

**Meeting of the Performance Committee
Held on 27 February 2020
9am-11am
Ground floor meeting rooms 1&2
Royal Papworth Hospital**

MINUTES

| | | | |
|----------------------|-----------------------|-------------|--|
| Present | Mr G Robert | GR | Non-executive Director (Chair) |
| | 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 |
| | Mrs J Rudman | JR | Chief Nurse |
| | | | |
| In Attendance | Mrs A Colling | AC | Executive Assistant (Minutes) |
| | Mr D Jenkins | DJ | Consultant Surgeon |
| | Mrs A Jarvis | AJ | Trust Secretary |
| | Mrs C Riotto | CR | Head of Nursing (For Item 3 Presentation) |
| | Mr S Page | SPa | Head of Digital Programmes & Projects |
| | | | |
| Apologies | Mrs C Conquest | CC | Non-executive Director |
| | Mr T Glenn | TG | Chief Finance & Commercial Officer (designate) |
| | Mrs S Harrison | SH | Associate Chief Finance Officer |
| | Mr J Hollidge | JH | Deputy Chief Finance Officer |
| | Ms O Monkhouse | OM | Director of Workforce & Organisation Development |
| | Mr S Posey | SP | Chief Executive |
| | Mr A Raynes | AR | Director of Digital (& Chief Information Officer) |

| Agenda Item | | Action by Whom | Date |
|-------------|--|----------------|------|
| 1 | WELCOME, APOLOGIES AND OPENING REMARKS | | |
| 20/19 | The Chair opened the meeting and apologies were noted as above. | | |
| 2 | DECLARATIONS OF INTEREST | | |
| 20/20 | <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. | | |

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| | <ol style="list-style-type: none"> 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. 6. Stephen Posey as Trustee of the Intensive Care Society. 7. Stephen Posey, Josie Rudman, Roy Clarke and Roger Hall as Executive Reviewers for CQC Well Led reviews. 8. Andrew Raynes as a Director ADR Health Care Consultancy Solution Ltd 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. 10. Stephen Posey as Chair of the East of England Cardiac Network. 11. Roy Clarke as Trust representative for Cambridge Global Health Partnerships Committee part of ACT. 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. | | |
| 3 | PRESENTATION: SURGERY RTT RECOVERY PLANNING AND TRAJECTORY | | |
| 20/21 | <p>The Committee welcomed Mr David Jenkins, Maggie Maxwell and thanked them and their team for preparation of today's slide-set.</p> <p>Mmax talked through the slides which covered:</p> <ul style="list-style-type: none"> • The need for a RTT recovery plan • Cause of deterioration in RTT position • January 2020 RTT position • Surgical RTT action plan • Trajectory and recovery planning • Measuring and monitoring recovery • Monitoring and reporting against plan <p>During the presentation and discussion, the following items were noted/considered:</p> <ul style="list-style-type: none"> • DJ noted that it was hoped to have increased activity at the new hospital alongside theatre 6 opening. In reality the Trust was performing less surgery work than at the old site and some patients are being referred elsewhere. • Discussed capacity issues and how private patient work fits into this. The Trust has not experienced spare capacity with demand always higher than capacity. • No other specialist centre is achieving the Surgical RTT target. • Ability to perform surgical work is totally dependent on the Critical Care status. <p>[0914 JH arrived.]</p> <ul style="list-style-type: none"> • DJ highlighted that staff morale is very low. • Cancellations create a massive extra workload in re-scheduling and gives a poor patient experience. Staff retention work is ongoing to support this. • DJ added that it was a stretch to open theatre 6 in October and this has | | |

