

HARROGATE HEALTHCARE FACILITIES MANAGEMENT LIMITED

Company number: 11048040

(the "Company") t/a Harrogate Integrated Facilities (HIF)

Meeting of the Company Board of Directors

held on Tuesday 19 December 2023

at the Cedar Court Hotel, Harrogate

Present:	
Mark Chamberlain	Chair
Lucy Hind (LH)	Non-Executive Director
Roger Taylor (RT)	Non-Executive Director
Gary Barrett (GB)	Non-Executive Director
Angie Gillett (AG)	Managing Director
Matt Graham	Director of Strategy (HDFT Shareholder Director)
In Attendance:	
XXXXXXXXXXXXXX	Assistant Company Secretary (HDFT)
XXXXXXXXXXXXXX	Deputy Director of Finance (HDFT) (<i>for items 1-8</i>)
Kate Southgate	Associate Director of Corporate Affairs and Company Secretary (HDFT) and Company Secretary (HIF)

APPROVED MINUTES

HIF/12/19/1	Welcome and Introductions
1.1	The Chair welcomed everyone to the meeting.
HIF/12/19/2	Apologies for Absence
2.1	It was noted that apologies had been received from <ul style="list-style-type: none"> • Jeremy Cross (Non-executive Director, HDFT Shareholder Director) • XXXXXXXXXXXXXX (HDFT, Human Resources) • XXXXXXXXXXXXXX (HDFT, Human Resources)
2.2	The Chair advised that the agenda would be taken out of order to enable the Deputy Director of Finance to leave the meeting early for another appointment.
2.3	The Chair confirmed that the meeting was quorate.
HIF/12/19/3	Declarations of Interest
3.1	There were no conflicts of interests declared in relation to the business of the meeting.

HIF/12/19/4	Minutes of the Previous Meetings
4.1 & 4.2	Resolved: The minutes of the Board meeting held on 24 October 2023 and the Extra Ordinary Board meeting held on 6 December 2023 were approved as accurate records.
HIF/12/19/5	Matters Arising and Action Log
5.1 5.2 5.3	<p>Matters Arising There were no matters arising from the minutes not already included on the agenda.</p> <p>Action Log The action log was reviewed, updates received and actions highlighted as follows: 47 – HIF/10/24/7: Annual Accounts – The recommendation was to close the action but as the accounts had yet to be finalised, it was agreed to keep this action open. Further discussions were held later in the meeting. 48 – HIF/10/24/7: Business Development – agreed to close the action 51 – HIF/10/24/10: Contract Variations – agreed to close the action as a meeting had been held with the Trust’s Director of Finance and next steps agreed 38 – HIF/06/27/10.5: Finance Report (depreciation of fixed assets) – an update would be included in the Fixed Asset paper later in the meeting. Action to remain open. 40 – HIF/06/27/16.1.5: Workforce Report – It was noted that this was work in progress and the action should remain open.</p> <p>A new action was to be added to the Action Log regarding the HIF Risk Register relating to the recording of risks against the Trust and against HIF. Discussions were ongoing between the Managing Director, Director of Strategy and the Head of Health & Safety. Action: Assistant Company Secretary to add new action to action log.</p>
HIF/12/19/6	Chair’s Update
6.1 6.2 6.3 6.4 6.5	<p>The Chair began his verbal report by noting that the organisation was busy.</p> <p>There would be a discussion later in the meeting regarding the annual accounts and financial situation but it was noted that a detailed consideration of the finances, including structure, assets, treatment of VAT and other areas highlighted by the auditors around contracts, including the contract with the Trust would be arranged for the January Workshop meeting. Action: Assistant Company Secretary to add to agenda for January Workshop.</p> <p>It was explained that there had been a “Meet & Greet” session for HIF staff to meet with the Chair, Managing Director and the Deputy Director of Estates and Facilities which had proved successful. HIF Hero awards had also been presented at the session</p> <p>It was further highlighted that there had been nominations for HIF Hero Awards and the Trust’s KITE awards demonstrating the positive view of the organisation.</p> <p>The Board were advised that the Board-to-Board meeting scheduled for February 2024 would be the opportunity to present the HIF Business plan for the next year and remind all directors of the relationship between HDFT and HIF, including the financial arrangements.</p>

