

HARROGATE HEALTHCARE FACILITIES MANAGEMENT LIMITED
Company number: 11048040
(the "Company") t/a Harrogate Integrated Facilities (HIF)

APPROVED Minutes of a Meeting of the Company Board of Directors
held on Tuesday 29th August 2023, Cedar Court Hotel, Harrogate

Present: Mark Chamberlain, Chairman
 Lucy Hind, Non-Executive Director (LH)
 Roger Taylor, Non-Executive Director (RT)
 Gary Barrett, Non-Executive Director (GB)
 Angie Gillett, Managing Director
 Matt Graham, Director of Strategy (Stakeholder Non-Executive Director)

In attendance: [REDACTED], Deputy Director of Estates and Facilities
 [REDACTED], Finance Manager (HDFT)
 [REDACTED], Executive Assistant (HDFT) – Minute-taker

HIF/08/29/1	Welcome and Introductions
1.1	The Chair welcomed everyone to the meeting.
HIF/08/29/2	Apologies for Absence
2.1	Apologies were noted for [REDACTED], Deputy Director of People and Culture (HDFT) and [REDACTED] Head of Financial Management (HDFT). Unfortunately, on this occasion there was no one available to deputise for the Deputy Director of People and Culture. The Chairman confirmed that the meeting was quorate.
HIF/08/29/3	Declarations of Interest
3.1	There were no interests declared in relation to the business of the meeting.
HIF/08/29/4	Minutes of the previous Meetings
4.1	Resolved: The minutes of the meeting held on 27 th June 2023 were approved as an accurate record.
HIF/08/29/5	Matters Arising and Action Log
5.1	Matters Arising There were no matters arising from the minutes not already included on the agenda.
5.2	Action Log The action log was reviewed, updates received and completed actions noted.
HIF/08/29/6	Chair's Update
6.1	The Chair began his report by noting that it was expected that a Stakeholder Non-Executive Director would be appointed to the Board imminently to replace the vacancy left by Richard Stiff.
6.2	Referring to the media coverage of the Lucy Letby trial and verdict the Chair noted it was important to reflect on learning from this as an organisation. A recent letter from Amanda Pritchard, Chief Executive of NHS England had highlighted the importance of good governance, the Fit and Proper Person Test and ensuring that

<p>6.3</p> <p>6.4</p> <p>6.5</p> <p>6.6</p> <p>6.7</p> <p>6.8</p>	<p>organisations have people on their boards with the appropriate qualifications. The importance of Freedom to Speak Up was stressed; that people know how to raise concerns if they see something they do not feel is right, feel confident in doing so and that concerns are listened to and acted upon.</p> <p>The Managing Director noted the Company continues to promote a culture of openness and increased visibility of line managers, together with the arrangements in relation to Freedom to Speak Up. It was confirmed the Freedom to Speak Up Guardian for the Company receives quite a few contacts.</p> <p>The Non-Executive Director (GB) referred to the Fit and Proper Persons Test and asked if a skills matrix was maintained for Board members, to ensure directors have the appropriate skills and to identify any gaps. It was confirmed that whilst not formally recorded, the balance of skills was reviewed by the Chair. In relation to the Fit and Proper Person Test, some national changes were to be implemented. The Chair took an action to give further consideration to a Board skill matrix. Action: Chair</p> <p>On the operational side, the Chair noted the pressure on elective recovery continued, together with a focus on delayed transfer of care and moving patients on, highlighting the part the Company plays in this.</p> <p>Financially, it was noted it continued to be a difficult time for all Trusts and Integrated Care Systems around the country and where there were deficits, making savings and generating income were being looked at. The Company would need to be aware of this and consider both of these.</p> <p>There were no questions or observations.</p> <p>Resolved: The Chair's update was noted.</p>
<p>HIF/08/29/7</p>	<p>Managing Director's Update</p>
<p>7.1</p> <p>7.2</p>	<p>The report was received and taken as read. The Managing Director highlighted key points for the Committee to note:-</p> <p>xxxxxxxxxx</p> <ul style="list-style-type: none"> - The position remained challenging and the ongoing work was a distraction from other priorities for the team therefore there was a need to bring this to a conclusion. - The recent meeting with xxxxxxxxxxxx CEO had not been helpful in terms of moving things forward and no agreement had been reached. - In terms of the three elements of the contract dispute it had not been possible to reach agreement therefore the next step would be to move to the dispute resolution process, however it would be preferable to reach settlement without this. To date an offer of xxxxxxxxxxxx had been received in respect of xxxxxxxxxxxx, which would xxxxxxxxxxxx xxxxxxxxxxxx, which was not acceptable. - Discussion had taken place with the Trust's Director of Finance regarding RGIs and the life cycle of the CHP, which would reach the end of its life in May 2024 – replacement of this would be at a cost of xxxxxxxxxxxx, with an impact on the Capital Investment programme. Discussions were also ongoing with xxxxxxxxxxxx in relation to what the model would be going forward and an offer would be constructed based on the CHP model. The contract was also being reviewed to clarify the position in relation to liability, etc. and in terms of the xxxxxxxxxxxx programme.

