

Item 7.1a Board Assurance Framework 2015/16

- Each area of the BAF is aligned to the delivery of the strategic goals set by the Board (i.e. achievement of 2015/16 milestones and in-year work to build capacity / capability for future milestones) and regulatory compliance (corporate governance statement)
- Board Evaluation :

An assessment of the likelihood and impact of each strategic risk will generate a RAG rating which the Board will assign to each BAF entry

5x5 matrix

X		LIKELIHOOD				
IMPACT / CONSEQUENCE		1 Rare	2 Unlikely	3 Possible	4 Likely	5 Almost Certain
	5 Catastrophic	5	10	15	20	25
	4 Major	4	8	12	16	20
	3 Moderate	3	6	9	12	15
	2 Minor	2	4	6	8	10
	1 Negligible	1	2	3	4	5

- Refer to BAF Policy for operating guidance, roles and responsibilities and reporting template

						<u>Quality Committee 2016/17 Q1</u>	
2	<p>Unable to reduce harm – sepsis, medication errors, reliable care, infection from multi-resistant organisms, organisational learning mortality, due to:</p> <ul style="list-style-type: none"> increases in patient acuity; non-compliance by staff with Trust policies & procedures; and/or lack of or ineffective staff training; non-compliance with care bundles; lack of clear roles and responsibilities for staff leading to a lack of accountability human factors <p>This could lead to avoidable patient harm, financial penalties and reputational issues. In a worst case scenario, this could result in the Trust being subject to enforcement action from Monitor and/or the Care Quality Commission.</p>	<ul style="list-style-type: none"> Individual performance review process Revalidation Staff training programme Mortality reviews Risk management strategy Quality strategy Quality improvement policies and procedures (e.g. falls policy;) Incident reporting & root cause analysis Quality impact assessments Clinical audit Speak Out Safely campaign Daily Safety Huddles Ward boards ECS assessment process Audit programme RCA process Organisational 	<ul style="list-style-type: none"> Performance dashboard Integrated Performance committee papers & minutes Quality Committee papers and minutes IG toolkit Complaints and compliments report staff survey Safety culture survey Board walk rounds Quality report Clinical audit reports ECS compliance reports Weekly harms report 	<ul style="list-style-type: none"> GMC reports Deanery reports Internal Audit CQC Intelligent Monitoring Report CQC assessments Advancing Quality Alliance Dr Foster benchmarking ICNARC External Pharmacy review National staff survey Monitor risk rating No. and value of clinical negligence claims 	<ul style="list-style-type: none"> Quality Committee to review effectiveness of improvement plan <u>for continue to monitor</u> sepsis compliance Implement Medium /long term strategy for infection prevention (multi resistant organisms) <u>Manage resource requirements of infection prevention strategy through 16/17 planning round</u> Rollout and embed <u>monitor effectiveness of</u> Organisational Learning Policy <u>Introduce quarterly cross-divisional governance meetings</u> 	<p>RAP – Q3Q4</p> <p>RAP – Strategy to Nov-BeDQ1 16/17</p> <p>MJ – Q3Q4</p> <p>MJ-Q4 DJ Q2SP Q4</p>	4 x 3 = 12

