

Meeting of the Performance Committee
Held on 31 January 2019
Meeting Room 4, Royal Papworth House,
Ermine Business Park, Huntingdon

UNCONFIRMED **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 (Minutes)
	Mr J Hollidge	(JH)	Deputy Chief Finance Officer
	Mrs A Jarvis	(AJ)	Trust Secretary
	Mr A Raynes	(AR)	Director of Digital (& Chief Information Officer)
	Mrs J Rudman	(JR)	Chief Nurse (via telephone dial-in)
Apologies	Dr R Zimmern	(RZ)	Non-executive Director
	Dr R Hall	(RMOH)	Medical Director

Agenda Item		Action by Whom	Date
1	WELCOME, APOLOGIES AND OPENING REMARKS		
19/1	The Chair opened the meeting and apologies were noted as above.		
2	DECLARATIONS OF INTEREST		
19/2	<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. Dave Hughes as Non-executive Director of Health Enterprise East (HEE). 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 		

Agenda Item		Action by Whom	Date
	<p>him to spend time with the clinical teams at CUH.</p> <p>5. Stephen Posey as Chair of the NHS England (NHSE) Operational Delivery Network Board.</p> <p>6. Stephen Posey as Chair of East of England Cardiac Clinical Network.</p> <p>7. Andrew Raynes as a Director ADR Health Care Consultancy Solution Ltd.</p> <p>8. David Dean as Chair of Essentia, a commercial subsidiary of Guy's and St Thomas' NHS FT.</p> <p>9. Roy Clarke Trust as representative for Cambridge Global Health Partnership.</p>		
3	MINUTES OF THE PREVIOUS MEETING – 20 December 2019		
19/3	Approved: The Performance Committee approved the Minutes of the meeting held on 20 December 2018 authorised these for signature by the Chair as a true record.	Chair	31.1.19
4i	TIME PLAN OF TODAY'S AGENDA ITEMS		
19/4	The Chair suggested that the main focus is on PIPR and the Operational Plan. It was agreed to bring this latter item forward on the Agenda to ensure it has sufficient time for discussion. It was agreed to move this up the Agenda following the Financial Report.		
4ii	ACTION CHECKLIST / MATTERS ARISING		
19/5	The Committee reviewed the Action Checklist and updates were noted.		
IN YEAR PERFORMANCE & PROJECTIONS			
5	PAPWORTH INTEGRATED PERFORMANCE REPORT (PIPR)		
19/6	<p>The Chair suggested that discussion focus on the domains flagging red and the spotlight items.</p> <p>RC gave a brief overview position. The Committee commented on the following areas:</p> <p>DD noted the downward trend to the RTT graph on page 1 graph. It was noted that this was due to December being a short reporting month, lower throughput and seasonal issues.</p> <p>The VTE data on slide 5 was flagging red. JR advised this was due to a slight dip in activity along with a need for data cleansing; there is an action plan in place and JR offered to share this in a future Spotlight Report if required. The matter had been discussed at Quality & Risk committee. It had been identified as a data quality issue with the Lorenzo system with a training need for junior medical staff.</p> <p>Page 4 showed the balanced score card which predicted many areas moving from red to green in the next few months and was this realistic.</p>	JR	Tbc

Agenda Item		Action by Whom	Date
	<p>EM advised of increased expected transplant activity, RTT ahead of trajectory; cancer waits are to be reassessed and feedback through the performance reporting.</p> <p>The Chair was surprised on the BAF updated that the safer staffing risk was reducing. JR explained that the likelihood of not having sufficient staff had decreased but the vacancy factor improved. OM added that turnover is at risk and volatile due to the hospital move but that recruitment is improving.</p> <p>Safe (Red) Spotlight: High Impact Interventions This update had been requested by the Board. The cumulative score is based on eight high impact interventions. Request at board for this.</p> <p>Caring (Red) JR noted it was very disappointing to be in 'red' position; this was mainly due to the moving average score for complaints (5.5 against target of 5) and the Outpatient friends & family test (FFT) score (92.5% against target 95%). The report included national benchmark data on FFT as at November and this continues to be kept under review.</p> <p>The Committee discussed Outpatients FFT which is often difficult to capture and does have a low response rate which is mirrored nationally. The Key Performance challenge section gave further detail. It was noted that only two more responses would have moved this to 'green' and there is little tolerance in the 'red/green' target to move to amber. JR advised that the Trust will reach out to the few other organisations who have a better response rate to see what they do. The Committee discussed the different methods of issuing the questionnaire, i.e., electronic, paper. It was noted that there is no penalty attached to this metric as it is a Trust only standard.</p> <p>The Committee discussed the improvement in Direct Care Time which was detailed further in the Spotlight Report.</p> <p>It was noted that complaints had been discussed at Quality & Risk who were not satisfied with how the metric flicks into red from green. It was suggested that a proposal is put through to Board for resetting this target in the new financial year.</p> <p>[0924hrs JR left the meeting]</p> <p>Effective (amber) The key item reported was lower activity in December than anticipated which affected bed occupancy. Factors contributing to this included operational planning around staff annual leave and some patients choosing not to come in for operations near to Christmas.</p> <p>The Committee discussed issues around the dip in safer staffing. Cath labs had been affected by operator lack of availability and consultant sickness. This all played into the lower than desired activity level in December and affected ward level of beds. December also saw a high acuity of patients and transplant activity.</p>		

