



**Oldham Trading Group**  
**[Oldham Care Services Ltd: Oldham Care and Support Ltd: Oldham Care and Support at Home Ltd]**  
**Minutes of the Board of Directors' Meeting**  
**7<sup>th</sup> December 2015**

<b>Present:</b>	<b>Board members</b>	<b>In attendance</b>
	Cllr Zahid Chauhan (Chair)	Paul Whitehead - Finance Director (PW)
	Cllr Jenny Harrison (CllrJH)	Diane Taylor – Associate Director LD &MH (DT)
	Cllr John F McCann (CllrJMc)	June Rainford – Associate Director OPS & COoH
	Karl Dean – Managing Director (KD)	Valerie Perrins – Associate Director QPC
	Mick Ord – Non Executive Board Member (MO)	Mark Warren – OMBC Director Health and Wellbeing (MW)
		Sarah Southern – Business Admin Manager (Minutes)

**Apologies:** Cllr Ginny Alexander  
Maggie Kufeldt – OMBC Exec Director acting as shareholder’s advisor to the Board

No	Agenda Item	Action
1	<b>Welcome, Introduction, attendees and apologies</b>  The Chair welcomed everyone to the meeting, introductions were made and apologies recorded for Cllr. Ginny Alexander and Maggie Kufeldt.	
2	<b>Declaration of Interest</b>  CllrJMc is a member of the Unity Partnership – JVCo Board and Unity Partnership Ltd - Partnership Board	
3	<b>Limecroft – Presentation and Discussion</b>	

	<p>JR gave an overview of the services provided at Limecroft.</p> <p>OCSH provides residential short term care to individuals with a diagnosis of dementia or memory problems. They support people who are finding it difficult to cope with personal care, social and emotional needs and require a period of assessment to ensure their transition from hospital to home is safe. They also support those who are struggling to manage in the community and require a period of assessment.</p> <p>The service also provides an emergency and planned respite facility to give carers and individuals a period of respite away from the caring role or to take a planned holiday.</p> <p>Since taking over the service in September 2014, a redesign of the staff structure was carried out to future proof the service and work will continue in order to move the service forward and ensure compliance and safety.</p> <p>The transition from the old provider to OCSH was problematic and there have been many challenges within the last 12 months. A comprehensive action plan details all the work completed in the first year and as Limecroft entered its second year it was felt that the service was still not at the required level and a continuous improvement plan was put in place.</p> <p>Some of the key challenges of the service were discussed.</p>	
4	<p><b>Limecroft Safeguarding concerns</b></p> <p>A report was received by Board members in relation to two safeguarding concerns at Limecroft.</p>	
5	<p><b>Minutes of Last Meeting</b></p> <p>The minutes of the last Board Meeting held on 5<sup>th</sup> October 2015 were agreed as a true record.</p>	
6	<p><b>Matters Arising and Previous Actions</b></p> <p>Chair went through the Action Log. There are two outstanding items; the first is regarding the company website. It was noted that this is now underway and it will be launched at the group's first AGM in February 2016. The second action was in relation to the Chair visiting the Home Care service. This is on track to be completed in the New Year. All other items had been completed.</p>	
7	<p><b>Risk Register</b></p> <p>PW updated Board on the Strategic Risk Register. He recalled how a decision was made to focus on high level risks (those with a score of 12 or more) and that operational risks with a lower score would form the basis of an operational risk register within each area of business, the responsibility for which would be devolved to the SLT.</p>	

