

**Meeting of the Performance Committee  
Held on 28 February 2019  
at 9am in the Upper Lecture Theatre**

**MINUTES**

<b>Present</b>	<b>Mr D E Hughes</b>	<b>DEH</b>	<b>Non-executive Director (Chair)</b>
	<b>Mr D Dean</b>	<b>DD</b>	<b>Non-executive Director</b>
	<b>Mr R Clarke</b>	<b>RC</b>	<b>Chief Finance Officer</b>
	<b>Dr R Hall</b>	<b>RMOH</b>	<b>Medical Director (from 10am)</b>
	<b>Mrs E Midlane</b>	<b>EM</b>	<b>Chief Operating Officer</b>
	<b>Ms O Monkhouse</b>	<b>OM</b>	<b>Director of Workforce &amp; Organisation Development</b>
	<b>Mr S Posey</b>	<b>SP</b>	<b>Chief Executive</b>
	<b>Mrs J Rudman</b>	<b>JR</b>	<b>Chief Nurse</b>
<b>In Attendance</b>	<b>Mr J Hollidge</b>	<b>JH</b>	<b>Deputy Chief Finance Officer</b>
	<b>Mrs A Jarvis</b>	<b>AJ</b>	<b>Trust Secretary</b>
	<b>Mr A Raynes</b>	<b>AR</b>	<b>Director of Digital (&amp; Chief Information Officer)</b>
<b>Apologies</b>	<b>Dr R Zimmern</b>	<b>RZ</b>	<b>Non-executive Director</b>

Agenda Item		Action by Whom	Date
<b>1</b>	<b>WELCOME, APOLOGIES AND OPENING REMARKS</b>		
19/20	<p>The Chair opened the meeting and apologies were noted as above.</p> <p>As Ron Zimmern steps down from his Non-executive Director role at the end of February, the Chair gave a vote of thanks to Ron for his commitment and support at Performance Committee meetings.</p> <p>It was noted that there will be consideration at the next Board meeting, as part of the self-assessment review, of allocation of NEDs to committees, including the replacement NED for Performance Committee.</p>		
<b>2</b>	<b>DECLARATIONS OF INTEREST</b>		
19/21	<p>There is a requirement that those attending Board Committees raise any specific declarations if these arise during discussions. The following standing Declarations of Interest were noted:</p> <p>1. Dave Hughes as Non-executive Director of Health Enterprise East (HEE).</p>		

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	2. Roger Hall as a Director and shareholder of Cluroe and Hall Ltd, a company providing specialist medical practice activities. 3. Josie Rudman, Partner Organisation Governor at CUH. 4. Stephen Posey in holding an honorary contract with CUH to enable him to spend time with the clinical teams at CUH. 5. Stephen Posey as Chair of the NHS England (NHSE) Operational Delivery Network Board. 6. Stephen Posey as Chair of East of England Cardiac Clinical Network. 7. Andrew Raynes as a Director ADR Health Care Consultancy Solution Ltd. 8. David Dean as Chair of Essentia, a commercial subsidiary of Guy's and St Thomas' NHS FT. 9. Roy Clarke as Trust representative for Cambridge Global Health Partnerships.		
<b>3</b>	<b>MINUTES OF THE PREVIOUS MEETING – 31 January 2019</b>		
19/22	<b>Approved:</b> The Performance Committee approved the Minutes of the meeting held on 31 January 2019 authorised these for signature by the Chair as a true record.	Chair	28.2.19
<b>4i</b>	<b>TIME PLAN OF TODAY'S AGENDA ITEMS</b>		
19/23	Allocation of time was discussed with agreed focus on: - PIPR (30 minutes) - Operational Plan (15 minutes) - Under Any Other Business, OM requested to give a verbal update on the national staff survey results.		
<b>4ii</b>	<b>ACTION CHECKLIST / MATTERS ARISING</b>		
19/24	The Committee reviewed the Action Checklist and updates were noted.		
	<b>Presentation on In House Urgent (IHU) Project</b>		
19/25	The Chair welcomed Julie Quigley and Chandra Brown to the meeting. The IHU work is one of four quality improvement projects within the Quality Strategy. This project has been running for four months. The presentation covered: Aims, Objectives, Key areas, Standards, Cancellations, Future work.  JQ reported: <ul style="list-style-type: none"> <li>• That changes in the IHU pathway had reduced waits from a start point of 12-14 days to an average wait of 8 days over the course of the project.</li> <li>• That 98% of patients were now receiving surgery within 10 days and with further improvements planned the national 7-day target seemed achievable.</li> <li>• That the project team were looking to identify appropriate peer organisations to benchmark Trust performance.</li> <li>• That the 7-day standard would be delivered by 2020.</li> </ul>		