7.3	<p>The Non-Executive Director (LH) observed that the contract is very specific in the event of non-achievement of savings. In response to a query on the contract, the Managing Director confirmed the contract includes the life cycle of the CHP and it was understood responsibility includes the system being fully operational and in good order.</p>
7.4	<p>As to the next steps, Board members sought the Managing Director's recommendation and the following points were highlighted:-</p> <ul style="list-style-type: none"> ○ Costs of proceeding to dispute were estimated [REDACTED] – covering the three elements: replacement guaranteed items, guaranteed savings, and CHP. ○ In line with the sustainability programme, the Company would not be looking to replace the CHP with a like for like option, and was not in a position to do so. ○ The Trust was keen for the Company to try and negotiate a resolution but not at the detriment of finances, therefore it was suggested a final view from a legal perspective was sought.
7.5	<p>Resolved: In the absence of a resolution, the Board agreed it was comfortable to proceed as described, with a last attempt to be made to negotiate a favourable outcome, noting the potential legal fees cost of [REDACTED] if it became necessary to proceed to dispute.</p>
7.6	<ul style="list-style-type: none"> ● Porterage Services <ul style="list-style-type: none"> - The organisational change process had concluded and feedback was being considered. It was noted there had been a number of conversations with UNISON representatives.
7.7	<ul style="list-style-type: none"> ● Security <ul style="list-style-type: none"> - A meeting had taken place with HDFT's Chief Operating Officer and Deputy Director of Nursing when it had been agreed there was a joint responsibility for what happens on wards/the front of the hospital. Their view was that de-escalation was needed in the ward environment to address any behavioural issues and work would be undertaken to ensure staff were trained appropriately. - The Company would continue to provide a security presence at the front of the hospital, with the contract held by the Trust. This would give the Company time to decide on the future model, as previously discussed, and to enact any licensing arrangements that may be required. - Work was ongoing with the Trust's Health and Safety Manager to identify training needs and to ensure the Company's staff were adequately trained and aware of their responsibility to provide de-escalation only.
7.8	<ul style="list-style-type: none"> ● Environment <ul style="list-style-type: none"> - The Managing Director had attended the Trust's Leadership Team meeting the previous week to discuss plans for tidying up the hospital site once the current building work was completed, including estates maintenance, grounds and gardens. An action plan had been agreed. - The Deputy Director of Estates and Facilities was leading work on standards with the domestic team. - An update would be provided at the Trust's SMT in September.
7.9	<ul style="list-style-type: none"> ● Car Parking <ul style="list-style-type: none"> - Briefing sessions on the new arrangements continue.

