The Queen Elizabeth Hospital King's Lynn
NHS Foundation Trust

Meeting:	Board of Directors (in Public)		
Meeting Date:	1 February 2022	**Agenda item:**	18
Report Title:	Trust Board Report - Board Assurance Framework (BAF) - Engagement KSO 3 & 4		
Author:	Douglas Woodcock – Risk Manager		
Executive Sponsor:	Laura Skaife-Knight – Deputy CEO 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	There are currently no significant risks aligned to KSO 3 or KSO 4	
	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:	Assurance and Risk Executive Group (A&REG) People Committee (KSO 3) Finance and Activity Committee (KSO 4)

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. Controls in Place: • Board update on learning from the West Suffolk external review into whistleblowing December 2021 • Learning for QEH from Blackpool Hospitals Freedom to Speak Up review discussed at People Executive Group and will further strengthen Speak Up workplan for the year ahead • Ongoing bespoke culture and improvement programmes in place in Radiology, Maternity and Ophthalmology and methods to measure impact of improvement and culture work in each • Listening events in place over winter for staff – giving staff a safe space to share concerns • 'Call to Action' Award payment scheme in place for staff January 2022 to ensure safe and timely patient care during period of significant operational pressures and to thank staff for their continued hard work • Free Christmas meals for all staff, volunteers and partners in December 2021 and vouchers for those working over the Christmas and New Year period • Plans underway to hold face-to-face staff awards event mid-March 2022 • Further strengthened communications and engagement with staff in December 2021/January 2022 in response to National Level 4 incident, with daily staff briefings and updates to ensure staff feel well-supported, informed and listened to. Strengthened health and wellbeing arrangements also introduced, along with improvements to staff rest areas • Planning underway for QEH's third Leadership Summit, which will take place on 15 March 2022, which will focus on teamwork, resilience and inclusion • Trust commenced participation with the national quarterly staff pulse surveys from January 2022 2. Assurance: • With 45.3% in 2021 improved response rate to National Staff Survey for third consecutive years Updates for KSO 4; 1. Rationale for Current Risk Score: • The H2 financial plan was submitted to the ICS in November and is for a breakeven position for H2 (and for all of FY21/22).

	• M8 result was a small surplus of £7k, bringing the YTD surplus to £86k. • The Trust delivered an in month CIP programme for M8 of £585k which is on plan. The CIP target for H2 is £3.5m 2. Controls in place: • Progress has been made in recent months with a Board approved mandate for moving forward with Acute Provider Collaboration at the 6 July and 2 November 2021 Private Board meetings. • A comprehensive workplan has been developed to ensure that there is visibility in relation to key milestones and deliverables. Work is underway with the regional team to develop clear Terms of Reference for the required regional and national review process. This process will include further development of the Case for Change and robust stakeholder engagement. • Aligned to the development of the Norfolk and Waveney Clinical Strategy, the Trust is developing its Clinical Strategy. The Clinical Strategy has now been finalised following further engagement with the Divisional teams and will be brought through the Trust governance processes for sign-off in January 2022. Once ratified this will form the Trust's contribution to an acute Clinical Strategy across the three acute providers within Norfolk and Waveney. • Month 8 2021/22 financial reporting is in line with the H2 financial plan (dated 11 Nov 2021 and shared with the Board) to deliver a breakeven position at the end of FY21/22. The M8 YTD position is behind the NHSI Plan as submitted on 25 November 2021, but this is due to the phasing of the plan, which remains a breakeven position. M8 YTD actuals show a £86k surplus. The Principal risks have been reviewed and approved by the relevant Executive as well as at A&REG. Their grading remains unchanged. For KSO 3 Risk ID 2758 is graded at 9, and Risk ID 2791 is graded at 12. For KSO 4 Risk ID 2759 is graded at 12.
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: Deputy CEO
RESPONSIBLE COMMITTEE: People Committee
DATE LAST REVIEWED: January 2022
NEXT REVIEW SCHEDULED: February 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:
3(C) x 3 (L) = 9 &
4(C) x 3(L) = 12
Target Risk Rating: 12-16
Risk Behaviour: CAUTIOUS

Principal Risk – 2758 (9)
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 (12)
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
- Equality, Diversity and Inclusion work programme

