The Queen Elizabeth Hospital King's Lynn
NHS Foundation Trust

Meeting:	Board of Directors (in Public)		
Meeting Date:	1 December 2020	**Agenda item:**	13
Report Title:	Trust Board Report - Board Assurance Framework (BAF) - Engagement KSO 3 & 4		
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Implications

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

KSO1	KSO2	**KSO3**	**KSO4**	KSO5	KSO6
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	2759	
	Y/N	If Yes state impact/ implications and mitigation
Quality	Y	
Legal and regulatory	Y	
Financial	Y	

Assurance route

Previously considered by:	Assurance and Risk Executive Group (AREG) Board Sub - Committees

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: • KSO3 – ENGAGEMENT People Committee • KSO4 – 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. A New Additional 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 2. Rationale for Current Risk Score; • Improved response rate to 2020 National Staff Survey – demonstrating engagement is improving • Initial 2020 CQC feedback positive re: staff engagement • Strong focus on values, behaviours and kindness • Trust-wide Culture Transformation Programme being scoped • Substantive staffing arrangements for Staff Engagement, Events and Culture under development 3. Emergent risks; • Organisational culture (notably staff attitudes and behaviours) 4. Summary of controls in place and assurance; • Strong response to 2020 National Staff Survey - 44% response rate at 20.11.20 (versus >50% target), Staff Pulse checks carried out quarterly and Medical Engagement Survey being repeated early December 2020 • Board capacity and succession planning in place. Recruitment for permanent Chief Nurse and Director of People underway • Annual Staff Engagement programme for 2020/21 in place, with 3 priority work-streams – Culture & Learning, Reward & Recognition, and Health & Wellbeing. Financial support to deliver programme via Charitable Funds. Work underway to scope 2021/22 staff engagement programme • Strengthened emotional wellness support in place for staff with dedicated full-time clinical psychology and PTSD posts for staff • Menopause awareness programme launched across organisation • Substantive Head of Culture and Head of Staff Engagement and Events to be appointed by early 2020 • Culture and OD intervention for specific services/areas in response to CQC & staff feedback • Over 200 staff attended Civility Saves Lives training • Induction and on boarding programme for staff who transferred to QEH following acquisition of the BMI Sandringham Hospital • Internal audit review re: Speak Up returned as 'Partial assurance' – with learning opportunities which will further strengthen our programme of work going into 2021/22

	5. Gaps in Control and Assurance • Performance against People KPIs (appraisal, mandatory training & sickness absence) • Improved mechanisms for engagement with staff side/unions to be agreed Updates for KSO 4; 1. Rationale for Current Risk Score • Principal risk 2759 currently aligned to the achievement of this objective. • Month 7 2020/21 position delivered in line with the financial plan for the last 6 months as submitted on 22 October 2020. This financial plan reflects a deficit position for the year of £2.9m 2. Controls in Place and Assurance • Month 7 2020/21 financial reporting in line with the financial plan submitted via the STP on 22 October 2020. • CIPs programme in place that have been assessed against any potential COVID impacts. All schemes have been assessed against the current national guidance and requirements and fully assessed for quality impact The Principal risks have been reviewed and approved by the relevant Executive as well as at AREG; For KSO3 Risk ID 2758 is one of the Principal Risks rated 12 and Risk ID 2791 is also rated 12. For KSO4 Risk ID 2759 is the Principal Risk rated 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

KEY STRATEGIC OBJECTIVE 3 – ENGAGEMENT

EXECUTIVE OWNER: Deputy CEO
RESPONSIBLE COMMITTEE: People Committee
DATE LAST REVIEWED: November 2020
NEXT REVIEW SCHEDULED: December 2020

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
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 (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
- 2019 National staff survey - only Trust in region to show improvement in all areas
- Quarterly Pulse checks showing some improvements
- Improved response rate to 2020 National Staff Survey – demonstrating engagement is improving
- Initial 2020 CQC feedback positive re: staff engagement
- Freedom to Speak up arrangements strengthened including recruitment of 18 Freedom to Speak up champions
- Strong focus on values, behaviours and kindness
- Culture transformation programme being scoped
- Strengthened health and wellbeing programme
- Substantive staffing arrangements for Staff Engagement, Events and Culture under development