6.6	Resolved: The Chair's update was noted.
HIF/12/19/7	Managing Director's Update
7.1	The report was received and taken as read. The Managing Director highlighted key points for the Committee to note:
7.2	<p>Workforce Update – Biometrics: The Board were advised that the biometric system was now in full use and that agreement had been reached with all staff negotiating organisations as appropriate.</p>
7.3	<p>Car Park Management Update: Meetings had been ongoing with staff with options for actions currently being explored. Options for car park usage in the morning were being considered and staff were reminded that there was a car park for staff usage on Wetherby Road. Overall, it was felt that the new arrangements suited patients and enabled them to attend clinics in a more timely manner leading to greater efficiency.</p>
7.4	<p>Catering Update – Staff Christmas Meals: Senior staff were thanked for helping out in Herriots and it was noted that more meals were served than in previous years. Overall, the service had gone well.</p>
7.5	<p>Team HDFTImpact Update: Whilst attendance at HDFTImpact training so far had been limited, the Board were advised that HIF would ensure that they were fully engaged in the process.</p>
7.6	<p>Business Development Update: Key updates included:</p> <ul style="list-style-type: none"> • SSD – final version of contract with the Duchy expected 19 December 2023 • Stratford Upon Avon – meetings had been very positive • York – meeting was scheduled • Waste Management – meeting was scheduled
7.7	<p>xxxxxxxxxx Dispute Update: Meetings with the Managing Director at xxxxxxxxxxxx had been ongoing, focusing on discussions around two elements of the contract and the claim. xxxxxxxxxxxx had requested consideration of mediation for the replacement element of the contract.</p>
7.8	It was noted that all discussions had been predicated with “without prejudice”.
7.9	<p>The current proposal was noted as follows:</p> <ul style="list-style-type: none"> • Further discussion to be held within xxxxxxxxxxxx regarding the replacement of the xxxxxxxxxxxx and the liability for the remaining RGIs in the schedule • Guaranteed savings circa xxxxxxxxxxxx • Settlement of the prolongation costs on the xxxxxxxxxxxx works xxxxxxxxxxxx
7.10	The Non-executive Directors made various suggestions to assist in resolving the impasse, including visiting their head office xxxxxxxxxxxx and looking at the possibility of reducing the sums involved. However the Managing Director noted that the sums were at the lowest acceptable level. There was consideration of whether the supplier would be in a position to walk away but there was an onsite relationship to maintain and they would still xxxxxxxxxxxx and xxxxxxxxxxxx contracts.

7.11	The Chair provided reassurance to the Board that he had regular meetings with the Managing Director to ensure there was oversight and explained that HIF proposed offers but negotiations [REDACTED] were challenging .
7.12	It was confirmed that although the current negotiations on the guaranteed savings were potentially likely to increase, the figure of £ [REDACTED] was the current offer on the table and therefore it was suggested that this could be accrued.
7.13	Action: Deputy Director of Finance (HDFT) to ensure existing written documentation would be considered sufficient as evidence.
7.16	It was agreed to wait until [REDACTED] reverted in the New Year and consider the any proposed options. The Board were reminded that any recommendations would have to be presented to the HIF Board, as well as to the HDFT Trust Board.
7.17	The Board were thanked for their useful offers and advice and that the Managing Director would continue to have discussions and keep the Board updated.
7.18	Resolved: The Managing Director's report was noted and the ongoing work across the organisation.
HIF/12/19/10	Finance Report
10.1	The Deputy Director of Finance (HDFT) provided an overview of the accounts advising that there was an in-year [REDACTED] but that if the accrued £ [REDACTED] from [REDACTED] was taken into account then the company would have a [REDACTED]. However, it was noted that inflation and winter pressures would bring their own financial challenges.
10.2	The Board were advised that various Cost Improvement Processes (CIP) were being considered for the coming year. All invoices to HIF from HDFT were normally issued at one point in the financial year. As in previous years, HIF would request monies from HDFT via an [REDACTED], rather than a [REDACTED]. Until the agenda item on Fixed Assets had been resolved, this would maintain HIFs cash position and enable suppliers to be paid. An additional contingency sum was not considered necessary at this point.
10.3	It was advised that the costs in agency spend and overtime had shown a great reduction. However, there was a significant pressure on delivering reactive maintenance, given the age of the site and therefore there was a pressure on the non-pay estates spend. The cost of maintenance and the potential for additional spend would need to be considered in terms of contract inflation to the Trust. Control of maintenance costs would be needed to determine whether a request was a necessity. It was shared that Local Authorities were in similar situations.
10.4	The Board were also advised that there were cost implications with the following: <ul style="list-style-type: none"> • people opting back into the pension scheme as there had been a high uptake • the less-than-optimal CHP performance • the winter pressures / sickness with portering • usage and monitoring of postage
10.5	Non-executive Director (GB) highlighted the issues that were still being resolved with the auditors around corporation tax liability in the accounts and there was a discussion around the liability with a note that, as agreed earlier, there would be an item regarding financial at the January workshop and consideration of the financial situation in the upcoming contract discussions with the Trust.

