

Board of Directors (Public)

Item 6.1

Subject: Quarterly Review of Board Assurance Framework
Date of Meeting: 26th July 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 Trust's strategic and operational plans, and regulatory compliance; and to review and update the controls and assurances, identifying and gaps and reviewing risk ratings as necessary.

2. Proposed Updates to 2016/17 BAF

i) Progress in addressing identified gaps in controls / assurances

The 2016/17 Board Assurance Framework was approved by the Board in April 2016.

Changes have been made to executive responsibility in respect of :

- i) Transfer of executive leadership for clinical informatics from Raph Perry to Mark Jackson wef 1.6.16;
- ii) Appointment of Claire Wilson as CFO (replacing David Jago) wef 1.6.16

An update on progress of actions identified for Quarter 1 is summarised as follows:

Principal Risk	Action to address gap in control / assurance	Progress	Impact on overall BAF risk rating
1.1	Improve timeliness of mortality reviews through implementation of new mortality policy (RAP)	Review system restructured with screening process. Backlog will be cleared by September 2016.	None
	Develop and implement human factors improvement plan (SP)	In progress – HF Improvement Plan to be brought to BoD, Sept 16	
	Plan to reduce medication errors – baseline to be established Q1 (SP)	The information team are currently reviewing this data and have stated this will ready	

Principal Risk	Action to address gap in control / assurance	Progress	Impact on overall BAF risk rating
		for review in September 2016 (MJ)	
	Improve utility of clinical decision support in EPR by reducing number of alerts (MJ)	EPR staff have now received training to reconfigure alerts. A working group to rationalise alerting will meet in August.	
	Deliver milestones set out in microbial resistance strategy (RAP)	In discussion with Commissioners over modifying some targets. Baseline audit and milestones test.	
1.2	Develop and implement evidence based care bundle programme (RAP)	Two care bundles have been prioritised and written into the strategic dashboard; sepsis and post cardiac surgery pathology. Sepsis is progressing well. Ownership of the surgical bundle requires development.	None
	Improvement plans to ensure 20 %patients 'home by lunch' by March 17 (SP)	Progress is good with home for lunch achieving 17.8% in June 2016. All work streams to improve flow are underway.	
1.3	Develop dementia pathway (SP)	This is now completed and will be included in the next changes requested through EPR. Following this there will be an education programme for staff to increase awareness of the pathway.	None
	Improve compliance with fasting policy (95% by March 17) (SP)	This target cannot be meaningfully measured – Divisional plans are in place to monitor compliance with the policy and oversight by the Quality Committee	
1.4	Embed Organisational Learning Policy and	Divisional engagement has been variable. An	None

Principal Risk	Action to address gap in control / assurance	Progress	Impact on overall BAF risk rating
	conduct regular audits to provide assurance on actions taken (MJ)	action plan for improvement has been proposed (see Board paper)	
2.1	Deliver Cardiology Strategy milestones (RAP / DH)	STP work completed. Healthy Liverpool cardiology streams progress accelerated. Planned joint opportunities complete.	None
	Produce service line strategies (TW/DH)	Service line strategies for thoracic surgery, cardiac surgery and community services are under development; the current cardiology strategy is being refreshed.	
	Deliver milestones for world class cancer (TW)	Current focus is on strategic priority 2 – delivery of earlier diagnosis working with the Lung CNG.	
	Develop strategy for private patients (TW)	Strategy under development and based around three options.	
2.2	Embed extended community service provision and deliver contract KPIs (TW)	Contract is in the process of being signed and implemented.	None
	Complete and submit joint business case for ACHD (TW)	Currently working with the commissioners on the next phase of the program following the recent announcements of preferred providers.	
	Develop business case for robotics (TW)	Draft case in progress with the aim to bring to BoD in Q3.	
	Implement 7 day ACS service (TW)	The Medicine Division are looking to implement in Q3.	
	Achieve and maintain compliance with national access targets (TW)	Some pressure around 18 weeks and Cancer, diagnostics performing well.	
	Develop and deliver	Steady progress.	

Principal Risk	Action to address gap in control / assurance	Progress	Impact on overall BAF risk rating
	innovations (MJ)	Notable examples include COPD self care, 3DLifePrints and Augmented Reality	
3.1	Put in place leadership for and embedding of PMO (CW)	Head of PMO appointed and in post from July 16. CIP steering group Terms of Reference being reviewed and stocktake/development of 2016/17 CIP programme is underway.	None
3.1 and 4.1	Provide assurance on delivery of agency trajectory (TW/ SP)	Actions plans are in place to reduce the use of nursing agency predominantly within theatres, Cath labs and critical care. Good progress has been made within critical care and more recently in theatres. Work is still to be progressed in Cath labs. High agency usage area plans and trajectories in place tied to recruitment plans. Monitored through People Committee.	
3.2	Complete and embed Data Quality Strategy (MJ)	Achieved target set by 2015 strategy of 95% of strategic and operational dashboard indicators “green” for data quality.	
	Complete MIAA review of evidence to support 2016 Corporate Governance Statement (LL)	Completed – CGS reviewed and signed off at May 16 BoD	None
	Complete Well Led Review (LL)	Scope and ToRs in place – presentation to July 16 BoD – work plan to commence Sept 16 and report by March 17.	
4.1	Deliver KPIs for time to hire,	KPIs revised and	None

