

**Meeting of the Performance Committee
Held on 30 January 2020
9am-11am
Ground floor offices, meeting rooms 1&2
Royal Papworth Hospital**

MINUTES

Present	Mr G Robert	GR	Non-executive Director (Chair)
	Mrs C Conquest	CC	Non-executive Director
	Mr D Dean	DD	Non-executive Director
	Mr R Clarke	RC	Chief Finance Officer
	Dr R Hall	RMOH	Medical Director
	Mrs E Midlane	EM	Chief Operating Officer
	Ms O Monkhouse	OM	Director of Workforce & Organisation Development
	Mr A Raynes	AR	Director of Digital (& Chief Information Officer)
	Mrs J Rudman	JR	Chief Nurse
In Attendance	Mrs A Colling	AC	Executive Assistant (Minutes)
	Mrs S Harrison	SH	Associate Chief Finance Officer
	Mr T Glenn	TG	Chief Finance & Commercial Officer (designate)
	Mrs A Jarvis	AJ	Trust Secretary
	Mrs M Maxwell	Mm	Deputy Chief Operating Officer (For Item 3 Presentation)
	Mrs C Riotto	CR	Head of Nursing (For Item 3 Presentation)
Apologies	Mr J Hollidge	JH	Deputy Chief Finance Officer
	Mr S Posey	SP	Chief Executive

Agenda Item		Action by Whom	Date
1	WELCOME, APOLOGIES AND OPENING REMARKS		
20/01	The Chair opened the meeting and apologies were noted as above.		
2	DECLARATIONS OF INTEREST		
20/02	<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> <ol style="list-style-type: none"> 1. Roger Hall as a Director and shareholder of Cluroe and Hall Ltd, a company providing specialist medical practice activities. 2. Cynthia Conquest as Deputy Director of Finance and Performance at Norfolk Community Health and Care Trust (Contractor). 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. 		

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	<p>6. Stephen Posey as Trustee of the Intensive Care Society.</p> <p>7. Stephen Posey, Josie Rudman, Roy Clarke and Roger Hall as Executive Reviewers for CQC Well Led reviews.</p> <p>8. Andrew Raynes as a Director ADR Health Care Consultancy Solution Ltd</p> <p>9. David Dean as Chair of ETL, a commercial subsidiary of Guy's and St Thomas' NHS FT. ETL are currently providing advisory services to the Estates team at Cambridge University Hospitals NHS Foundation Trust on Project Management.</p> <p>10. Stephen Posey as Chair of the East of England Cardiac Network.</p> <p>11. Roy Clarke as Trust representative for Cambridge Global Health Partnerships Committee part of ACT.</p> <p>12. Roy Clarke as Independent Committee Member of the Royal College of Obstetricians and Gynaecologists Audit and Risk Committee, with effect from 1 October 2019.</p>		
3	PRESENTATION: CRITICAL CARE UPDATE		
20/03	<p>The Committee welcomed Maggie Maxwell and Cheryl Riotto to present the Critical Care update.</p> <p>During the presentation and discussion, the following items were noted/considered:</p> <ul style="list-style-type: none"> • The Trust is working to the national Guideline for the Provision of Intensive Care Services (GPICS) - GPICS 2 is the national minimum Critical Care staffing requirement and the Trust staffing levels are well above the minimum requirements. • The Critical Care model has changed since arrival to the new site i.e, moved to split levels of care according to dependency and acuity of patient. • Discussion on agency usage and how difficult it is to recruit temporary specialist Critical Care nursing staff. • The layout of the unit has created a problem with staffing as more staff are required than originally planned. • New Critical Care nurse starters require longer training than other nurses and existing staff need to supervise the trainee nurse staff until they are fully trained, which is a further pull on resources. • There are 8 side rooms which need more staffing than side bays. • There are peaks and troughs in complexity of patients which needs to be planned for. • The current registered nurse vacancy figure equates to 7.6 beds. • The skill mix of registered to unregistered nurses was noted. • A major part of this problem is due to poor rostering and historical flexible working patterns. • A large resource has been allocated to scrutinise rosters but even with planning, short term sickness can throw the plan out. • The complex scrutiny of the roster has involved clarification of roles. • The Committee discussed annual leave, sick leave/the return to work process and how this is all being managed. • Clear communication along with valuing and supporting staff was seen as key. • The Trust is reviewing flexible working arrangements of up to 70 staff to meet both service and staff needs. This should hopefully see 		