Assurance

- Improved response rates and results in (1) 2020 National Staff Survey and (2) latest and repeated Medical Engagement Survey and (3) improved GMC survey results
- 2021/2022 Staff Engagement Programme in place and implementation underway at Trust and local levels
- Evidence of a 'speak up' culture developing
- Culture of inclusion being created with a focus on fairness and equity
- 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

Controls in Place

- Following conclusion of phase 2 of the Trust-wide culture transformation programme, scoping is underway for phase 3 of the programme
- Board update on learning from the West Suffolk external review into whistleblowing December 2021
- Learning for QEH from Blackpool Hospitals Freedom to Speak Up review discussed at People Executive Group and will further strengthen Speak Up workplan for the year ahead
- Ongoing bespoke culture and improvement programmes in place in Radiology, Maternity and Ophthalmology and methods to measure impact of improvement and culture work in each
- Listening events in place over winter for staff – giving staff a safe space to share concerns
- 'Call to Action' Award payment scheme in place for staff January 2022 to ensure safe and timely patient care during period of significant operational pressures and to thank staff for their continued hard work
- Free Christmas meals for all staff, volunteers and partners in December 2021 and vouchers for those working over the Christmas and New Year period
- Plans underway to hold face-to-face staff awards event mid-March 2022
- Further strengthened communications and engagement with staff in December 2021/January 2022 in response to National Level 4 incident, with daily staff briefings and updates to ensure staff feel well-supported, informed and listened to. Strengthened health and wellbeing arrangements also introduced, along with improvements to staff rest areas
- Planning underway for QEH's third Leadership Summit, which will take place on 15 March 2022, which will focus on teamwork, resilience and inclusion
- Trust commenced participation with the national quarterly staff pulse surveys from January 2022
- 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

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
RESPONSIBLE COMMITTEE: Finance & Activity Committee
DATE LAST REVIEWED: January 2022
NEXT REVIEW SCHEDULED: February 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 3(L) = 12
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
None

Rationale for Current Risk Score

- The H2 financial plan was submitted to the ICS in November and is for a breakeven position for H2 (and for all of FY21/22).
- M8 result was a small surplus of £7k, bringing the YTD surplus to £86k.
- The Trust delivered an in month CIP programme for M8 of £585k which is on plan. The CIP target for H2 is £3.5m
- The Trust has agreed a break-even position for H1 of FY21/22 with system partners and has met that target.
- The Trust's CIP programme for FY21/22 has been planned for delivery of £6 million of CIP in year. This is split into £2.5m for H1 and £3.5m for H2
- Positive cash flow based on national process.
- Capital envelope across the ICS with prioritisation process across the system in place.
- Additional national capital has been secured for surge capacity, backlog maintenance, Urgent and Emergency Care improvements.
- Agreed way forward in relation to acute Provider Collaboration with clear high-level deliverables and timescales.

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

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 is in development, underpinned by development of QEH clinical strategy (which will be completed by September 2021).

Assurance

- Monthly ICS updates to SLT / 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 due to national process

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.
- Progress has been made in recent months with a Board approved mandate for moving forward with Acute Provider Collaboration at the 6 July and 2 November 2021 Private Board meetings.
- A comprehensive workplan has been developed to ensure that there is visibility in relation to key milestones and deliverables. Work is underway with the regional team to develop clear Terms of Reference for the required regional and national review process. This process will include further development of the Case for Change and robust stakeholder engagement.
- Aligned to the development of the Norfolk and Waveney Clinical Strategy, the Trust is developing its Clinical Strategy. The Clinical Strategy has now been finalised following further engagement with the Divisional teams and will be brought through the Trust governance processes for sign-off in January 2022.Once ratified this will form the basis of the Trust's contribution to an acute Clinical Strategy across the three acute providers within Norfolk and Waveney.
- 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
- Month 8 2021/22 financial reporting is in line with the H2 financial plan (dated 11 Nov 2021 and shared with the Board) to deliver a breakeven position at the end of FY21/22. The M8 YTD position is behind the NHSI Plan as submitted on 25 November 2021, but this is due to the phasing of the plan, which remains a breakeven position. M8 YTD actuals show a £86k surplus.
- Capital expenditure envelope is based on ICS allocation with prioritisation process in place. Additional national capital has been secured for surge capacity, backlog maintenance, Urgent and Emergency Care improvements

Gaps in Control

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

Gaps in Assurance

- A Refresh is required of the Long Term Financial Model and 5 year business plan.
- Significant work still to do to drive productivity within Trust and wider ICS.
- Improvements required within capital planning and capital programme management.