Agenda Item		Action by Whom	Date
	<p>It was noted that there were some link between the cold weather and admitted care numbers; previously this had resulted in lower patient attendees and lower admitted patients due to bad weather travel problems.</p> <p>This time of year also sees a surge in use of ECMO beds and more available organs which increases transplant and retrieval activity.</p> <p>The Committee discussed theatre and cath lab cancellations which were noted in further detail under Key Performance Challenges, alongside reasons for patient 'DNAs'.</p> <p>The Chair asked how many of the 500 patients that were not seen were due to transplant activity. The Chair asked to see this categorisation of the patients affected before next week's Board meeting. JH signposted the Committee to the Financial Report page 20 which detailed the categorisation by inpatient activity and income. There was an unusually large shortfall of RSSC patients which had been discussed with the Thoracic Services Clinical Director.</p> <p>In response to a previous request from RZ, the Spotlight focussed on Bed Occupancy.</p> <p><u>Responsive (red)</u> This domain flagged red despite the continued improvement in RTT which has seen steady and sustained improvement in performance across the aggregate position, including cardiology and cardiac surgery. The Chair congratulated the team for their work on achieving this improvement.</p> <p>EM added that the understanding within the RTT team had vastly improved, with staff having a real operational grip with plans against each patient. The previous problems have escalated staff learning around RTT which has been a driver to this improving position.</p> <p>Cancer performance, under the new reporting rules, flags red at 75%. It was noted that under old rules this would be within target at 85%. On this basis it is forecast that cancer performance will not improve by year end. Again, under the old rules, the Trust would be on track to deliver here. It was highlighted that is no change in our level of service provided and this is not affecting patient care. It was noted that this information is in the public domain, but not showing the above context, and judgments can be made due to the numbers shown. The Trust continues discussions with NHSE and CCG on this issue.</p> <p>The Spotlight Report on Diagnostic Reporting was noted.</p> <p><u>People Management and Culture (red)</u> OM discussed staff turnover in December. The unregistered nurse vacancy rate will be adjusted for the Board meeting as it still included PRP staff in these vacancies. The Trust is starting to see a positive impact relating to nurses and HCSW on the impending move. Recruitment campaigns for Admin & Clerical staff continue at Huntingdon and Cambridge for Band 2 and Band 3 post, with high interest.</p>	EM	31.1.19

Agenda Item		Action by Whom	Date
	<p>OM referred to statutory and mandatory training where work is in hand to identify an improvement plan. This has seen a roll out of e-learning modules on some competencies, with e-learning to increase in other areas. This change should also reduce the time required for the monthly staff induction sessions.</p> <p>The Spotlight Report on Statutory and Mandatory Training was noted.</p> <p><u>Transformation</u> (Amber) The position was noted with a detailed review to be taken within the Strategic Projects Committee.</p> <p><u>Finance</u> (red) The position was noted with a detailed review to be taken within the separate Financial Report.</p>		
6	FINANCIAL REPORT – Month 9 2018/19		
19/7	<p>RC presented this report and gave a brief verbal summary of the position. Key issues were highlighted as:</p> <p>The Trust's year to date position is a deficit of £6.99m, favourable against the plan by £0.67m.</p> <ul style="list-style-type: none"> • Total clinical income is below plan by £2.61m, this comprises an adverse variance resulting from lower than planned NHS activity of 2,119 (11.0%) inpatient/day cases equating to £3.07m, partially mitigated by favourable complexity in case mix of £2.00m and a combination of other favourable items totalling £0.26m, to give an underlying net clinical income position which is behind plan by £2.61m. In addition, high cost drugs and devices income is £1.77m adverse to plan, however, are procured on a pass through basis and therefore offsets lower expenditure (full detail is shown in section 5.0). • Pay is £0.10m adverse to plan with temporary staffing costs replacing substantive savings from vacancies. Non pay is £2.10m favourable to plan, comprising favourable clinical supplies due to the lower activity (£3.81m), underspends due to timing on the NPH transition programme (£0.27m) and lower depreciation charges (£1.65m) due to a technical change following delayed capitalisation of assets. Offset by the timing of additional E&F related expenditure due to the delayed move (£0.90m), commissioner fines (£0.71m) and unachieved non-pay CIP (£0.63m). • EBITDA is behind plan by £1.08m as a result of the changed phasing of the costs of remaining on the existing site. • Actual year to date CIP achievement of £4.997m is £1.48m adverse to the plan of £6.772m, due to £0.38m planning gap and an operational delivery gap of £1.77m from overspends in Pay compared to the Gateway 2 rosters, these are partially offset by non-recurrent underspends not reported as CIP. • Capital expenditure year to date is £14.15m which is underspent by £9.73m due to delays in timing of the new hospital equipment purchases as the refreshed plan anticipated significant expenditure in August, which was delayed, awaiting the finalisation of the master commissioning programme. • The cash balance of £25.73m is favourable to the refreshed plan by 		

