development of mental health services and outcomes were being progressed to</p>	

e	<p>achieve deliverability of Mental Health Standards the funding had been allocated for.</p> <p><b>The Committee noted the oral finance update for Month 9 and finance paper for Month 8.</b></p>	
	<p><i>The Chair asked the Director of Strategy &amp; Chief Information Officer to cover his items from matters arising noted above under matters arising at 2(c) and 2(d).</i></p>	
f	<p><b>b) Productivity Improvement Programme – review of YTD progress, FY outlook, risks, and opportunities</b></p> <p>The Director of Strategy &amp; Chief Information Officer presented paper FIC 65/2021 Productivity Improvement Programme (<b>PIP</b>), FY21 Month 8 Update citing it had been a challenging year owing to the pandemic. The PIP schemes had achieved a combined total of £1,531,000 of projected savings of the target set at £6,825,000 for the year. Some cost improvements had been achieved for non-pay expenditure, such as room bookings, and business miles.</p>	
g	<p>The Director of Strategy &amp; Chief Information Officer stated changed ways of working arising from the response to the pandemic were being reviewed to consolidate what to incorporate for the future and would include utilisation of the Trust's estate. He added projected savings for the year were £3.9 million, with existing schemes forecasting savings at £3.0 million .</p>	
h	<p>The Director of Strategy &amp; Chief Information Officer updated the position in reducing OAPs. He highlighted a review of the flow of inpatients across units showed a high number of patients in OAPs were long-term. A focus would be to accommodate long-term patients within the Trust. However, it was noted the Trust was operating at an approximate 15% reduction in beds due to current infection prevention control (<b>IPC</b>) measures required in clinical settings.</p>	
i	<p>The Director of Strategy &amp; Chief Information Officer stated it would be challenging to reduce agency costs with current pressures, however it remained a priority and the recent appointment of a Director of Clinical Workforce Transformation would support future approaches.</p>	
j	<p>The Director of Strategy &amp; Chief Information Officer reported as part of the budget setting process that Clinical Directorates would be involved in reducing budgets at source, and this would assist with reporting</p>	

<p>k</p> <p>l</p> <p>m</p> <p>n</p> <p>o</p> <p>p</p>	<p>measures. The Chair echoed an integrated approach to budget setting would be beneficial.</p> <p>The Director of Strategy &amp; Chief Information Officer stated the Model Hospital system, a free NHS digital information service, was being utilised to assist in improving productivity, quality, and efficiencies.</p> <p>John Allison requested more clarity on the situation with OAPs and admissions. The Director of Strategy &amp; Chief Information Officer replied opportunities to reduce OAPs was in parallel with working towards interventions for early crisis resolution. Patient welfare was of priority and early crisis resolution could lead to a reduction in admissions when appropriate. The Chief Executive endorsed the priority for patient care and to consider opportunities for bringing back patients experiencing prolonged periods of OAPs back to Oxford Health.</p> <p>The Director of Finance clarified for John Allison the reason estates had not achieved savings for the current year was owing to resources being focused on rearranging the estate to ensure it was safe for the current circumstances, and noted estates had consistently achieved delivery of cost improvements for the last five years.</p> <p>David Walker enquired how changes in response to the pandemic to working practices and services would be captured and potentially incorporated into everyday business where appropriate. The Director of Strategy &amp; Chief Information Officer said the direction and energy was being harnessed to recognise needs for development and would be addressed at an appropriate time in a coordinated and integrated fashion as part of a wider Trust issue.</p> <p><b>The committee noted the report.</b></p> <p><b>c) Review of capacity to manage aggregate financial risk, including utilisation of reserves and risks and opportunities not included in the current forecast</b></p> <p>The Director of Finance gave an oral update citing the financial regime was different and geared to breakeven. The Trust currently received block payments estimated on revenue and expense base. The block payments were adjusted for changes and included the Mental Health Investment Standard money that had been agreed in the second half of the financial year.</p>	
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q	<p>The director of Finance stated £2.0 million better than plan had been achieved and was required to be spent in the remainder of the financial year. Key areas of spend agreed by the Executive Management Team to enable improvements were noted as: CareNote implementation in the Community; improved Wi-Fi network and server capacity; and True Colours, a digital platform for digitising forms and collecting and processing patient information. It was noted a full list of projects was available for overview.</p>	
r	<p>The Committee discussed the financial impact of annual leave not taken by staff due to operational demands on service. There was currently no national guidance and the Trust was endeavouring to be fair, uniform, and flexible in its approach to resolving outstanding leave and financial management of this.</p>	
s	<p>The Director of Finance said financially the Trust was still operating to be as prudent as possible. He noted the forecast for the 3 Oxfordshire CCG's was £17 million better than plan and this would assist in BOB ICS delivering a break-even result.</p>	
t	<p><b>The Committee noted the oral update.</b></p>	
u	<p><b>d) Working capital, including cashflow – verbal update on latest position and outlook</b></p> <p>The Chair referred to the cash flow and working capital reports in the Reading Room/Appendix at RR/App 12(i)-(ii)/2021 and RR/App 13/2021.</p>	
v	<p><b>The Committee noted the working capital and cashflow reports as read.</b></p>	
w	<p><b>e) FY22 Financial planning update</b></p> <p>The Director of Finance gave an oral update on the outline for financial planning timelines for budgets. The plan was for baseline budgets for all services to be signed off by the end of January with presentation at March FIC following Executive review and approval, with final approval at the April Board meeting. It was noted nationally the planning process had been suspended with no information forthcoming necessitating the Trust to adopt a baseline approach with assumptions being undertaken that would requiring refining as information was received.</p>	<b>MMcE</b>
x	<p><b>The committee noted the oral update.</b></p> <p><i>Claire Dalley joined the meeting.</i></p>	

