

Board meeting

Minutes of the meeting of the Board
at 5:30pm on **30th June 2020**

Held via:
WebEx video conference

Board Members

Mr I Thompson, Chair
Mr T Roehricht, Vice Chair

Mrs C Jardine
Ms K Kennedy
Mrs C Lumsden

Mr D McIntosh
Ms P Russell
Mrs J Simpson

Attending

Jean Gray, Chief Executive Officer (CEO)
Howard Vaughan, Director of Finance and Assets (DFA)
Helen McMorran, Director of Business Support (DBS)

Ann Wood, Director of Care (DC)
Esther Wilson, Director of Housing and Support (DHS)
Tom Mitchell, CGPM Consulting LLP

Apologies received

Mr J Muir

Minutes

Item	Subject	Action	Due Date
00	Welcome		
a	There being a quorum present, the Chair welcomed all and opened the meeting. Following agenda item 03 there would be a short break.		
b	Apologies were received from John Muir.		
c	No declarations of interest, other than those already on the record, were made.		
01a	Minute of previous meeting		
a	CJ proposed the minutes be approved and the motion was seconded by PR. The minutes of the meeting of 26 th May 2020 were approved without change.		
01b	Matters arising and outstanding actions		
a	All actions except 26 and 48 were considered to be closed.		
b	There were no matters arising not on the agenda or not included in the outstanding actions log.		
02	Risk register and risk appetite		
a	The CEO introduced the paper. There are a number of risks extant and these have been given an appropriate priority. Over the past 4 weeks messages have been received from other groups with which VHA interacts, one of the underlying messages is that COVID-19 is not a standalone risk and affects most areas of the business and the risk is a more general pandemic rather than one tied to a specific pathogen. The purpose of the paper is to pose		

questions and to provide an opportunity for the Board to give guidance on how to move forward.

b The meeting considered the paper to be a very helpful and a useful platform to review and consolidate how VHA approaches risk.

c The meeting considered the following matters:

- That strategic planning and risk management are aligned;
- Actions in the risk register, where possible, have a completion date;
- The specific risk scoring attributed to the @Home service;
- Future use of the annual report of the World Economic Forum in horizon scanning activities;
- Changes to the risk register to reflect the discussion above.

d TM noted that the risk appetite of VHA perceived by Executive and Board were reasonably aligned. The purpose of the risk appetite session is to bring two perspectives together into a single articulation of VHA’s risk appetite. It was agreed to:

- Remove the words “regulatory engagement” from the severe definition of delivery impact;
- Remove the word “limited” from the major definition of resources impact;
- Add the word “potentially” to the major definition of resources impact; and
- Add the words “Occasional or sporadic” to the minor definition of reputation impact.

e TM suggested and it was accepted that where there was agreement in view between Executive and Board the appetite is taken as a given and the meeting focussed on areas of divergence. Each area was discussed in detail and the following positions were agreed.

Area	Agreed	
Compliance	Negligible	Still significant work ongoing to processes and a need to set a high standard. Performance is good and wish to retain this. Will be good to revisit in due course.
Reputation	Major	A more cautious approach largely down to interpretation of the definition. Generally, there is not significant public commentary. The meeting discussed the means by which VHA responds to media enquiries.
Political	Major	Consideration was given to how the narrative and discussion was informed and this required political engagement irrespective of its nature.
Sustainability	Major	The influencing factors were around the stock profile, planned spend and available reserves. Movements based on quoted variances are very modest.
Governance	Negligible	The issues experience in recent times underline the need to set a high standard. Performance is good and wish to retain this.
Infrastructure	Major	The definitions require to be looked at after the strategy day. Consideration will be given to taking something that is business critical such as network and care technology into a separate category.

f The likelihood evaluations were slightly more aligned. Each area was discussed in detail and the following positions agreed.

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Area	Agreed	
Compliance	5-10%	Lower frequency of occurrence accepted
People	5-10%	Lower frequency of occurrence accepted
Reputation	5-10%	Lower frequency of occurrence accepted
Political	10-25%	Higher frequency of occurrence accepted
Governance	<5%	Lower frequency of occurrence accepted

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|---|---|----|-------------|
| g | The risk model will be updated to reflect this agreed position. | TM | 15 Jul 2020 |
| h | Now that the appetite has been agreed the representation of the level of risk relative to appetite (spider diagram) can be shared with Board members as a part of the regular risk reporting. | | |
| l | The format and content of the current risk register were approved by the meeting. | | |

03 COVID-19 Update & Remobilisation

- a The CEO introduced the paper on the COVID-19 update and remobilisation planning. As at today, there are 11, 8 and 4 empty rooms in St Raphael's, Lennox and Marion House respectively. VHA have been asked to complete assurance reports and those for Lennox and Marion House have already been submitted; inspections will follow.
- b All staff have been retested for COVID-19 and this will continue weekly for the time being. There are no positive results; some results remain to be reported. The cost of testing staff is estimated to be £1,500 per round of testing.
- c There are daily "huddles" reports through the Health & Social Care Partnership each morning. Assurance inspections formed part of the instruction by the Cabinet Secretary giving Directors of NHS authority as they took over professional accountability.
- d There is no testing for residents unless displaying symptoms. Presently no residents displaying symptoms. The plan is to move towards allowing visiting in the first week of July; initially in the garden, by appointment and for short periods.
- e The focus is now on remobilisation of services; further details are provided in the paper. The risk assessments are very detailed. In housing, there is a focus in getting voids and allocations back up and running. Time has been taken to review and rewrite procedures and method statements; this has been time well spent to ensure that everyone has confidence in the process and understands what needs to be done.
- f The Housing Minister is planning to write to all tenants in Scotland advising how services will be remobilised; this mirrors what was done in England. VHA have asked to see a draft of the letter and to be given an awareness of the schedule to ensure that the information VHA will provide to tenants is broadly in alignment. The executive team is working on the remobilisation route map this week.
- g The Board noted that they felt that this was a good piece of work. Of note was the Three R mnemonic; it highlights what needs to be done. This and other matters will be brought back to the Board, particularly lessons learned

