

**Meeting of the Performance Committee
Held on 27 June 2019
Ground Floor Offices meeting rooms 1&2
Royal Papworth Hospital**

MINUTES

Present	Mr D E Hughes	DEH	Non-executive Director (Chair)
	Mr D Dean	DD	Non-executive Director
	Mr R Clarke	RC	Chief Finance Officer
	Mrs E Midlane	EM	Chief Operating Officer
	Ms O Monkhouse	OM	Director of Workforce & Organisation Development
	Mr S Posey	SP	Chief Executive
In Attendance	Mrs A Colling	AC	Executive Assistant (<i>Minutes</i>)
	Mr J Hollidge	JH	Deputy Chief Finance Officer
	Mrs C Skelton-Hough	CS-H	Cardiology Operations Manager
	Mr E Gorman	EG	Chief Nursing Informatics Officer
	Dr David Begley	DB	Clinical Director for Cardiology
Apologies	Dr R Hall	RMOH	Medical Director
	Mrs J Rudman	JR	Chief Nurse
	Mr A Raynes	AR	Director of Digital (& Chief Information Officer)
	Mrs A Jarvis	AJ	Trust Secretary

Agenda Item		Action by Whom	Date
1	WELCOME, APOLOGIES AND OPENING REMARKS		
19/81	The Chair opened the meeting and apologies were noted as above. The Chair welcomed David Begley and Carrie Skelton-Hough who were attending to present Item 8, Rapid NSTEMI Service. Eamon Gorman was attending as Digital representative.		
2	DECLARATIONS OF INTEREST		
19/82	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: <ol style="list-style-type: none"> 1. Dave Hughes as a NED of Health Enterprise East (HEE); 2. Stephen Posey in holding an Honorary contract with CUH to enable him to spend time with the clinical teams at CUH. 3. Stephen Posey as Chair of the NHS England (NHSE) Operational Delivery Network Board. 		

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	<p>4. Stephen Posey and Roy Clarke as Executive Reviewers for CQC Well Led reviews.</p> <p>5. Stephen Posey as Chair of the East of England Cardiac Network.</p> <p>6. David Dean as Chair of Essentia Trading Ltd, a commercial subsidiary of Guy's and St Thomas' NHS FT, which is currently providing advisory services to the Estates team at Cambridge University Hospitals NHS Foundation Trust on Project Management.</p> <p>7. Roy Clarke as a member Cambridge Global Health Partnerships Committee part of ACT.</p> <p>It was agreed that all Board Committees should reflect the current declarations as noted at Board of Director meetings. AC to ensure this is communicated to the Trust Secretary and Executive Assistants.</p>	AC	June 19
3	MINUTES OF THE PREVIOUS MEETING – 30 May 2019		
19/83	Approved: The Performance Committee approved the Minutes of the meeting held on 30 May 2019 authorised these for signature by the Chair as a true record.	Chair	27.6.19
4i	TIME PLAN OF TODAY'S AGENDA ITEMS		
19/84	The Chair discussed the order of agenda and timings were agreed.		
4ii	ACTION CHECKLIST / MATTERS ARISING		
19/85	The Committee reviewed the Action Checklist and updates were noted.		
	IN YEAR PERFORMANCE & PROJECTIONS		
5	PAPWORTH INTEGRATED PERFORMANCE REPORT (PIPR) Month 2 2019/20 – May 2019		
19/86	<p>RC introduced the report and summarised the overall position as at May 2019. The Chair noted this was the first PIPR data following the hospital move, but did also include ten days of the hospital cutover/move period.</p> <p><u>Board Assurance Framework Risks</u> (above risk appetite) Movement in BAF risks was noted, particularly increased risk in current trading and hospital optimisation. EM acknowledged that this has resulted in activity not running as planned; in mitigation, a hospital optimisation project has been initiated (see spotlight under 'Effective').</p> <p>Four new risks have been added under 'Finance' (Master Development and control plans, Current Growth, Capacity Assumptions and Efficiency Assumptions). RC gave a brief overview of the reasoning behind these risks. The Master Development and Control Plan risks will be reviewed in detail by the Strategic Projects Committee.</p> <p>SP noted that discussions at Quality & Risk Committee this week had included capacity issues and safety impacts. CQC were aware that the Trust had closed some capacity and felt this was a responsive action to risk. Q&R queried the safety impacts on capacity and the activity plan not</p>		

