The Queen Elizabeth Hospital King's Lynn
NHS Foundation Trust

Meeting:	Board of Directors (in Public)		
Meeting Date:	4 October 2022	**Agenda item:**	14
Report Title:	Trust Board Report - Board Assurance Framework (BAF) - Engagement KSO 3 & 4		
Author:	Tracey Wickington – Deputy Director of Patient Safety		
Executive Sponsor:	Jo Humphries – Director of People Carly West-Burnham – Director of Strategy and Integration		

Implications

Link to key strategic objectives *[highlight which KKSO(s) this recommendation aims to support]*

KSO 1	**KSO 2**	**KSO 3**	**KSO 4**	**KSO 5**	**KSO 6**
Safe and compassionate care	Modernise hospital and estate	**Staff engagement**	**Partnership working, clinical and financial sustainability**	Healthy lives staff and patients	Investing in our staff

Board assurance framework	KSO 3 KSO 4	
Significant risk register	KSO4 - 3034	
	Y/N	If Yes state impact/ implications and mitigation
Quality	Y	Risks in relation to the quality of working culture and staff engagement are aligned to KSO 3
Legal and regulatory	Y	Risks in relation to legal and regulatory matters concerning ICS planning are aligned to KSO 4
Financial	Y	Risks in relation to the overall financial position of the Trust are aligned to KSO 4

Assurance route

Previously considered by:	Safe Executive Group (SEG) - 8 September 2022 People Committee (KSO 3) - 21 September 2022

Executive summary

Action required: *[highlight **one** only]*	Approval	Information	Discussion	**Assurance**	Review

Purpose of the report:	The Board Assurance Framework (BAF) is to be received by the Board for assurance.
Summary of Key issues:	The Trust's BAF reflects the 6 Key Strategic Objectives identified as part of the Corporate strategy. Each of the Key Strategic Objectives has a 'Principal Risk' and Significant Risks (those scoring 15 or above) aligned to the most relevant Key Strategic Objective. Risks aligned to each Engagement Key Strategic Objectives 3 and 4 are overseen by Board Committees as shown below: • KSO 3 – ENGAGEMENT People Committee • KSO 4 – ENGAGEMENT Finance & Activity Committee

	Each one-page BAF section includes the Key Strategic Objective, relevant risk appetite statements, target risk ratings, Principal Risk, aligned Significant Risks, rationale for principal risk rating, controls and assurances, gaps in assurance, emerging risks and opportunities. The information included on each one-page BAF section is reviewed and updated every month, overseen by the relevant Executive Director. Updates for KSO 3: 1. Future Opportunities: • Culture transformation programme – culture collaborative bitesize learning interventions. • Detailed review of People Plan risks to inform future People Committee assurance papers. 2. Controls in Place: • Equality, Diversity and Inclusion work programme. • BAME staff support network relaunched as REACH (Race, Ethnicity And Cultural Heritage) to better align with European and International staff profile of the QEH. Updates for KSO 4: 1. Rationale for Current Risk Score: • The financial plan for 2022/23 is a breakeven plan after the submission on 20 June 2022. This is a significant departure from the previous planned deficit of £8.2m. • M4 year to date result was a deficit of £1,667k, against a planned deficit of £1,738k. This is £71k positive against the M4 position of the breakeven annual plan. • The Trust delivered a M4 year to date CIP programme of £2,727k (ahead of plan by £38k). The CIP target for 2022/23 is £8.1m. • Development of a work plan for the short/medium/long-term providing clarity on key priorities and deliverables which will inform the agendas for the N&WHGC and enable better monitoring of progress – approved at the 9 May N&WHGC. 2. Future Opportunities: • The Norfolk and Waveney Clinical strategy has been completed, underpinned by the ratified QEH clinical strategy. The Acute Clinical Strategy across the three Acute Trusts is in development overseen by the N&W Hospitals Group Committees. The work is being undertaken in collaboration with the ICB Medical Director.

