

Estate Major Projects Authority Committee Minutes

Venue Room 13, Education Centre,
Sandwell General Hospital

Date 24th August 2018 at 8.30 am

Members Present:

Mr R Samuda Chairman
Mr H Kang Non-Executive Director
Mr T Lewis Chief Executive
Ms D McLannahan Acting Director of Finance

In attendance:

Mr A Kenny Director of Estates
Ms C Dooley Head of Corporate Governance

1. Welcome, apologies and declarations of interest	Verbal
No apologies were received.	
2. Minutes of the previous meeting	MPA (09/18) 001
The minutes of the August MPA meeting required a further proof read for grammar prior to presentation to the Trust Board in October 2018.	
The Digital actions from the August MPA minutes will transfer to the Digital MPA action tracker. Mr Lewis noted the network fixes on page 3 is five weekends.	
3. Matters arising (action log)	MPA (09/18) 002
The matters arising were covered in the agenda items.	
4. Terms of Reference	MPA (09/18) 003
The Estate MPA terms of reference were noted, as approved at the September Trust Board meeting.	
5. Strategic BAF	
The complete Strategic BAF was reviewed/refreshed and taken to September 2018 Trust Board meeting, there are now 2 risks aligned to Estate MPA.	
On the reconfiguration risk, it was noted this will be taken as a discussion item at the October 2018 Trust Board meeting. Discussion is ongoing in relation to wider Birmingham configuration towards Midland Met and the services which will be affected/developed. This committee and the Quality and Safety Committee will need to review 7 day service issues over next 12-18 months. Monitoring of workforce trigger issues will be discussed and monitored through the People and OD Committee.	

Mr Kang asked if the 7 day services issues are across the wider Birmingham area and Mr Lewis replied that national funding provision for Midland Met may affect services provided by other Trusts and the Overview and Scrutiny Committee have considered this and will continue to do so as plans progress. Mr Lewis noted a paper will be provided prior to the next committee on the Western Birmingham position and this will then be taken to the November 2018 Trust Board meeting. Mr Lewis commented on the need for a move of narrative from Sandwell and West Birmingham towards the "Midland Met population".

6. Project Team Capacity and Capability

EPMA (09/18) 005

Mr Kenny advised an analysis had been undertaken by the Project Team on capacity and capability. Two skills gaps have not yet been resolved. However, action has been taken to secure 5 previous members of the Carillion site management team.

The Trust is responsible for delivery of the hospital. Mr Kenny reported the requirement to appoint a full time lead engineer (MEE) to the project from inside the Trust. Mr Samuda asked who undertook this role for Carillion and Mr Kenny replied that Carillion had onsite electricians to provide this previously but the position now is to have one lead role. Mr Kang asked for clarification that the oversight role is the Trust and contractor is delivery, and Mr Kenny agreed, noting the Trust must ensure the contractor is fit for purpose. Mr Kang asked if the Carillion advisers could do this and Mr Kenny confirmed they cannot, as none of them are engineers.

Mr Kenny reported the procurement lead for the replacement contractor is the second role which needs to be put in place to ensure robust compliance against the nationally mandated contract.

Mr Lewis noted his view was there are 4 primary workstreams (not 10 as set out in the paper) and leadership for each needs to be confirmed, and secondly the team will be required to be multi-focussed going forward. Mr Lewis described the 4 workstreams as:

- Mobilisation of EEWC
- Design and procurement of new contractor
- Reconfiguration of services across the current Trust sites
- Maintenance of current estate

Mr Lewis advised that the separation between the workstreams above is essential so they are not conflicted. The leadership for 3 of the 4 workstreams have been identified (some of which are not employed by the Trust).

Mr Kang asked about the EEWC, and replacement contractor querying the dependencies of these. Mr Lewis replied that 2 different leaders are required to manage these, who will need to ensure they are aligned.

Mr Kang asked about the potential conflict position and Mr Lewis noted there could be a dual bidder situation. Mr Kenny referred to the diagram at section 5. Mr Lewis asked who the team leaders are for each element. Mr Kenny the team leaders are:

- Jayne Dune
- Kevin Reynolds
- Dave Hollywood
- Austin Bell

It was agreed the leadership gap is the team leader for capital projects.

Mr Lewis asked for the paper to be re-presented for the Trust Board to set out the 4 workstreams, that 3 of the 4 team leaders have been identified (2 of which are not Trust employees) and to set out the plan for the current leadership gap.

Mr Kenny provided assurance on the expertise at senior manager/advisor level noting the requirement to ensure succession planning is in place. Mr Kenny felt with the changes discussed earlier the expertise will be secured towards April/May 2019, and this will work within the financial envelope we have secured. It was agreed to take a capacity/capability update (post May 2019) at the January EPMA meeting.