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	<p>delivering. The Q&R Chair requested this conversation be escalated to the Board; SP confirmed time would be allowed at the 4 July meeting for this.</p> <p>Safe (Green) The two Serious Incidents reported in month were noted. SP advised that these were currently under investigation and had been discussed at the recent Q&R meeting.</p> <p>The spotlight focussed on Safer Staffing where a query was raised regarding the desired fill rate. EM stated that this was driving some bed closures and that all rotas have been enhanced to ensure safety re. single rooms and visibility.</p> <p>RC stated that the Trust requires a long term sustainable staffing plan which is affordable, as short term plans are not financially sustainable. Initial new hospital staffing plans signed off have been amended to allow for the current short staffing. OM conveyed what had been discussed at the recent Clinical and Diagnostics performance review meeting regarding this.</p> <p>In discussion the Committee referred to how the single rooms were working and being managed with focus on safety. This matter had also been scrutinised at the recent Q&R meeting. It was noted that staff are still familiarising with the new environment/building and this settling in period is normal.</p> <p>Caring (Amber) The Friends and Family test had dropped to 88.4% in May. It was noted that Outpatient numbers were low for May (during hospital move period) and that nationally the number of surveys completed has been lower. The Trust has introduced initiatives to improve the Friends & Family test response rate and confident that this will see improvement following the hospital move.</p> <p>Effective (Red) The data reflects the end part of the cutover period, during the first part of May. EM referred to the previously discussed drop in activity and staffing levels which has progressed to the launch of the hospital optimisation project which is led by Chief Operating Officer, Medical Director and Chief Nurse. This was fully detailed in the spotlight report; the main concern being the lower staffing levels which has led to reduced beds in Critical Care and Surgery which has constrained activity. This report suggested a rise staff sickness levels; it was noted that this is in pockets across the Trust and not an overall trend. It was noted that staff are fatigued from the huge amount of extra commitment required in leading up to and during the move; along with the annual leave cancellation period.</p> <p>DD enquired of the previously discussed emergency theatre. EM advised that Theatre 6 is planned to come in line in October; this is dependent on Critical Care beds being able to be opened and the stepped plan to move to the full 46-bed Critical Care occupancy.</p>		

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	<p>In response to a finance query regarding activity levels, RC advised how GIC contracts work in this under-activity period. Referring to how staffing might be affecting activity levels, SP noted that there are 170 people in the recruitment pipeline and that the Trust may need to look at how to work differently with the current staff complement.</p> <p>RC noted the high cost of the current temporary staffing pressure and the imbalance of high pay costs vs under activity. OM suggested moving away from overtime/agency use to bank staff which would reduce pay costs.</p> <p>The Chair took the opportunity to gain feedback from DB on staffing/activity levels in clinical areas. DB added that the situation had not been helped by breakdown of equipment and that Philips were on site today in an effort to resolve issues.</p> <p>RC and SP both acknowledged the newness of the environment for staff and how this does take time to adjust to. Straight forward processes such as the change in how new linen stores are stocked can add extra time to routine jobs. This should all settle down as familiarisation beds in.</p> <p>Responsive (red) On a positive noted, Cardiology RTT has delivered four consecutive months above the standard. EM advised that this has been discussed with Commissioners resulting in Cardiology no longer classed as 'in recovery' and now working as 'business as usual'. Cardiac surgery is above trajectory but margins remain squeezed due to staffing levels. A further positive has been an agreed change with Commissioners to tariffs for sleep study patients. This will be reflected in next month's PIPR; this would remove 30 breaches on the RTT waiting list and show an uplift overall on RTT by 1%.</p> <p>The spotlight on Cancer performance noted the constriction in capacity to treat over the move period. Post move some additional time has been added to the pathway, with interim solutions needing to be put in place (histology and transport issues). As from 1 August histopathology moves to LMB at CUH which is part of the move plan. SP added that the recent CQC visit had noted this deterioration along with the mitigations put in place by the Trust. SP asked for an analysis of on the reasons for the breach including granularity of the histology issue.</p> <p>There were three breaches on ACS 3 day pathway which was disappointing; but these were out of the Trust's control and related to a failure of transport issue. SP mentioned the remarkable improvement in the ACS service and took the opportunity to commend DB and his team on this achievement.</p> <p>The spotlight on cancer performance was noted.</p> <p>People Management and Culture OM updated that nursing turnover was static but that overall turnover had decreased. The largest group of leavers being Admin & Clerical staff and this will be reviewed. The vacancy rate has increased due to increase in staffing levels and implementation of Gateway 2 plans. The vacancy rate has been mitigated by use of temporary staffing.</p>	EM	25.7.19