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	<p>from this pandemic that can be used to prepare VHA for the future; the new normal.</p> <p><i>The meeting adjourned for a short break @ 6:35pm</i></p> <p><i>The meeting recommenced @ 6:45pm</i></p>		
04	Short-life working group on Financial planning		
	<p>a PR provided an update on the meeting held on 25 June 2020. The work of the finance team before the meeting and good narrative accompanying the paper allowed the meeting to make good and rapid progress. The Board has received all papers reviewed by the SLWG.</p> <p>b The SLWG considered the following matters:</p> <ul style="list-style-type: none"> • The greatest risk to resilience of the financial plans was in the care homes and the relative proportions of self- versus local authority-funded residents. • A further question arose around CEC's ability to fund sustainability to the level proposed by the government; • The increased levels of care home vacancies being experienced at this time and whether they are transient or permanent; • The investment programme, particularly on the central heating replacement. The delays experienced will not be caught up in the current financial year. There may be scope to bring forward a later project to fill the schedule gap created by the delay; • There are several items on which comment cannot yet be made. More information is needed and this will emerge in the next few weeks; • Another meeting is planned for late July to feed back to the August Board meeting; • Some additional stress testing is being done on these matters. <p>c DFA noted that VHA was hoping to make claims for Apr to Jun 2020 to CEC in the next week. CEC have indicated that payments will be turned around quickly.</p> <p>d The meeting agreed that the version of the forecast reviewed by the working group could be released to the external auditor for their review of Going Concern in finalising the 2019-20 financial statements.</p> <p>e The meeting noted that the reforecast and future plans were not due to be submitted to the SHR until 30th September 2020. The reforecast will be updated before then and submitted.</p>		
05	Housing support fund		
	<p>a Item 5 is a confidential matter subject to a private minute.</p>		
06	Civica update		
	<p>a The DFA introduced the update paper. The timeline continues to be more extended than preferred. VHA's consultant has been trying to avoid Civica being given the means to abdicate responsibility, such as if she took control of the project. However, the consultant is now having to take control of the project plan to expedite matters.</p> <p>b The last version of the project plan contained several inaccuracies. It is hoped that we will have a revised and up to date project plan by 3rd July 2020. The decision has been taken not to escalate the issues yet, largely due to the 3-month stall by Viewpoint at the beginning of the year.</p>		

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c	Civica appear to continue to be under resourced; the quality of Civica's team for VHA's project remains poor. All of this is putting a significant strain on the internal team as well. Part of the internal pressure is arising as VHA comes to understand the data structures required and the need to restructure more than 100,000 records.		
d	The meeting discussed the following matters: <ul style="list-style-type: none"> The extent to which the project schedule over-run is critical. The meeting noted that it was important rather than critical but a number of efficiencies and automation cannot be achieved until the system is in use; The quality of the product is very satisfactory, it is the project delivery that continues to be the issue; There are knock-on effects on scenario planning and lifecycle costing management; The ongoing impact of the absence of the project plan. 		
07 Governance report			
a	<i>The Chair noted that the meeting was approaching 2 hours in duration and sought, and received, agreement to continue the meeting beyond 2 hours.</i>		
b	The majority of the paper is for noting. The DBS sought, and received, agreement of the Board to hold the Strategic Away day in August 2020.	DBS	15 th July 2020
c	Returns on the COVID-19 position have been submitted to the SHR on the 7 th of each month; one is due on 7 th July. The CEO advised the Board that although there was no requirement for the Board to approve this report, they should be aware of it; it will be circulated after submission of the next return. Any queries can and should be raised at the Operations Committee.	CEO	8 th July 2020
08 Assets Service Update			
a	The DFA invited questions on the paper. The DFA noted that the fire risks are the key ones, that good progress is being made and as the lockdown draws to a close, the programme can be accelerated. The financial resilience discussion earlier in the meeting covered potentially swapping some later elements of the investment programme with delayed earlier ones to ensure that momentum is maintained.		
b	Scottish Government has indicated that they will not change the deadline for LD1s as a result of COVID-19 measures. However, they have advised that if a deadline is to be missed, provided there is a plan in place to recover the schedule within the current financial year, they would accept a delay in completion.		
c	The DFA noted that the paper proposed moving some capital spend into revenue; this will come back to the Board in due course.		
9 Any Other Competent Business			
a	No other competent business was raised.		
10 Date of next meeting			
a	The next meeting will take place at 5:30pm on 11 th August 2020, and the aim is to have the meeting at Edinburgh Training Centre, St Mary's Street, Edinburgh. Provision will also be made for those who wish to attend by video conference.		

The meeting closed at 7:40pm.

Approval of the minutes

Signed as a true record of the meeting, following the approval of the draft minutes by a meeting of the Board.

Signed:

Date:

Iain Thompson, Chair