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| | <p>increased cancellation rates; with many staff working overtime to cover when needed. The Trust is looking to step down some of overtime and agency for theatre 6. The surgeons would like to keep theatre 6 staffed for emergency work and explained rationale for this. This would need to be discussed as there is financial impact.</p> <ul style="list-style-type: none"> • There will be a review of the RTT list to see how urgent the waiting patients are with a work plan to come to Executive Directors . • DJ explained changes to surgical lists due to no anaesthetic rooms and changes in staff. The Trust has lost four Consultants to the States which is a concern; it is proving harder to retain experienced Consultants which are being replaced by Locums. • RC explained the resources being put forward to resolve this; which relate to CCA staff resourcing rather than actual cash. • The Board confirmed their support to resolve the CCA issue and has asked for a clear plan for resolution; it is vital that the plan supports clinical staff. • DJ added that cancellations have a huge negative effect on patients and staff. This being reflected in patient experience feedback via PALS. • RMOH added that we must not forget the large number of patients who are treated. <p>The Chair thanked DJ and MM for attending and providing an update on surgical RTT.</p> <p>[0934 DJ and MM left the meeting. JR arrived]</p> | | |
| 4 | MINUTES OF THE PREVIOUS MEETING – 30 January 2019 | | |
| 20/22 | Approved: The Performance Committee approved the Minutes of the meeting held on 30 January 2020 and authorised these for signature by the Chair as a true record. | Chair | 27.02.20 |
| 5i | TIME PLAN OF TODAY'S AGENDA ITEMS | | |
| 20/23 | The Chair suggested allowing time for the Critical Care Trajectory Report and 2020/21 Operational Planning update. | | |
| 5ii | ACTION CHECKLIST / MATTERS ARISING | | |
| 20/24 | The Committee reviewed the Action Checklist and updates were noted. | | |
| 5iib | Temporary Staffing Metrics | | |
| 20/25 | <p>OM presented this paper which updated the Committee on:</p> <ol style="list-style-type: none"> 1) Temporary staff targets and trajectory 2020/21 2) Measures and controls being implemented to reduce temporary staffing spend. <p>During discussion the following was noted/considered:</p> <ul style="list-style-type: none"> • The Finance report flags that temporary worker controls are not yet improving finances. • The CCA work has had an impact on non-reduction in temp worker controls; OM explained how this is currently being monitored. • The Committee discussed the parallel on the graph of agency cost and usage where it was noted that this is affected by skill mix required; | | |

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| | <p>costs can still be high even when usage decreases.</p> <ul style="list-style-type: none"> It was suggested to review the PIPR metric to show more granularity. OM referred to Agency control work/overtime and collaborate bank work across Trusts with the STP and how RPH is engaged with this work. <p>It was agreed to come back to the next meeting with how this is being monitored and the amendment in PIPR.</p> <p>Noted: The Performance Committee note the update on temporary staffing metrics.</p> | OM/RC | 26.03.20 |
| 5iia | Governor Attendance at this Committee | | |
| 20/26 | <p>AJ advised that this will be discussed at the Governor Assurance Committee next week. The Chair noted the previous discussions regarding confidentiality and felt this could be managed appropriately. RC reiterated his previous concerns regarding confidentiality and that this would need to be carefully managed by the Chair and potential Governor members.</p> <p>Noted: The Performance Committee noted the update.</p> | | |
| IN YEAR PERFORMANCE & PROJECTIONS | | | |
| 6 | CRITICAL CARE TRAJECTORY REPORT | | |
| 20/27 | <p>The Committee received the update report. JR noted key as: Poor rota management, staff leaving and, new staff needing training.</p> <p>JR gave assurance to the Committee regarding the Action Plan which had been drawn up by CCA staff, working alongside a Project Manager.</p> <p>During discussion the following items were noted/considered:</p> <ul style="list-style-type: none"> JR clarified that Supernumerary staff are registered practitioners who are not yet fully CCA trained/competent to be counted in bedside staffing numbers. The Committee discussed the 22% headroom allowed in the rota, how this works and what it includes. The Chair asked how is progress assessed and requested further granularity on micro targets in each area. EM offered to add more assurance on surgical numbers in the Hospital Optimisation report. Agreed for an update page with clear indicators to be inserted into the monthly PIPR. JR added that CCA staff are fully aware of the situation but also mindful that it can be difficult on arrival to a shift, which is then changed due to staff sickness/leavers. OM noted comments made in the last Staff Survey where some of these can be addressed. RMOH added that any plan needs to be considered in parallel i.e, ensure that beds are being used most efficiently, specifically repatriations and system hindrances which affect our bed flow. RC referred to the 36-bed in the Operational Plan which may need to change before Operational Plan final submission. | EM/JR | 26.3.20 |