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	<p>an improvement in morale and staff retention.</p> <ul style="list-style-type: none"> Improvements in Critical Care bed opening should be seen next week. At all times a close eye is being kept on quality indicators, feedback and complaints. The review work has been strongly supported by Executive colleagues with a project manager being assigned to focus on this. The review work is being done alongside business as usual. <p><u>Summary</u> A key piece of work is the modelling to move to open 33-36 beds, due for completion on Friday 7 February. As rosters are planned a few months in advance, this work will show in March rosters; the full trajectory for re-modelling rosters is due in July, but JR believes that the Trust can do more before this to improve the situation. JR will give a verbal update to the 6 February Board meeting.</p> <p>The three workstreams underpinning the work comprise: roster effectiveness, sick leave management including health and wellbeing, and the model of care.</p> <p>The Committee noted the importance of achieving the right balance between long term actions and short term recovery, given the impact the issue is having on activity levels across the hospital.</p> <p>CC acknowledged the fantastic work being done to pinpoint issues and resolve these. She would like the Board to see the 30-33 bed work plan. It is important not to forget the winter impact too, which has been late landing this year.</p> <p>RMOH wanted to add that Quality & Risk Committee will see 'green' for safer staffing but 'red' on bed occupancy.</p> <p>The Chair thanked MM and CR for presenting the Critical Care update.</p> <p>0937hrs - MM and CR left the meeting.</p>	JR	6.2.2020
4	MINUTES OF THE PREVIOUS MEETING – 19 December 2019		
20/04	Approved: The Performance Committee approved the Minutes of the meeting held on 19 December 2019 and authorised these for signature by the Chair as a true record.	Chair	30.01.20
5i	TIME PLAN OF TODAY'S AGENDA ITEMS		
20/05	The Chair suggested the agenda run to plan, ensuring sufficient time to cover Item 11: 2020/21 Operational Planning, draft submission.		
5ii	ACTION CHECKLIST / MATTERS ARISING		
20/06	The Committee reviewed the Action Checklist and updates were noted.		
IN YEAR PERFORMANCE & PROJECTIONS			

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6	PAPWORTH INTEGRATED PERFORMANCE REPORT (PIPR)		
20/07	<p>RC summarised the overall position as 'red'. This comprised 4 'red' domains (Finance, Effective, Responsive, and People Management & Culture). The remaining 3 domains were 'amber' (Safe, Caring and Transformation).</p> <p>DD referred to the balanced scorecard which is forecasting many items moving out of 'red' in the remaining financial year. DD felt this was optimistic in view of the issues in Critical Care. RC will refer this back to domain leads to review for the next meeting.</p> <p>Safe (amber) There were no issues to raise outside of the report. The spotlight on safe staffing was noted.</p> <p>Caring (amber) There were no significant issues to raise outside of the report. It was noted that the Friends & Family test had dipped for Outpatients. There was no general theme to this and it is being kept under review. The main issues raised in the F&F Test is the challenge to reach the hospital site particularly during early morning/traffic. It was noted that the Trust is part of a wider campus travel group to help improve bus routes, signage etc. The spotlight on Friends & Family Test was noted.</p> <p>Effective (red) This domain is seeing the impact of the issues in Critical Care; theatres, admitted patient care, cancellations are all affected with lack of patient flow through to surgical wards. There is a trend for activity reducing in December due to Christmas period.</p> <p>The increase in Length of Stay (LoS) is attributed to less elective work and an increase in emergency procedures with higher acuity patients. Although LoS is not a national metric; the reasoning and benefits for the Trust in measuring this were explained..</p> <p>The Committee noted the need to be careful to not miss other areas which impact on flow, besides those highlighted in Critical Care.</p> <p>The Committee noted the decrease in cath lab use due to machine failure; the Trust has a gold standard repair contract for the high usage cath labs.</p> <p>The spotlight on Critical Care was noted.</p> <p>Responsive (red) This area has felt the impact of Critical Care issues on surgery RTT where elective cases have been cancelled.</p> <p>Respiratory has seen an increase in the waiting list and a higher level of breaches. There has been an increase in the level of referrals. Validation work on waiting list continues with data cleansing. The Committee were assured that achievement of the 92% RTT target can be achieved quickly (currently 91.95%); although it was noted that care is needed to ensure that the RTT figure does not disguise the issue of</p>	RC	27.2.2020