10.6	Resolved: The finance report was received and noted.
HIF/12/19/11	Fixed Assets: Future Arrangements
11.1	<p>The report was received and taken as read. The HDFT Deputy Director of Finance outlined the issue on fixed assets and the agreement that it was appropriate to review the current arrangements now the Company had been established for a number of years. The options for ownership of fixed assets were outlined as:</p> <ul style="list-style-type: none"> • XXXXXXXXXXXX • XXXXXXXXXXXX • XXXXXXXXXXXX
11.2	<p>It was highlighted that, should HIF XXXXXXXXXXXX then NHSE would consider that a material change. Work was continuing with advisors, XXXXXXXXXXXX, to determine the impact and consider reaching a conclusion by the end of the 2023-24 financial year. The Chair was concerned about how depreciation would be financially recognised.</p>
11.3	<p>The options were discussed and it was concluded that there was currently insufficient information on the pros and cons of each to understand the full implications of the different ownership alternatives. Non-executive Director (RT) suggested speaking to other organisations in similar situations.</p>
11.4	<p>The Managing Director understood that other organisations had managed situations differently and that the model had always allowed for exceptions irrespective of the principle initially agreed. The Director of Strategy highlighted that when the subsidiary was created, the defined model had been for HDFT to own fixed assets and any new items would be transferred to the Trust.</p>
11.5	<p>Resolved:</p> <ul style="list-style-type: none"> • The operational pros and cons would need to be considered internally. • Any agreement would need to be considered by both the HIF board as well as the Trust Board
HIF/12/19/10a	Update on HIF Report and Accounts
10a.1	<p>The HDFT Deputy Director of Finance advised that the auditors were still awaiting the report on the tax liability from XXXXXXXXXXXX which was scheduled for 19 December 2023. A morning meeting had been scheduled for the final update with a view to the accounts to be signed in the afternoon of 20 December 2023.</p>
10a.2	<p>Non-executive Director (GB) clarified that the physical numbers in the accounts was not the concern and would not alter. However, HIF would either be advised to remove the tax liability and add a disclosure, or show the tax liability and the narrative would change. Based on the assumptions, the Board resolved to delegate authority for signing the accounts to the Managing Director provided the only options being considered were:</p> <ul style="list-style-type: none"> • No tax liability and add disclosures to the narrative • Tax situation remains as currently stated with no changes to the narrative
10a.3	<p>For clarification, should anything in the Report and Accounts need consideration outside these options, the Managing Director would not have delegated authority to sign the accounts.</p>
10a.4	

<p>10a.5</p> <p>10a.6</p>	<p>It was therefore expected that the HDFT Director of Finance would take ownership of ensuring the Report and Accounts were couriered to Companies House for confirmed delivery on Thursday 21 December 2023.</p> <p>As a contingency, should [REDACTED] not respond within the expected timeframe, it was agreed that the Deputy Director of Finance would schedule a 30 minute conference call with the Director of Finance, Managing Director and the Finance Manager with the auditors by 2pm on 20 December 2023.</p> <p>Resolved: The Board delegated authority for signing the accounts to the Managing Director under specific circumstances and agreed contingency arrangements should the accounts not be finalised.</p>
<p>HIF/12/19/8</p>	<p>Integrated Board Report (IBR)</p>
<p>8.1</p> <p>8.2</p> <p>8.3</p> <p>8.4</p> <p>8.5</p> <p>8.6</p>	<p>The report was received and taken as read. The Managing Director described the key points in the Company Highlights for Q4 section of the IBR.</p> <p>Explanation was provided regarding Catering remaining at 4-star rating and the efforts being made to achieve a 5-star rating included enabling works for the kitchens upgrade, changes to food delivery to wards, staff change areas, staff studying for additional qualifications, etc. To address some of the issues raised in the PLACE survey, additional options were also being considered for enhancing experiences such as meal ordering.</p> <p>The Board were advised that Standing Operating procedures were being updated and put in place for areas such as Porterage, Catering, Domestic Services, General Office, and Cleaning with subsequent training to ensure compliance.</p> <p>Non-executive Director (LH) noted a number of people had been shortlisted for the HDFT KITE awards and it was advised that a total of 17 nominations had been received, including three from managers. As the Chair was unable to attend the awards ceremony, Non-executive Director (LH) requested to attend. There was a discussion as to whether those nominated should receive a gift from HIF but it some were not in favour as it did not recognise the hard work by other team members.</p> <p>Action: Managing Director to liaise with HR to arrange for a member of the HIF Board to attend.</p> <p>The Managing Director also confirmed that:</p> <ul style="list-style-type: none"> • work on HIF risks was ongoing with the Director of Strategy and the Head of Health and Safety. • The Porterage audit gave limited assurance but this was seen as helpful as issues could then be addressed. • IT options were being considered to increase productivity • The final service area to attend a culture workshop would be SSD in February <p>Resolved: The content of the Integrated Board Report was noted.</p>
<p>HIF/12/19/9</p>	<p>Board Assurance Framework (BAF)</p>
<p>9.1</p> <p>9.2</p>	<p>The Board Assurance Framework was received for information and taken as read.</p> <p>The Board were advised that the HIF Sustainability Manager was awaiting a meeting with the HDFT Director of Strategy regarding the sustainability narrative in the BAF as it was considered there was more that could be included to demonstrate progress and highlight the need for this area to be more prominent.</p>

