

## Summary of Board meeting on 14 January 2016

**New Board Members** - The Chairman was pleased to announce the appointment of Mike Strong to the Board as a Non-Executive Director from 1 February 2016.

**Corporate scorecard** - Delivery against the corporate scorecard in month 10 is on track for year-end against most objectives, with continued risk on customer perception and debt recovery. A taskforce, led by the COO is now in place to address the latter.

**Restructure** - Authority to proceed with the restructure has been granted. The project timetable was circulated and it was confirmed that the formal consultation launched on 12 January 2016. The new structure should be in place by the end of April with clear lines of accountability throughout the company.

**Stakeholder Engagement** – There have been ongoing and constructive communications with the BMA regarding the GP generic lease. Currently we are waiting for final agreement of the standard document.

**Billing** - Q4 billing templates were reviewed in December 2015 by the virtual teams to identify obvious anomalies e.g. disposed properties, recent occupancy changes or template errors. The Finance Team will process the Q4 billing in January 2016, with an additional “true up” position being communicated in March 2016. Whilst operating on a full cost recovery basis, the underlying data quality is crucial to billing accuracy.

**Financials** - Income and expenditure targets were reviewed. Income is currently below target. There has been significant cost saving as part of the efficiency plan. Discussions are ongoing with DH with the intention of completing equity funding in early February 2016.

**Market rental** – Communications will shortly be sent to the CCGs as part of the budget process to ensure Q1 bills are issued on time.

**Budget** – The budget process is on track. The draft aggregated budget will be presented to the February Executive Committee prior to the March Board. The expenditure budget will be reconciled to the business plan.

**Operational issues** - Telephony and IT services (North) - CSUs, which currently have responsibility for IT, telephony and data services in our buildings cease on 1 April 2016. The company would offer support to NHSE as it should not be presumed that the company would take on this role.

Greater Manchester Devolution – Company representatives will be joining the Estates Planning Group which will allow us to fully understand our opportunity in ‘shifting’ care from acute to community settings.

FM rationalisation programme - The in-house self-service business case review is complete. Hard FM rationalisation is nearing completion with contract interviews at the end of the month. Soft FM reviews are progressing with further savings being passed back to the NHS without reduction to the quality of service.

Crawley Hospital - Work is progressing on site.

**Strategic Estates Planning** – The target has been achieved with 86 good quality reports produced for 107 CCGs. The CCGs own the plans however an initial review has identified further opportunities not currently in the pipeline. These will be reviewed in more detail to

inform the strategic business plans and share with CHP. The CFO, NHSE has also asked for representation at his team meeting to discuss indicative opportunities.

The Director AM is working with CCGs to help them prepare proposals for submission to the Primary Care Transformation Fund for investment in premises or technology which will increase the capacity of general practice and out-of-hospital care.

There followed a discussion about how to shift from cost reduction to value creation and it was explained that this was the next phase of company work. The organisation redesign will bring enhance skills into the company to further develop commercial opportunities.

**Customer engagement** - The Board was updated on activity to promote engagement and enhance support to our customers. These activities have shown an improvement in the "customer rating. The Account Managers and senior team have been visiting customers and running local customer days /events to demonstrate real engagement.

A Customer Relationship Management database has been introduced to record key contacts, debt and lease information for the top 125 customers. This source of information enables the Account Managers to interact more effectively with customers. Together with the launch of the virtual teams, customer engagement is more co-ordinated.

A new complaints protocol has been introduced resulting in improved responsiveness to customer issues. 97% are now responded to within statutory timescales.

Communication models have been reviewed with stronger support for our people and information for customers on key issues and achievements, as well as the company approach on leases, bills and market rent. The toolkit includes a new marketing pack, core presentation, updated customer guide and revamped version of NHS Property News.

There is still a lot of work to improve how we engage with customers and this will include the launch of an internal customer campaign supported by clear strategy and policies, training and communication of lessons learned, and research.

### **Board committees update**

The Facilities Management committee is now moving into the new quarterly cycle with a focus on mission and assurance. An assurance visit has been planned at Bootham Park Hospital on 18 February 2016.

The Assets and Investment committee will be meeting on 25 February 2016. One of the topics for discussion will be the systematic use of analytics to improve the quality of decisions.

The Audit and Governance committee met in December and issues on billing, payments to creditors and the waiver process were discussed. Committee members will be meeting again on 2 February 2016.