

Board of Directors (Public)

Item 7.1

Board Report

Subject: Quarterly Review of Board Assurance Framework
Date of Meeting: 20th October 2015
Prepared by: Lucy Lavan, Associate Director of Corporate Affairs
Presented by: Lucy Lavan, Associate Director of Corporate Affairs

| Data Quality Rating | BAF Ref | Impact on BAF Risk Rating |
|---------------------|---------|---------------------------|
| Silver | 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 – Q2

i) Progress in addressing identified gaps in controls / assurances

The 2015/16 Board Assurance Framework was last reviewed and updated July 2015. An update on progress of actions identified for Quarter 2 is summarised as follows :

| Principal Risk | Action to address gap in control / assurance | Progress | Impact on overall BAF risk rating |
|----------------|---|--|-----------------------------------|
| 1 | Embed new values framework (DH) | 'PACT' launched and incorporated into new appraisal process– now needs to be embedded (DH) | None |
| | Evaluate 'Hot Boards' for staff communication and consider rollout (LL) | Hot Boards rolled out to all depts. and updated monthly evaluation Q3 (LL) | |
| | Improvement work on patient flow work led by new Care | Mulberry ward incorporating SAU | |

| Principal Risk | Action to address gap in control / assurance | Progress | Impact on overall BAF risk rating |
|----------------|--|--|--|
| | Support Team (SP) | and new discharge lounge will open 12.10.15 – impact on patient flow to be evaluated Q3 | |
| | Review process for nurse led mortality reviews to enable release of time (SP) | Nurse engagement in mortality reviews has improved – Quality Committee to keep under review | |
| 2 | Improvement plan for sepsis (RAP) | Re-audit of data in progress – Quality Committee Review Nov 15 | Increased risk assessment : 4 x 3 =12 |
| | Strategy for CPE / multi resistant infections (RAP) | Outline strategy to Quality Committee, July 15; final draft to BoD Nov 15 to inform 15/16 planning round | |
| | Roll out and embed Organisational Learning Policy (MJ) | In progress – review impact Q4 | |
| | Timeframe for Facilities Board to be implemented (DJ) | New Committee structure agreed and ready to implement | |
| | Embed medication safety thermometer and develop improvement plan for safer medicines (RAP) | Quality Committee Review scheduled Nov 15 | |
| 3 | Rollout and embed Data Quality Strategy (MJ) | In progress – refer Board dashboard, (Oct 15) | None |
| | Develop action plan from Board self assessment against Well Led Framework (LL) | Completed – paper to October 15 BoD | |
| 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 | Improvements including new discharge lounge | |

| Principal Risk | Action to address gap in control / assurance | Progress | Impact on overall BAF risk rating |
|----------------|---|--|--|
| | | (Oct 15) to be evaluated Q3 onwards | |
| | Completion of tender process for ACHD (TW) | Bid submitted – decision awaited. | |
| 5 | No actions Q2 | | None |
| 6 | Address actions arising from EPR review (DJ) | Report to July BoD – action plan to be finalised Q3 | None – red risk rating remains due to magnitude of risk associated with CIP delivery |
| | Improving Patient Flow Project (SP) | Improvements including new discharge lounge (Oct 15) to be evaluated Q3 | |
| | Leadership for and embedding of PMO (DH) | Consider integration of LiA, quality improvement science and PMO rigour Q4 | |
| | Board dashboard to include new indicator on nurse agency spend (MJ) | To be introduced from Nov 15 | |
| | QIAs for 15/16 CIPs to be completed | Reviewed at Quality Committee – update to Oct 15 BoD | |
| 7 | Leadership development / talent management programme (DH) | Commenced and future training plans in place – ongoing review at People Committee | None |
| | Improve workforce planning (DH) | People Strategy approved; Divisional workforce plans developed and presented to BoD | |
| | Robust education strategy to support medical education (RAP) | Strategy being developed – for review Nov 15 | |
| | Implement actions following review of consultant job planning (RAP) | Job planning review completed and policy in place. Follow up on delivery of job plans via appraisal process -ongoing | |
| 8 | Output from stakeholder research (DH) | Completed- Stakeholder Plan | Reduced Risk assessment |

| Principal Risk | Action to address gap in control / assurance | Progress | Impact on overall BAF risk rating |
|----------------|---|--|-----------------------------------|
| | | being developed for review by BoD Nov 15 | 3 x 2 =6 |
| | 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 | |
| | Clarity around wider system and Healthy Liverpool outcomes (JT) | Regular updates to BoD - HLP strategy received and reviewed (Oct 15) and CCG attending to present at October BoD | |

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

- PACT approved and adopted (Risk 1)
- Organisational Learning Policy approved and adopted (Risk 2)
- People Committee established (Risk 7)
- Policy on Consultant job Planning approved (Risk 7)
- TRAC system in place (Risk 7)
- New VAC control process to speed time to recruit (Risk 7)
- Head of Fundraising appointed (Risk 8)
- GNR 2PAs assigned to HLP (Risk 8)

ii) New risks / Gaps in Assurances and Controls

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

- Risks 1 and 6 – impact of patient flow work to be evaluated
- Risk 2 – reflection of impact of human factors and need to embed and evidence organisational learning.
- Risk 4 – outcome of ACHD review awaited and risk around possible inability to meet new / future national service requirements in respect of service co-location
- Risk 6- risk around continued reliance on high usage of bank and agency and need to measure progress of improvement trajectory via Board dashboard ; need to resolve gap in PMO leadership – consideration of plan to integrate LiA, quality improvement science and PMO rigour in Q4 (after allowing first tranche of LiA schemes to complete and process to be evaluated) ; Assurance around completion of QIAs for 2015/16 CIPs (Oct BoD)
- Risk 7 – local and overseas recruitment plans to be implemented
- Risk 8 - Strategic options review to be progressed,; Strategy for Fundraising to be developed.

There are two recommended changes to overall risk scores and RAG ratings :

Risk 2 – increase impact score from 3 to 4 resulting in an overall Risk Score of 12
Risk 8 - reduced likelihood score from 3 to 2 resulting in an overall risk score of 6.

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 October 2015 review.