	<p>PW added that since the last review the following risks have been removed from the register:</p> <ul style="list-style-type: none"> <li>- F1 Agreement of management fee – the 2016 fee is close to agreement and the risk has reduced significantly</li> <li>- O2 CQC changes – this has been replaced by G4 and is more focussed on the potential outcome of inspection than the impact of regulatory changes</li> </ul> <p>The following risks have been added to the register:</p> <ul style="list-style-type: none"> <li>- G3 Safeguarding – perceived significant risk increase following recent events at Limecroft</li> <li>- G4 CQC inspection – Replaces O2 as set out above</li> <li>- W7 Recruitment and retention – risk identified around potential resilience following staff reductions due to budget cuts and issues around retention</li> </ul>	
8	<p><b>Annual Report</b></p> <p>KD gave an overview of the annual report.</p> <p>OCS has to produce an annual report for the Council as part of the current service level agreement (SLA). The report covered the company’s operating period October 2014 – September 2015.</p> <p>Despite an increasingly operating environment and funding challenges, KD offered that the company had a successful year. KD went on to say that highlights have included the creation of the parent company (Oldham Care Services), which had helped to realise significant savings in terms of VAT. The company had also done a lot of work in preparation for becoming a Community Interest Company, recruited a new Board member and made two key appointments to the SLT.</p> <p>KD felt that since his appointment the relationship with Commissioners had developed and is now more mature than it has previously been with clear evidence of collaborative working. The monthly client meetings that are held are now a two way conversation with both parties supporting and healthily challenging to each other.</p> <p>KD stated that by 2016/17 the management fee received from the Council will have reduced by £3.9 million since October 2013. This figure represents a 25% reduction in income over 3 years and yet despite this the organisation still provides nearly all the same services that it did at the time of transfer.</p> <p>Staff consultations were carried out throughout the year and these helped the company make some substantial savings.</p>	
9	<p><b>MD Update</b></p>	

	<p>KD gave an update on the following areas:</p> <p>OTG are still working closely with commissioners in mapping out all of OTG's products and services. KD stated that he has had a lot of input into report which will go to leadership in the New Year.</p> <p>Communications Framework – This has now been issued to all staff. It provides a clear statement to ensure that information is communicated effectively and lets staff know what is going on within the company and the different groups and services. It also details what staff can expect from the MD and the SLT and what is expected from all staff.</p> <p>Homecare Turnaround Plan – Homecare continues to be a financial challenge for OCSH and so, as requested at October's Board meeting, a turnaround plan has been drawn up to see if any changes can be made to the service in order to better its financial performance. Within this service there are areas that are external therefore the plan concentrates on the areas that can be controlled / influenced internally i.e. hourly rate, recruitment etc.</p> <p>Pay and Reward Review – Currently working with the Council on reviewing the pay and reward for the whole of OTG. Any proposals made will be brought to Board for approval.</p>	
10	<p><b>Management Accounts Period 10</b></p> <p>PW gave an update on the group's management accounts as they stand at month 10.</p> <p>Across OTG there is a positive variance of £202k, with a surplus of £187k.</p> <p>There is a significant difference in the performance of the 2 companies, with OCS's performance masking the poor performance of OCSH with the actual loss to date in OCSH standing at £62k. The Home Care service continues to be the most significant financial challenge within OCSH and is accountable for the entire loss in this business year.</p> <p>There was a significant saving in OCS due to the recovery of VAT.</p> <p>ClIrJMc asked if any progress had been made on trying to obtain a more concentrated geographical area of Saddleworth for Home Care as this would be have a financial benefit as less travel costs would be incurred.</p> <p>PW replied that the Council agree the geographical areas and that discussions with the Council in relation to Home Care continue.</p> <p>It was noted that the Home Care market in general is fractured and is 'looming' into crisis. Across Greater Manchester it has been agreed that the current Home Care model cannot continue as it stands and a medium to long – term solution being produced.</p>	
11	<p><b>Draft Budget 2016</b></p> <p>PW gave an overview of the draft budget for 2016 for the 3 companies.</p>	

