

Tricuro Executive Shareholder Group

Minutes of the meeting held at Beech House, Poole,
BH15 2BU on Thursday, 20 December 2018

Present:

Jill Haynes (Chairman), Ray Bryan, Blair Crawford, Mike Greene, Nicola Greene,
David Harris, Mohan Iyengar, Karen Rampton and David Walsh.

Officers Attending:

Helen Coombes (Transformation Programme Lead for the Adult and Community Forward Together Programme), Phil Rook (Finance Director - Tricuro), Jan Thurgood (Strategic Director - People Theme - Poole), Alison Waller (Managing Director - Tricuro), and Helen Whitby (Senior Democratic Services Officer).

In attendance for Part

Marcus Richards, Associate Director, Ernst and Young LLP

Apologies

1 Apologies for absence were received from Steve Butler and Tony Ferrari.

Code of Conduct

2 There were no declarations by members of any disclosable pecuniary interests.

Minutes

3 The minutes of the meeting held on 3 August 2018 were confirmed and signed.

Managing Director Update

4 The Group considered a report by the Managing Director which set out activity and progress since the last meeting.

The Managing Director presented her report highlighting that all savings in Tricuro's control had been delivered; Tricuro were working with Bournemouth Borough Council to remodel community support services; the outcome of Tricuro's bid in connection with the Bridport Gateway Project would not be known until the New Year; the work with Bournemouth and Poole Councils to address delayed transfers of care; the outcomes of the recent review of care homes and remodelling necessary to address these; and work with Dorset County Council on day services and activities.

In response to questions, it was explained that the need to modernise, be competitive and ensure service users were well looked after would affect staffing and involve the trade unions; due to commercial sensitivity information about the Bridport tender process could only be provided after procurement had been completed; the business case for this procurement had been considered and approved by Dorset's Cabinet; and that the Group needed to have some discussion about principles going forward.

With regard to the proposed partnership with Morgan Ashley, this would be similar to that for the Bridport Gateway Project. Potential risks had been identified and analysed and external legal advice was to be sought in the New Year. In view of the fact that work on viability and risks involved was continuing and legal advice was to be sought, members agreed in principle to the partnership with Morgan Ashley, but asked for more information to be provided at the Group's next meeting following further analysis and due diligence undertaken by Tricuro.

Resolved

1. That Tricuro forming a partnership with Morgan Ashley to support a bid application for the development of a care home in Havant as part of a planned Care Village Development commissioned by Hampshire County Council be approved in principal.
2. That further information be provided for the Group's next meeting.

Finance and Performance Update

- 5 The Group considered a report by the Finance Director which set out the forecast outturn for 2018/19 based on October 2018 data and work in preparation for the 2019/20 Budget

The Finance Director drew attention to the projected outturn figure of an underspend of £39k as at October 2018. He highlighted identified savings achieved for the current year, work being undertaken to progress those not yet achieved, reduced staff numbers, that HR were addressing increased staff sickness, work with local authorities on Local Government Reorganisation. The main financial challenge is exposure to the second year of the National Pay Award, which is estimated at an additional £1.45m as the average pay award is 4.59% across the company. BCP have included this in the contract price for 2019/20. Dorset Commissioners would confirm the financial position for the new Dorset Council to Tricuro by the end of December 2018. Following discussions with Commissioners, Tricuro would outline any service implications to the February Meeting of the ESG.

Resolved

1. That the forecast position for 2018/19 at the end of October be noted.
2. That the risks associated with and impacting upon the current financial year and future financial years be noted.
3. That the current position in preparation of the 2019/20 Budget be noted.

Tricuro: Shareholder Viability Assessment Report

- 6 The Group considered the Tricuro Shareholder Viability Assessment report commissioned by Dorset County Council and undertaken by Ernst and Young.

Mr Richards, Assistant Director, explained that the assessment had been requested by the County Council and was carried out in Summer 2018 in collaboration with Tricuro staff. The report highlighted future financial pressures, means by which unit costs and demand could be managed, challenges to revenue growth and identified opportunities to improve the strategic partnership with the County Council. The challenges experienced by Tricuro were not unique and the assessment provided suggestions to improve Tricuro's sustainability and resilience.

The Managing Director explained that Tricuro's Board had responded to the assessment and highlighted that opportunities for growth were very different now compared to the time of the assessment. She reminded members that Tricuro had delivered significant savings and efficiencies which provided a platform for strategic growth and development. A strategic vision for the future was needed and there needed to be some consideration of the future impact of local authority commissioning on Tricuro.

Members recognised that the current situation was far removed from that when Tricuro was established. They found the report to be useful in identifying future challenges for Tricuro and discussed their possible implications for both the company and the local authorities. It was also recognised that opportunities under the teal structure had not been fully explored as yet. All members confirmed their wish that the two new Councils continued to work with Tricuro to support the delivery of quality care for the residents of Dorset.

The Transformation Programme Lead for the Adult and Community Forward Together Programme, Dorset County Council, explained that the assessment had provided an independent view of the opportunities and challenges facing Tricuro given the amount of change since its establishment. She also drew attention to the changes that would arise from the introduction of the Integrated Care System. Following the assessment, the County Council would be considering different options to meet residents' needs within the available budget.

Resolved

1. That the Group noted that DCC have confirmed that the financial position for 2019/20 will be completed by December 31st in line with the two-year commissioning intentions set out in 2017/18.
2. That the Group approve the Tricuro Board and DCC to progress the exploration of options for their future to achieve sustainable care within the available resources including impact assessments on all shareholders and the company with progress to be reported to an ESG in February 2019.

Recommended

That the two future shareholders confirm their commitment to the provision of quality care for the residents of Dorset and commit to supporting the Commissioners to develop their strategic vision with Tricuro.

Dates of Future Meetings

7

Resolved

That the next meeting of the Executive Shareholder Group be held at the end of January or beginning of February 2019.

Meeting Duration: 12.00 pm - 1.25 pm

This page is intentionally left blank