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	<p>Committee comments:</p> <ul style="list-style-type: none"> <li>• That delivery of this target would result in a major system benefits as IHU patients are waiting in beds at the Trust or in local DGHs.</li> <li>• That the improvement project mirrored the approach taken to RTT with problems in both areas being identified and resolved by putting in clear processes and protocols.</li> <li>• EM noted that a change away from named consultants may support improvement in flow and this could be compared to the approach taken on the ACS pathway.</li> <li>• It was noted that there may be referral behaviour issues from other Trusts which could impact on this area.</li> </ul> <p><b>Noted:</b> The Performance Committee noted the update on In-House Urgents; the Chair thanked Julie and Chandra for their informative presentation.</p> <p>Action: Slides to be circulated to the Committee members.</p>	JQ	Mar 19
<b>IN YEAR PERFORMANCE &amp; PROJECTIONS</b>			
<b>5</b>	<b>PAPWORTH INTEGRATED PERFORMANCE REPORT (PIPR)</b>		
19/26	<p>The overall rating for January 2019 is Amber, made up of 2 Red domains (responsive and finance), 4 Amber domains (Caring, Effective, People Management &amp; Culture, Safe) and 1 Green domain (Safe).</p> <p>General comments:</p> <ul style="list-style-type: none"> <li>• DD was surprised at the activity level for January. EM advised that this reflected a better position due to safer staffing improvement and the booking team working to get activity through. It was highlighted that February activity will be poorer because of the impact of the flu outbreak.</li> <li>• VTE is still flagging red. DD asked if this was a target or a data issue? JR advised that the Assistant Chief Nurse was working through this; the IT issue had been fixed and focus was now on addressing behaviours.</li> </ul> <p><b>Safe (Green)</b> DEH noted his congratulations on the 'Safe' rating of green. JR advised that there were no concerns apart from work on VTE and impact of the flu outbreak. The Committee noted the spotlight report on Safer Staffing.</p> <p><b>Caring (Amber)</b> Complaints were slightly over target; key messages in the narrative were noted. Friends &amp; family scores for outpatients recorded some scores less than the 95% target; the spotlight report on participation rates was noted.</p> <p><b>Effective (Amber)</b></p> <ul style="list-style-type: none"> <li>• Activity was better in January which was linked to safer staffing.</li> <li>• Critical Care occupancy has had exceptional acuity, particularly with ECMO patients, which has created a significant pressure on the unit.</li> </ul>		



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	<p>The Trust's <b>year to date</b> position is a deficit of £7.50m, favourable against the plan by £1.2m.</p> <ul style="list-style-type: none"> <li>Total clinical income is below plan by £2.9m, this comprises an adverse variance resulting from lower than planned NHS activity of 2,245 (10.5%) inpatient/day cases equating to £3.76m, partially mitigated by a favourable complexity case mix of £2.36m.</li> <li>Pay is £0.48m adverse to plan with temporary staffing costs replacing substantive savings from vacancies and under-delivery of CIP. Non pay is £3.26m favourable to plan, comprising favourable clinical supplies due to the lower activity (£4.35m), and underspends due to timing on the NPH transition programme (£0.31m) and lower depreciation charges (£2.07m) due to a technical change following delayed capitalisation of assets.</li> <li>Actual year to date CIP achievement of £5.61m is £2.09m adverse to the plan of £7.70m, due to £0.36m planning gap and an operational delivery gap of £1.73m.</li> <li>EBITDA is behind plan by £1.02m as a result of the changed phasing of the costs of remaining on the existing site.</li> </ul> <p>In month the Trust has reported a deficit of £0.50m, which is £0.50m favourable against the planned refreshed plan deficit of £1.00m, however, this represents a significant deficit trading position of £0.61m. Lower expenditure (due to lower activity against plan), additional liquidated damages and reduced depreciation charges have driven this in-month variance.</p> <p>The forecast out-turn position has been updated following the approval of the master commissioning plan and now reflects the Trusts anticipated year end deficit of £11.68m (£11.5m on control total basis). Key movements are the removal of the activity ramp down, full year depreciation impact due to delayed capitalisation and the run rate impact of pay and non-pay costs. The February impact of flu places additional risk on the year end forecast with an expected income loss of £1m.</p> <p><b>Actions Arising / To be taken</b></p> <p>Actions are in line with the financial recovery plan, with focus on returning activity flow to planned levels and delivering the CIP gap. The activity recovery plan is now in place with progress monitored on a monthly basis.</p> <p>The Chair queried page 3, Executive Dashboard and the positive capacity assumptions. RC advised that the Gateway 2 position now looks more deliverable in the enhanced planning.</p> <p>Noted: The Performance Committee noted the Financial Report for January 2019.</p>		
7	<p><b>OPERATIONAL PERFORMANCE</b> <b>Access &amp; Data Quality Report</b></p>		
19/28	<p>RC gave an overall summary where key headlines were noted. The report demonstrated areas of improvement and those areas that require further mitigation.</p>		