IT expertise towards a replacement contractor (IT in Midland Met) should also be included in the paper to the Trust Board. Ms McLannahan asked if further senior expertise (e.g. financial management and capital planning) should be explicit in the paper also. Mr Kenny agreed this was a fair comment and can be provided in a later iteration of the paper, which dovetailed with the agreement to review this again in January 2019.

ACTION: A review of capacity and capability and the January EMPA meeting.

7. Hard FM Programme to Decision

Verbal

Mr Kenny set out that options have been identified and are being considered. Once the project team are satisfied with all elements, including bandwidth and life-cycle costs this will be provided to the committee.

Mr Lewis asked for a date to set out/provide the route towards Hard FM for Midland Met (not the wider estate). Mr Kenny replied that the draft scope can be set out by the end of October 2018. The detailed information to enable a decision will require a full assessment of suppliers/companies, which can be led by Austin Bell. A review and assurance on affordability costs (by the various suppliers) will be reviewed and set out by Mr Lewis, Ms McLannahan and Mr Kenny.

Mr Kang asked if this process will be similar to that undertaken on the Hard FM contract with Carillion and Mr Kenny replied that this can be used as background information towards the new Hard FM arrangements.

Mr Samuda asked about the process for market testing / benchmarking and it was agreed this can be provided for the next EMPA meeting.

It was noted that this paper will dovetail, but be separate to the full OBC.

Action: Affordability costs of suppliers to be reviewed.

Action: Market testing / benchmarking analysis.

8. OBC Preparation and Approval Requirements

EPMA (09/18) 007

Simon Judge from DH provided this paper which sets out the timescales for completion and approval of the OBC prior to commencement of the new Midland Met contractor procurement, which is expected to commence in November 2018. Committee members agreed there are no surprises in the document and the timescales/deadlines were previously known.

Mr Lewis commented we will need to agree a delegation model at the October Trust Board as a decision will be required in-between the next two planned Trust Board meetings.

Action: Trust Board delegation required on OBC submission.

9. Replacement Construction Contractor

EPMA (09/18) 008

Mr Lewis referred to the competitive dialogue proposition set out on page 15 of the paper and asked for a discussion to take place on the complexities of the stage 2 elements as, over the next 2.5 weeks, this needs to be clearly set out in the draft OBC submission (to DH/Treasury) by the deadline of 16th October 2018.

Mr Lewis advised the information required is available but needs to be clear and enhanced prior to OBC submission and he, along with Mr Kenny and other senior managers, will be required to set time aside for this, to narrate the process and mechanisms which are clear and achievable for DH/Treasury scrutiny. Mr Lewis felt the current OBC sets out the questions and we need to answer / close these out prior to submission.

Mr Kang asked once draft OBC is considered does DH/Treasury confirm to proceed or will it continue to be further scrutinised, with further potential changes. Mr Lewis felt that by providing robust examples in the OBC this should reduce the risk for future challenge.

Mr Samuda asked about target costs and the defined packages we had priced previously (open book on packages and margin). Mr Kenny replied that over 80% were required to be tested in advance.

Mr Lewis reiterated the requirement to reduce the margin incentives and risks to provide assurance on market competition prior to DH/Treasury scrutiny.

Mr Lewis re-confirmed that for October Trust Board we need a revised version of capacity and capability paper, the replacement construction contractor paper which is dovetailed to a delegation model.

Action: October Trust Board to receive a revised capacity and capability paper, replacement construction contractor paper and delegation proposal.

10. City Site Phasing

EPMA (09/18) 009

Mr Kenny advised that planned estate works are set out in the paper provided to the committee, highlighting:

- Energy centre and dermatology works have concluded.
- Therapy/pain management centre works will conclude before end of March 2019.
- Community works are on target to complete.
- DGM works will not be undertaken in this financial year.
- BTC – there 3 projects to take forward and estimates of costs are required.

Mr Kenny noted the works which require completion prior to Midland Met opening are set out in the paper.

Mr Lewis referred to the annex which sets out all works and asked about the non-retained estate at City prior to 2022. An updated methodology which focusses on statutory requirements and the assessment on other essential works, with timescales, will be provided for approval at the next EMPA meeting.

Action: An updated methodology focussing on statutory requirements and other essential works to be provided to next EMPA meeting for approval.

11. Meeting Effectiveness

Verbal

The meeting was considered effective by committee members.

12. Matters to raise to Trust Board

Verbal

- Midland Met Project Team capacity and capability review
- Hard FM programme towards decision
- Replacement construction contractor
- OBC preparation and approval

- Strategic BAF
- City site phasing

13. Any Other Business

Verbal

No other items of business were discussed.

Date and time of next meeting

Next Meeting: Friday 26th October 2018, 14.30-15.45, Room 14, Education Centre, Sandwell General Hospital.

Signed

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Date