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		<ul style="list-style-type: none"> Learning Policy (approved July 15) Strategy for management of multi-resistant organisms (BoD, Nov 15) 	<ul style="list-style-type: none"> (Exec team) Reflective practice – clinical audit days and examples at BoD 		<ul style="list-style-type: none"> Timeframe for Facilities Board to be implemented. Implement new mortality review policy Embedding of Further develop and embed medication safety thermometer and development of improvement plan for safer medicines 	RAP - Quality Committee Nov 15-Q4	
3 LL	<p>Inability to declare full compliance against Monitor's corporate governance statements as a result of gaps or weaknesses in the Trust's governance arrangements.</p> <p>This could lead to the Trust being subject to enforcement action by Monitor.</p> <p><u>Key risks:</u></p> <ul style="list-style-type: none"> i) RTT compliance ii) System-wide compliance with 62 day RTT pathway iii) Financial governance 	<ul style="list-style-type: none"> Constitution Organisational structure Board committee Structure BAF Policy Risk management strategy Operational Plan Commissioner contracts 	<ul style="list-style-type: none"> Corporate governance statements evidence pack Annual Governance Statement Provider Licence checklist RTT Action Plan Operational Board papers and minutes Integrated Performance committee papers and minutes Quality 	<ul style="list-style-type: none"> Internal audit review of evidence to support corporate Governance statements Internal Audit – BAF review External audit opinion Monitor risk rating 	<ul style="list-style-type: none"> Rollout and embed Data Quality Strategy – Approved July 2015 Audit Committee workshop to review evidence underpinning Annual Governance Statement Develop action plan from self-assessment against Well-Led Framework RTT action plan and forward trajectory – TW Q4 and ongoing Systems 	<p>MJ-Q3LL</p> <p>LL Q4</p>	<p>3 x 2 = 63x4=12</p>

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			<p>Committee papers and minutes</p> <ul style="list-style-type: none"> ▪ Self assessment against Monitor's Quality Governance Framework ▪ Fit and Proper Persons requirements reviewed for directors Board self assessment against Well Led Framework • <u>CQC Action plan</u> 		<p>Resilience Group (SRG) action plan for improving cancer access across the health system - TW Q4</p> <ul style="list-style-type: none"> • <u>Plan to achieve FSRR 3 at 31.3.16 – DJ Q4</u> 		
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To develop our service portfolio and business by expanding our current models of service and by developing innovative models of care underpinned by enhanced business systems by:							
<ul style="list-style-type: none"> Extending 7 day service – ACS transfers on Saturdays by end of Q4 and radiology working at weekends by end of Q4 Knowsley COPD service expansion (tender process Q1) Implementing planned service developments in aortics, EP, ICC and ACHD by March 2016 Expanding critical care and surgical bed capacity to meet activity plan and improve flow (Q1) 							
	Principal Risks preventing the Trust achieving strategic goals	Key controls	Board Assurance		Gaps in Control / Assurance	Action Who? /When?	Board Evaluation (impact x likelihood)
			Internal	External			
4 TW	<p>Unable to grow services in line with plans :</p> <ul style="list-style-type: none"> become the primary provider of Adult Congenital Heart Disease services in the North West; successfully transfer Upper Gastrointestinal service to RLBUHT - achieved retain and expand Knowsley COPD service - achieved Extend 7 day service <p>The Trust may not achieve the above due to:</p> <ul style="list-style-type: none"> Inability to influence commissioning intentions; Lack of bed capacity; Lack of staffing; Lack of or ineffective marketing strategy; Inability to swiftly respond to national and local policy; Ineffective partnership arrangements leading to loss of management control; Inability to develop strategic alliances with other NHS providers; Inability to position itself ahead of the 	<ul style="list-style-type: none"> Investment policy Business case appraisal Regular meetings with key stakeholders Partnership governance arrangements Contract management 	<ul style="list-style-type: none"> Integrated Performance committee papers & minutes BoD papers & minutes 	<ul style="list-style-type: none"> Stakeholder feedback (Corporate Culture work) Awarded Knowsley Respiratory Contract Oct 15 	<ul style="list-style-type: none"> Clinical Strategies for surgery and respiratory services Finalisation of plans for Upper GI transfer to RLBUHT Improvement work to mitigate mixed sex breaches Outcome of ACHD review awaited <u>incl BoD decision</u> 	<p>DH – Review at February 2016 BoD Strategy Day</p> <p>TW – Q3</p> <p>SP – Review impact of flow work Q3 Build on progress made and address capacity issues in critical care – SP Q4</p> <p>Business case and risk sharing agreement to</p>	3 x 3 = 9

