



Ashford and St. Peter's Hospitals
NHS Foundation Trust

TRUST BOARD
28th July 2022

AGENDA ITEM	16.2
TITLE OF PAPER	Modern Healthcare Committee Minutes
Confidential	NO
Suitable for public access	YES
PLEASE DETAIL BELOW THE OTHER SUB-COMMITTEE(S), MEETINGS THIS PAPER HAS BEEN SUBMITTED	
These minutes were reviewed and approved at the Modern Healthcare Committee meetings held on 23 rd June 2022 and 21 st July 2022.	
<u>STRATEGIC OBJECTIVE(S):</u>	
Quality Of Care	
People	
Modern Healthcare	√
Digital	
Collaborate	
EXECUTIVE SUMMARY	
	<p>The minutes of the Modern Healthcare Committee meetings held on 5th May 2022 and 23rd June 2022 are attached. The key points for noting are:</p> <ul style="list-style-type: none">-• operational and workforce challenges faced by the Trust as it deals with emergency pressures and elective activity requirements;• the operational impact of the Surrey Safe Care implementation;• noted that the Trust had exceeded its 2021/22 finance plan target;• discussed the plans for 2022/23 and the significant financial challenges that this would bring to the organisation and system; and• noted that the Trust needed a clinical strategy and then the

	Estates strategy would be set to meet the clinical strategy.
RECOMMENDATION:	<i>Receive and note the paper</i>
SPECIFIC ISSUES CHECKLIST:	
Quality and safety	
Patient impact	
Employee	
Other stakeholder	The impact on stakeholders through the Trust achieving its required financial targets, hence enabling the appropriate investment into services and infrastructure.
Equality & diversity	
Finance	
Legal	
Link to Board Assurance Framework Principle Risk	Financial risks.
AUTHOR	Paul Doyle, Director of Operational Finance Please approach for any further information required.
PRESENTED BY	John Machin, Non-Executive Director and Committee Chair
DATE	22 nd July 2022
BOARD ACTION	Receive



TRUST BOARD
28th July 2022

MODERN HEALTHCARE COMMITTEE
MEETING MINUTES
5TH MAY 2022

PRESENT:	Chris Kane Simon Marshall Tom Smerdon James Thomas Meyrick Vevers	Non-Executive Director Director of Finance and Information Director of Strategy and Sustainability 1) Chief Operating Officer Non-Executive Director (Committee Chair)
IN ATTENDANCE:	Paul Doyle Andy Field Andrea Lewis Sal Maughan Louise McKenzie Julian Ruse Julie Smith	Director of Operational Finance Chairman Chief Nurse (agenda item 10.5) Associate Director of Corporate Affairs and Governance Director of Workforce Transformation Associate Director of Performance Chief Executive
APOLOGIES:	David Fluck Marcine Waterman	Medical Director Non-Executive Director
SECRETARY:	Nicky Ghahrai	Associate Director of Financial Management

1. Introductions and Apologies for Absence

Apologies for absence were as noted above. Meyrick Vevers welcomed everyone to the meeting. It was noted that John Machin had not been invited to meeting so future invites would be checked.

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Meyrick Vevers stated that the meeting was quorate.

2. Minutes of meetings

The minutes of the meeting held on 24th March 2022 were reviewed. The Director of Strategy and Sustainability said that he would like a minor change at the bottom of page 9, and he would liaise with the secretary to outside the meeting on this change.

Subject to the change arising from the above the minutes were agreed.

3. Matters Arising – Actions List

The Director of Finance and Information noted that with regard to action point 1, the final contract value had been agreed with the supplier. In terms of value for money, the final build cost + project fees + enabling costs totalled £13.9m. The year-end valuation of the building by the Trust's independent valuer was £13.7m.

In relation to action point 2, the Director of Finance and Information said that a paper was being written and would be brought to the June meeting, and would also be discussed in the meeting.

Action point 3 would be carried forward, while action point 4 would be dealt with at today's meeting under agenda item 9. The Director of Workforce transformation would provide an update on action point 5 during the meeting also. Action point 6 was carried forward as it was not yet due, and action point 7 was complete.

Other than the actions identified in the review above, there were no other outstanding matters arising.

4. Operational Performance

The Chief Operating Officer introduced the Performance Report by saying that the report contained good news. The Surrey Safe Care launch will be huge and already the impact is being felt on clinical leadership and the management focus was on a safe go-live. Activity had therefore been pared back for two weeks in May.

The Covid-19 position had still been difficult in March. There had been 60 patients with Covid-19, 110 beds blocked due to isolation and 20 unusable empty beds in those areas. In the second week of March, the two wards opened for elective work had an impact but it had been the second highest month for elective activity, and 111% had been delivered.

For restoration, 104 and 64 day performance showed solid improvement. P2 performance had been driven by General Surgery improvement. There were only three patients >78 weeks, which was the best performance in Surrey Heartlands and nationally this was also a good performance.

