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

**BOD 42/2022**  
(Agenda item: 04)

Minutes of a meeting held on

15 June at 11:30

virtual meeting via Microsoft Teams

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| **Present:[[1]](#footnote-2)** |  | |
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| David Walker | | Trust Chair (the Chair)(**DW**) |
| Amélie Bages | | Executive Director of Strategy & Partnerships (**AB**)**\*** |
| Nick Broughton | | Chief Executive (**NB**) |
| Marie Crofts | | Chief Nurse (**MC**) |
| Geraldine Cumberbatch | | Non-Executive Director (**CG**) |
| Charmaine De Souza | | Chief People Officer (**CDS**) |
| Chris Hurst | | Non-Executive Director (**CMH**) |
| Grant Macdonald | | Executive Managing Director for Mental Health, Learning Disabilities and Autism (**GM**) |
| Karl Marlowe | | Chief Medical Officer (**KM**) |
| Mike McEnaney | | Director of Finance (**MMcE**) |
| Anna Christina (Kia) Nobre | | Non-Executive Director appointee of the University of Oxford (**KN**) |
| Ben Riley | | Executive Managing Director for Primary & Community Services (**BR**) |
| Kerry Rogers | | Director of Corporate Affairs & Company Secretary (**KR**)**\*[[2]](#footnote-3)** |
| Philip Rutnam | | Non-Executive Director (**PR**) |
| Mohinder Sawhney | | Non-Executive Director (**MS**) |
| Rick Trainor | | Non-Executive Director (**RT**) |
| Martyn Ward | | Executive Director for Digital & Transformation (**MW**) |
| Lucy Weston | | Non-Executive Director (**LW**) |
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| **In attendance[[3]](#footnote-4):** | | |
| Charlotte Evans | | Executive Assistant |
| Nicola Gill | | Executive Project Officer |
| Sue Marriott | | Executive Assistant |
| Peter Milliken | | Deputy Director of Finance |
| Hannah Smith | | Assistant Trust Secretary (Minutes) |

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| **Governor Observers** |  |
| Mike Hobbs | Lead Governor |