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	<p>competition</p> <ul style="list-style-type: none"> ▪ <u>Inability to meet new / future national standards and requirements eg clinical co-locations</u> ▪ <u>Inability to repatriate outsourced surgical activity</u> <p>If the Trust is unable to develop its service portfolio, the Trust may lose strategic opportunities that help the Trust to remain financially viable.</p>					<p><u>support possible ACHD provision in Liverpool – TW Q4</u></p> <p><u>Develop robust activity and capacity plans to deliver activity and 7 day services as appropriate for patient needs – TW Q4</u></p>	
5 MJ	<p>There is a risk to the full delivery of the research and innovation strategy caused by insufficient research management support, failure to engage research inactive services of the Trust, lack of success in attracting external funding and reductions in Clinical Research Network (CRN) budgets leading to research and innovation not contributing to the Trust's overall vision of LHCH being recognised as the best cardiothoracic integrated healthcare organisation.</p>	<ul style="list-style-type: none"> • Research & Innovation Clinical Lead • Maintenance and enhancement of ICMS • Academic appointments • Quality assurance on grant applications 	<p>Reports on delivery of CRN targets</p>				<p>2 x 3 = 6</p>

To maintain financial viability, enhance service delivery and develop new models of care to improve the health of our patients and safely reduce costs through our programme of transactional and transformational change by:

- Aligning bed base to optimal pathways of care and achieving 85% bed occupancy levels
- Improve LoS for first time CABG and first time isolated valve to that expected for casemix by March 2016
- Achieve CIP of 4.0%
- Implement LSS in theatres (Q1)
- Demonstrate EPR benefits for community services (Q3)

	Principal Risks preventing the Trust achieving strategic goals	Key controls	Board Assurance		Gaps in Control / Assurance	Action Who? / When?	Board Evaluation (impact x likelihood)
			Internal	External			
6 DJ/ TW	<p>Failure to improve the Trust's efficiency through the safe reduction of costs:</p> <ul style="list-style-type: none"> ▪ Non-delivery of the cost improvement target; ▪ Competing quality and resource priority may lead to additional cost pressures; ▪ Inability to improve patient flow; ▪ Inability to improve theatre utilisation; ▪ Decommissioning and/or loss of services to competitors; and/or ▪ Inability to realise benefits from Electronic Patient Records system ▪ Commissioner contracts below forecast demand levels. ▪ Continued reliance on high usage of bank and agency staff <p>If the Trust is becomes financially unstable this could lead to enforcement action from Monitor. It may also have an impact on the quality of care provided due to inability to invest in service improvement.</p>	<ul style="list-style-type: none"> ▪ Annual Plan ▪ PMO - CIP project management / governance ▪ Budgetary control ▪ Local counter fraud ▪ Core financial controls (e.g. payroll, cash, capital, credit control, etc) ▪ Business case appraisals ▪ Service line reporting ▪ Disaster recovery plan ▪ Standing Financial Instructions, Standing Orders and Scheme of Delegation ▪ Robust contract 	<ul style="list-style-type: none"> ▪ Performance dashboard ▪ Integrated Performance papers & minutes ▪ Internal staff survey ▪ IPC papers & minutes ▪ Operational Board papers and minutes ▪ Improvement trajectory for agency staff (nursing) 	<ul style="list-style-type: none"> ▪ Internal Audit – Combined Financial Systems ▪ Internal Audit – IM&T Business Continuity ▪ Internal Audit – workforce reviews ▪ External Audit opinion ▪ External review of EPR ▪ NCBC benchmarking ▪ Monitor risk ratings ▪ Monitor review of Annual Plan 	<ul style="list-style-type: none"> ▪ Deliver action plan arising from EPR review ▪ Improving patient flow project ▪ Leadership for and embedding of PMO (interim support - no substantive lead) – considering integration of 	<p>DJ / RAP – Q2Q4 and ongoing</p> <p>SP – Review impact of patient flow workDevelop further improvement work on flow – SP Q4 and ongoing Q3</p> <p>Develop proposal for restructure of PMO and implement DHDJ Q4</p>	4 x 4 =16