Emergent Risks
- Medical engagement
- Medical leadership capacity to deliver improvements
- Staff morale and wellbeing relating to COVID-19 particularly amongst BAME staff group
- Organisational culture (notably staff attitudes and behaviours)

Future Opportunities
- Local workforce and community engagement
- Culture transformation programme

Controls in Place and Assurance
- 12-month Board Development programme commenced & Leadership Strategy developed, including Divisional Leadership Programme and Senior Leadership programme (for Bands 5, 6 and 7s)
- Strong response to 2020 National Staff Survey 40.4% response rate at 6.11.20 (versus >50% target), Staff Pulse checks carried out quarterly and Medical Engagement Survey being repeated early December 2020
- Trust-wide culture transformation programme being scoped (Values into Action)
- Board capacity and succession planning in place. Recruitment for permanent Chief Nurse & Director of People underway
- CEO and Executives undertaking monthly forums, listening events and targeted briefings for different staff groups including junior doctors, consultants
- People work plan approved and launched October 2020
- Annual Staff Engagement programme for 20/21 in place, with 3 priority work-streams – Culture & Learning, Reward & Recognition, and Health & Wellbeing. Financial support to deliver programme via Charitable Funds
- Strengthened emotional wellness support in place for staff with dedicated full-time clinical psychology and PTSD posts for staff
- Menopause awareness launched across organisation
- Staff ideas scheme funded for remainder of 2020/21
- Head of Culture in post and substantive Head of Staff Engagement and Events to be appointed by early 2020
- Culture and OD intervention for specific services/areas in response to CQC & staff feedback
- Over 200 staff attended Civility Saves Lives training
- New BAME and LGBTQ staff networks in place (chaired by CEO and Deputy CEO) and reverse mentoring has commenced for Trust Board
- Induction and on boarding programme for staff who transferred to QEH following acquisition of the BMI Sandringham Hospital
- Internal audit review re: Speak Up returned as 'Partial assurance' – with learning opportunities which will further strengthen our programme of work going into 2021

Gaps in Control and Assurance
- Medical leadership not robust
- Medical engagement in improvement activities not evidenced
- Performance against People KPIs (appraisal, mandatory training & sickness absence)
- Mechanisms for engagement with some staff groups e.g. junior doctors to be further developed
- Improved mechanisms for engagement with staff side/unions to be agreed

KEY STRATEGIC OBJECTIVE 4 – ENGAGEMENT

EXECUTIVE OWNER: Finance Director
RESPONSIBLE COMMITTEE: Finance & Activity Committee

DATE LAST REVIEWED: November 2020
NEXT REVIEW SCHEDULED: December 2020

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 (16)
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
No Significant Risks currently aligned to this principal risk

Rationale for Current Risk Score
- Principal risk 2759 currently aligned to the achievement of this objective.
- Year on year improvement Year on year improvement in Trust's financial position achieved
- Surplus position delivered for 2019/20 with full delivery of CIP and high level of recurrent schemes.
- Month 7 2020/21 position delivered in line with the financial plan for the last 6 months as submitted on 22 October 2020. This financial plan reflects a deficit position for the year of £2.9m.
- Positive cash flow based on national process.
- Capital envelope across the STP with prioritisation process across the system in place.

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 STP and able to influence system-wide decisions with financial and clinical impact
- Clinical strategy development between 3 Norfolk Trusts

Controls in Place and Assurance
- Actively engaged in the Hospital Services Strategy for Norfolk and Waveney working alongside NNUH and JPUH to deliver the key workstreams including specialty review and redesign and alignment of policies and procedures in light of COVID. This is in line with the principles of the Acute Services Integration programme whilst developing Phase 2 / 3 COVID response.
- Monthly STP updates to Board.
- Regular Board to Board meetings with CCG and acute partners.
- Development and progression of Committees in Common.
- SFIs and associated policies and procedures in place.
- 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 7 2020/21 financial reporting in line with the financial plan submitted via the STP on 22 October 2020.
- CIPs programme in place that have been assessed against any potential COVID impacts. All schemes have been assessed against the current national guidance and requirements and fully assessed for quality impact.
- Positive cash flows due to national process.
- Capital expenditure envelope is based on STP allocation with prioritisation process in place.

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