Agenda Item		Action by Whom	Date
	<p>£15.72m, predominantly due to the timing of the NPH capital equipping programme and working capital improvements to plan.</p> <ul style="list-style-type: none"> In month the Trust has reported a deficit of £1.49m, which is £0.65m favourable against the planned refreshed plan deficit of £2.14m, however, represents a significant deficit trading position. Lower expenditure, due to lower activity against plan, additional liquidated damages and reduced depreciation charges drive this in month difference to plan. The underlying run rate deficit of £1.02m in month and £5.98m year to date is adjusted for costs of transition, the associated funding, fines, bad debt provision movements and the R&R project. The forecast out-turn position was updated last month following the approval of the master commissioning plan and now reflects the Trusts anticipated year end deficit of £11.68m (£11.5m adjusted 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. <p>The Committee noted the cash position going forward and the £11.5m year- end forecast on control total basis.</p> <p>The Chair referred to slide 3 which showed the clinical income below plan by £2.6m. RC referred the Committee to slide 18 which showed lost activity of £3m followed by favourable issues which have helped this. EM added that the In-House Urgent & Same Day Admissions Project had found that if targets had been met, then we could have drawn through another £3m of work. This is positive news that with the right efficiencies we could have met this plan.</p> <p>Noted: The Performance Committee noted the Financial Report Month 9 2018/19.</p> <p>The Chair agreed to move agenda Item 14 Draft Operational to discuss next.</p>		
14	DRAFT OPERATIONAL PLAN		
19/15	<p>RC presented this paper which provided a summary of the draft 2019/20 Operational Plan submission to NHSI, which is due on 12 February 2019, to the Performance Committee and Trust Board for approval.</p> <p>RC advised the meeting that the Operational Plan Consultation Tariff was issued just prior to this paper being issued. There will therefore be some issues outstanding for resolution. The Risk scores show the position as if the plan was signed off today and not when the final plan is ready.</p> <p>RC explained how the Trust would need to perform to in order to meet the plan.</p> <p>This is a 'checkpoint' review of the plan with the formal submission presented to the March Board.</p> <p>RC highlighted the key risks and explained the risk mitigations in place to</p>		