<p>7.10</p> <p>7.11</p> <p>7.12</p> <p>7.13</p>	<ul style="list-style-type: none"> • Company Accounts <ul style="list-style-type: none"> - Discussions had taken place with the Trust's Director of Finance and it had been confirmed that external auditors, [REDACTED] would start their audit work around October, with a target date before 31st December for submission of accounts. - A timetable would be in place for the production of the accounts, including recommendations from the last audit. <p>The Chair suggested a meeting with [REDACTED] be factored in as part of the sign off of the accounts or at the start of the process and the meeting considered when would be the most appropriate time. The Chair noted that the audit was expected to be more straightforward this time. The Non-Executive Director (GB) noted that it was normal practice for external auditors to attend board to present annual accounts. It was agreed the Managing Director would discuss with the Trust's Director of Finance inviting [REDACTED] to December's Board meeting to present the accounts.</p> <p>Action: Managing Director</p> <p>There were no further questions from the meeting.</p> <p>Resolved: The Managing Director's report was noted and the ongoing work across the organisation.</p>
<p>HIF/08/29/8</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>The report was received and taken as read. The Managing Director highlighted key points to note:</p> <ul style="list-style-type: none"> • The Welcome Pack had been drafted and a review of induction and onboarding to ensure all colleagues have a positive experience was awaited in order to finalise the pack. • A half-day recruitment event was to be held on 6th September. • Planning for winter was underway. • HIF had attended a job fair at the Harrogate Job Centre and met with Andrew Jones MP to discuss local recruitment to HIF roles. • Inpulse surveys – work continued to support managers in sharing the outcome of the surveys with colleagues. • People Plan – under development. • KPIs – <ul style="list-style-type: none"> - Sickness absence – an increase had been seen during the last month. - Estates – finalising the migration to MiCad, reporting will be in place from mid-September, which will give a clearer view on this. - Waste – considering how this is managed, with greater focus on sustainability. [REDACTED] was on board with this. - Risks – dates now included. <p>The Chair noted all were welcome to join the recruitment event, starting at 9am, at the Cedar Court Hotel.</p> <p>The Chair noted that the workforce report was included within the IBR and it was agreed to discuss this under item 14.2, the People and Culture Committee's Chair's Report.</p> <p>There were no questions on the IBR.</p> <p>Resolved: The Integrated Board Report was noted.</p>

HIF/08/29/9	Board Assurance Framework (BAF)
9.1	The Board Assurance Framework was received for information and taken as read. The Managing Director noted that a summary would be included in future to highlight any changes.
9.2	Resolved: The BAF was received and noted.
HIF/08/29/10	Finance Report
10.1	<p>The Finance Manager, HDFT, presented the financial report for Month 3, which was taken as read. The key messages were highlighted:</p> <ul style="list-style-type: none"> • The improved performance in July, resulting in a xxxxxxxxxxxx being reported due to contract variation catch up. • The year to date xxxxxxxxxxxx as a result of the run rate – drivers for this were non-delivery of CIP and poor car parking income performance. • Discussion had taken place with the senior team when compiling the report around guaranteed xxxxxxxxxxxx. It had been agreed if £ xxxxxxxxxxxx was achieved, the impact of this would be modelled into the forecast, and would deliver CIP, although non-recurrently, and result in a £ xxxxxxxxxxxx at the year-end xxxxxxxxxxxx of the planned surplus. • No income forecast had been included in respect of xxxxxxxxxxxx as there was no information available as to its potential impact on performance.
10.2	The Non-Executive Director (GB) referred to the CIP and the suggested use of savings from xxxxxxxxxxxx and highlighted that it had not been included in April. The Finance Manager advised that it was a post balance sheet event discussion, no figures had previously been included due to uncertainty around this, only recently had the figure been identified. The Managing Director highlighted that xxxxxxxxxxxx was willing to settle at xxxxxxxxxxxx, however, the Company did not feel this is sufficient as the contract specified that performance would guarantee a saving of xxxxxxxxxxxx therefore xxxxxxxxxxxx is in effect the bottom line position. Alternatively, the Company could focus on achieving the outstanding CIP from other means.
10.3	The Non-Executive Director (GB) sought assurance that there were no other numbers not shown on the ledger. The Finance Manager confirmed this would need to be considered in the annual reconciliation.
10.4	The Non-Executive Director (RT) referred to car parking income and the comment that no information on the amount of income generated by xxxxxxxxxxxx would be available until December. The difficulty in forecasting this was explained as it was not known how many staff would re-apply for parking or how much income would be generated from visitor car parking. The Non-Executive Director noted that the potential income should reflect the figures in the business case. The Finance Manager agreed to look at modelling the forecast potential income from December.
10.5	<p>The Chair observed that clarity was required, particularly on the potential effect at year-end.</p> <p>Action: Finance Manager</p>
10.6	<p>In terms of CIP, the Managing Director noted that it remained a high risk as identifying further savings would be difficult, xxxxxxxxxxxx remained to be identified. It was agreed some scenarios would be produced for discussion at the next meeting.</p> <p>Action: Finance Manager</p>