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	<p>not achieving sufficient patient flow through.</p> <p>EM advised that Meridian Productivity has completed the 13-week outpatient project, which has seen benefits exceed target by some way. Other pieces of work will continue beyond this first element, therefore the Trust should see continuing improvement. The Chair noted these improvements need to be sustainable and congratulated the team for their work.</p> <p>The Committee noted the spotlight on Referral Trends. The Trust is working with a local NHS partner which could see a switch in referrals from north London to Royal Papworth. It was noted that 'consultant to consultant' referrals is an area where we can affect change. The Trust needs to be mindful of ensuring sufficient capacity for increased referrals.</p> <p><u>People Management & Culture</u> (red) OM noted an increase in staff turnover to 16.73% (last month 12.87%; target 15%). Sickness absence flags 'amber' at 4.31% (target 3.5%). It is concerning that the main reason for sick leave is being logged as anxiety/stress/depression, which is not restricted to one particular area. This is similar in other NHS organisations. The Trust has been picked this up under the Compassionate and Collective Leadership Programme.</p> <p>The Committee noted the temporary staffing reduction in December in agency and overtime usage.</p> <p>OM referred to the BAME (black, Asian & minority ethnic) network which had a meeting in December with good outcomes.</p> <p>The spotlight featured Band 5 Registered Nurse supply and Demand Modelling; the Trust has a proactive recruitment strategy and the level of applications remains positive.</p> <p><u>Transformation</u> (amber) There were no issues to raise outside of the report. EM explained the position on cardiology work between the Trust and CUH via the Cambridge Transition Programme</p> <p><u>Finance</u> (red) The Committee noted the update and agreed to review this in the detailed Financial Report to follow.</p> <p>Noted: The Performance Committee noted the PIPR update for December 2019.</p>		
7	FINANCIAL REPORT – Month 9 December 2019		
20/08	<p>RC presented this report which gave an oversight of the Trust's in month and full year financial position and risk rating.</p> <p><u>Key Items</u> The Trust's year to date (YTD) position is a deficit of £2.0m on a Control Total basis excl. land sale, which is favourable to plan by £0.06m. However, as the main site land sale was planned to complete</p>		

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	<p>in August and other property sales in November (generating a profit of £11.6m) the net position is £9.7m adverse to plan when these items are included.</p> <p>As a result of the failure of the old site sale, the Trust has revised the forecast year end position this month, as previously agreed at Trust Board. This results in a £2.6m surplus compared to the previous £12.0m surplus, however, NHSI/E have confirmed this does not impact the delivery of the Control Total excluding land sale nor will it impact the receipt of FRF/PSF. The Trust continues to forecast delivery of the £15.5m Control Total excluding land sale profits.</p> <p>EBITDA is behind plan by £0.3m. Drivers of this YTD adverse position are as follows:</p> <ul style="list-style-type: none"> i. Clinical income £2.3m adverse to plan YTD after Guaranteed Income Contract (GIC) protection, due to lower activity of 6.2% in outpatients, 6.0% in inpatient and day case activity and lower levels of Private Patient income (7.1%). Activity performance has resulted in YTD GIC protection of £1.7m, £0.3m more than planned for this stage of the year. Without the GIC protection, the Trust's income position would be £4.0m adverse to plan YTD. ii. Pay expenditure to date is adverse against plan by £1.9m. The substantive cost favourable variance driven by 90 WTEs vacancies. This is net of temporary staffing costs totalling £7.7m. As in prior months, this continues to be an area of concern as staff costs are not flexing in line with activity delivery. The key mitigation of the implementation of additional controls on agency to reduce run rate spend are not yielding the required reduction to date with only marginal Agency expenditure reductions in month compared to prior months. iii. Non pay expenditure is £0.4m adverse to plan in month reducing the favourable YTD position to £3.7m. This YTD position is driven by lower expenditure on clinical supplies due to activity levels, central procurement of defibs, non-utilisation of contingency reserves of £2.1m, PFI contract volume adjustments / performance deductions of £0.5m and old site decommissioning and new site project costs of £0.2m. This has also reduced in month due to the receipt of the actual rates bill for the new site which is £0.8m p.a. higher than estimated by the Trust's professional advisors. iv. CIP is £2.2m adverse to plan due to the start of the CIP gap phasing. The shortfall in identified schemes remains at £3.2m (63% of the £5.1m target). Of the £1.9m identified, £0.8m has been delivered YTD. <p>In-month the Trust generated a deficit of £0.5m on a Control Total basis, £0.9m adverse to plan (£0.8m favourable on a net basis due to the asset sales in month). PSF/FRF income of £1.5m is included within this position. Staffing levels are above the comparable 2018/19 period, however, overall admitted activity in month (excl. ITU) is 3.2% higher than December 2018 indicating continued improvement on the loss of productivity seen earlier in the year, although 9.8% lower than the average Q4 2018/19 activity, however this is predominantly due to the reduced number of working days during December.</p> <p>The underlying position after non-recurrent and normalising items have been removed is a deficit of £11.9m YTD. Without action, the Trust's deficit is forecast to reach a downside position of £17.4m and due to the adverse in month position, the previously approved, non-recurrent mitigations and Executive Director approved actions and enhanced controls to bridge the gap to Control Total achievement increase in importance to ensure the Control Total break-even position is achieved.</p>		

