

Part 1
Agenda item 3.iv

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| Report to: | Board of Directors | Date: 5 February 2026 |
| Report from: | Chair of the Performance Committee – Mr David Jones | |
| Principal Objective/ Strategy and Title | GOVERNANCE: To update the Board of Directors on discussions at the Part 1 Performance Committee 29/01/2026. | |
| Board Assurance Framework Entries | 678, 1021, 2829, 2904, 2985, 3009, 3074, 3223, 3261 | |
| Regulatory Requirement | Well Led/Code of Governance: | |
| Equality Considerations | None believed to apply | |
| Key Risks | To have clear and effective processes for assurance of Committee risks | |
| For: | Information | |

1. Significant issues of interest to the Board

BAF

The Committee reviewed the risks presented in the new format and noted some improvements to allow for confidence in adequate assurance. The committee raised that there must be a corelation between the actions taken to manage risk, and the risk scores. If we take actions and the risk score remains unchanged, we should consider other actions.

Finance

The Committee noted that we continue to forecast a breakeven position for 2025/26 and that finances are being actively managed to achieve this. There are still risks and opportunities that will need careful management to allow delivery of the breakeven plan.

There has been active management of the capital position. The Trust's capital plan will be increased by £1.6m to include Frontline Digitisation funding; EPR spend has been reviewed and brought forwards where possible to utilise this funding. Brokerage of £2.0m has been agreed between the Trust and NWAFT. These actions bring the overall capital overspend within manageable limits and within the available allocation.

CIP

The Committee noted that the gap in CIP is on track to end the year closer to target than previously anticipated. There is still an expectation that we may miss targets and there is still a risk with the number of non-recurrent items that have contributed to CIP this year.

CIP planning for 2026/27 has started and the Committee noted that the plans currently still have a long way to go to achieve the assumed 26/27 targets. The Committee was made aware that, due to larger structural considerations, meeting 26/27 CIP targets will be more challenging than previous years.

Elective Care Recovery

The Committee recognises the ongoing efforts and the achievements made to date. There are still capacity challenges with TAVI and Structural, due to staffing levels but efforts are being made to explore options. The Executive Team are aware that, whilst late referrals do contribute, there are still areas for improvement inside the hospital.

PIPR

The Committee commented on the decline of performance in PIPR but also noted that the indicators do not raise any issues which are cause for material concern. Again, this reinforces the need to optimise PIPR, which is an activity the Executive have already agreed to undertake at an appropriate time.

There are still areas that require focus, especially in workforce, but these items are being overseen by the Workforce Committee and no further action is required by this committee.

Operational Planning 2026/27

The Committee was provided with an update for the 2026/27 Operational Plan. Due to the structural unknowns outside of the control of Papworth, the Committee has been made aware of the additional challenges involved.

A breakeven plan was proposed; however, it was noted that the delivery risk is currently rated as high, with key risk areas highlighted as income (agreeing key contracts with Commissioners) and delivery of a £9.3m CIP Plan. The Committee noted the work in progress to develop the FY27 Plan ahead of submission on 12 February.

The Committee was assured that good engagement has been sought across the hospital and that all divisions are aware of the operating plan and implications. The Committee asked that, once the plan had been formalised, it is made aware of impact to patient care, staff and other operational aspects.

2. Key decisions or actions taken by the Performance Committee

None

3. Matters referred to other committees or individual Executives

None

4. Other items of note

None

5. Recommendation

The Board to note the contents of this report.