

**Meeting of the Performance Committee  
Held on 25 July 2019  
10am-11.30am  
Ground Floor Rehab Seminar Room  
Royal Papworth Hospital**

**MINUTES**

Present	Mr D Dean (Chair)	(DD)	Non-executive Director
	Mrs C Conquest	(CC)	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 S Posey	(SP)	Chief Executive
	Mrs J Rudman	(JR)	Chief Nurse
	Mr A Raynes	(AR)	Director of Digital (& Chief Information Officer)
In Attendance	Mr M Blastland	(MB)	Non-Executive Director
	Mrs A Colling	(AC)	Executive Assistant ( <i>Minutes</i> )
	Mr J Hollidge	(JH)	Deputy Chief Finance Officer
Apologies	Mr D E Hughes	(DEH)	Non-executive Director
	Mrs A Jarvis	(AJ)	Trust Secretary

Agenda Item		Action by Whom	Date
<b>1</b>	<b>WELCOME, APOLOGIES AND OPENING REMARKS</b>		
19/96	Due to prior meeting delays, this meeting started at 10.15am. The Chair opened the meeting and apologies were noted as above.		
<b>2</b>	<b>DECLARATIONS OF INTEREST</b>		
19/97	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:  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,		

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	<p>a company providing specialist medical practice activities.</p> <ol style="list-style-type: none"> <li>3. Josie Rudman, Partner Organisation Governor at CUH.</li> <li>4. Stephen Posey in holding an honorary contract with CUH to enable him to spend time with the clinical teams at CUH.</li> <li>5. Stephen Posey as Chair of the NHS England (NHSE) Operational Delivery Network Board.</li> <li>6. Stephen Posey as Chair of East of England Cardiac Clinical Network.</li> <li>7. Andrew Raynes as a Director ADR Health Care Consultancy Solution Ltd.</li> <li>8. 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.</li> <li>9. Roy Clarke Trust as representative for Cambridge Global Health Partnership.</li> </ol>		
<b>3</b>	<b>MINUTES OF THE PREVIOUS MEETING – 27 June 2019</b>		
19/98	<b>Approved:</b> The Performance Committee approved the Minutes of the meeting held on 27 June 2019 authorised these for signature by the Chair as a true record.	Chair	25.7.19
<b>4i</b>	<b>TIME PLAN OF TODAY'S AGENDA ITEMS</b>		
19/99	The Chair advised that the focus would be on PIPR and the Activity Recovery Plan.		
<b>4ii</b>	<b>ACTION CHECKLIST / MATTERS ARISING</b>		
19/100	The Committee reviewed the Action Checklist and updates were noted.		
<b>IN YEAR PERFORMANCE &amp; PROJECTIONS</b>			
<b>5</b>	<b>PAPWORTH INTEGRATED PERFORMANCE REPORT (PIPR)</b>		
19/101	<p>RC gave a brief overview of the report.</p> <p>The Chair expressed concern with four out of the seven domains flagging red, resulting in the overall performance moving to red.</p> <p><u>Safe (Red)</u> JR advised that this domain had been scrutinised at the Quality &amp; Risk meeting on 23 July. The domain had slipped to red due to a never event, which had been reported to the Board and was under ongoing investigation.</p> <p>The safer staffing score had slipped into red which was disappointing; JR explained that the metrics of the safer staffing score takes into account all beds, even though all beds are not being used. JR referred to the Care Hours Per Patient Day (CHPPD) score which remains green and assured the Committee that care is safe. SP added that it is</p>		