<p>10.7</p> <p>10.8</p> <p>10.9</p>	<p>The Director of Strategy referred to the overall efficiency target of £ xxxxxxxxxx and noted that £ xxxxxxxxxx for the Estates restructure was included in that. The Finance Manager confirmed that this would be phased in as and when vacancies were recruited to, as a number of posts remained vacant, the majority of which were management posts. In effect they were not part of the CIP as Estates had always had so many vacancies. The Managing Director noted this was linked to having a fully established estates team which would enable service developments to be pursued.</p> <p>There were no further questions.</p> <p>Resolved: The finance report was received and noted.</p>
<p>HIF/08/29/11</p>	<p>Pensions Order : Future Options</p>
<p>11.1</p> <p>11.2</p> <p>11.3</p> <p>11.4</p> <p>11.5</p>	<p>The report was received and taken as read. The Managing Director noted that in February 2022, the Board of Directors had approved the request to apply to the Pensions Agency for an open pension order for staff within HIF. In September 2022, the Pension Agency advised that new employees could join the NHS Pension Scheme. Work had been underway since that agreement to identify the potential offer to staff and the likely financial impact on the Company. Recently, new legislation introduced automatically enrolls any new starters in HIF into the NHS Pension Scheme, which had changed the current options available for new starters and no longer provided the option to join the xxxxxxxxxx.</p> <p>A number of existing staff had also expressed disappointment at not being offered the option to join the NHS Pension Scheme, with the xxxxxxxxxx the alternative scheme available. Other staff had preferred not to enrol in the xxxxxxxxxx with the benefit of an additional 3% in their salary. As a result of the recent changes to pension legislation, it was considered appropriate to review the existing arrangements for staff within the Company.</p> <p>The Board was asked to approve the recommendation that:-</p> <ul style="list-style-type: none"> • As per new legislation all staff would be advised that they would be auto enrolled into the NHS Pension Scheme; • Staff currently employed who opt to take out the NHS Pension scheme would have their salary frozen until the A4C salaries catch up, therefore creating parity with colleagues who TUPE'd over to HIF; • Current staff who did not wish to take out an NHS Pension would remain on HIF terms and conditions of employment and continue to receive an annual increment in line with NHS increments. These staff groups would continue to receive the 3% additional benefit in salary. <p>It was recognised that there was the potential for pay claim challenges, however having sought legal advice, it was felt that the options put forward were a reasonable compromise. There was only a small number of staff who moved from the NHS Pension Scheme to the xxxxxxxxxx as a result of promotion and accepting the Company's terms and conditions of employment, these terms and conditions would remain in place in the Company.</p> <p>The Non-Executive Director (LH) asked how the potential cost of xxxxxxxxxx for this year would be funded. The Managing Director confirmed that the Company would have to meet this, however, the figure may be less as some people may choose not to take up the option. All staff would receive the information and it was for individual's to decide if they wished to avail themselves of one of the options.</p>