On the Outpatient side, there had been challenges, in >18 week and overdue follow ups in Dermatology, Gynaecology, and Gastroenterology in particular. The costs of Dermatology are more than the funding given to the organisation. Meyrick Vevers said that Dermatology had been talked about for some years, in relation to the issues of part-time consultants and over-cautious GPs, but asked if there was a new issue also. The Chief Operating Officer said that Covid-19 had brought more patients into Dermatology; the private sector paid Dermatology consultants well and as locums in the NHS were paid £100 per hour vs nearly £200 per hour there, they went elsewhere for work. The NHS does not reimburse organisations at that rate. Patients were going private due to long waits in the NHS so that was driving private demand also. A piece of work was being undertaken with Dr Paul Murray to manage long waits and patient safety.

With regard to Emergency Care, there had been a slight deterioration in the position. In the last week of March navigation had been launched. There was a tweak to the way numbers are recorded as these patients would have gone through the Emergency Department (without these it would have been the busiest month ever). Ambulance waits and overnight waits all increased. Actions being taken include criteria to admit, which is seeing positive progress, and Medical workforce. The Director of Strategy and Sustainability said that it was good to see the reductions over the last few months, clinical leaders are very committed and are recording criteria to admit for all medical patients. This saves 8-10 patients per day from being admitted. The frailty cohort of patients do not need to be in hospital and that cost can then be squeezed out. Staff wellbeing is also important.

Meyrick Vevers asked if the CAU was now fully operational and the Chief Operating Officer said that it was in part. The Frailty Business Case had been approved this month, investment was needed in Acute Adult Medicine. Work was in progress on a

different model.

The Chief Executive commended that performance was good against the national position. She asked if issues were being seen with Category 2's, and if this was part of the improvement programme. The Chief Operating Officer said that a plan had been provided to the ICS, and they were pulling together a system plan. Pitstop had been redesigned to right size the nursing workforce; this had previously been used specifically for ambulance and nursing support for queues. Discussions were taking place with SECAMB also. The Chief Executive asked if there was shadow reporting for total waits, and where was this coming out. The Chief Operating Officer said this was in the background as the EDC dataset was not compliant at present. It was not worth investing in this prior to Cerner, which will go live in May.

With regard to the Diagnostics position, the Trust recorded a non-compliant DM01 performance of 91.8% for March 2022. The bounce was due to Endoscopy; in April there had been lots of annual leave plus bank holidays. The challenge in ultrasound was ongoing, the shortfall in radiographers meant that they needed to be diverted from outpatients to other work. This will create a risk for the position. Meyrick Vevers asked if the increase in elective work had had an impact. The Chief Operating Officer said that the impact was due to a reduction in numbers rather than demand.

The Cancer position was good, with progress on demand and capacity, and the new daily reporting has made a difference. For March 2022, the Trust is provisionally reporting compliance for 5 of 8 standards including the two-week rule, TWR Breast symptomatic, and 31 Day Diagnosis. Plans are continuing to improve the 62 day performance. Meyrick Vevers asked if seeing referrals was throwing up a higher incidence of Cancer. The Chief Operating Officer said that the conversion rate varied across specialties, and asked if his inquiry was Endoscopy specific. Meyrick Vevers said that many patients did not have a problem but were referred from doctors under government guidelines; he asked if the worried well were part of the increase. The Chief Operating Officer said that these have not changed, although the number of referrals has grown 20% in some areas (tumour groups), the conversion rate remained the same.

The Chief Executive asked about the expected impact of Surrey Safe Care, and whether there was a forecast of how it will impact on KPI's. The Chief Operating Officer said that he knew what has been taken down, and it will have an impact. Cancer will not be impacted, and Emergency Department staffing had been uplifted, but it had not been modelled at this stage. The Associate Director of Performance had modelled a downturn in activity, but there may be more than expected. The Director of Finance and Information commented that the centre anticipated a short-term impact which should be recovered over the rest of the year.

The paper was noted by the Committee.

5. Workforce

The Director of Workforce Transformation said that her paper focussed on workforce KPI's which were impacting on the financial position. Looking at the BAF risks 4.1 and 4.2, it was important to be able to forecast the right number of staff required and to be able to recruit. In summary, there were things that could derail this e.g financial pressures, workforce growth, sickness absence and the ability to work out of Covid-19 measures.

The number of staff in post showed that the headcount was 6% more than at the same time last year. There were some areas where more focus was needed, for example AHPs, and more detail would be brought to a future Committee. The workforce team

were trying to improve recruitment processes, minimising the time to hire and to issue smartcards, and the recruitment portal experience had improved for people applying. Details on rota and bank and agency issues would be going to the People Committee with the next steps being agreed. Improvements to Rotageek were being seen and there were bank and agency interface issues with Locums Nest. The next steps should enable a decision to be made as to whether Locums Nest can be developed to be fit for purpose for all staff groups. It may be fine for rostering, but that could be different for various staff groups.