Agenda Item		Action by Whom	Date
	<p>achieve the plan. The Executive Directors had fully reviewed the current draft with recommendation to the Performance Committee and Board.</p> <p>The Performance Committee are requested to:</p> <ol style="list-style-type: none"> 1. Review the draft Operational Plan; 2. Approve the acceptance of the Control Total offer from NHSI and recommend to the Trust Board to: <ol style="list-style-type: none"> a) Approve the submission of the outline activity plan as set out in this report; b) Approve the submission of the financial plan including the acceptance of the Control Total offer from NHSI; and c) Give delegated authority to the Chief Executive and Chief Finance Officer to reflect significant changes to the plan resulting from the release of the outcome of the national consultation or outcome of the contract negotiations prior to submission date. <p>During discussion the following items were noted/considered:</p> <ul style="list-style-type: none"> • DD referred to £5m CIPs which he had previously suggested was not sufficient. Seeing CIPs in relation to the full plan looked fair. He was mindful of the support received this year and the need to be robust following the hospital move; acknowledging that the Recovery Plan will need to be refreshed following the move. • Again, on CIPS, DD asked if the Trust could achieve more than £5m of efficiencies to fund cost pressures. RC advised there is an Executive Panel meeting on 4 March to review cost pressures. • RC explained that the plan runs over a 5 year period and how this could be achieved. He acknowledged the huge support from NHSI. • DD raised query regarding Reserves (slide 7) and RC explained this. • DD referred to the revenue increase at 6.6% and how this sat with our Commissioners. RC explained the position of our CCG and how this affects the Trust; noting that it is specialist commissioning arrangements which require further negotiation. • The Committee discussed next year's tariff and which parts were still in negotiation; there should be a clearer picture by the end of February. The difficulty in ascertain transplant activity in the plan was noted. • The Committee noted the Q1 ramp down due to the hospital move and how this might affect certain activity areas. • The Committee discussed the current mobile cath lab activity and that we will not this mobile facility at NPH. EM advised that recruitment of catch lab staff at NPH is looking positive. • The Chair referred to how activity for next year relates to activity that we have at the moment (slide 35) and this was discussed by the Committee. • DD referred to asset sales such as the sale of the existing site and how this no longer counts to the control total and RC gave further reasoning behind this. • The Chair referred to the cost error in the Gateway 2 staffing figures and cost pressure impact. RC advised that this forms part of cost pressure work. <p>In summary the Chair thanked the Executive Directors for this very high</p>		

Agenda Item		Action by Whom	Date
	<p>quality document which gives confidence to the Performance Committee.</p> <p>The Performance Committee:</p> <ol style="list-style-type: none"> 1. Reviewed the draft Operational Plan; 2. Approved the acceptance of the Control Total offer from NHSI and recommend to the Trust Board to: <ol style="list-style-type: none"> a) Approved the submission of the outline activity plan as set out in this report; b) Approved the submission of the financial plan including the acceptance of the Control Total offer from NHSI; and c) Authorised delegated authority to the Chief Executive and Chief Finance Officer to reflect significant changes to the plan resulting from the release of the outcome of the national consultation or outcome of the contract negotiations prior to submission date. 		
7	OPERATIONAL PERFORMANCE Access & Data Quality Report		
19/08	<p>RC gave overall summary where key items were noted on the cover sheet.</p> <p>DD referred to the visibility of appointment slots in Lorenzo; how significant was the impact of this to patients and staff. EM advised that we are now able to obtain a forward looking report which and explained how this works. Key areas using this are RSSC and Thoracic which has helped fill capacity.</p> <p>The Chair referred to the Summary Action plan where four items had been noted in the 'status' column as 'N/A'; and asked for an update on these items. EM to review and bring back to the Committee.</p> <p>Note: The Performance Committee noted the contents of this report.</p>	EM	28.2.19
8	ACTIVITY RECOVERY ACTION PLAN		
19/9	<p>The Committee received this report from EM, where key areas of concern were noted. On review of the action plan, many areas looked on track and showed the key areas of focus which flagged red and amber.</p> <p>SP requested information to be brought back to Executive Directors regarding the number of bookings in January, showing hard activity data, and follow this through in to February. RC suggested picking up the weekly booking report and take to ED weekly meeting, with a variation of this back to the Performance Committee.</p> <p>On a formatting issue, the Chair advised it was difficult to read the key on the graphs as the type was so small and asked for these to be made clearer.</p> <p>Noted: The Performance Committee noted the Activity Recovery Action Plan.</p>	EM EM	ED mtg Perf Cttee 28.2.19

Agenda Item		Action by Whom	Date
FOCUS ON			
9	FINANCIAL RECOVERY PLAN		
19/9	<p>RC presented the Financial Recovery Plan. Key changes in the plan were noted as:</p> <ul style="list-style-type: none"> - Change in control total (moved to green) - Recalculation of the Market Forces Factor (MFF) (moved to amber/green). <p>All other items are being dealt with in the annual planning process.</p> <p>Noted: The Performance Committee noted the contents of this report.</p>		
10i	FINANCIAL STRATEGY RISK PERFORMANCE REPORT (FSRA) ACTION UPDATE		
19/10	<p>Noted: The Performance Committee noted the FSRA and minor movements therein.</p>		
10ii	BOARD ASSURANCE FRAMEWORK (BAF) UPDATE		
19/11	<p>The Trust Secretary referred to the summary table where there were no changes on risk rating for any committee risks. Any changes were flagged by red text within the report, which was felt helpful.</p> <p>AJ advised that the Internal Audit Review of the Board Assurance Framework had produced a draft assurance map which was incomplete and this would be updated with input from Trust leads. The review would be undertaken over the next month and reflected in future reports.</p> <p>It was noted that the CIP plan programme is scheduled to be recovered by Quarter 4, albeit there is still a gap identified at moment. It was likely that that this item will end with a planning gap of £83k and the Committee agreed to remove from BAF.</p> <p>Noted: The Performance Committee noted the BAF update.</p>		
11	BAF RISK RATING (RISK APPETITE AND TARGET RISK RATING)		
19/12	<p>This report shows the reviewed target risk ratings and risk appetite to take forward into new financial year. The main changes in risk are due to the move to the new hospital, as detailed on page 2 of the report.</p> <p>The risks are included in draft Operational Plan.</p> <p>OM advised that the risk on People Management & Culture is incorrect. It was agreed that this will be revised for next month's report.</p> <p>Approved: The Performance Committee approved the proposed</p>	JH	28.2.18