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	<p>The IPR rate is down as noted in the report; mandatory training is the spotlight focus.</p> <p>OM updated on the nurse recruitment joint event with CUH on 22 June; this had shown good interest with 61 registered nurses and 52 Health Care Support Workers in the pipeline.</p> <p>DEH referred to previous efforts which reduced the vacancy rate to nil and the possibility of using that successful plan again. OM explained the work being done by the recruitment team and how the Trust is working creatively to recruit.</p> <p>The Spotlight gave an update on mandatory training in order to keep a focus on this. There are some changes to the mandatory training policy, methodology and governance in an effort to make it more accessible to staff. OM ran through the compliance by competency data and gave context to this.</p> <p>Transformation (Amber) The position was noted with a detailed review to be taken within the Strategic Projects Committee to follow.</p> <p>Finance (Amber) RC clarified that the CIP for May is in plan and rates as green although the overall CIP project is under achieving and flagged as red. The finance position was noted with a detailed review to be taken within the Financial Report.</p> <p>Noted: The Performance Committee noted the PIPR report for May 2019.</p>		
6	FINANCIAL REPORT – Month 2 2019/20 May 2019		
19/87	<p>RC gave an overview of the report.</p> <p>The Trust's year to date (YTD) position is a deficit of £1.4m on both a Control Total basis excl. land sale and a net basis. This is favourable to plan by £0.9m, driven by:</p> <ul style="list-style-type: none"> • EBITDA is £0.9m favourable to plan year to date, EBITDA margin is 2.4% compared to planned margin levels of (1.8)%. This comprises: <ul style="list-style-type: none"> ○ Clinical income is £0.6m adverse to plan after Guaranteed Income Contract (GIC) protection. This is due to 12.6% lower Outpatient activity than planned, a reduction of 7.8% Inpatient and day case activity together with lower level of Private Patient income. This has resulted in the GIC contributing £1.8m to the position, £0.4m ahead of plan; ○ Pay expenditure to date is £0.1m favourable to plan. This is driven by the saving from the 269 WTEs substantive vacancies, almost entirely offset by temporary staffing costs totalling £1.9m, which is an area of concern when compared to the activity delivered; ○ Non pay expenditure is £1.0m favourable to plan in month and £2.1m YTD. This is driven by lower expenditure on clinical supplies due to lower than planned activity levels, non-utilisation of contingency 		

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	<p>reserves totalling £0.5m and £0.6m relating to the timing of old site decommissioning costs and new site project costs;</p> <ul style="list-style-type: none"> ○ CIP is in line with plan in month with only marginal levels planned until September 2019. There remains a gap of identified schemes fully signed off through the gateway process of £3.7m, 73% of the total CIP target. ● Non-operating items are ahead of plan due to the interest income received as a result of the favourable cash position. <p>The year to date underlying position is a deficit of £3.15m after non-recurrent and normalising items have been removed. The key adjustments include FRF/PSF funding of £1.54m, PFI transition funding £0.68m and New Papworth Hospital Programme expenditure £0.50m.</p> <p>Forecast year end position remains in line with the planned control total break-even position, however, risk in regard to CIP and activity levels must be addressed to ensure its delivery.</p> <p>Capital expenditure is £0.8m lower than plan year to date due to timing of new hospital equipping programme spend and is anticipated to catch up to plan in the coming months.</p> <p>Cash is £8.6m favourable to plan due to the draw down of the £5.0m bridging loan earlier than planned, together lower capital expenditure and an improved working capital position.</p> <p>Use of Resources metric is 3 for the month in line with the planned score.</p> <p>Risk has increased relating to the land sale and level of delivered activity.</p> <p>Actions Arising / To be taken 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>RC explained how the contingency is being used to offset risks; this is a one-off contingency which is being used ahead of plan; this is noted in BAF risk.</p> <p>In response to a query on why CCG/NHSE agreed CIG contracts this year, RC summarised the reasoning behind this which involved a number of factors.</p> <p>SP noted the CIP position along with the aim for the year and what is currently in the pipeline. From a year end CIP target of £5.1m, currently £2.4m has been identified. To help keep focus on CIP there is a weekly CIP meeting; key areas are procurement and medicine management. It was noted that CIP in Q2 will be a renewed area of challenge for Executive team. SP took the opportunity to commend the cardiology team on their CIP performance. Page 9 showed the under-funding in transplant procedures and how new tariffs are being proposed with NHSE.</p>		