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	<p>important to take into account all areas which may impact on the safer staffing score. The Committee noted the further explanatory detail contained in the safer staffing spotlight report. The Trust continues to recruit nurses to this area and in the meantime will use Bank and Agency staff to provide cover. It was noted that since circulation of the PIPR last week that five more beds have been opened. MB added that it was difficult for the Committee to track safer staffing on a verbal update; JR advised that this is being improved and is work in progress. At this point OM took the opportunity to update on recruitment at the new hospital site versus old hospital site.</p> <p><b><u>Caring</u></b> (Amber)</p> <p>The Performance Committee noted the summary on Caring. JR said that the team are working hard to drive up the response level to the Friends and Family test. It is still likely that this lower score is related to the hospital move.</p> <p>[1030hrs JR left the meeting]</p> <p><b><u>Effective</u></b> (Red)</p> <p>EM advised that this domain forms part of the golden thread linked to safer staffing. The constraint on beds has led to constrained capacity for surgery, resulting in increased cancellations and less utilisation of theatres. The Trust is not happy with this position and the focus is on increasing the workforce therefore leading to an increase in capacity; the Trust is also looking at best use of available capacity i.e., same day admissions.</p> <p>MB noted that on the report it is difficult to work out what the underlying performance is and it would help to see the number of cancellations against number of beds. SP referred to Item 4.1 Activity Recovery Plan which covered this query. MB referred to data on the cancellation rate at the old site; SP explained the complexities of the cancellation rate and gave some background to this. The 'Responsive' section details the run rate on cancellations which MB found helpful; RC added that PIPR clearly shows cancellations due to bed closures. RMOH added that the Committee should not let cancellation figures obscure the number of operations achieved. SP explained to NEDs how potential cancellations are flagged at the daily bed meetings and how this position can change throughout the day.</p> <p>The spotlight report focused on Outpatients and Bookings. EM acknowledged that since the hospital move the Trust had not delivered the level of outpatient activity anticipated. There were a number of contributing issues/mitigating factors which EM alluded to; this is work in progress.</p> <p>[1047hrs JR re-joined the meeting]</p> <p><b><u>Responsive</u></b> (Red)</p> <p>EM updated on cardiology, surgery and respiratory RTT respectively. The 62 days cancer wait performance flagged red; disappointingly this</p>		

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	<p>would still have been rated red under the old measurement. There had been a material change over the move period together with a rise in referrals along with issues with PET scanning at CUH. The extra respiratory theatre slot added would help address some of the shortfall. EM noted that the golden thread flow would be: beds → opens up critical care capacity → enables activity → increases performance.</p> <p>The Committee noted the Key Performance Challenge report on Surgical RTT Recovery.</p> <p>The Committee noted the spotlight on: Early review of Day Ward capacity and utilisation.</p> <p><b><u>People Management and Culture</u></b> (red)</p> <p>OM advised that staff turnover had reduced and was rated green in June; the Trust was a net recruiter for nurses in June by small margin.</p> <p>Mandatory training which had reduced in April, has shown an improvement month on month, showing improved engagement particularly with e-Learning modules. An agreement had been reached on how to manage training for Level 3 Safeguarding, which had previously been discussed by the Committee.</p> <p>Sickness absence continued at low levels, which was expected in the summer months.</p> <p>OM referred to the Pulse Survey Results which will be reported to the next Board meeting. The Committee discussed the responses on transport and increased travel costs. OM suggested that the Trust should keep a focus on work life balance and how this might be improved; this included planning ahead for travel in the winter months i.e., safety when walking, park &amp; ride bus capacities and cancellations. It was noted that at the weekly staff briefing, transport issues are falling lower on the list than previously.</p> <p>The spotlight focused on nurse recruitment. Executive Directors will be considering whether an overseas (non-EU) recruitment campaign for nurses on surgical wards would be value for money. Any overseas recruitment would be in conjunction with CUH.</p> <p><b><u>Transformation</u></b> (Amber)</p> <p>The position was noted with a detailed review to be taken within the Strategic Projects Committee to follow. Next month's PIPR will see a new section on Transformation.</p> <p><b><u>Finance</u></b> (Amber)</p> <p>The position was noted with a detailed review to be taken within the Finance Report.</p> <p><b><u>Overall Summary</u></b></p> <p>The Chair felt that on review of the areas flagging red, the golden thread related to staffing, which if improved would help flow: Improved staffing → open beds → increase activity → increase performance → increase income.</p>		