Bank and agency spend continues to be high, due to the ability to be able to step out of Covid-19, general escalation and the recommencement of services. Improvement in the workforce function was needed, and a review of Bank on Us was taking place. There had been much less bank and agency when this started 9 years ago, but the market has changed and there was a need to ensure that the Trust was well placed in it. Benchmarking for night shifts had taken place and the final report was awaited. There had been a swing from agency to bank.

Pages 19-21 of the report showed charts demonstrating fill rates. A pilot had taken place with 3 wards, rostering 3 months in advance, and substantive and bank fill rates would be closely examined from that. A collaborative bank with Berkshire and Oxford was being set up for nursing and midwifery staff, and not continuing to escalate rates is an important to be part of that.

The Director of Workforce Transformation said that the electronic leavers form was being trialled and would be rolled out across the organisation which should reduce overpayments and a leavers questionnaire is part of it. Marcine Waterman had asked for an update on this.

With regard to sickness, the rate was stable at 3.4%. The target had been 3% pre-Covid-19, but it was suggested that this should now be 4% as approximately 1% of sickness absence was due to Covid-19.

The Director of Workforce Transformation said that for international recruitment, there had been a lot of dropouts (around 25%), and there had been a decrease in choosing the Trust, as accommodation was an issue. There were delays with OSCIs due to volume (Ukraine was a factor in this). National funding had been received for a pastoral officer to work with overseas nurses. HCA recruitment has gone up again, as some had left to go back to the service sector. Band 2 pay rates were being reviewed nationally, and also Band 3 was also challenging to recruit to.

Turnover had increased and had been slightly over target at 13%. There had been a large number of new starters (795), which had created pressure on various teams, with a net increase of 153.

Age analysis of the nursing profile showed that 20% of the workforce are 51 or above, and they are able to retire at 55. Andy Field asked if there was any retire and return data on the number that are choosing to do so, and should this be encouraged. The Director of Workforce Transformation said that this could be looked at for a future meeting. The temporary rule change on hours abatement would end on 31st October, so leaders needed to understand the impact of this.

The Chief Nurse was doing a piece of transformation work with NHS reserves and the Deputy SRO for Surrey Heartlands. This will feed in to attract those who retire in other sectors, to the NHS. This would be different to bank and agency as they would be providing a commitment.

The Chief Executive thanked the Director of Workforce Transformation and asked if

staff mandatory training, which was mentioned in section 2, could be made less onerous, or if rationalisation was possible. She also asked if there were any operational risks due to the 70% compliance rate. The Director of Workforce Transformation said that there was always an opportunity for improvement, but discussions were ongoing. In terms of operational risk, Surrey Safe Care was the highest risk but this was not in the dataset. Non-compliance for Safeguarding needed to be the highest priority.

The paper was noted by the Committee.

6. Finances

6.1 Operational Metrics

The paper was noted by the Committee.

6.2 Finance Report

The Director of Finance and Information said that the Month 12 outturn was as expected. The £5.2m of ERF+ funding had gone straight to the bottom line. There was minimal impairment on the CAU modular build, the valuation was effectively for what had been paid.

There was some cash which could not be spent, and the final instalment on the land sale for £6.5m had been received.

The report was noted by the Committee.

7. Financial Plans 2022/23 Update (including capital)

7.1 Financial Plans 2022/23 Update (including capital)

Meyrick Vevers introduced the paper by saying that there were a lot of moving parts and he found the paper detailed and informative. However, looking at the numbers, the spend had shifted immensely and knowingly, in line with the communications risk to diminish clinical risk. Extra capacity, staff and other non-pay clinical resource had also been added as a result. At the time, there had been additional variable income to offset these costs; the Elective Recovery Fund income was not enough. In the meantime, Covid-19 has given additional funding and cost. There was an underlying significant increase in cost, and reduction in capacity but without variable income it does not hit the bottom line. More transparent decisions have been made but the framework has changed. The choices are to secure extra funds, cut capacity or agree to submit an out of balance plan.

The Director of Finance and Information said that that was the reality. He had had discussions with the system and the second submission was not final; material improvements were expected in the third, and final, submission which was expected in late May or early June. The organisation cannot run a deficit of the current plan size if it was not going to be funded, so hard decisions were needed. There had been movements from previous versions including the hardening of inflation, and a 100% energy cost increase. The draft plan £24.5m deficit reflects this. The CIP position has not improved as yet and more than £10m was needed. System plans to close beds need to be accelerated and nursing costs were being looked at. There will be an Executive conversation to move the matter forward, but it is a challenge for the whole system.

Meyrick Vevers asked if the timeframe was an issue. The Director of Finance and Information responded that it will not affect Q1 but the trajectory will steepen in Q2-Q4.