<p><b>4.</b></p> <p>a</p> <p>b</p> <p>c</p>	<p><b>Oxford Pharmacy Store (OPS) performance report – update on latest performance and FY forecast</b></p> <p>The Director of Finance reported on papers at Reading Room/Appendix RR/App 14(i)-(ii)/2021. He stated that volumes and margins were down against plan owing to the acute hospitals stopping elective surgery and therefore no requirement for drugs. Things had started to improve after the first wave of the pandemic however the situation had been compounded with further waves of the pandemic with elective surgery being ceased.</p> <p>The committee noted that OPS were the main hub and provider for the vaccination roll out for BOB ICS. The Director of Finance stated there were further opportunities and capabilities in the pipeline. It was considered OPS operating matters would stabilise once elective surgery resumed.</p> <p><b>The Committee noted the report.</b></p>	
<p><b>5.</b></p> <p>a</p> <p>b</p> <p>c</p>	<p><b>FY21 Capital Programme Plan – review of progress:</b></p> <p><b>a) Financial position – YTD spend against budget and FY forecast</b> Paul Dodd presented on paper FIC 66/2021 FY21 Capital Programme Plan stating the year to date spend was at £2.7 million at the end of Month 8. He said two major Estates’ capital schemes: the Learning Disabilities Low Secure Unit (<b>LD LSU</b>); and the Psychiatric Intensive Care Unit (<b>PICU</b>) builds forecasts would be reflected in the NHSE forecast. The Trust was measured against, and on track to deliver the planned £10.8 million envelope that had been agreed with BOB ICS, and this amount would need to be maximised in the financial year or would be lost.</p> <p><b>The Committee noted the report.</b></p> <p><b>b) Capital Projects update</b> The Director of Estates presented on papers at FIC 67/2021 Capital Projects Update, giving an operational overview. She highlighted there had been some slippage on projects owing to the pandemic, however all schemes should be completed in the year. There were currently 17 projects on site, with 42 projects completed. The only factor that may impact on planned projects was the ability of access to wards, however all works discussions took place in collaboration with clinical staff. She noted there was good availability of contractors which had not been the</p>	



	<i>Katrina Anderson, Jude Deacon, Karen Drabble, Duncan Ford, Paul Pattison, Debbie Richards, Andrea Shand joined the meeting.</i>	
<b>7.</b>	<b>Thames Valley and Wessex Adult Secure and Thames Valley CAMHS Tier 4 Provider Collaboratives</b>	
a	The Chair introduced Item 7, the business case for the Thames Valley and Wessex Adult Secure Provider Collaborative ( <b>TVWFN</b> ), and Thames Valley CAMHS Tier 4 Provider Collaborative ( <b>CAMHS T4</b> ) papers at FIC 69/2021. He outlined the importance in considering any risks to the Trust prior to recommendation.	
b	The Director of Finance reported the Trust was in the position of being compelled to agree a new contract for TVWFN from 01 April 2021. This would mean the contract would no longer be in shadow form and the Trust would retain full contractual responsibility for services in the region with partners being directly sub-contracted to the Trust and no longer by NHSE. The focus was on financial risk, as quality and governance would be covered separately.	
c	The Director of Finance outlined the TVWFN had been running well for a couple of years but an issue for CAMHS T4 was reduction in inpatient capacity, both NHS and private sector facilities, when demand for services were increasing.	
d	The Executive Managing Director for Mental Health and LD&A Service, the Programme Lead, concurred with the Director of Finance that TVWFN was in a very different position to CAMHS T4. She outlined CAMHS tier 4 had been operating in shadow form for 2 years, and from a clinical operational perspective the single point of access for children and young people was going well. She noted the following for CAMHS T4 as a newer provider collaborative: the internal resource was still stabilising; there had been challenges to get the level of financial resource from NHSE to finalise the business case; and pressures to go live from 01 April 2021.	
e	The Executive Managing Director for Mental Health and LD&A Service stated NHSE required assurance from the Trust for both the TVWFN and CAMHS T4 to go live 01 April 2021. She confirmed the TVWFN was in a position to go live by the date, however there was more work to be undertaken to assess the impact of risk to the Trust for the CAMHS T4 to be able to go live by 01 April 2021.	