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| | Noted: The Committee noted the Critical Care Trajectory Report update. | | |
| 7 | PAPWORTH INTEGRATED PERFORMANCE REPORT (PIPR) | | |
| 20/28 | <p>RC summarised the overall position as 'red'. This comprised four 'red' domains (Finance, Effective, Responsive, and People Management & Culture); two domains were 'amber' (Safe and Transformation) and one 'green' domain (Caring).</p> <p>It was noted that RSSC had seen increased activity this month. This was explained due to a greater output in outpatients; Activity levels in areas not dependent on CCA and surgery (apart from respiratory surgery) have seen improvements. Validation work on the waiting list will also help bring the waiting list size down.</p> <p>The Committee noted the updates on individual domains.</p> <p>Noted: The Performance Committee noted the PIPR update for January 2020.</p> | | |
| 8 | FINANCIAL REPORT – Month 10 January 2020 | | |
| 20/29 1020 | <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>Key Items</p> <p>The Trust's year to date (YTD) position is a deficit of £0.8m on a Control Total basis excl. land sale, this is favourable to plan by £0.06m. The old site land sale was planned to complete in August and other property sales in November, generating planned profits of £11.6m, the net position is £9.3m adverse to plan when the actual property sale transactions are included. The Trust continues to forecast delivery of the £15.5m control total at year end excluding land sale profits and to deliver a net surplus of £2.6m when including land sales and FRF/PSF.</p> <p>EBITDA is ahead of plan by £0.1m. Drivers of this YTD position are as follows:</p> <ul style="list-style-type: none"> i. Clinical income £1.8m adverse to plan YTD after Guaranteed Income Contract (GIC) protection, due to lower activity of 5.0% in outpatients, 4.5% in inpatient / day case activity and lower levels of Private Patient income (6.6%). Activity performance has resulted in YTD GIC protection of £1.9m, £0.9m more than planned for this stage of the year. Without the GIC protection, the Trust's income position would be £3.6m adverse to plan YTD. ii. Pay expenditure to date is adverse against plan by £2.4m. The substantive cost favourable variance driven by 92 WTEs vacancies. This is net of temporary staffing costs totalling £8.4m. As in prior months, this continues to be an area of concern as staff costs are not flexing in line with activity delivery. The additional controls implemented to mitigate agency overspend and reduce run rate are not having the required impact, as the pay position continues to overspend due to temporary staffing levels (see Appendix 8). iii. Non pay expenditure is £0.1m favourable to plan in month increasing the favourable YTD position to £3.8m. This YTD position is driven by lower expenditure on clinical supplies due to activity levels, central | | |

