

Board of Directors (Public)

Item 7.1

Subject: Quarterly Review of Board Assurance Framework
Date of Meeting: 26th January 2016
Prepared by: Lucy Lavan, Associate Director of Corporate Affairs
Presented by: Lucy Lavan, Associate Director of Corporate Affairs

BAF Ref	Impact on BAF Risk Rating
All	Board to review

1. Executive Summary

The purpose of the paper is to ask the Board to undertake its formal quarterly review of the Board Assurance Framework, to confirm its completeness in relation to principal risks to delivery of the strategic plan and to review and update the controls and assurances, identifying and gaps and reviewing risk ratings as necessary. The updated BAF, with tracked changes for ease of reference, is attached.

2. Proposed Updates to 2015/16 BAF – end of Q3

i) Progress in addressing identified gaps in controls / assurances

The 2015/16 Board Assurance Framework was last reviewed and updated October 2015. An update on progress of actions identified at the end of Quarter 2 together with new actions identified in Q3 is summarised below. The actions that are shaded are now completed and closed, subject to confirmation by the Board that these have been satisfactorily closed down.

Principal Risk	Action to address gap in control / assurance	Progress	Impact on overall BAF risk rating
1	Embed new values framework (launched Q2) -DH	Completed - Incorporated into new appraisal process and communications campaign ongoing	None
	Evaluate impact of Improvement Work on patient flow led by new Care Support Team – Mulberry Ward / discharge lounge opened Oct 15 (SP)	2 LiA work streams have focused on the production of the discharge summary the day prior to planned discharge	

Principal Risk	Action to address gap in control / assurance	Progress	Impact on overall BAF risk rating
		date and 'home for lunch'. Further work on flow to be progressed and will remain a priority for 2016/17	
	Review process for nurse led mortality reviews to enable release of time (SP)	Completed but note that a new mortality review policy will be implemented from Jan 16	
2	<ul style="list-style-type: none"> Quality Committee to review effectiveness of Improvement plan for sepsis compliance (RAP) 	Completed - Re-audit of data and Quality Committee Review Nov 15. Action closed but note that Quality Committee will continue to monitor.	None
	<ul style="list-style-type: none"> Implement Medium / long term strategy for infection prevention (multi resistant organisms) (RAP) 	Completed – strategy approved (BoD Nov 15) and resource implications to be addressed in 2016/17 planning round	
	Roll out and embed Organisational Learning Policy (MJ)	In progress – review impact Q4 – Cross divisional governance meetings to be introduced from Feb 16 Implement new Mortality Review Policy – MJ Q4	
	Timeframe for Facilities Board to be implemented (DJ)	Completed - New Committee structure agreed and ready to implement	
	Embed medication safety thermometer and develop improvement plan for safer medicines (RAP)	Quality Committee Review Nov 15 – further work required Q4	
3	Rollout and embed Data Quality Strategy – Approved July 2015	Completed – Board dashboard includes data quality rating for each indicator	Increased risk assessment 3x4=12
	Develop action plan from Board	Completed – paper	

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	self assessment against Well Led Framework (LL)	to October 15 BoD	
	Audit Committee workshop, Feb 16 to review evidence underpinning Annual Governance Statement (LL – Q4)	New action	
	RTT action plan and trajectory TW, Q4 and ongoing	IPC review	
	Systems Resilience Group (SRG) action plan for improving cancer access across the health system TW Q4	New actions to initiate escalation at CEO level and to review and report raw data (pre-breach reallocation)	
	Plan to achieve FSRR3 at 31.3.16 – DJ Q4	IPC and BoD review	
4	Develop clinical Strategies for Surgery and respiratory services (DH)	Review of clinical strategies scheduled for BoD Development day, Feb 16	None
	Finalise plans for transfer of Upper GI service to RLBUHT (TW)	Completed	
	Improvement work to mitigate mixed sex breaches	Good progress made through flow work- this will remain a priority for 16/17 planning round	
	Outcome of ACHD review awaited including Board decision - Business case and risk sharing agreement to support possible ACHD provision in Liverpool TW Q4	Business case being compiled	
	Develop robust activity and capacity plans to deliver activity and 7 day services as appropriate for patient needs TW Q4	Divisional planning work in progress to inform draft annual planning submission 8.2.16	
5	No actions Q3		None
6	Deliver action plan arising from EPR review (DJ / RAP)	Action plan approved at BoD Nov 15 – implementation in progress	None – red risk rating remains due to magnitude of risk associated with delivery of financial plan
	Improving Patient Flow Project (SP)	Develop further the improvement work on flow (SP, Q4 and ongoing)	