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		<div>negotiation and monitoring process</div> <div><div>▪ CIP Steering Group</div></div>			<div>LiA, quality Improvement science and PMO rigour)</div> <div><div><div>• Introduce new indicator to Board dashboard on nurse agency KPI</div><div>▪ QIAs to be completed</div></div><div><div>• <u>High usage of nursing agency staff</u></div></div></div>	<div>DH—Q4</div> <div>MJ—Nov 15</div> <div>DH—Quality Committee Review Sept 15 /BoD update Oct 15</div> <div><u>Delivery of trajectory for reduction in use of nursing agency SP/DH (Q4)</u></div>	
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To be the best NHS Employer by 2019 with a demonstrable track record of motivating our high performing workforce by:

- Improving staff engagement score by 10% by March 2016
- Improve recommendation as a place to work score by 10% by March 2016
- Reduce expenditure on bank and agency staff to a maximum 3.6% of total pay bill
- Reduce staff sickness to 3.60% by March 2016

	Principal Risks preventing the Trust achieving strategic goals	Key controls	Board Assurance		Gaps in Control / Assurance	Action Who?/ When?	Board Evaluation (impact x likelihood)
			Internal	External			
7 DH	<p>Inability to attract and retain the best staff due to:</p> <ul style="list-style-type: none"> ▪ Poor staff engagement; ▪ Lack of clear roles and responsibilities leading to lack of accountability; ▪ Lack of or ineffective leadership development and talent management; ▪ Lack of effective education and training opportunities for junior doctors ▪ Staff feeling unable to speak out openly and honestly about issues; and/or ▪ Lack of or ineffective performance appraisal ▪ No sustainable staffing model in relation to planned reduction in F2 doctors (Surgery) ▪ Development needs of new leadership teams arising from transition to new divisional structure ▪ Poor training experience for junior doctors and reduced numbers from August 15 <p>Pockets of poor staff survey, culture survey and staff FFT scores may indicate</p>	<ul style="list-style-type: none"> ▪ Trust values & vision ▪ Code of Conduct ▪ HR policies and procedures ▪ Speak Out Safely campaign ▪ Staff performance appraisals ▪ Staff training ▪ Staff communications ▪ Staff induction programme ▪ Health & Safety arrangements ▪ Listening into Action ▪ Response plans to manage industrial action ▪ Speak out Safely campaign ▪ New clinical lead / Director for Medical Education ▪ People Committee established (Oct 	<ul style="list-style-type: none"> ▪ Integrated Performance Committee dashboard ▪ Staff FFT ▪ Board walk rounds ▪ Performance dashboard ▪ Cultural survey ▪ Quality Committee dashboard ▪ LiA pulse checks ▪ Culture survey action plans ▪ People Strategy (approved July 15) ▪ Divisional Workforce plans developed 	<ul style="list-style-type: none"> ▪ CQC reports ▪ Independent governance review ▪ National staff survey ▪ ISAE 3402 report from payroll provider ▪ Intelligent Monitoring Tool ▪ MIAA audits and reports 	<ul style="list-style-type: none"> ▪ <u>Leadership development / talent management programme – recruiting to vacancy – Head of OD – in post 1.4.16</u> ▪ <u>Robust education strategy to support medical education</u> ▪ <u>Follow up on delivery of job plans via appraisal process Local and overseas recruitment plans to be delivered</u> 	<p>DH – Q2 – in progress <u>In progress</u> People Committee review Q3Q4 – DH</p> <p><u>Complete recruitment plan to mitigate reduction I F2 doctors – RAP Q4</u></p> <p><u>Implement electronic job planning system</u> RAP – Nov 15Q4</p>	4 X 3 =12