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	<b>Noted:</b> The Performance Committee noted the PIPR report for June 2019.		
<b>6</b>	<b>FINANCIAL REPORT – Month 3</b>		
19/102	<p>RC gave an overview of the report with key headlines and key risks.</p> <p>The Trust's year to date (YTD) position is a deficit of £1.7m on both a Control Total basis excl. land sale and a net basis. This is favourable to plan by £0.9m, driven by:</p> <p><b>EBITDA</b> is £0.5m favourable to plan year to date (EBITDA margin 1.61% favourable). This comprises:</p> <ul style="list-style-type: none"> <li>i. <b>Clinical income</b> £1.1m adverse to plan after Guaranteed Income Contract (GIC) protection, due to lower activity of 11.5% in Outpatients, 11.0% in Inpatient and day case activity and lower levels of Private Patient income. This has resulted in the GIC contributing £2.2m, £0.7m more than planned.</li> <li>ii. <b>Pay expenditure</b> to date is in line with planned levels. There is a substantive cost favourable variance driven by 271 WTEs vacancies, which is offset by temporary staffing costs totalling £2.7m. This remains an area of concern when compared to the activity delivered.</li> <li>iii. <b>Non pay expenditure</b> is £0.5m favourable to plan in month and £2.6m year to date. This YTD position is driven by lower expenditure on clinical supplies due to activity levels and central procurement of defibs, non-utilisation of contingency reserves £0.7m, PFI contract volume adjustments / performance deductions of £0.2m and old site decommissioning and new site project costs of £0.3m.</li> <li>iv. <b>CIP</b> 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 £5.1m target). £0.4m of new schemes have progressed, these are assessed as high risk until fully approved and a further £0.8m are being worked up in the CIP pipeline.</li> </ul> <p><b>Non-operating items</b> are ahead of plan due to the interest income received as a result of the favourable cash position and reductions in depreciation.</p> <p><b>In-month</b> the Trust had a deficit of £0.2m, £0.06m favourable to plan. Staffing levels are above the comparable 2018/19 period, however, activity represents a 6.6% decrease compared to the average Q4 2018/19 run rate and a reduction in average inpatient episodes per open bed from 9.33 (June 2018) to 7.89 (June 2019) indicating a significant loss of productivity following the move.</p> <p>The <b>underlying position</b> after non-recurrent and normalising items have been removed, is a deficit of £3.5m year to date, deficit of £1.3m in-month. The key adjustments include FRF/PSF funding of £2.3m, PFI transition funding £1.0m and New Papworth Hospital Programme expenditure £0.7m.</p> <p><b>Forecast</b> 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><b>Capital expenditure</b> is £0.7m lower than plan year to date, relating to the timing of small works and blood fridges (£0.4m) and ongoing replacement underspends (£0.3m). The Trust has also reforecast its</p>		

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	<p>CDEL in line with an NHSI request linked to the land sale. This does not affect the overall capital programme, however, the programme has been reduced in month by £0.2m due to the national capital challenge to the local STP.</p> <p><b>Cash</b> is £7.2m favourable due to lower capital expenditure and improved working capital position.</p> <p><b>Use of Resources metric</b> is 3 for the month in line with the planned score. <b>Risk</b> has increased relating to the land sale and level of delivered activity.</p> <p><b>Actions Arising / To be taken</b>            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 following further points were noted:</p> <ul style="list-style-type: none"> <li>• The Trust has received correspondence from NHSI requesting a change on how the land sale is treated in the accounts. This relates to how the information is presented rather than an error.</li> <li>• £1m of the reserve position been used to cover under performance.</li> <li>• Does the underlying run rate include GIC contracts? RC referred the Committee to page 5 of the report which analysed the underlying run rate further.</li> <li>• The large non-pay favourable variance is off-setting the overall position. RC explained how this position is articulated in the risk register.</li> <li>• The sale of the hospital site will be covered in the Strategic Projects Committee to follow.</li> </ul> <p><b>Noted:</b> The Performance Committee noted the Month 3 - June 2019/20 finance report.</p>		
7	<p><b>OPERATIONAL PERFORMANCE</b>  <b>Access &amp; Data Quality Report</b></p>		
19/103	<p>RC introduced this report.            A key concern is the backlog of outpatient access plans. Additional work is being done in RSSC to mitigate this. EM also gave some background to the issue and work being done to improve this.</p> <p><b>Noted:</b> The Performance Committee noted the Access and Data Quality report for June 2019.</p>		
<b>FOCUS ON</b>			
8	<p><b>ACTIVITY RECOVERY PLAN</b></p>		
19/104	<p>The Activity Recovery Plan paper sets out the current position, at Q1, in relation to delivery of the Trust's 2019/20 NHS operational and financial plan and sets out to explain the reasons for the variance from plan and the range of actions, planned and under development, to recover</p>		