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	<p>Capital expenditure is £1.0m lower than plan year to date, relating to the timing of small works and ongoing replacement programme underspends. The risk has crystallised regarding the old site land sale which was planned to generate a profit of £10.5m, but it is not anticipated that this will be sold in this financial year. The sale of both Queen Marys and St Peters nursing homes were completed in December at a higher than planned profit, contributing to the bottom line favourable in-month position.</p> <p>Cash is £8.1m favourable due to lower capital expenditure, improved working capital position and the impact of the delayed land sale.</p> <p>Use of Resources metric is 3 for the month in line with the planned score of 3.</p> <p>During discussion the following items were noted/considered:</p> <ul style="list-style-type: none"> • The sale of old hospital site has been rescheduled into the new financial year and a rescheduled forecast has been submitted to NHSI. • GIC contracts have provided protection as defined in the report. • Pay expenditure is a concern, particularly the high cost of temporary staffing. • The need to hedge the CIP gap was noted; this is covered in more detail in the Operational Plan. • The capital programme is £1m behind plan, with large orders due to go ahead in March. • The receipt of £4.4m for the HLRI land sale to the University of Cambridge was noted. • The cash position is £8m favourable to plan; RC explained this in relation to the land sale. • The Committee discussed the possible impact of the 'Flowers' case outcome. <p>Noted: The Committee noted the financial update for December 2019.</p>		
8	OPERATIONAL PERFORMANCE - Access & Data Quality Report		
20/09	<p>During discussion it was noted that NEDs had previously queried the content of complex data within this report. SH gave a history to the report's origins regarding Lorenzo reporting and the assurance requested from the Committee Chair at that time. RC acknowledged that this report is due for review and noted that the information contained therein is extremely valuable and has flagged up many issues via its data. JR asked for this to be captured for the Trust's CQC file.</p> <p>The Chair acknowledged the value of the report, which he felt should not be lost, but would like a review of what is presented to this Committee.</p> <p>Noted: The Performance Committee noted the Operational Performance – Access and Data Quality report for December 2019.</p>	SH	28.5.20
9	ACTIVITY RECOVERY – HOSPITAL OPTIMISATION GROUP		
20/10	EM gave the headlines for December noting an under delivery of 200 cases in month (120 of these being surgical) and an under delivery in		

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	<p>cardiology. Improvements have been seen in electro-physiology and outpatients.</p> <p>Respiratory medicine (including in-patients and RSSC) saw lower activity than planned in December and this is being reviewed going forward.</p> <p>CC thanked the team for the report and the progress seen. CC noted that the team should be commended; it was suggested that the Meridian work could be put forward as a case study for other NHS organisations.</p> <p>Noted: The Performance Committee noted the Hospital Optimisation Group update including progress made to date and areas of focus for next month.</p>		
FOCUS ON			
10	BOARD ASSURANCE FRAMEWORK (BAF) UPDATE		
20/11	i) Board Assurance Framework (BAF) Update		
	<p>AJ presented this report. It was noted that a formatting change to Appendix 1 had not worked and this will be rectified for next month.</p> <p>Items to note:</p> <ul style="list-style-type: none"> • There has been one addition since last month being 'current trading'. • Consultant job plans are now complete which has resulted in a £174k increase in cost. It is envisaged that this will be an in-year only issue with mitigations put in place going forward to avoid carrying this forward to next year. • Cyber risk is also included. • The risk regarding sale of the previous hospital site is also detailed in the Operational Plan. <p>Noted: The Performance Committee noted the update; reviewed the BAF risks identified and considered whether there was any requirement to adjust the scope, rating and assessment of assurance for the committee BAF risks.</p>	AJ	27.2.2020
10	ii) Board Assurance Framework Policy and Trust Governance Structure		
20/12	<p>Noted: The Committee noted the updated BAF policy and Trust Governance structure document.</p> <p>Noted: The Committee noted the move to a quarterly CRR report to Board sub-committees.</p>		
FUTURE PLANNING			
11	2020/21 OPERATIONAL PLANNING: DRAFT SUBMISSION		
20/13	RC gave background information to this reporting requirement. The		