This would get worse next year when further Covid-19 funding is likely to be withdrawn and a reset was needed; landing the Ashford Elective Centre development would be crucial to releasing some capital and a better trajectory. Meyrick Vevers asked what would happen with funding in the interim while the improved plan kicks in. Andy Field said that the system needs to approve credible plans to get back in balance in 3-5 years. He suggested that a radical plan needed to be chosen, as half of the deficit is because the goalposts have moved. The system needs to think about real efficiencies, but transformation requires spend. Costs and proposals for services will be considered by the Executives to realise substantial reductions. Everyone is in the same boat within the system, but the ICS also needed to be pushed on running costs, as substantial changes are needed.

The Chief Executive said that she had met the other Chief Executives in the system last night, and had spoken to the Director of Finance and Information this morning. She saw it as a post-Covid-19 opportunity to reset the organisation, as the current position was unsustainable and it needed to be demonstrated that this is known. This had to be demonstrated to Julian Kelly; the position was very complex, but she was not an advocate of top-slicing. The organisation needed to come up with a set of options, and a road map to buy headroom and show what needs to be done.

Meyrick Vevers asked if a whole service should be cut. He said that the problem would be to close and move it, while at most a 50% saving could be realised in the current year. The Director of Finance and Information said that the organisation needed to cut its cloth more appropriately for the future, but going into summer the reset was needed now. Over the next week agreement was needed as there was a meeting next Thursday with Julian Kelly. The Chief Operating Officer and the Director of Finance and Information would be having accelerated conversations prior to the Executives meeting.

Andy Field said that he wanted to ensure that Jack Wagstaff was at the meeting, and the Director of Finance and Information agreed. Meyrick Vevers asked if for the next plan briefing, the elements could be brought out more clearly. The Director of Finance and Information agreed, but said that it was very complex. Meyrick Vevers commented that much was outside the control of the organisation and the Director of Finance and Information commented that pre-Covid-19 the hospital was over full.

Meyrick Vevers said that looking across the piece, he wondered why everyone was overspent compared to the rest of the UK. The Director of Finance and Information said that non-recurrent transformation funding had been used in Surrey Heartlands, who had been successful in attracting this, but the system had still not been transformed yet. He still believed that it could be. The Director of Strategy and Sustainability said that the deficit had been handed to providers, but the system needs to use transformation funding effectively, although the pressure was on to get Trust's bit right.

The Director of Finance and Information said that SASH joined with a £40m deficit (although savings had since been made). Andy Field said that the way the legislation had been written, the ICB had a lot of responsibility. They had said that they can staff up to the old CCG envelope, but the Executives need to push back on costs; he would be meeting the Chairs and suggesting they do the same. He also said that the issue of NICU costs being covered should not be missed. The Director of Finance and Information said that it was a regional service and in March 2020 there was a £1.5m shortfall due to the day rate payment, but this had been covered in the pandemic. There had been a bit of movement, there was now a £1.75m deficit, and he hoped that 50% of this would be funded this year, as part of a 2-year recovery. A core issue was that there was still 14% growth in emergency beds. He added that there were more details in the paper that would hopefully aid the understanding of the current draft position.

The paper was noted by the Committee.

7.2 Surrey Elective Centre Bid

The Chief Operating Officer said there was system growth of 15,000 patients and waiting times were continuing to grow. Waiting times across the system had been growing prior to Covid-19, and the backlog had been created during the pandemic. The Trust was in a better position than other organisations. The reason Ashford had been chosen was to disentangle elective and non elective flows; it offered the system that opportunity also for ring-fenced elective workspace.

Originally the ask had been for £42m, which had been reduced to £39m. The second Business Case may avoid having to write a larger one following the green book. Phase one was for £9m and included two elective theatres at Ashford, two at St Peters and increasing hours at weekends. Phase two was Endoscopy, for which there were demand and capacity challenges; leasing has revenue consequences. It included a new build of three theatres and to bring modular theatres back.

The Director of Finance and Information said that the Medical Director's view was that Phase one was enough for the Trust. He was keen to keep options two and three alive to kickstart change across the system, but was concerned that it would not change. The centre does not have enough resource to fund all of them. Phase one was essential, it unlocked opportunities and enabled reallocation of the capital programme. The system was also over-committed, and PDC (share equity) to fund additional investment was needed.

Andy Field said that at the Chairs forum, there was still a long way to go at Royal Surrey. There was a reluctance by the consultants there to go to Ashford. The Director of Finance and Information said that in the business case, the system needs challenge on phases two and three. Meyrick Vevers asked what had been built in for revenue benefits and dual running. The Director of Finance and Information said it had been assumed that theatre hire would carry on for the next year, but not for year two. This would help to support change. Meyrick Vevers said that it would not necessarily help the Trust if more work was attracted there.