<p>f</p>	<p>Karen Drabble presented the financial position for provider collaboratives for consideration was £77 million, this included Learning disability and Autism cohorts and Mental Health cohort based on an adjusted FY19 outturn. The financial viability ranged between forecast of £2.4 million surplus to a forecast of £1.2 million deficit, and there was an outstanding issue of £2.0 million with NHSE. To progress the provider collaboratives the partnership agreements would need to be signed by the end of February, prior to the direct agreement with NHSE by the end of March 2021.</p>	
<p>g</p>	<p>Paul Pattison stated NHSE had presented an envelope of £21.6 million for CAMHS T4 based on outturn 2018/19 with adjustments. He highlighted there were challenges around the financial viability noting growth had been small and there was expectation by NHSE for infrastructure to be funded. He noted the bed base in TVWFN had been stable where as the bed base for CAMHS T4 there were capacity and demand challenges. He detailed the expected areas of spend for the Secure provider collaborative envelope of £77 million from NHSE would cover: infrastructure costs, provider healthcare spends (patients and beds); contingency funds, and system wide investment.</p>	
<p>h</p>	<p>Paul Pattison said the envelope for provider healthcare was £68 million with anticipated spend of £58.6 million. He noted the reduction was due to the success of the provider collaborative savings in reducing OAPs, and shortening length of stay, and this would release funds for further investment with other partners. He said Southern Health, Special Community Health Team currently funded by NHSE would from March be expected to be provided for out of savings from provider collaboratives.</p>	
<p>i</p>	<p>Paul Pattison detailed the £2.4 million saving forecast in FY22 that under previous arrangements would be shared with the other providers, Southern Health, Oxford Health and Dorset. The current position was that some providers were under performing and proposal considerations had been undertaken with partners to adjust any underperformance against contracts to avert risk of being in deficit. If the provider collaborative worked to the forecast position it would be a viable position.</p>	
<p>j</p>	<p>The Chair referenced the sensitivity of the forecast and the dynamics of the financial proposition. The Director of Finance outlined as services became more efficient savings would reduce, and it would be practical</p>	

<p>k</p> <p>l</p> <p>m</p>	<p>to harmonise services across, Oxfordshire, Southern Health and Dorset in order to stabilise a single unit cost to enable benchmarking for productivity and efficiency.</p> <p>The Chief Executive Highlighted the importance of relationships with Southern Health and Dorset as part of the provider collaborative journey, and that risk should now be part of a 'risk share' strategy for surplus and deficits, and not all with the Trust.</p> <p>The Committee agreed for the TVWFN to progress to go live 01 April 2021, and for further work to be undertaken on CAMHS T4 to be able to progress to go live at this date. The Director of Finance said provider collaboratives were good opportunities for self-commissioning and would be positively positioned within the BOB healthcare agenda.</p> <p><b>The Committee approved for the Thames Valley and Wessex Adult Secure and Thames Valley provider collaborative to go live 01 April 2021. It was agreed for more work to be undertaken for CAMHS Tier 4 Provider Collaborative before approval.</b></p> <p><i>Katrina Anderson, Jude Deacon, Karen Drabble, Duncan Ford, Paul Pattison, Debbie Richards, Andrea Shand left the meeting.</i></p>	
<p>8.</p> <p>a</p> <p>b</p>	<p><b>Warneford Park Project Board Update</b></p> <p>The Chair informed the meeting Warneford Park Project Board minutes at Reading Room/Appendix RR/App 15/2021 would be taken as read.</p> <p><b>The minutes of the Warneford Foundation Steering Group were received.</b></p>	
<p>9.</p> <p>a</p> <p>b</p>	<p><b>Capital Programme Sub-Committee Minutes of Meetings</b></p> <p>Minutes of meetings on 03 November 2020; and 01 December 2020 at Reading Room/Appendix papers – RR/App 16/2021 were taken as read.</p> <p><b>The Committee noted the minutes as read.</b></p>	
<p>10.</p> <p>a</p>	<p><b>FIC Annual Report</b></p> <p>The Chair introduced the FIC annual report paper FIC 70/2021, and noted his appreciation to Surangi Weerawarnakula, Corporate and Claims</p>	

<p>b</p> <p>c</p>	<p>Officer, and Hannah Smith, Assistant Trust Secretary for compiling the report.</p> <p>The Committee approved it was accurate for work the Committee had undertaken for the year. The Director of Corporate Affairs and Company Secretary stated committee annual reports formed part of an audit process, reporting into the Audit Committee. An annual report was a useful and efficient way of assessing the effectiveness of a committee against the terms of reference.</p> <p><b>The Committee approved the annual report.</b></p>	
<p>11.</p> <p>a</p>	<p><b>Any Other Business</b></p> <p>The Director of Finance formally announced Paul Dodd, The Deputy Director of Finance would be retiring at the end of March 2021.</p>	
<p>12.</p> <p>a</p>	<p><b>Brief reflections on today's meeting</b></p> <p>The Chief Executive said he was encouraged by the balance of the agenda covering day to day aspects and forward planning.</p>	
<p>The meeting was closed at 10.37</p> <p><b>Date of next meeting:</b> Tuesday 23 March 2021 09:00-12:00 via Microsoft Teams virtual meeting.</p>		