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	<p>that the Trust does not have a high performing workforce. In turn, this may inhibit the Trust's ability to provide excellent patient care.</p> <p><u>Further industrial action by junior doctors may compromise patient care and limit the Trust's ability to meet statutory targets</u></p>	<p>15)</p> <ul style="list-style-type: none"> ▪ Policy on Consultant job planning ▪ TRAC system in place ▪ VAC control process ▪ <u>Emergency preparedness plans and contingency plans in place to mitigate impact of forthcoming doctors' strikes</u> 			<ul style="list-style-type: none"> ▪ <u>Full analysis of 2015 staff survey results</u> ▪ <u>High level of vacancies</u> 	<p><u>Analysis and action plan Q4 – DH</u> <u>Deliver recruitment and retention plans – DH Q4</u></p> <p><u>RAP – Q3 and ongoing</u></p> <p><u>DH – People Committee Q3</u></p>	
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To develop productive relationships and alliances with key stakeholders as effective and responsive partners in order to enhance the Trust's profile and reputation and thus secure LHCH clinical sustainability by:

- Establishing LHCH as network leader for cardiology by March 2016
- Delivering the first year of the Cardiology strategy by March 2016
- Implementing Year 1 of fundraising strategy

	Principal Risks preventing the Trust achieving strategic goals	Key controls	Board Assurance		Gaps in Control / Assurance	Action Who?/When?	Board Evaluation (impact x likelihood)
			Internal	External			
8 RAP DH	<p>Inability to influence commissioners and engage key stakeholders due to:</p> <ul style="list-style-type: none"> ▪ Lack of engagement strategy; ▪ Lack of feedback or not seen to respond to feedback; ▪ Impact of Healthy Liverpool Programme <p>There is also a risk that relating to the sustainability of the system wide cardiology service if the Trust is unable to recruit sufficient clinical expertise to support management of wider network.</p> <p>As a result, the Trust is unable to maintain and enhance its reputation as high quality provider of cardiothoracic healthcare services which in turn leads to a loss of market share.</p>	<ul style="list-style-type: none"> ▪ Regular meetings with stakeholders, including commissioners ▪ <u>Stakeholder Newsletter / comms established</u> ▪ Robust governance arrangements to support transfer of Upper GI service, ensuring patient safety and mitigating reputational risk ▪ Annual plan ▪ Strategy for Cardiology ▪ Engagement at CEO level in Healthy Liverpool Programme ▪ GNR 2PAs assigned to HLP ▪ Head of Fundraising appointed ▪ <u>Appointment of</u> 	<ul style="list-style-type: none"> ▪ Output from board strategy days ▪ CEO report on partnership updates ▪ <u>Fundraising Strategy (BoD Oct 15)</u> ▪ <u>Stakeholder Plan (BoD Nov 15)</u> 	<ul style="list-style-type: none"> ▪ Stakeholder survey ▪ Commissioner feedback ▪ Independent advice on Engagement Strategy ▪ HLP presentation by CCG – October Bod ▪ <u>Single cardiology pathway in place</u> 	<ul style="list-style-type: none"> ▪ <u>Stakeholder strategy— informed by schedule of stakeholder visits Deliver stakeholder plan with quarterly monitoring to Bod – DH Q4 and ongoing</u> ▪ <u>Recruitment of clinical expertise to support system-wide cardiology service (Community cardiologist appointed) ToRs and specification for Completion of strategic</u> 	<p>DH / TW – Report to Nov 15 BoD</p> <p>RAP – ongoing</p> <p>JT—update Nov 15 BoD</p> <p>Da (with KPMG) Q4 – Q1LL—Q3</p>	3 x 2 = 6

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		<u>partner to enable strategic options appraisal by end April 2016</u>			options review ▪ <u>Strategy for Fundraising</u> ▪ <u></u>		
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