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	<p>DD requested that the report include monthly run rate – RC confirmed this will be added in.</p> <p>Noted: The Performance Committee noted the month 2 Finance Report.</p>	RC/JH	25.7.19
7	<p>OPERATIONAL PERFORMANCE Access & Data Quality Report - Month 2 2019/20 May 2019</p>		
19/88	<p>RC introduced this report and ran through the key headlines where improvement had been seen and those which require further attention.</p> <p>[1030 OM left the meeting]</p> <p>There were several areas flagging red on the summary action plan. EM explained that targets were reset 2 months ago, which created a big gap to begin with but should then recover.</p> <p>Noted: The Performance Committee noted the Month 2 Access & Data Quality Report.</p>		
	<p>FOCUS ON</p>		
8	<p>RAPID NSTEMI SERVICE Presentation by Carrie Skelton-Hough, Operations Manager</p>		
19/89	<p>(NSTEMI = Non-ST-elevation myocardial infarction)</p> <p>The Chair welcomed Carrie Skelton-Hough, Cardiology Operations Manager. The presentation covered:</p> <ul style="list-style-type: none"> • Background to the NSTEMI pathway and why a rapid pathway had been identified. • ACS (Acute Coronary Syndrome) capacity review actions in September 2017 • Pathway for direct admission to Royal Papworth for patients with high risk NSTEMI diagnosis. • Benefits of rapid NSTEMI pathway • Data for the first 6 months of running the rapid service • Before and after service implementation data. <p>The Chair thanked CS-H for this powerful story. It was noted that outside of this meeting, Dr Roger Hall, Medical Director had suggested that other services could benefit from introduction of a 'rapid' pathway. DB suggested that pace-making service would be a good candidate.</p> <p>Noted: The Performance Committee noted the presentation on the Rapid NSTEMI Service.</p>		
9	<p>BOARD ASSURANCE FRAMEWORK (BAF) UPDATE</p>		
19/90	<p>It was noted that this area had been covered within discussions on PIPR. SP gave apologies for AJ not in attendance as she was focussing on</p>		

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	CQC work. Noted: The Performance Committee noted the BAF update.		
FUTURE PLANNING			
10 19/91	INVESTMENT GROUP Chair's report (including minutes of meeting held on 10 June 2019)		
	The Committee noted that the main business at the 10 June meeting was to hand over governance from the New Papworth Project Management to the Investment Group as 'business as usual'. Noted: The Performance Committee noted the Investment Group Chair's report.		
11 19/92	BUSINESS CASES There were no items to consider.		
12 19/93	LATEST NEWS/CONSULTATIONS ON ISSUES CONCERNING PERFORMANCE There were no items to consider.		
13 19/94	ANY OTHER BUSINESS It was noted that the next meeting on 25 July would be held at the hospital and not Royal Papworth House, Huntingdon as originally planned. This was due to the CQC Well-led Inspection taking place on 25-26 July at the hospital. Both Performance Committee and Strategic Projects Committee will run slightly shortened meetings on that day; Dave Hughes sent his apologies for the next meeting with David Dean chairing in his absence; DEH will be available for a phone call with CQC as required. SP discussed the prep sessions for the CQC Well-led visit for NEDs, which will be held following the Board meeting on 4 July.	All	25.7.19
14i 19/95	COMMITTEE FORWARD PLANNER Noted: The Performance Committee noted the Forward Planner.		
14ii	REVIEW OF ACTIONS AND ITEMS IDENTIFIED FOR REFERRAL TO COMMITTEE/ESCALATION No other items were raised.		
15	FUTURE MEETING DATES 2019 25 July 29 August 26 September 31 October [to be held at Royal Papworth House, Huntingdon] 28 November 19 December		

The meeting finished at 11am

[Handwritten Signature]

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Signed

25/7/19

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Date

Royal Papworth Hospital NHS Foundation Trust
Performance Committee
Meeting held on 27 June 2019