Agenda Item		Action by Whom	Date
	amendments to the risk ratings.		
FUTURE PLANNING			
12 19/13	INVESTMENT GROUP Chair's report (including minutes of meeting held on 8 and 14 January 2019)		
	<p>The Performance Committee noted the Chair's report and accompanying draft minutes. There was one approval for the Lorenzo Digital Exemplar revised case; support from DXE had enabled this to progress. The Investment Group approved the move from non-recurrent to recurrent funding.</p> <p>Noted: The Investment Group noted the contents of this report.</p>		
13 19/14	CORPORATE RISK REGISTER Noted: The Performance Committee noted the key themes and new risks graded 12 and above that have been reported to the Q&R Committee at its 22 January 2019 meeting.		
15 19/16	LATEST NEWS/CONSULTATIONS ON ISSUES CONCERNING PERFORMANCE There were no items to consider.		
16	ANY OTHER BUSINESS There were no items raised.		
17i 19/17	COMMITTEE FORWARD PLANNER Noted: The Performance Committee noted the Forward Planner.		
17ii 19/18	REVIEW OF ACTIONS AND ITEMS IDENTIFIED FOR REFERRAL TO COMMITTEE/ESCALATION There were no items identified for escalation.		
17iii 19/19	<p><u>Terms of Reference (ToR)</u> The Committee discussed quoracy on other committees. It was suggested that a third NED be assigned to the Performance Committee, with two NEDs required for quoracy. It was suggested that this be a 'finance' NED who would have sight of the financial papers which received full scrutiny at this Committee. It was agreed to put this on the self-assessment form for the Board to consider.</p> <p><u>Self-assessment</u> There were two items scored as 'adequate'. The Committee discussed. Item 10 Assurance Reports, and how this could improve to 'strong'. The Chair would like to see more external benchmarks such as IHU data from</p>	AJ	7.2.19 Board

Agenda Item		Action by Whom	Date
	<p>other trusts. SP added that the GIRFT report will be presented to the next meeting.</p> <p>AJ to add in narrative to “adequate” and how this could move to ‘strong’ by:</p> <ul style="list-style-type: none"> - improving benchmarking - adding further assurance in the BAF - referencing the strong Chair’s report sent to Board each month - adding a third NED as a member, with two NEDS required for quoracy - amending Board paper header to add in assessment of assurance. <p>Any outstanding Self-assessment questionnaires can be given back to AJ.</p> <p>The Performance Committee:</p> <p>Agreed revised terms of reference and recommend these for approval by the Board of Directors;</p> <p>Performed a self-assessment by means of review against the terms of reference and self-assessment checklist and</p> <p>Agreed any revisions to the self-assessment statement and identify any further actions that are required;</p> <p>Delegated to the Chair (with support from the Trust Secretary) the recording of revisions to the committee self-assessment document in preparation for submission to Board for review.</p>	AJ	7.2.19
18	FUTURE MEETING DATES		
	<p>2019</p> <p>28 February</p> <p>28 March</p> <p>25 April <i>[to be held at Royal Papworth House, Huntingdon]</i></p> <p>30 May</p> <p>27 June</p> <p>25 July <i>[to be held at Royal Papworth House, Huntingdon]</i></p> <p>29 August</p> <p>26 September</p> <p>31 October <i>[to be held at Royal Papworth House, Huntingdon]</i></p> <p>28 November</p> <p>19 December</p>		

The meeting finished at 11.10am

.....
Signed

.....
Date

Royal Papworth Hospital NHS Foundation Trust
Performance Committee
Meeting held on 31 January 2019