11.6	Resolved: The Board agreed to approve the recommendation outlined under 8.2 and progress to engaging with staff side representatives on the next steps and associated timescales.
HIF/08/29/12 Future Company Model : Action Plan	
12.1	Following the Board's session on 27 th June with representatives from the Trust's Finance Team, and following further discussions, the Managing Director presented a general update on the work being taken forward in terms of the future model for the Company, the joint action plan was included as an appendix to the report.
12.2	<p>Key points in terms of progress were noted:</p> <ul style="list-style-type: none"> • The Company had established a task and finish group to take forward the majority of actions. • Actions over the coming weeks included: <ul style="list-style-type: none"> - To complete the service specification review and to discuss the Corporate service level agreement to confirm the level of support needed in key areas, e.g. the company secretary role. - To finalise the Standing Financial Instructions for sign off by the Board – clarity was needed on delegation and limits. - Document contract and service variation form to be established and approved within the Trust. - Ordering process regarding Hospitality and Estates to be prepared to ensure the Company receives all income due. - Review of meeting attendance of HIF representation at Trust meetings – decision making matrix to be developed. - To complete the review of the Operating Health Care agreement to establish areas to be considered for further debate with legal and financial/tax experts. - To discuss the potential future model for the Company at a workshop in September.
12.3	Resolved: The Board noted the ongoing work to review the current company structure with a view to agreeing a revised model to be implemented.
HIF/08/29/13 Patient Led Assessments of the Care Environment (PLACE) / Catering Team Update	
13.1	<p>A presentation was received from the Deputy Director of Estates and Facilities highlighting the progress made over the last 12 months. At the start of the restructure there had been low staff morale, financial loss, food safety issues and equipment issues. Restructuring the team had resulted in benefits for the Company and the staff. Some tasks previously undertaken by managers had been devolved resulting in freeing up time for other priorities.</p> <p>Benefits included:</p> <ul style="list-style-type: none"> • New roles/development opportunities for colleagues, covering areas such as: <ul style="list-style-type: none"> - Training and development - Stock control and management and better use of Oracle - resulting in savings - Health Roster – electronic rostering implemented and rolling out to others • More visible leadership • Team objectives

13.2	<ul style="list-style-type: none"> • Cross functional working had been successfully implemented, with staff trained to cover other areas, benefits included variation in roles, building team relationships and reducing labour/agency costs. • Changes in retail had also taken place: <ul style="list-style-type: none"> - A new food offer and regular pricing reviews in Herriots. - Extended opening hours in Café Bistro (Herriots now closes in the evenings and weekends due to a drop in demand). Investment in new coffee machines and local coffee sourced. Sales figures were encouraging. - Investment in new equipment had been made in the hospital kitchen. Further work would be required in respect of the environment. - Cross working on the food preparation for serving belt had been introduced and staff return to their other role once service is over. - Menus had been changed to help maintain food at the correct temperature. - The hot offer had been reduced and more seasonal, healthy options introduced and menus continue to be reviewed. • Continuing Professional Development <ul style="list-style-type: none"> - Staff are being encouraged to join the Hospital Catering Association and to visit other Trusts to see best practice. • Future Ambition <ul style="list-style-type: none"> - Improve patient experience. - Continue to transform the service. • PLACE <ul style="list-style-type: none"> - Following the headline in the Daily Mail “Harrogate has the worst food in England” – a review had highlighted areas where the Catering Team had no control over including what happens at ward level. - Work was ongoing including: to produce a food action plan, a trial of ward hosts, implementing protected meal times from September and development of a business case to introduce a bulk food model with funding of around £200k required in addition to savings on the current arrangements. - Projected best case scenarios were shared in terms of the outcome from the next PLACE assessment as it was recognised that all Trusts would be looking to improve their scores therefore the national average score would rise. The aim for the Company would be to exceed the national average. - In conclusion, the overall food scores would improve at the next assessment, there was a limit to what could be achieved without funding and from an environmental perspective, a focus would be required on disability and dementia scoring as starting to fall behind on these.
13.3	<p>The Non-Executive Director (LH) asked how engaged the Trust was in improving scores and understanding of the need for investment. The Deputy Director of Estates and Facilities noted that some would be dependent on changing and maintaining practices, such as protected meal times. In terms of a question in the assessment - is there a place where patients can eat away from the bedside, it was not possible to offer this on all wards. The Trust’s Nutrition Advisor was assisting with the trial of ward hostesses and a presentation would be received at the Trust’s SMT in September on this, a business case would be required to enable investment in this initiative. The Director of Strategy added a note of caution in terms of the pressure on finances and that the scope for investment was limited.</p>
13.4	<p>The Managing Director suggested it would be helpful to run a mock PLACE assessment in advance of the next assessment to identify any risks to not achieving improved scores.</p>