The Director of Finance and Information said that the direction of travel was clear, but the details of the cash were not. He assumed that income would follow at present, and if that was correct, there would be a switch from rental and ramping up of hours. Alternative, quicker (modular) options for the new build were also being looked at.

The paper was noted by the Committee.

8. Estates Strategy Group – no recent meeting

9. Strategic Objective: Modern Healthcare BAF Risks

Meyrick Vevers said that there had been impressive work done on the Board Assurance Framework. The Director of Finance and Information said that he wanted to emphasise a rebalance between finance and other elements. The work should be finished by July, and Andy Field agreed that it should go to the July Board.

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The paper was noted by the Committee

10. Items for Information or Approval

10.1 Schedule of Business

The paper was noted by the Committee.

10.2 Tender Waivers

There were no tender waivers in April 2022.

10.3 Car Parking charging

The Director of Finance and Information said that car parking charging formed part of the deficit, as it was not possible to recover income to the previous level as there were not as many patients. The proposals to raise prices were in line with the appetite to generate £1m in a full year. The impact on staff was more marginal, but for the public was more substantial. It was proposed to start charging for electric cars also.

Chris Kane commented that the baseline shortfall on 2018/19 was £2.437m, and asked if the organisation could ever get back to that. The Director of Finance and Information said no, that would only be expected over a number of years, but he thought the current projection was fair. Chris Kane said that he thought it was a huge hot potato, as NHS Property had caused a headache. A communications plan was essential, along with stakeholder engagement. He added that he thought charging for electric cars was not debatable.

Andy Field said that the Governors had said that the 20 minute drop off time was not enough, and asked if there had been an update. The Director of Finance and Information said that the volume and loss of income was a concern, because the majority of car parking income was for 20 minutes to 3 hours. It was difficult unless a lower amount was charged and may have a large impact. Andy Field said that he would like the detail. The Director of Finance and Information said that he would focus on 30 minutes. Meyrick Vevers suggested that staff should not be charged, but patients should have their NHS numbers checked at the door. The Director of Finance and Information said that staff demand needed to be challenged and there was a VAT risk on the multi-storey; staff were at the fairer end of the charges. The Chief Executive said that it was important to manage stakeholders and communications, but all Trusts were considering this at present. The Director of Finance and Information said that he wanted to agree a way forward and get staff consultation before a final decision. Meyrick Vevers said that he agreed with this in principle.

The paper was noted by the Committee.

10.4 A320 Roundabout and S106 Obligations Business Case

The Director of Strategy and Sustainability confirmed that delegated authority was in place for the Chief Executive and the Director of Finance and Information. The roundabout was too expensive and the recoverability of VAT was problematic. The Business Case was broken out from the cycleway. Chris Kane said that a value for money exercise should be undertaken, to only proceed if it was affordable and sensible.

The paper was noted by the Committee.

10.5 Healing Arts Assurance Report

The paper was noted by the Committee.

10.6 Draft Annual Accounts 2022/23

The paper was noted by the Committee.

11. Key points to take to Trust Board

The key points to take to the Trust Board are as follows:

- that there was still budget ambiguity for 2022/23, and the Director of Finance and Information had provided updates on the position; and
- that the finances for 2021/22 were as expected;

12. Any Other Business

There were no items of any other business

13. Date and Time of Next Meeting

Thursday 23rd June 2022 at 08.30 on MS Teams

MODERN HEALTHCARE COMMITTEE

ROOM 3 CHERTSEY HOUSE, ST. PETER'S HOSPITAL MEETING MINUTES 23RD JUNE 2022

PRESENT:	David Fluck Chris Kane John Machin Simon Marshall Tom Smerdon James Thomas Meyrick Vevers Marcine Waterman	Medical Director Non-Executive Director 2) Non-Executive Director Director of Finance and Information Director of Strategy and Sustainability 3) Chief Operating Officer Non-Executive Director (Committee Chair) Non-Executive Director
IN ATTENDANCE:	Paul Doyle Andy Field Andrea Lewis Sal Maughan Louise McKenzie Julian Ruse Julie Smith	Director of Operational Finance Chairman Chief Nurse Associate Director of Corporate Affairs and Governance Director of Workforce Transformation Associate Director of Performance Chief Executive
SECRETARY:	Elaine Harrington	Divisional Accountant

1. Introductions

Meyrick Vevers welcomed everyone to the meeting and stated the meeting was quorate.

2. Minutes of Meeting held on 5th May 2022

The minutes of the meeting held on 5th May 2022 were agreed.

3. Matters Arising – Actions List

It was noted that, with the exception on action point 3 regarding new operational metrics, all actions were now complete.

There were no other matters arising.

4. Operational Performance

Surrey Safe Care Implementation (including additional resource proposal)

The Director of Finance and Information opened the discussion by noting the performance has been impacted by the introduction of Surrey Safe Care which went live on the 15th May 2022 and that it is important that performance was reviewed in light of this.