	• West Norfolk Health and Wellbeing Partnership and Place Board established and detailed work underway to develop a clear aligned plan for delivery 3. Assurance: • Regular Strategic System updates to HMB / Board / Council of Governors. 4. Controls in place: • West Norfolk Health and Wellbeing Partnership and Place Board established and detailed workplan in place – discussed with the Board of Directors in September 2022 and Board level confirmation of Collaboration, Place Based care and Health Inequalities reiterated. • M4 2022/23 financial reporting is on plan. The Trust has produced a positive variance of £71k against the deficit plan of £1,738k for M4 2022/23. The Principal Risks have been reviewed and approved by the relevant Executive as well as at Safe Executive Group. Their grading remains unchanged. For KSO 3 Risk ID 2758 is graded at 12, and Risk ID 2791 is graded at 9. For KSO 4 Risk ID 2759 is graded at 16.
Recommendation:	The Board is asked to: • Note the current position relating to the BAF and Significant Risks aligned to the BAF
Acronyms	BAF - Board Assurance Framework ICS – Integrated Care System

KEY STRATEGIC OBJECTIVE 3 – ENGAGEMENT

EXECUTIVE OWNER: Director of People
RESPONSIBLE COMMITTEE: People Committee
DATE LAST REVIEWED: 2 September 2022
NEXT REVIEW SCHEDULED: October 2022

Strategic Objective
To strengthen staff engagement to create an open culture with trust at its centre

Risk Appetite
We have a **MODERATE** risk appetite for decisions taken in relation to workforce.

Initial Risk Rating: 4(C) x 3(L)= 12
Current Risk Rating: 4(C) x 3 (L) = 12 & 3(C) x 3 (L) = 9
Target Risk Rating: 12-16
Risk Behaviour: CAUTIOUS

Principal Risk – 2758 (12)
There is a risk that Trust leaders may be unable to strengthen staff engagement and trust impacting on the development of an open culture at the Trust

Principal Risk – 2791 (9)
There is a risk that the underlying organisational culture impacts on the improvements that are necessary to patient and staff experience which will prevent QEH moving forward at the required pace. Specifically, there is a requirement for urgent and significant improvement in relation to staff attitudes and behaviours

Aligned Significant Risks
No Significant Risks currently aligned to this principal risk

Rationale for Current Risk Score
- No significant risks currently aligned to the achievement of this objective
- Highest response rate to National Staff Survey since 2017 (45%) – demonstrating improved engagement
- Improved results in 2020 National Staff Survey – improved in all 10 themes (statistically significant improvement in 9/10 areas) and overall staff engagement score improved
- Further external evidence of improved staff engagement and morale and culture in December 2020 CQC Report
- Improved results and response rates to the repeated Medical Engagement Survey & GMC survey results
- Strong focus on values, behaviours, kindness and fairness and good engagement with the Trust-wide Culture Transformation Programme
- Culture transformation programme underway , which commenced with leadership masterclasses, where a new approach to appraisal, recruiting with values and respectful resolution was launched

Emergent Risks
- Organisational culture (notably staff attitudes and behaviours)

Future Opportunities
- Local workforce and community engagement
- Culture transformation programme – culture collaborative bitesize learning interventions
- The Trust will be able to send 120 leaders on a bespoke leadership programme supported by the King's Fund
- Detailed review of People Plan risks to inform future People Committee assurance papers

Assurance
- Significant assurance (with some improvement required) for Staff Engagement Internal Audit Report which was finalised early September 2021.
- QEH joined Phase 2 of the Rainbow Badge pilot scheme and were awarded bronze for our progress to date (with a focus on inclusive policies).
- With 45.3% in 2021 improved response rate to National Staff Survey for third consecutive years
- 2022 CQC Report for QEH – external evidence and endorsement that staff felt respected, supported and valued and recognition that the Trust has an extensive Staff Engagement Programme to maintain staff wellbeing, recognising the impact of COVID-19 on staff and their emotional resilience. The Report positively describes the open culture were patients, their families and staff could raise concerns without fear and that the Trust has a clear plan for internal and external engagement and systems and processes in place to gauge how people felt in real time. The Report also describes that the Trust promotes Equality and Diversity in daily work and provides opportunities for career development and that leaders and staff activity and openly engage with patients, staff, equality groups the public and local organisations to plan and manage services.
- Much positive feedback from Team QEH regarding the package of staff benefits communicated in February 2022 – including extension of free car parking, introduction of hot food at night and discounted gym membership which has been extended due to high demand
- Disappointing overall results in the staff survey and clear action plans established to identify root causes and support each business area deliver tangible improvements