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| **BOD**  **56/22**  a  b  c | **Welcome, #Hellomynameis and Apologies for Absence**  The Trust Chair welcomed members of the Board present and staff, governors and observing members of the public. The Board and those in attendance at the start of the meeting introduced themselves (#Hellomynameis).  Apologies for absence were received from: Andrea Young, Non-Executive Director.  The Trust Chair explained that this meeting in public was focused upon receipt, and if appropriate approval, of the financial year-end reports, being the Annual Report and Accounts and supporting documents. |  |
| **YEAR-END REPORTS** | | |
| **BOD 57/22**  a  b  c  d  e  f  g  h  i  j  k  l  m | **Financial Statements & Accounts 2021/22 (including Letter of Representation)**  The near-final year-end reports were presented to the Board for approval having been reviewed by the Audit Committee at its meetings on 21 April, 18 May and earlier the same day on 15 June 2022 and recommended to the Board.  The Director of Finance presented the paper BOD 37/2022 which set out: an Analytical Review and Changes Log of the Primary Financial Statements from the draft Annual Accounts; the audited 2021/22 Financial Statements & Accounts; and the Letter of Representation to be sent to the Trust’s External Auditors. He reported that the External Auditors, Grant Thornton, had provided their draft audit findings to the Audit Committee earlier that morning; the External Audit was substantially, if not totally, complete and they anticipated issuing an unqualified audit opinion. There were no material adjustments or misstatements; the biggest adjustment identified by the External Audit related to an item which in a non-NHS environment could be categorised as a bad debt but because it was with another NHS organisation, the accounting rules prescribed that it should not be recognised as a bad debt but should be treated more like an intra-group adjustment. The Trust accepted that finding from the External Audit but would not adjust the accounts as the ‘bad debt’ was below the materiality threshold and it may be more accurate to show it as it currently was. A few minor amendments were left to make but fundamentally the Audit Committee had recommended the Financial Statements for approval.  Lucy Weston, Audit Committee Chair, confirmed that the Audit Committee had reviewed the year-end reports, including the Annual Report & Accounts, over its three most recent meetings in April, May and earlier today. Although it was not ideal that the External Audit had not totally completed, the Audit Committee had been reassured that the remaining matters were minor and were anticipated to conclude within the next 48 hours. Subject to no significant findings being escalated as a result, the Audit Committee was prepared to recommend the Financial Statements for approval. She commented upon the bad debt provision which the Trust was prohibited from making under accounting rules, because it was with another NHS organisation, even though it would be financially prudent to recognise it as such. She confirmed that, at £1.5 million, it was under the materiality threshold of £8.1 million. The Audit Committee supported the financially prudent position which had been taken to continue to show it in the Financial Statements, noting that the External Auditors had also reported that other organisations had made a similar choice.  The Trust Chair reminded the Board that it was being asked to approve the near-final Financial Statements pending final sign-off by the External Auditors. He welcomed comments from Non-Executives in particular and added his own that in future years he would like to see financial statements of the pooled budgets held with local authorities, as it would be useful to be able to interrogate in more detail the financial relationship which the Trust had with local authorities, especially Oxfordshire County Council.  Philip Rutnam congratulated the Finance team on a clear and comprehensive set of Financial Statements. Having not identified errors to highlight from the actual Financial Statements, he offered wider observations upon:   * the complexities which could arise from timing issues or the nature of the Trust’s relationship with other NHS commissioning bodies, which could lead to having to recognise large receivables and contractual liabilities in the Financial Statements. These could be misleading or confusing for lay readers. Whilst he was not suggesting making further amendments, he observed that each year any such complexities should be explained as clearly as possible; and * as a relative newcomer to the NHS, he was interested to note that there appeared to be no accounting requirement for segment reporting in the organisation. Therefore the Trust did not have to report its financial results from its Community or Mental Health Directorates, or from Provider Collaboratives, as separate segments in its year-end reports.   The Deputy Director of Finance replied that some segment reporting could be included in the Annual Report in the future but it was not part of the Financial Statements’ requirements. He explained that an earlier draft of the Financial Statements had shown the reporting for Provider Collaboratives separately and the Finance team had discussed this with the External Auditors who had advised that it should not be separately disclosed.  Chris Hurst noted that Philip Rutnam made an important point and he added that the Finance & Investment Committee (**FIC**) had also asked the Finance team to provide a memorandum back into the FIC on the performance of the Provider Collaboratives, otherwise this would not be clear from the way in which the Provider Collaboratives’ performance was currently consolidated into the Trust’s overall financial position. The risks and rewards associated with Provider Collaboratives, together with the amount of control and influence exerted over them by the Trust, were different compared to normal Trust operating activities. For reassurance, the FIC therefore received regular progress reports on the Provider Collaboratives.  Lucy Weston endorsed this approach and the importance of recognising the differences between the operation and performance of the Provider Collaboratives compared to the Trust’s regular operating activities. From a management accounting perspective, she noted that it would be useful to take a segmented reporting approach to Provider Collaboratives during the year, especially as they may be an inherently more risky venture for the Trust; this was an area of reporting which could be strengthened during the coming year, with the support of the FIC.  The Director of Finance added that it would be easy to separate out Provider Collaborative performance for in-year reporting to the Board.  The Chief Executive added that he was satisfied with the year-end reports, having been able to attend the Audit Committee meetings when early drafts had been reviewed. He also put on record his thanks to the Director of Finance for his work on this year’s Financial Statements, which were also his 11th set of accounts for the Trust. The Trust Chair supported this. The Director of Finance thanked his team, in particular the Financial Controller and the Deputy Director of Finance for their hard work on the Financial Statements which had also supported a smooth External Audit process this year.  The Trust Chair noted that accounting for collaborative activity with other public bodies was becoming more pertinent for the Trust as it engaged more widely with the local system. However, he reminded the meeting of the need to approve the Financial Statements 2021/22 and the Letter of Representation.  The Director of Finance reminded the meeting that the Letter of Representation for the External Auditors, confirming that the Financial Statements had been prepared and presented fairly and in good faith, was also subject to approval at this meeting. Subject to any potential need to review any late issues raised by the External Auditors, he asked that the Board accept the Financial Statements & Accounts and the Letter of Representation, delegating any final approval of changes (if required) to the Audit Committee in the first instance and, if material, to the Board. The plan was for the External Audit to conclude this week and for signatures to be applied to the year-end documents on Monday, before submission to NHS England/Improvement next week.  **Subject to the comments above and explanation that the 2021/22 Financial Statements & Accounts were not yet final, the Board:**   * **APPROVED the near-final Financial Statements & Accounts 2021/22, noting that whilst the External Audit process had not yet fully concluded any final approval of changes could be made by the Audit Committee (if required) and if there were any material changes required by the External Audit then these would be brought back to the Board; and** * **APPROVED the Letter of Representation which related to the Financial Statements be sent to the Trust’s auditors.** |  |