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| | <p>procurement of defibs, non-utilisation of contingency reserves of £2.4m, PFI contract volume adjustments / performance deductions of £0.6m and old site decommissioning and new site project costs of £0.2m, partly offset by the rates expenditure for the new site which adversely impacted the position by £0.8m in the previous month.</p> <p>iv. CIP is £2.2m adverse to plan with no real progress in identification of new schemes to fill the CIP planning gap. 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> <p>In-month the Trust generated a surplus of £1.2m on a Control Total basis, £0.5m favourable to plan (£0.4m favourable on a net basis due to the asset sales in month). PSF/FRF income of £1.8m is included within this position. Staffing levels are above the comparable 2018/19 period, however, overall admitted activity in month (excl. ITU) is 19.9% higher than January 2019 indicating continued improvement on the loss of productivity seen earlier in the year, and higher than activity levels achieved in previous month, however this is predominantly due to the increased number of working days during January.</p> <p>The underlying position after non-recurrent and normalising items have been removed is a deficit of £13.1m YTD. The full year underlying position being £16.5m, increasing to £19.4m if the year to date income underperformance was to continue. This highlights the financial challenge the Trust is facing and the need for CIP development, cost pressure mitigation and enhanced controls to maintain a sustainable financial position and ensure the Control Total break-even position is achieved.</p> <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 Trust is forecasting to recover this underspend in the remainder of the year. As previously reported the risk regarding the old site land sale has crystallised and will impact the year end CDEL position, however, NHSI/E have been fully engaged in the understanding of this position, with the other land and property sales going some way to mitigate the impact of the old site sale.</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"> • This month's positive report is partly due to GIC protection. • Pay expenditure needs to be brought under control for next year; if not there is a risk that the control total will not be achieved. • The Trust has recently received an additional £400k of Public Dividend Capital for IT related items. Our Digital Department are therefore keen to utilise this before the fast approaching year end. • The Committee discussed the run rate and the positive likelihood of achieving this. <p>Noted: The Committee noted the financial update for January 2020.</p> | | |
| 9 | OPERATIONAL PERFORMANCE - Access & Data Quality Report | | |
| 20/30 | SH presented this report; it was noted that admitted patient activity and | | |

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| | <p>admitted patient care remain the areas of main concern.</p> <p>EM explained some good progress and new processes becoming embedded into practice.</p> <p>Noted: The Performance Committee noted the Operational Performance – Access and Data Quality report for January 2020.</p> | | |
| 10 | ACTIVITY RECOVERY – HOSPITAL OPTIMISATION GROUP | | |
| 20/31 | <p>EM presented this report and noted that much had been covered in earlier discussions.</p> <p>Items of note and discussion:</p> <ul style="list-style-type: none"> • January had been a good month for activity where the trajectory had been achieved. • Some areas had been affected by CCA issues. • Thoracic surgery had seen more activity through than previously. • Cardiology had seen an upturn in activity. • Cardiac physiology would benefit from further work on referrals. • Activity in thoracic medicine had increased, as per the graph on page 4 of the report. • RSSC activity was good; this was as a result of good work within teams at the Hospital and at the Huntingdon admin offices. <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 | | |
| 11 | BOARD ASSURANCE FRAMEWORK (BAF) UPDATE | | |
| 20/32 | <p>AJ presented the BAF update. It was noted that Cyber Security had been discussed at Board and it was agreed for this to be added to the main Risk Register; AJ confirmed this had been added at risk rating 20.</p> <p>Noted: The Committee noted the BAF update.</p> | | |
| | FUTURE PLANNING | | |
| 12 | 2020/21 OPERATIONAL PLANNING: DRAFT SUBMISSION | | |
| 20/33 | <p>RC gave background information to this reporting requirement, noting that the national planning framework guidelines have only just been released. The first submission of the Operational Plan is due in March with the final submission due in April. The Trust's Finance Team already have a draft plan prepared for the April submission.</p> <p>Changes since last Board approved plan:</p> <ul style="list-style-type: none"> • National guidance released; this does not fundamentally change any of the work done but gives a clear steer on what is required. • Revision to our control total to £12.4m. In the light of revised positive | | |