The Emergency Department (ED) was the first to go live and although it had its challenges and some jobs were taking longer, things are working well. The Wards went live one day later and were also working well. The main challenges are out-patients administration; namely endoscopy, cancer pathways and ophthalmology and more time would be needed to sort them out. Over 3000 problems had been logged with Hornbill

(the IT problem logging system) which is 800 per week, however this is now down to 200 per week. There have also been a number of challenges with staff leaving the programme, problems with data migration and with booking and scheduling. The Chief Operating Officer noted that one of the major issues is with booking specialities, where there are complex issues.

Marcine Waterman asked whether the team had had any insight into these issues and were they not expecting them prior to go-live. The Director of Finance and Information explained that Cerner is a rigid system and that there had been complications in getting Royal Surrey and this Trust working the same way. Meyrick Vevers asked why Cerner had not been flagging these problems. The Chief Operating Officer explained that the two Trusts had migrated from different systems. The Medical Director commented that some of the processes before the introduction were not right and the model was finding this out. The Director of Finance and Information agreed, some processes are working well and some are totally broken, but people are committed to getting everything resolved. The Chief Operating Officer acknowledged that the Trust is in a recovery and stabilisation stage. He noted that there are 37 specialities which makes it extremely complex. However, there are plans to fix the issues, train the staff and use the system as it was intended. The Trust will need to focus on restoration.

Andy Field said it was important for the Committee to be kept up to date on the issues. It is important that there is confidence in the system and that the Executive Team should be given the time and space to fix it. Chris Kane asked whether Cerner were giving the correct level of support. The Director of Finance and Information commented that they were but that some of the problems were down to training and up to the Trust to correct. The Chief Executive acknowledged that there is a good dialogue with Cerner.

Marcine Waterman noted that when she had a tour of the hospital staff were positive and "getting on with it". The Director of Finance and Information said that the Clinical Staff were positive and that it is the Administration staff who are having major problems with booking. The Chief Operating Officer confirmed that Outpatients had template issues and this was causing a backlog of booking. The normal process would mean booking 6 weeks ahead to keep the clinics full; currently there are 16,000 patients not booked, normally this would be 3,000. Clinics are currently running at 15-20% below capacity and we are about to come to a phase where clinics will not be booked. It is taking much more time to book a patient and some areas, such as Endoscopy, are being booked by letter and are not on the computer.

Currently the Associate Director of Performance is working to validate the data and concentrating on the patient pathway. However, the data needs to be thoroughly cleansed and the current level of resource is not enough to do this, an additional 10 people are needed to clear the backlog. The Director of Finance and Information said that currently we are booking 7 per day and with Cerner we should be booking 7 per hour and that we needed to establish the level of resource required to put this right. That scheduling, 'cashing up' and the information all needed to be reviewed, hence the proposal put forward in the paper at agenda item 11.

John Machin asked whether MBI were familiar with all these issues. The Director of Finance and Information said they were. The Chief Operating Officer noted that our data platform is clean and that the Associate Director of Performance had good data. Marcine Waterman questioned the timescale to fix the issues and who was funding the fix. Andy Field asked whether a success fee type of arrangement was possible. The Director of Finance and Information commented that negotiations were taking place daily. The Associate Director of Performance commented they were also discussing an exit with MBI to ensure the process did not roll on for longer than necessary. The Chief Operating Officer stated that we had to be clear of the scope and believed that not all problems were known yet and therefore the scope may have to change. The Medical

Director commented that we had to keep pressure up or the supplier may go elsewhere and asked whether the two Trusts were working together on this. The Director of Finance and Information confirmed they were working together.

The Chief Executive commented that this was a powerful piece of work and that there is an appetite to make it work. Currently we are in a period of stabilisation and it is very important to take the time and make sure we get it right to reap the benefits down the line. The system will then be used as it is intended to be used and although Royal Surrey has different issues, it is important that we go forward together. Andy Field commented that both the Director of Finance and Information and the Chief Operating Officer had worked extraordinarily well together and thanked them.

Meyrick Veyers asked where the money was coming from to fund MBI. The Director of Finance and Information said NHS Digital were coming in for talks and the Trust would raise this with them. Meyrick Veyers confirmed that the appointment of MBI had been approved.

Performance Report

The Chief Operating Officer referred the Committee back to the Performance Report and noted that in A&E the flow was working well, but there remains unfamiliarity with the system which slows things down. Ambulance handover delays are worrying as the delays have shot up; until 13th May 2022 there had been one 60 minute breach, whereas after go-live there have been 45-50 breaches in May. Marcine Waterman questioned whether the performance was better in 2021 and whether all the problems were due to Cerner.