Principal Risk	Action to address gap in control / assurance	Progress	Impact on overall BAF risk rating
	Leadership for and embedding of PMO (DH)	Proposal for restructure of PMO to be developed and implemented DJ Q4	
	Board dashboard to include new indicator on nurse agency spend (MJ)	Introduced from Nov 15	
	QIAs for 15/16 CIPs to be completed	Reviewed at Quality Committee – update to Oct 15 BoD	
	Deliver trajectory for reduction in use of nursing agency staff	Improving but constraints include increased acuity and time lag between recruitment and completion of necessary training	
7	Leadership development / talent management programme - recruit to Head of OD vacancy(DH, Q4)	Slippage due to vacancy but Head of OD appointed and will be in post from April 16	None
	Improve workforce planning (DH)	People Strategy approved; Divisional workforce plans developed and presented to BoD	
	Robust education strategy to support medical education (RAP)	Recruitment plan in progress to mitigate reduction in F2 doctors; medical education strategy in progress	
	Follow up on delivery of job plans via appraisal process DH Q4	Implementation of electronic job planning system in progress	
	Local and overseas recruitment plans to be delivered DH Q4	In progress (People Committee review)	

Principal Risk	Action to address gap in control / assurance	Progress	Impact on overall BAF risk rating
	Analysis and action plan of 2015 staff survey results DH Q4	Headline results to BoD Jan 16, action planning Q4	
8	Deliver stakeholder plan with quarterly monitoring to BoD (DH)	Stakeholder plan approved BoD Nov 15 – report on progress end Q4	None
	Finalise plans and timeframe to manage safe transfer of Upper GI service (TW)	Completed	
	Recruitment of clinical expertise to support system-wide cardiology service (RAP)	New (additional) Community cardiologist appointed	
	Completion of Strategic Options Review (DH)	Partner appointed and work commenced Jan 16 – final report April 16	
	Strategy for Fundraising	Completed – BoD approved Oct 15	

The above progress report highlights new controls for inclusion in BAF as follows:

- **Strategy for management of multi-resistant organisms adopted (Risk 2)**
- **Comprehensive action plan in place in readiness for CQC inspection (Risk 3)**
- **Emergency preparedness plans updated and contingency plans in place to mitigate impact of industrial action by junior doctors (Risk 7)**
- **Process for publication of regular Stakeholder Newsletter in place to support engagement plan (Risk 8)**
- **Partner appointed to support strategic options appraisal**

ii) New Assurances and New risks / Gaps in Assurances and Controls

Further updates have been recommended by the Executive Team in respect of the following:

- Risk 3 – increased risk assessment in relation to regulatory compliance due to heightened risks in relation to RTT compliance, system-wide compliance with cancer standards (62 day pathway); and financial governance. The likelihood score has been increased to 4 yielding an overall risk score of 12.
- Risk 4 – the risk associated with inability to repatriate outsourced surgical activity due to capacity constraints is highlighted
- Risk 6 - ongoing risk around delivery of improvement trajectory for agency nursing

- Risk 7 – the risk surrounding further industrial action by junior doctors is highlighted
- Risk 8 – new assurances - fundraising strategy and stakeholder management plan in place; and partner (KPMG) appointed to support the strategic options appraisal.

3. BAF Review

The updated BAF is attached (all proposed new amendments have been highlighted as tracked changes for ease of reference) and the Board is asked to conduct its formal quarterly review and update as necessary in respect of :

- i) The completeness of principal risks in relation to delivering strategic objectives
- ii) The systems of controls, assurances and gaps in controls / assurances
- iii) The risk rating applied to each principal risk

In order to inform this review, each Executive Lead will update the Board on any exceptions and / or changes to the BAF in respect of their areas of accountability.

4. Recommendation

The Board of Directors is asked to approve the changes made to the BAF and update to reflect any further changes to risks, controls and assurances that are identified as a result of its January 2016 review.