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| | <p>offer from Commissioners on transplant tariff, RC recommended acceptance of the revised control total offer</p> <ul style="list-style-type: none"> Reserves; continue to commit £6.9m reserves, which RC explained. Risks – these were outlined in the draft plan. <p><u>Comments/items noted by Committee:</u></p> <ul style="list-style-type: none"> It was helpful to see the changes noted in red text. RC explained the hedge position. The Trust is working hard on tariff negotiations but needs to be mindful of wider STP negotiations. RC the detailed the overall position on control total. Discussion on Trust cardiology work and how this is pivotal going forward. The Reserve position for next year is £1m which is a positive position for the Trust. <p>Following review of the draft Operational Plan, the Performance Committee:</p> <ol style="list-style-type: none"> Delegated authority to the Executive Directors to approve the contract values with NHSE and C&P CCG (and associated CCGs); Approved the submission of the draft plan including the acceptance of the Control Total offer from NHSI/E (confirmation pending from NHSI/E of a possible further adjustment); and Delegated 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. | | |
| 13 | ANNUAL REVIEWS TO COMMITTEE | | |
| | i) Committee Terms of Reference | | |
| 20/34 | <p>AJ presented the re-drafted Terms of Reference which had minimal changes.</p> <p>There were no further comments by the Chair or Committee.</p> | | |
| 20/35 | ii) Committee Self-assessment | | |
| | <p>AJ referred to the Committee self-assessment, which will be taken to the Board development session next week.</p> <p>DD asked how 'Oversight of Trust Processes' assessed as 'adequate' could be improved. RC explained how the Trust has internal mechanisms to self-assess thereby not regularly calling upon external expert assessors. Notwithstanding this mitigation, it was suggested to keep the rating as adequate.</p> <p>The Committee agreed to move the overall rating to 'strong'.</p> <p>There were no training or issues to feed into the Board?</p> <p>In discussing how to improve attendance of Clinical Directors at Performance Committee, it was noted that this works well via structure presentations; the presentations to be reactive to current issues and ensure</p> | | |

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| | <p>that the commitment is spread evenly by Divisions throughout the year. This to be picked up on review of the Forward Planner when new Chief Finance Officer is in post.</p> <p>The Performance Committee:</p> <p>a) Performed a self-assessment by means of review against the terms of reference and self-assessment checklist and agree any revisions to the self-assessment statement and identify any further actions that are required;</p> <p>b) Agreed the revised terms of reference and recommend these for approval to the Board;</p> <p>c) 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 | April 2020 |
| 20/36 | iii) Committee Attendance Summary | | |
| | Noted: The Performance Committee noted the contents of this update. | | |
| 14 | INVESTMENT GROUP | | |
| 20/37 | <p>Chair's report (including minutes of meeting held on 13 January 2020)</p> <p>Noted: The Performance Committee noted the update from the Investment Group.</p> | | |
| 15 | LATEST NEWS/CONSULTATIONS ON ISSUES CONCERNING PERFORMANCE | | |
| 20/38 | There were no items to consider. | | |
| 16 | ANY OTHER BUSINESS | | |
| 20/39 | <p><u>Goodbyes</u></p> <p>As JH leaves the Trust tomorrow, RC thanked him for his hard work over the last four years and wished him well in his new role.</p> <p>The Chair noted this was RC's last meeting and thanked him for his tremendous support and commitment to the Trust over the last four and a half years.</p> | | |
| 16i | COMMITTEE FORWARD PLANNER | | |
| 20/40 | Noted: The Performance Committee noted the Forward Planner. | | |
| 16ii | REVIEW OF ACTIONS AND ITEMS IDENTIFIED FOR REFERRAL TO COMMITTEE/ESCALATION | | |
| 20/41 | There were no issues raised. | | |
| 16 | FUTURE MEETING DATES | | |

| Agenda Item | Action by Whom | Date |
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| 2020 dates | | |
| Date | Time | Venue |
| 27 February | 9am-11am | Mtg rooms 1&2, Ground Floor |
| 26 March | 9am-11am | Mtg rooms 1&2, Ground Floor |
| 30 April | 9am-11am | Mtg room 4, 1st floor, RP House, Huntingdon |
| 28 May | 9am-11am | Mtg rooms 1&2, Ground Floor |
| 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 |
| 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 1100

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Signed

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Date

Royal Papworth Hospital NHS Foundation Trust
Performance Committee
Meeting held on 27 February 2020