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	<p>Planning Framework Guidelines have only just been released; the first submission is due in March with the final submission due in April. The Finance Team already have a draft plan prepared for April submission.</p> <p>During discussion, the following items were noted/considered:</p> <ul style="list-style-type: none"> • RC referred to the recent National Director of Finance/Chief Finance Officer conference and issues which might affect the Trust. • All work is completed to date and represented in the draft plan herewith. • RC explained GIC contract work/transplant tariff/contingency planning and reserves. • Necessities to reach the Control Total was discussed. <p>[1045hrs JR left the meeting]</p> <ul style="list-style-type: none"> • Executive Directors will review cost pressures in the coming weeks. • The risk regarding old site sale was noted. • RC explained approval agreements negotiated with ITFF regarding debt to equity switch and satellite sale of nurses homes, HLRI land etc. • RC explained the progress on GIC including rationale and detail of current negotiations with commissioners. It was noted that the Trust's clinicians are extremely keen to get more work through and not be reliant on GICs in providing a safe income. • CC congratulated RC and the finance team on the negotiated deals which are not easy to achieve. RC will pass these comments back to the team. • RMOH noted the upside income potential in private patients and commercial growth. • Further iterations of the draft plan will be seen at future meetings for approval prior to final submission to NHSI. <p>Recommendation and approvals: The Performance Committee reviewed the draft plan, approved the continued commitment to submit a Control Total compliant plan, and to delegate authority to the Executive Directors to:</p> <ol style="list-style-type: none"> a) Progress the work that is yet to be completed including the approval of the contract values with NHSE and C&P CG (and associated CCGs); b) Approve the submission of the draft plan including the acceptance of the Control Total offer from NHSI/E; and c) Delegate authority to the Chief Executive Officer and Chief Finance Officer to make the draft submission based on this paper together with appropriate amendments within the envelope set out in this paper. 		
12	<p>INVESTMENT GROUP Chair's report (including minutes of meeting held on 13 January 2020)</p>		
20/14	<p>Noted: The Performance Committee noted the update from the Investment Group.</p>		
13	<p>LATEST NEWS/CONSULTATIONS ON ISSUES CONCERNING PERFORMANCE</p>		
20/15	<p>There were no items to consider.</p>		
14	<p>ANY OTHER BUSINESS</p>		

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20/16	14i Governor attendance at Performance Committee		
	<p>The Chair asked whether there should be Governor attendance at the Performance Committee and raised this item for discussion.</p> <p>During discussion it was noted/considered:</p> <ul style="list-style-type: none"> This issue had been reviewed previously when it was felt important to be able to give to Governors information in the correct way, taking into account confidentiality/sensitivity. Previously it was assessed that the depth of information and discussion at the Performance Committee was not the right forum for Governors. The Forward Planning Committee is convened specifically for Governors to have sight of strategic and operational issues. Currently there is a piece of work to look at the role of Governors in forward planning for the organisation; this work includes looking at where Governors can best input to the organisation. This will be taken forward by the Governor Assurance Committee. The Governor roles at Audit Committee, Q&R Committee and Charitable Funds Committee were discussed. It was agreed to discuss this matter at the closed NEDs meeting next week. An update to be provided to this Committee at a future meeting. 	AJ	tbc
15i	COMMITTEE FORWARD PLANNER		
20/17	Noted: The Performance Committee noted the Forward Planner.		
15ii	REVIEW OF ACTIONS AND ITEMS IDENTIFIED FOR REFERRAL TO COMMITTEE/ESCALATION		
20/18	There were no issues raised.		
16	FUTURE MEETING DATES		

2020 dates

Date	Time	Venue	Apols rec'd
27 February	9am-11am	Mtg rooms 1&2, Ground Floor	
26 March	9am-11am	Mtg rooms 1&2, Ground Floor	SP
30 April	9am-11am	Mtg room 4, 1st floor, RP House, Huntingdon	
28 May	9am-11am	Mtg rooms 1&2, Ground Floor	DD
25 June	9am-11am	Mtg rooms 1&2, Ground Floor	
30 July	9am-11am	Mtg rooms 1&2, Ground Floor	
27 August	9am-11am	Mtg rooms 1&2, Ground Floor	
24 September	9am-11am	Mtg rooms 1&2, Ground Floor	DD
29 October	9am-11am	Mtg room 4, 1st floor, RP House, Huntingdon	
26 November	9am-11am	Mtg rooms 1&2, Ground Floor	
17 December	9am-11am	Mtg rooms 1&2, Ground Floor	

The meeting finished at 1104hrs

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Signed
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Date

**Royal Papworth Hospital NHS Foundation Trust
Performance Committee**