| **BOD**  **58/22**  a  b  c | **Trust Annual Report 2021/22**  The Director of Corporate Affairs & Company Secretary presented the paper BOD 38/2022, with supporting material at RR/App 35/2022, which set out the text of the Trust’s Annual Report. She explained that the near-final Annual Report was in the same position as the near-final Financial Statements & Accounts but it had been reviewed at three meetings of the Audit Committee on 21 April, 18 May and 15 June 2022 and no significant concerns or amendments had then been raised or requested. In addition, Internal Auditors had not yet completed all of their reviews but the only one outstanding was the review into Out of Area Placements and the draft findings of that review had not indicated any significant impact for the Annual Governance Statement. The External Auditors had reported upon their review of the auditable sections of the Annual Report and had given assurance to the Audit Committee that it was compliant with the NHS Annual Reporting Manual. She thanked those who had been involved in the production of the Annual Report and the project management support she had received.  She explained that there was still time before final submission to NHS England/Improvement by next week, 22 June 2022, for correction of any typographical or other errors and therefore invited any further comments from the Board (noting that final changes would also be shared with the Audit Committee Chair). There would also be a final opportunity for correction of formatting and typographical errors before submission to parliament in early July 2022.  **The Board APPROVED the near-final Trust Annual Report 2020/21, noting that whilst the External Audit process had not yet fully concluded any final approval of changes could be made by the Audit Committee Chair (if required) and if there were any material changes required by the External Audit then these would be brought back to the Board.** |  |
| **BOD**  **59/22**  a  b  c  d  e  f  g | **Quality Account**  The Chief Nurse presented the paper BOD 39/2022, with supporting material at RR/App 36/2022; this already included statements from the Lead Governor and a joint statement from Buckinghamshire and Oxfordshire Clinical Commissioning Groups, with only a statement from the Oxfordshire Joint Health Overview and Scrutiny Committee to follow. She explained that nationally there was no longer a requirement to externally audit the Quality Account and no Quality Report was required within the Annual Report 2021/22.  She thanked all colleagues, especially clinicians, for having delivered the best service possible during another year dealing with the impact of COVID-19. Innovations had still been delivered during the year and local and national awards had been achieved. Of the 16 Quality Objectives set for 2021/22, 8 had been achieved, 5 partially achieved and 3 not achieved; all the objectives which had not been fully achieved were being taken through into the objectives for 2022/23.  Lucy Weston referred to the Quality Improvement Plan for 2022/23 (included within RR/App 36/2022) and asked how the Quality Objectives would be measured and how it would be clear when they had been achieved. She referred to the six primary drivers listed on page 48 of the Quality Account and noted that:   * item 1 (support and listen to staff) would benefit from a Quality Improvement approach as part of empowering staff to change. She also noted that she heard from staff their wish for a commitment from leadership to resolve issues, especially longstanding issues. If the objective was to also listen to staff then there was still work to do in order to listen and then respond to staff on issues that they raised; * item 3 (reduce violence and aggression on the wards) did not provide for a specific action to reduce violence against staff; * item 4 (improve access and reduce inequalities) was not clear on what would be done about access; and * item 5 (embed holistic assessments to reduce harm) was focused on Community services but a similar holistic approach could be just as relevant for Mental Health services especially given soaring demand.   The Chief Nurse replied that the Trust had tried to give itself some stretch targets above and beyond the mandated 9 Quality Objectives which were expected of all trusts. As a result there were 36 or more quality objectives which would be distilled with the clinical directorates into the key quality priorities for inclusion in the Quality Account; the final ones listed in the Quality Account were those that had been selected for measurement through the Quality Account process but they were not the only ones which the Trust would be working on. Long discussions had already taken place on waiting times and access, and it had been considered that these were already being monitored through performance and other processes, whilst the quality objectives should perhaps cover some other and different aspirations. Similarly, reducing harm on wards for staff and in relation to physical assessments was also already being separately monitored. Lucy Weston replied that access issues were wider than waiting lists as some people did not even make it onto waiting lists, therefore there was a wider population health piece that may need to review incidents and assess against patient caseloads.  Rick Trainor added that, as another newcomer to the NHS, he had been impressed by the annual Quality Account, which was a large task scrupulously conducted, but also struck by the 3 red-rated objectives from 2021/22 which had been marked as not achieved. He asked how serious it was to report that these 3 objectives had not been achieved. The Chief Nurse replied that, unfortunately, the Trust was not unique in the NHS in reporting that it had not been able to achieve all of the quality targets it had set itself in the Quality Account. However, just because the objectives had not been achieved, that did not mean that no work had been done against them or progress made. The impact of COVID-19 had also contributed to some objectives not being achieved, for example objective no. 54 on improving tissue viability (i.e. reducing pressure ulcers) which had been impacted by the work pressure put on District Nurses during the pandemic. Objectives which had not been fully achieved during 2021/22 would not be abandoned but would roll over into the objectives for 2022/23 and continue to be areas of work.  The Chief Medical Officer added that he supported the Chief Nurse’s approach in being transparent around not having been able to achieve some goals and targets. In particular there had been system issues to contend with around pressure ulcers and tissue viability, with patients coming into Trust care from care homes who had already developed pressure ulcers and therefore the Trust took on responsibility for these.  **The Board APPROVED the Quality Account for publication by 30 June 2022.** |  |
| **BOD**  **60/22**  a | **Any Other Business**  None |  |
| **BOD**  **61/22**  a | **Questions from the public**  Mike Hobbs, Lead Governor, noted that the meeting had clearly addressed the weighty year-end reports and that the Board’s overview of the process had been clear and he was happy to support it. |  |
|  | The meeting was closed at: 12:03  **Date of next meeting: 20 July 2022** |  |

1. Quorum is 2/3 of the whole number of members of the Board (including at least 1 NED and 1 Executive) i.e. where voting members of the Board are 17 (from April 2022), quorum of 2/3 with a vote is 11 [↑](#footnote-ref-2)
2. \* = non-voting [↑](#footnote-ref-3)
3. An officer in attendance for an Executive but without formal acting up status may not count towards the quorum – Standing Orders 3.12.2 [↑](#footnote-ref-4)