Controls in Place
- Culture improvement programme has concluded in Radiology and continues in Maternity and Ophthalmology
- In February 2022, introduced a new 'My Reality' Series to create a safe space for stories to be shared by guests with the aim of providing a platform of education, awareness and to challenge stereotypes as part of our Equality, Diversity and Inclusion work programme, with the first session about eating disorders, with the next session relating to racial discrimination.
- Positive developments with Equality, Diversity and Inclusion, including the first Rainbow Café, over 150 staff pledges as part of the 'See me First' badge launch, support for the regional Anti-Racism strategy, plans for a 'Celebrating Team QEH Week' 22-26 November, which includes a Diversity Day and a Board development session with NHSI/E leads on the regional Anti-Racism strategy
- New Lead Freedom to Speak Up Guardian to take up post full-time to support improvement work in relation to responding to National Staff Survey results and ongoing work to create a speak up culture
- Rapid Action Support Group established to support Trust's response to 2021 National Staff Survey results, which involves supporting local teams to developing action plans and listening events in May
- Monthly NSS Champions Round Table event to take place to share best practice and support delivery of improvements in staff engagement
- Targeted approach to sickness absence management and agreed performance management targets and trajectories for each area
- Supplier for Leadership Development Programme confirmed following robust procurement process
- In response to staff feedback, we have introduced a new Midnight Café (from 4 April) so that staff have access to hot food at night
- Equality, Diversity and Inclusion work programme
- BAME staff support network relaunched as REACH (Race, Ethnicity And Cultural Heritage) to better align with European and International staff profile of the QEH

Gaps in Control
- Improved mechanisms for engagement with staff side/unions to be agreed

Gaps in Assurance
- Performance against People KPIs (appraisal, mandatory training & sickness absence)

KEY STRATEGIC OBJECTIVE 4 – ENGAGEMENT

EXECUTIVE OWNER: Director of Strategy and Integration
RESPONSIBLE COMMITTEE: Finance & Activity Committee
DATE LAST REVIEWED: September 2022
NEXT REVIEW SCHEDULED: October 2022

Strategic Objective
To work with patients and system partners to improve patient pathways and ensure clinical and financial sustainability

Risk Appetite: We have a **HIGH** risk appetite for partnerships which may support and benefit the people we serve
We have a **HIGH** risk appetite for commercial gain whilst ensuring quality and sustainability for our service users.
We have a **MODERATE** risk appetite for financial/vfm risks which may grow the size of the organisation whilst ensuring we minimise the possibility of financial loss and comply with statutory requirements.

Initial Risk Rating: 4(C) x 3(L) = 12
Current Risk Rating: 4(C) x 4(L) = 16
Target Risk Rating: 8-12
Risk Behaviour: CAUTIOUS - OPEN (INFORMED)

Principal Risk – 2759 (12)
There is a risk that the Trust is unable to work effectively with patients and system partners to improve patient pathways. This could impact the Trust's ability to ensure clinical and financial sustainability

Aligned Significant Risks
- **3034** Risk of deviation from the planned breakeven position for the financial year 2022/23.