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	turnover and vacancy rates (DH)	tightened for 2016/17. Each hotspot area has a specific plan in place. On plan to deliver trajectory by end of 2016/17	
	Implement junior doctors action plan (RAP)	As below	
	Implement engagement plan to support introduction of new contract for junior doctors (RAP / DH)	Engagement plan for Junior Doctors in place led by new Guardian of Safe Working – Dr John Holemans, Consultant Radiologist	
4.2	Deliver leadership development programme (DH)	Leadership development programme in place for senior leaders and being delivered. Specific programme for nurse leaders in development.	None
	Develop and deliver KPIs linked to PACT (DH)	Talent Management developed. Implementation October 2016 following appraisal process.	
	Deliver talent management and succession planning (DH)	As above	
4.3	Deliver Engagement Plan (DH)	Trust wide and area specific engagement plans in place via LiA. Local plans linked to staff survey improvement plans. CEO led staff roadshows to be delivered in October.	None
	Deliver Education and Development Plan (DH)	Education and Development plan in place and being delivered. Monitored through People Committee.	
	Demonstrate improvement in education experience via education scores for junior doctors and other staff	Incorporates specific actions for Junior Doctors and other staff groups.	

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	groups (DH)		
4.4	Monitor KPIs linked to LiA and report to People Committee (DH)	Staff satisfaction KPIs reported to People Committee as part of Dashboards. Taken from Staff Survey, Staff FFT and LiA pulse checks.	None
	Develop integrated health and wellbeing strategy (DH)	Health and wellbeing plans in place and being delivered. Monitored through People Committee and CQUIN for 2016/17.	
	Implement increments for achievers policy (DH)	Talent management process agreed. First stage implementation in Autumn 2016 following appraisals.	
4.5	Report to People Committee on KPIS to demonstrate representative workforce (DH)	E&I strategy in place and implementation plan in progress. E&I dashboard developed with KPIs, reported through People Committee.	None
	Deliver E&I Strategy milestones (DH)	As above	
	Greater focus on workforce KPIs by Divisions and OB (TW)	Recruitment of middle grade doctors for critical care remains a challenge - other opportunities and mitigations are being considered.	
5.1	Achieve milestones in stakeholder plan and demonstrate reduced service variation and improved outcomes (DH)	2016 stakeholder survey and plan in place. Results reported to Board July 2016 and plan will be reviewed September 2016. Tied into LHCH work as Cardiac leader in C&M STP.	None
	Contribute to production of STP by June 16 (DH)	Cardiology one of the 6 cross cutting themes in STP – LHCH recognised as lead and outline plan developed and submitted to NHS	

Principal Risk	Action to address gap in control / assurance	Progress	Impact on overall BAF risk rating
		Improvement.	

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

- Head of PMO appointed and in post
- Evidence to support Corporate Governance Statement 2016 accepted by BoD and annual Board declarations signed off and submitted to NHSI
- STP submission completed June 16

ii) New risks / Gaps in Assurances and Controls

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

- Risk 2.2 - The Commissioning decision on congenital heart disease has been announced – work with partners will need to commence to manage transition of Manchester service to Liverpool wef 1.4.17 – an implementation plan will need to be drawn up and agreed – Review Q2
- Risk 3.1 – the agreement of a control total in exchange for sustainability and transformation funding in 2016/17 which has penalties attached for breach of conditions – risks will be routinely highlighted in regular CFO reports to BoD and IPC. Work is underway to develop a 5 year long term financial model (LTFM) and to develop financial reporting to ensure improved forecasting and risk management associated with delivery of the financial plan.
- Risk 3.1 – Continued growth in non-elective demand could impact upon delivery of RTT and ability to meet the conditions attached to STF – this will be monitored closely at IPC and BoD
- Risk 3.1 – Delivery of CIP target remains a key risk to the financial plan at Q1 A new Head of PMO has been appointed and the post holder took up post in July 2016. The CIP Steering Group terms of reference are being refreshed to strengthen accountability arrangements and a stocktake of the current programme is being undertaken at speed. Assurance on CIP delivery will be undertaken at IPC and will be regularly reported to the Trust Board.
- Risk 3.1 – An NHSI review of pay costs requires analysis and explanation by the Trust. The finance team have submitted information to NHSI as requested to date and will continue to support any further requests. In addition, staffing analysis and cost metrics will need to be a key focus for the Trust in the future and so internal reporting processes are being reviewed to ensure that this information is incorporated into the regular financial reporting to divisions, IPC and the Board.
- Risk 3.1 – Scheduling and flow remains a key priority for improvement work – coordination role assigned to Head of Nursing (Corporate) and new emphasis on cross-Divisional working and relationships.
- Risk 4.1 – rejection by junior doctors of the revised contract offer and uncertainty around future industrial action. LHCH implementation plan in place including Engagement with Junior Doctors. Dr John Holemans appointed as Guardian.

No changes to overall risk scores and RAG ratings have been recommended in respect of these issues.

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 July 2016 review.