	Resolved: The Board noted that good progress was being made and recorded its thanks to the Deputy Director of Estates and Facilities and his team.
HIF/08/29/14	HIF Sub-Committee Chair's Reports
14.1	Governance and Compliance Committee
14.1.1	The Chair of the Committee (LH) noted apologies for not yet submitting a written update, this would follow shortly. The Committee had met at the end of July and received updates on future arrangements for contract meetings, work in relation to PLACE assessments and general works ongoing. It was noted there was a significant amount of work underway within the Company to ensure that issues are identified, followed through and escalated appropriately, including to HDFT.
14.1.2	There were no issues requiring escalation to the Board.
14.2	People and Culture Committee
14.2.1	The report was received and taken as read. The Chair of the Committee (GB) reported that the Committee had reviewed the Workforce Report (included within the IBR in today's meeting papers), had been very happy with the new format and information presented and recommended its use going forward. An additional area requested to be added to the report was the cost of temporary staffing and how this is managed, to enable this to be monitored.
14.2.2	Highlights from the report were noted: <ul style="list-style-type: none"> • Staff turnover remained high at 20%, however this figure may not be high for the type of services the Company is providing. The target was 10% which may not be appropriate. The Chair of the Governance and Compliance Committee agreed to provide some comparison figures for catering and cleaning staff groups and it was noted the UK average was 16%. The geography of Harrogate may also be a factor. It was highlighted that 37% of HIF staff leaving in the last 12 months had less than two years' service. This may reflect the UK position as a whole. • Sickness absence continued to run at a higher rate than we would like, 6%, in July it was the 31-35 age group with the highest sickness rate. The most common reason for sickness absence was due to musculoskeletal reasons.
14.2.3	The Committee had discussed the quarterly Inpulse surveys and annual Staff Survey, following feedback that staff were feeling a little jaded due to the frequency of surveys, and in this case do they deliver anything new. There was also a feeling that the questions did not relate to HIF colleagues. The Committee had suggested giving consideration to having a wider gap between surveys. The Managing Director highlighted the time commitment in increasing engagement.
14.2.4	The Non-Executive Director (LH) noted that if the Company was looking externally, the surveys may be less pertinent and should focus on specific things we report back to our staff on.
14.2.5	The Director of Strategy noted that the surveys show how the organisation is progressing in terms of actions being taken forward and the Company could decide how hard it wanted to promote engagement.
14.2.6	The Board agreed it would be guided by the Managing Director on this if there were options to change the frequency of the surveys. Action: Managing Director

14.2.7	The Chair of the Committee invited the Chair of the Governance and Compliance Committee to join the next People and Culture Committee meeting, in December. Alternatively, there may be an informal meeting prior to that to follow up on some ongoing matters prior to the next formal one.
14.3	Resolved: The Board noted the updates.
HIF/08/29/15	Any Other Business
15.1	There were no further items of business.
15.2	The meeting closed at 11.45am.
HIF/08/29/16	Evaluation of the Meeting
16.1	The Board agreed the presentation on the improvements made within the Catering service was excellent and agreed if there were other areas where progress could be shared, a similar style presentation would be welcomed.
HIF/08/29/17	Date and Time of Next Meeting
17.1	Tuesday 26 th September 2023, 9.00am - Workshop