9.3	It was noted that the Governors were interested in the Green plan and that this needed further review to include digital and sustainability.
9.4	It was agreed to present an updated Green Plan to the HIF Board on behalf of the Trust, at the February 2024 HIF Board meeting. Action: Managing Director to work with the Quality & Governance Lead to present to February 2024 Board.
9.5	Resolved: The BAF was received and noted.
HIF/12/19/12	Workforce Report
12.1	It was noted that the Workforce Report was included in the IBR. In the absence of anyone from HR present, the Managing Director highlighted the following points: <ul style="list-style-type: none"> • There would be a deep dive into sickness – with concerns about increasing short term absences specifically in summer and Christmas holiday periods. Discussions were ongoing in the People & Culture Committee. • Increase in pension take up • Implementation of exit questionnaires • Consideration of apprenticeships, especially in Estates and Catering • Positive work being done by the HR team
12.2	The Chair commented that the review of the exit questionnaires was a positive move as staff across all sectors were moving jobs regularly for small pay increases.
12.3	The Managing Director noted an initiative to invite people to come to a taster session with HIF with the aim of exposing them to realistic work expectations. Additionally, the possibilities of career progression were also being highlighted as well as working in an industry that made a difference to saving lives. Work was continuing on the HIF induction process including writing a handbook to promote a feeling of belonging.
12.4	Further consideration would be given to including information in the Trust induction to explain the relationship with HIF and how they worked together. Action: Managing Director
12.5	Non-executive Director (GB) noted the work in other organisations regarding training people / managers to be responsible for their workforce which would help to grow within and assist with succession planning. He further suggested a benchmark check on the KPIs currently used in the workforce data as it was possibly inconsistent with similar organisations.
12.6	The Chair noted that he had requested a legend / key on the line graphs on the IBR in the last meeting but this was still in development.
12.7	Resolved: The Board noted the update.
HIF/12/19/13	Business Plan: Update
13.1	The Managing Director provided the Board with an update on the business plan for 2024-25, noting that work was ongoing with the senior management team (SMT). The detail from the report was outlined including work already done and the timeline for future work needed to produce the plan.

13.2	It was pointed out that the work was also linked with conversations being held with the Trust about the contract between the two organisations, including an upcoming meeting in January 2024 relating to contract value and efficiencies.
13.3	It was noted that both HIF and HDFT boards would need to agree to and sign a new contract and the potential issues if only reviewed in an already busy as quarter four. However, timing would be impacted by the availability of planning guidance from NHSE. The intention would be to consider a draft in the January 2024 workshop and link to the finance discussions at the same time.
13.4	The Managing Director drew attention to the need to have regular contract discussions throughout the contract period going forwards. It was not considered necessary to create additional meetings but to ensure that time was allocated within existing meetings to consider the contract.
13.5	Resolved: The Board noted the work that had been ongoing to develop the Company Business plan for 2023/24.
HIF/12/19/14	Any Other Business
14.1	In response to the Chair's request for an update on the RAAC situation, the HDFT Director of Strategy advised that NHSE were allocating £ xxxxxxxxxx for the current financial year for remedial work. The areas where the monies were to be allocated were outlined, including ITU, Farndale Corridor and Block C. Also a lease had been signed for another building to house the podiatry team in the meantime. Whilst the timelines were considered tight, the Managing Director also highlighted that procurement and availability of trades were also causing timeline issues.
14.2	An update was requested at the February 2024 Board Action: HDFT Director of Strategy
14.3	There were no further items of business and the meeting closed at 11.33am.
HIF/12/19/15	Evaluation of the Meeting
15.1	The Board considered that the correct topics and items had been discussed and that sufficient time had been allocated for the discussion.
15.2	It was noted that there would be a larger than usual agenda for the January 2024 Workshop and consideration was given to extending the length of the meeting – both starting at 8.30am and also potentially finishing later, depending on venue availability.
HIF/12/19/16	Date and Time of Next Meeting
16.1	Tuesday 30 January 2024, 8.30am – Workshop – Herriots Lounge

Signed:

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Dated:

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