The Chief Executive said there were several factors, the non-admitted pathway was taking longer, all processes were taking longer and this would need to be sorted if we are to be the Emergency Hospital for Surrey Heartlands. The Medical Director noted that the Trust was currently on Opel 2 whereas other Trusts were on Opel 4, and now that we have closed Escalation and Walton the performance should get better. The Chief Nurse commented that in the last couple of months there have been a number of empty beds and this was a sign that the criteria to admit is working. Andy Field commented that he had a fantastic experience in UTC and A&E when a family member had been a patient.

The Chief Operating Officer moved to the Cancer metrics. He noted that May had been predominantly booked for the month however the TWR was missed in both Colorectal and Endoscopy. The Trust is currently predicting a compliant TWR performance for May at 93.7%, however is predicting non-compliance against the 62 Day GP RTT at 82.5% with 20 breaches. TWR for June is estimated at 72% due to booking challenges. Marcine Waterman asked how data was available for Cancer. The Chief Operating Officer explained that there is a standalone cancer system called Somerset. The Associate Director of Performance commented that Somerset had good data although the linkage into Cerner had been an issue, so currently they are using a manual work around. The Chief Operating Officer went on to say that Breast Symptomatic was very low at 61% and that June performance will be severely challenged.

Meyrick Veyers asked what would happen if the Trust were put into with Special Measures. The Chief Operating Officer replied that we are not there yet. The Chief Executive commented that NHSE/I recognise the transformation improvement and recognises the problems the Trust is facing, and there is nothing new about recovery. We should be aspiring to excellence. Andy Field confirmed that the issue had been flagged. The Chief Operating Officer said that he had led recoveries in the past and that this Trust had a high baseline.

The Chief Operating Officer moved on to say that in endoscopy there were 674 patients waiting for more than 6 weeks and this was likely to be 1,000 in June.

The paper was noted by the Committee.

5. Workforce

The Director of Workforce Transformation opened by mentioning the key risks against the plan, noting that the cost of living is a real concern and was having an impact on mental health and morale.

There are pressures on the labour market affecting all staff but particularly the non-registered staff as competition from local employers such as Heathrow and institutions such as Surrey County Council giving a 7.75% pay award. Retail and Service industries are also currently offering more money. There are ongoing AFC pay negotiations and there is a risk of industrial action unless there is a pay increase in line with inflation. There are also a number of 50-60 year olds who have exited the labour market, along with a lot of the young working part time.

Marcine Waterman asked how Surrey County Council are able to afford the pay increase and whether we could tier the pay award. The Director of Workforce Transformation confirmed that the NHS had a national pay scheme and the only discretion is at executive pay level.

Marcine Waterman asked what the impact was on the workforce, the vacancy rate and establishments. The Director of Workforce Transformation replied that the work is not complete, as we are reducing the bed base and escalation and that staff could be redeployed. Marcine Waterman asked what the impact was on agency spend. The Director of Workforce and Transformation estimated that 1,000 additional shifts had been worked with the introduction of SSC. Marcine Waterman said that she believed the additional costs should be included in the SSC project.

The Director of Workforce Transformation moved onto the staffing forecast and the impact of recruitment. She noted that there had been an increase of 500 WTE over the last two years. Ongoing recruitment campaigns both in the UK and overseas are scheduled throughout the year. The AHP Career and Recruitment Fair is booked for the 25th June 2022 and we are in the process of implementing the new NHS Jobs 2 which is going live in July 2022 (this will automatically populate ESR thus ensuring good workforce reporting).

In relation to the rostering and agency system, final groups for this phase are now on the system. Six project milestones have been identified for the contract review for Rotageek and Locums Nest, and NHSE/I have conducted an external review of the system and offered some practical assistance. In relation to the collaborative bank agreement currently with Surrey Heartlands and Frimley this has now been extended to include BOB (Berkshire, Oxfordshire & Buckinghamshire) Trusts. A unified nursing agency rate card is due to be issued on 1st July 2022 for those Trusts. The Trust needs to ensure the current systems and processes are robust enough to join, currently they are still a bit off, but we are hoping to join in July. The Chief Operating Officer asked which staff groups this related to. The Director of Workforce and Transformation confirmed this to be AHP and nurses. The Medical Director commented that this would put a circle around a number of trusts and avoid the escalation of rates.

Meyrick Veyers asked which Trusts are not charging for parking. The Director of Transformation explained that only those who never charged before such as Surrey and Borders.

On retention, labour turnover is currently 16% which was to be expected with the end of a number of Fixed Term Contracts for SSC. We aim to stabilise the leaver rate by measuring staff experience, offering flexible working and career development. Meyrick Veyers asked whether it was thought that industrial action was likely. The Director of Workforce Transformation confirmed that nationally it was.

The paper was noted by the Committee.