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	<p>During discussion, the following items were noted/considered:</p> <ul style="list-style-type: none"> <li>AR updated on competency based training and real time data entry.</li> <li>The Chair queried the backlog of referrals and GP referrals. EM responded, detailing the current situation and actions put in place to improve this.</li> <li>Outpatient referrals were discussed and EM gave some background information to clarify this.</li> <li>The Chair noted that some metrics had the N/A reported against their RAG ratings. EM advised that these were to be redefined for future reports.</li> </ul> <p><b>Noted:</b> The Performance Committee noted the contents of this report.</p>	EM	28.03.19
<b>8</b>	<b>ACTIVITY RECOVERY ACTION PLAN</b>		
19/29	<p>EM presented this report and updated that activity volumes were not met during the first two weeks of February, due to the flu outbreak, resulting in loss of income of £724k.</p> <p>The Chair was concerned that recovery targets are not being met and mitigations have not yet influenced activity levels in the right direction. SP advised there were many factors affecting improvement including impact of hospital move; breakdown of equipment on current site; impact of flu breakout; cath lab/theatre 5 break down. These factors highlighted the need to secure the benefits that the move to the new hospital is anticipated to bring. It was acknowledged that more work could be put through the current system but this has not been delivered.</p> <p>The Committee discussed the particular staffing issues in RSSC relating to junior doctors, nursing and HCSW. It was noted that there were rate limiting steps in relation to beds and that the service capacity needed to be booked efficiently.</p> <p><b>Noted:</b> The Performance Committee noted the update on the Activity Recovery Action Plan.</p>		
<b>FOCUS ON</b>			
<b>9</b>	<b>FINANCIAL RECOVERY PLAN</b>		
19/30	<p>RC presented this update report to the Committee.</p> <p>RC noted the favourable movement to green in the plan re. Market Forces Factor (MFF) funding agreement. Specialised Commissioners would honour the MFF on the Payment by Results tariff, with discussions continuing on the uplift to the block contract. It is anticipated that the Operational Plan will ensure this is delivered and rebased which will bring it within the Control Total in line with the 5-year plan.</p> <p><b>Discussion:</b> DH asked for clarification on the improving risks in relation to capacity assumptions and the EPR. RC advised that the capacity assumption risk had improved as the workforce model was linked to the</p>		

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	<p>capacity model. The EPR risk improvement reflected both non-cash benefits and improved operation of the EPR system that was a part of the benefits realisation programme. AR noted that there needed to be clear demonstration of the benefits of the EPR implementation and this would be reported through the Digital Strategy Board.</p> <p><b>Noted:</b> The Committee noted the contents of this report.</p>		
<b>10i</b>	<b>FINANCIAL STRATEGY RISK PERFORMANCE REPORT (FSRA) ACTION UPDATE</b>		
19/31	<p>The Committee received this report which updated on the January 2019 risk score changes and the 2018/19 year to date risk score changes.</p> <p><b>Noted:</b> The Committee noted the FSRA update.</p>		
<b>10ii</b>	<b>BOARD ASSURANCE FRAMEWORK (BAF) UPDATE</b>		
19/32	<p>The Committee received the BAF report from the Trust Secretary.</p> <p>DH and DD raised a query the assessment of assurance in relation to the Activity Recovery Plan. The Chair advised that he was not assured by the current Activity Recovery Action plan, as this was not delivering the required improvements in delivery.</p> <p>RC and JR noted that the assessment of assurance reflected the systems approach. AJ referred the committee to the definitions set out in the BAF report:</p> <p>Limited: Action needs to be taken to ensure this risk is managed.  Adequate: Further action could be taken to improve the effectiveness and efficiency of responses</p> <p>OM stated that this was not a position that the Trust wanted to be in; there may be further actions which could be taken but these were felt unfeasible and/or unpalatable; all reasonable actions were being taken.</p> <p>The Chair reiterated his concern on the lack of increase in activity as forecast in the plan.</p> <p>RC stressed the importance of meeting next year's activity plan, particularly as we will be on the new site, have more nurses in post and a better EPR system. The question was asked as to how the Operational and Executive teams can provide assurance on this. The Committee discussed how this assurance could be provided to the Board.</p> <p>SP reiterated the need to improve activity once the move goes ahead and that the Executive Team are aware of the seriousness of this.</p> <p>The Chair requested more assurance on how the plan will be achieved next year and that this was built into the Annual Plan.</p> <p><b>Noted:</b> The Committee noted the BAF update.</p>	EM	tbc