	<p>PW advised that budget meetings are still ongoing internally to finalise the 2016 budget.</p> <p>In order to receive a balanced budget in OCS in 2016, there is a requirement to make additional savings of £765k. £400k has been identified however this currently leaves £365k as unallocated.</p> <p>Significant work still needs to be undertaken on the budget for OCSH particularly in relation to the Home Care service which continues to incur a significant loss.</p> <p>The draft budget for 2016 currently shows a negative result across the group although it is envisaged that with further savings proposed in OCS together with a turnaround plan for OCSH that a positive final budget will be presented to Board for approval.</p>	
12	<p><b>External Audit Plan</b></p> <p>PW explained that the audit plan has now been received from Grant Thornton.</p> <p>A meeting of the Audit Committee will be held next week where this will be discussed in more detail. The main area of discussion will be around agreeing the new accounting policies so that the financial statements can be prepared in accordance with the approved policies.</p> <p>It is expected that an Extra – Ordinary Board Meeting will be called on 29<sup>th</sup> January 2016 to sign off on the end of year accounts.</p> <p><b>Action:</b>  <b>SS to arrange Extra – Ordinary Board Meeting on 29.1.16</b></p>	SS
13	<p><b>Governance</b></p> <p>KD gave an overview of the current committee structure and requested Board Members approval to change the structure to one that is pragmatic and better meets the needs of the organisation whilst still providing a solid governance base for OTG.</p> <p>The current committee structure consists of 5 individual committees:</p> <ul style="list-style-type: none"> <li>- Finance Committee</li> <li>- Audit Committee</li> <li>- Quality, Performance and Workforce Committee</li> <li>- New Business Growth and Development Committee</li> <li>- Remuneration Committee</li> </ul> <p>The proposed new structure is as follows:</p> <ul style="list-style-type: none"> <li>- Finance, Audit and Risk Committee. This will replace the separate Finance and Audit Committees)</li> <li>- Operations Committee. This will replace the separate Quality,</li> </ul>	

	<p>Performance and Workforce Committee and the New Business Growth and Development Committee</p> <ul style="list-style-type: none"> <li>- Remuneration Committee</li> </ul> <p>It is recommended that the first two of these committees meet on a quarterly basis with the Remuneration Committee meeting as and when required but in all probability no more than twice a year.</p> <p><b>Agreed: All Board Members present approved the new structure for OTG Board sub committees</b></p>	
14	<p><b>AOB</b></p> <p>Chair reminded Board members of their roles and responsibilities and asked if they felt confident that they are aware of what is going with the companies.</p> <p>ClIrJMc reported that he feels that since the appointment of KD, the quality of the reports presented has improved dramatically and the information in them is now a lot clearer. He also feels that staff have kept Board members up to date on important issues and that the Board is improving. However he does feel that a lot of weight is placed on the MD and the Chair.</p> <p>ClIrJH stated that when the Board was first created, each member was taken around the business so that they could see all the different services and what they provided. This has not happened since but feels it should be explored.</p> <p>ClIrJH suggested that at future Board meetings, staff could have a 15 minute slot to present 'A day in the life of' to Board and describe what a typical working day is like for them.</p> <p>KD suggested that one possible way forward in the future was that each Board Member could be partnered up with a particular service area and that some thought should be given to which member best suits which service area.</p> <p>The Chair suggested that a menu of events and ways in which Board Members can get involved should be circulated to members on a regular basis to notify them of what activities / events are taking place. Board members can then chose which events they would like to attend.</p> <p>Chair requested that an 'In Confidence Section' be added the Board meetings. This is to take effect from the next meeting in January 2016.</p> <p>Chair raised the idea of rotating the Board meetings around the business and hosting them at Limecroft, Medlock or Whitney Court. It was agreed that SS would check the suitability of other venues and rotate the meetings accordingly.</p> <p>Chair suggested the appointment of a Vice Chair and stated that this should be an independent Non Executive Board Member rather than an elected member. This can be revisited when further recruitment has taken place and the NEDs have had time to bed in.</p>	

	<p><b>Actions:</b></p> <p><b>SS to draft a menu of activities/ events that board members can attend throughout the year</b></p> <p><b>SS to look at alternating the Board meetings around the Business</b></p> <p><b>SS to add 'In Confidence Section' to future meeting agendas</b></p>	<p><b>SS</b></p> <p><b>SS</b></p> <p><b>SS</b></p>
15	<p><b>Date and Time of next meeting: Monday 18<sup>th</sup> January 2016 – 9.30 – 11.30am</b></p> <p><b>@ Ena Hughes Resource Centre, Failsworth</b></p>	