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	<p>performance against the activity levels approved in the plan.</p> <p>The Chair thanked the Trust for early presentation of this report which had been due in August but brought forward following NED request. SP advised that since this report was issued, five beds have been opened on 5 North.</p> <p>The report provides diagnosis, immediate actions and next steps focusing on three areas: increasing the number of beds on the fifth floor and also in Critical care and doing an in depth diagnosis of the issues affecting outpatients. This is being managed through the Executive Team and Optimisation Project.</p> <p>MB asked if this plan gives confidence regarding negotiations with Commissioners re. GIC contracts. RC advised that once activity starts to come through then different trends can be drawn up which will inform a worked up plan required by Commissioners. RC also clarified the importance of the run rate and the likely consequence if this deteriorated; therefore this will be monitored closely.</p> <p>MB referred to the recruitment plan. SP stated that the Trust takes confidence in the recruitment plans; JR explained the work being done with current staff on flexible work plans to improve rosters. OM updated on staffing and how to increase our own bank staff. OM added that to support this recruitment plan, more resources are required in the Workforce Dept on a temporary basis to undertake the increase in admin work required in getting new staff in.</p> <p>The Committee noted that this seems a robust plan but noted concern re. staff turnover. Leading into the winter period will impact on staff travel plans thus the need to keep paying attention to this area. The Committee discussed the mitigations where possible if staff do leave over the winter period and the recruitment pipeline not following through.</p> <p>The Chair thanked the Chief Executive for this very helpful report.</p> <p><b>Noted:</b> The Performance Committee noted the Activity Recovery Plan paper.</p>		
9	<b>BOARD ASSURANCE FRAMEWORK (BAF) UPDATE</b>		
19/105	<p>The Chair noted the many areas flagging red including the recruitment risks. The Committee had discussed some of the increased risk earlier in the meeting (recruitment, activity, recovery plans, finance etc).</p> <p><b>Noted:</b> The Performance Committee noted the BAF update.</p>		
10	<b>CORPORATE RISK REGISTER</b>		
19/106	<p>The report was to provide the Committee with an overview of those graded 12 and above that are included on the corporate risk register. Due to an admin error, the excel spreadsheet was not included in the pack. JR confirmed that this report was presented and scrutinised by the Quality &amp; Risk Committee on 23 July and thereafter on a quarterly basis.</p>		

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	<b>Noted:</b> The Performance Committee noted the verbal update on the corporate risk register.		
<b>FUTURE PLANNING</b>			
<b>11</b> 19/107	<b>INVESTMENT GROUP</b> Chair's report		
	RC presented this report and took it as read. He referred to the signed off ILD Service Transfer from CUH, which is progressing through contract changes with Commissioners. <b>Noted:</b> The Performance Committee noted the Investment Group Chair's report update.		
<b>12</b>	<b>BUSINESS CASES</b>		
	There were not items to consider.		
<b>13</b>	<b>LATEST NEWS/CONSULTATIONS ON ISSUES CONCERNING PERFORMANCE</b>		
	There were no items to consider.		
<b>14</b> 19/108	<b>ANY OTHER BUSINESS</b> There were no items raised.		
<b>15i</b> 19/109	<b>COMMITTEE FORWARD PLANNER</b> <b>Noted:</b> The Performance Committee noted the Forward Planner.		
<b>15ii</b> 19/110	<b>REVIEW OF ACTIONS AND ITEMS IDENTIFIED FOR REFERRAL TO COMMITTEE/ESCALATION</b> There were no items raised.		
<b>16</b>	<b>FUTURE MEETING DATES</b>		
	<b>2019</b> 26 September 31 October <i>[to be held at Royal Papworth House, Huntingdon]</i> 28 November 19 December		
	<b>2020 dates</b> 30 January 27 February 26 March 30 April 28 May 25 June 30 July 27 August 24 September 29 October 26 November 17 December		



The meeting finished at 1145hrs

*DLA*  
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Signed  
*29/8/19*  
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Date

**Royal Papworth Hospital NHS Foundation Trust**  
**Performance Committee**  
Meeting held on 25 July 2019