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<b>FUTURE PLANNING</b>			
11	<b>2019/20 OPERATIONAL PLANNING CHECKPOINT</b>		
19/33	<p>RC presented the update to the Committee under the following sections:</p> <p><u>- Contract negotiations</u> The Trust is currently in discussions with NHSE with significant issues to be resolved before contracts can be signed. RC explained the position relating to block income where commitments to a future increase in the transplant tariff were being sought along with a GIC for 2019/20 (Guarantee Income Contract). The Trust has a contract negotiation strategy plan in place and RC was seeking delegated authority to proceed should this need to progress to mediation; RC explained this process and the risks of pendulum arbitration should this occur. Contract sign-off date is 21 March 2019.</p> <p><u>- Workforce planning (Gateway 2 review) update</u> Problems in Gateway 2 had been identified with a resolution agreed by the Executive. RC detailed the cost pressure gap and the plan to mitigate this. During discussions the following items were discussed:</p> <ul style="list-style-type: none"> <li>• Lack of confidence in potential income gain relating to under performance, lower activity and GIC contracts.</li> <li>• Private patient work and how this is to delivered at the new hospital.</li> </ul> <p><u>- KPI review</u> RC reported that:</p> <ul style="list-style-type: none"> <li>• Performance teams and the Executive had reviewed the KPIs looking at existing and proposed indicators</li> <li>• The proposed KPIs for 2019/20 took a balanced approach across domains</li> <li>• The KPIs reflected the obligations of the new NHS plan and were linked to capacity plans.</li> <li>• That no metrics had been removed but there had been changes in those that were above the line for performance rating.</li> </ul> <p>The Performance Committee members were asked to review the KPIs and provide feedback to link to sign-off of the Annual Plan in at the Board on 28<sup>th</sup> March.</p> <p><b>Noted:</b> The Performance Committee noted this update paper and agreed to provide any further feedback on the proposed KPI changes.</p> <p><b>Approved:</b> The Performance Committee gave delegated authority to the Executive Directors to take the decision as to whether or not to submit mediation paperwork for the NHSE contract.</p>	AJ/ Perf Cttee	March 19
11	<b>INVESTMENT GROUP</b> Chair's report (including minutes of meeting held on 11 February 2019)		
19/34	The Performance Committee noted the minutes from the Investment Group meeting held on 11 February and the Variation approval to the		



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	2018/19 and 2019/20 capital programme. <b>Noted:</b> The Performance Committee noted the Investment Group Chair's report update.		
<b>12</b>	<b>BUSINESS CASES</b>		
	There were no items to consider.		
<b>13</b>	<b>LATEST NEWS/CONSULTATIONS ON ISSUES CONCERNING PERFORMANCE</b>		
	There were no items to consider.		
<b>14</b>	<b>ANY OTHER BUSINESS</b>		
19/35	<u>National Staff Survey</u> OM gave a verbal update on national staff survey results. Key areas of concern were showing as Equality, Diversity & Inclusivity and Health & Well Being. A detailed update will be provided to next week's Board meeting.		
<b>15i</b>	<b>COMMITTEE FORWARD PLANNER</b>		
19/36	<b>Noted:</b> The Performance Committee noted the Forward Planner.		
<b>15ii</b>	<b>REVIEW OF ACTIONS AND ITEMS IDENTIFIED FOR REFERRAL TO COMMITTEE/ESCALATION</b>		
	There were no items identified for escalation.		
<b>16</b>	<b>FUTURE MEETING DATES</b>		
	<b>2019</b> 28 March 25 April [to be held at Royal Papworth House, Huntingdon] 30 May 27 June 25 July [to be held at Royal Papworth House, Huntingdon] 29 August 26 September 31 October [to be held at Royal Papworth House, Huntingdon] 28 November 19 December		

The meeting finished at 11.20am

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Signed

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Date

**Royal Papworth Hospital NHS Foundation Trust**  
**Performance Committee**  
Meeting held on 28 February 2019