Rationale for Current Risk Score
- The financial plan for 2022/23 is a breakeven plan after the submission on 20 June 2022. This is a significant departure from the previous planned deficit of £8.2m
- M4 year to date result was a deficit of £1,667k, against a planned deficit of £1,738k. This is £71k positive against the M4 position of the breakeven annual plan.
- The Trust delivered a M4 year to date CIP programme of £2,727k (ahead of plan by £38k). The CIP target for 2022/23 is £8.1m.
- Capital envelope across the ICS with agreed prioritisation process across the system in place.
- Agreed way forward in relation to acute Provider Collaboration with clear high-level deliverables and timescales.
- The work of the Norfolk and Waveney Hospitals Group Committees has been refocused to ensure delivery of critically important outcomes, including the requirements of the 2022/23 planning guidance and development of collective solutions to problems common to all three Trusts, including long waits for elective care, urgent and emergency care, financial deficits and workforce.
- Work has been undertaken to move towards completion of the following actions;
  - Development of a collaboration plan around the key challenges facing the Trusts, utilising the NHSE Provider Collaborative Toolkit as a reference and the information already within the draft Case for Change
  - Development of a work plan for the short/medium/long term providing clarity on key priorities and deliverables which will inform the agendas for the N&WHGC and enable better monitoring of progress – approved at the 9 May N&WHGC
  - Reshaping the N&WHGC terms of reference and schemes of delegation to facilitate and enable more effective group decision making, utilising best practice from elsewhere
  - Actively engaging with wider ICS system members to develop effective Alliance/Place arrangements
  - Developing an effective comms and engagement plan for 2022/23 with a clear focus on stakeholder management

Emergent Risks
- Robust monitoring is required to ensure the recovery from COVID at a specialty level is aligned with the wider system response.
- Significant operational pressures being experienced due to a high number of 'medically fit for discharge' patients within the Trust's bed-base. A wider system response is required to assist with these pressures
- New breakeven plan for financial year 2022/23 represents significant departure from the previously planned deficit.

Future Opportunities
- Model Hospital / GIRFT and opportunity to be assimilated
- Trust is active partner in ICS and able to influence system-wide decisions with financial and clinical impact
- Norfolk and Waveney Clinical strategy has been completed, underpinned by the ratified QEH clinical strategy. Acute Clinical Strategy across the three Acute Trusts in development
- West Norfolk Health and Wellbeing Partnership and Place Board established

Assurance
- Regular ICS updates to HMB / Board / Council of Governors
- Establishment of Governors Forum to enable consistent and aligned communication with the Council of Governors at all three Trusts in relation to development of greater acute provider collaboration.
- Norfolk and Waveney Hospitals Group Committees is in place and meeting monthly. Quarterly tri-Board meetings planned.
- SFIs and associated policies and procedures in place
- Positive cash flows to date

Controls in Place
- The Trust is fully engaged in the developing Provider Collaboration discussions via the formally established Committees in Common (Norfolk and Waveney Hospitals Group Committees) in partnership with the three acute Trusts in Norfolk and Waveney.
- Work has been completed driven by the Norfolk and Waveney Hospitals Group Committees, to develop a clear plan for delivery of the key strategic and operational priorities. This work is being delivered by the N&WHG Programme Executive.
- The Integrated Care Board governance including implementation of the Norfolk and Waveney Health and Wellbeing Partnerships and Place Boards moved to a formal footing from 1 July 2022.
- Development of an acute clinical strategy is underway within the initial phase of work to confirm the Strategic Framework for delivery of the Acute Clinical Strategy completed on 9 September 2022. The diagnose stage of the work is now underway, with clear alignment to the N&W Clinical Strategy
- West Norfolk Health and Wellbeing Partnership and Place Board established and detailed workplan in place – discussed with the Board of Directors in September 2022 and confirmation of the strategic importance of robust leadership within collaboration, Place Based care and Health Inequalities was reiterated.
- National guidance being followed in the absence of in-year control totals and national suspension of contracting and annual planning process. Monthly updates provided to Finance and Activity Committee on national guidance and the Trust's response
- M4 2022/23 financial reporting is on plan. The Trust has produced a positive variance of £71k against the deficit plan of £1,738k for M4 2022/23.

Gaps in Control
- Operational pressures require escalation and formalised through a 'Board to Board' with relevant system partners.

Gaps in Assurance
- The Trust is currently working on its medium term financial plan which covers the next five years
- Significant work still to do to drive productivity within Trust and wider ICS.