6. Finances

The Director of Finance and Information explained that the final Trust plans had been submitted to NHSI on the 20th June 2022 at the agreed £12.1m deficit. This plan includes a CIP programme of £17.3m. He noted that Surrey Heartlands is currently showing a £28m shortfall and that significant savings have to be made within the Trust in Q2 but it would be Q4 at the earliest before we get to a true recurrent spend position.

Marcine Waterman commented that the Trust was significantly overspending on staff. The Director of Operational Finance replied that this was due to the introduction of SSC with additional shifts booked in April for training and May for the go-live to ensure safety. In addition the additional pay controls have only recently come into place.

Marcine Waterman questioned whether the IT challenges would have an impact on patient outcome and whether the ERF was a significant risk. The Trust has banked 2 months of £1.2m of ERF, would this be at risk if the underlying levels of activity were not reached. The Director of Operational Finance commented that the System approach has been that it has no clear guidance on any ERF clawback at this stage and the Trust is therefore assuming the System keeps to plan. The Director of Finance and information acknowledged there is some unease with the policy and the biggest risk is the ERF.

In relation to the CIP programme, Walton is already closed and escalation beds are not being used. Andy Field asked whether the additional NHSE NICU income could be viewed as a CIP. The Director of Operational Finance answered that NHSI do not include additional NHS income as a CIP. The Director of Finance and Information went on identify bed closures, the Surrey Safe Care costs and Critical Care moving to 11 beds as risks. Marcine Waterman asked about the timing of the CIP's. The Director of Operational Finance confirmed they were shown when delivered with savings profiled monthly.

John Machin asked whether there would be productivity savings from SSC. Julie Smith responded that we are entering uncharted waters with the financial plan, we have a real opportunity now to right size. Clinical teams are receptive although they acknowledge that it will not be easy. We have the elective centre for Surrey Heartlands with high volume, low complexity surgeries, however we need to identify the Trust's Specialities. The Director of Strategy and Sustainability said it was important to know the opportunities, and that maternity is a challenge for the whole system in light of the Ockenden review.

The Director of Finance and Information noted that the Trust should be receiving funding for the Community Diagnostic hubs, although not finalised yet and has bid for £2m for the SSC project. The Ashford capital bid is being supported by NHSI for year 1 with elective recovery capital of £10m.

The paper was noted by the Committee

7. Estates Strategy Group - Minutes of Meeting held on 6th June 2022

The Director of Strategy and Sustainability commented that there was space for theatres on the roof of the Abbey Wing, but it would mean having to relocate the Parents Room and the Daffodil Room. Andy Field said that the Parents Room and Daffodil Room had been equipped by a charity (Little Roo) and that we would have to re-provide this before taking the room away.

Marcine Waterman asked about the maintenance backlog and questioned whether estates are responding to the wards. The Director of Strategy and Sustainability said there is a Facilities Helpdesk where issues are logged. He commented that he was happy to look at the process and to check the backlog. Marcine Waterman asked that a paper be brought to the Committee. Chris Kane then asked whether the backlog of maintenance problems was due to not planning ahead and said that the Estates Team should be run as a customer services team.

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The Chief Executive commented that the Trust needed a clinical strategy and we need to communicate that strategy. What does the Trust want to excel in, what is the direction of travel for the Trust? Then the Estates strategy should be set to meet the clinical strategy. The strategy must determine the purpose, the priorities, the investment needed and people then needed to be held to account.

The paper was noted by the Committee

8. Strategic Objective: Modern Healthcare BAF Risks

The Director of Finance and Information noted that there are 5 main BAF risks and that 2.5 the potential external impacts from Surrey Heartlands ICS has now been raised from low to moderate in line with the other risks.

The paper was noted by the Committee

9. Items for Information or Approval

9.1 Schedule of Business

The paper was noted by the Committee.

9.2 Tender Waivers

The paper with one tender waiver over £50,000 was noted by the Committee

9.3 Healing Arts Assurance Report

The Chief Nurse commented that the programme had been slow to start but the pace had now picked up. Funding approval of £150,000 is approved from Charitable Funds for the planned 2022/23 activities. Feedback on initiatives such as Making Wards Healing Perfect and the Eternal Garden has been extremely positive.

Marcine Waterman asked for an update on the IPC rules and whether Musicians were now allowed back into the hospital. The Chief Nurse Andrea Lewis replied that the Trust was currently reviewing this, as there were outbreaks of Covid-19 on three wards. John Machin asked about plans for the piano in the foyer. Marcine Waterman confirmed it was for members of staff and the community to play.

The paper was noted by the Committee

10. Key points to take to Trust Board

The key points to take to the Trust Board are as follows:

- Risks due to Surrey Safe Care implementation;
- Risk to CIP programme;
- Trust Strategy; and
- Estates policy in light of the Trust Strategy

11. Any Other Business

The paper on Surrey Safe Care support was covered under agenda item 4.0.

12. Date and Time of Next Meeting

Thursday 21st July 2022 at 14.00 on MS Teams