East Midlands Ambulance Service NHS
NHS Trust

Time Required	15 mins	Paper No.	PB/12/43

Report to: **PUBLIC BOARD OF DIRECTORS' MEETING**
Date: **19 March 2012**

Subject:	Board Governance Assurance Framework (BGAF)
Report by:	David Farrelly, Director of Strategy and Transformation

Purpose of Report

The purpose of this report is to provide the Board with an update on the Board Governance Assurance Framework (BGAF) document. Following the completion of the initial Board Self Assessment in January 2012, supporting evidence of compliance with good practice, action plans to achieve good practice and actions to mitigate red flag issues have been progressed against each area and segment. In summary of the progress to date the outline below has been provided:

Board Composition and Commitment still reflects three red flags in the main BGAF document; however these are beyond our control as they reflect the role of Chair being in an interim post, high turnover of Board plus the majority of our Board members are new within the last 18 months. The overall section (1.0) has a rating of green.

Board Evaluation, Development and Learning has seen an overall improvement with three of the four areas now rated as green; the fourth is around the Whole Board Development programme which will be green by the end of March. All the red flags have been mitigated excluding NED appointment terms due to these not being significantly staggered which are out of our control and therefore must be for consideration by the SHA to remove the flag.

Board Insight and Foresight initially had five red flags with current progress to date reducing this to three within section 3.0 overall. Board performance (3.1) was scored with an overall red in the action plan, however we anticipate completion by the end of March 2012 and an overall rating of amber/red; following the performance report scorecard implementation from April 2012 for finance, quality and performance variances and the development of the Business Intelligence Units terms of reference and process due by the end of March.

Board Engagement and Involvement which was predominantly red following January's assessment has seen Board profile and visibility and future engagement with Foundation Trust Governors move from red to amber/green. External stakeholders move to amber/red with anticipated improvement to amber/green by the end of March, due to development of the Stakeholder Engagement Strategy and programme of the patient safety visits and Chair of CEO visits.

Board Impact Case Studies are currently under development and will be presented at the Board Development session on 5th April. The Vision and Strategy Development and Turnaround case studies have been received.

The separate action plan from the BGAF has also been attached to provide further detail around the current status and anticipated completion for each area and segment.

BGAF next steps:

- Audit against the development modules internally which commenced 12th March.
- Commission KPMG to undertake the BGAF external review (pre-meeting 14th April with KPMG/ SHA/ EMAS)

Implications:

Quality (including Patient Safety, Staff Safety, Dignity and Patient Experience) •
Human Resources including Equality •
Legal •
Policy •
Financial (including any funding requirements) • Cost implication for external review of document; cost has been capped at circa £30k.
Media/Communications •

Details of any identified risk(s): Considered but non apparent at this time	**Risk Assessment**		
	Consequence (A)	**Likelihood** (B)	**Score** (A x B)
Details of mitigation of identified risk(s):	Considered but non apparent at this time		
This paper links to the following Trust Strategies:			
This paper links to the following Strategic Objectives:			

Recommendation(s)

That the Trust Board is asked to accept this paper for information.		
Management of Item *(delete tick boxes as appropriate)*	PMO: Level 1 ☑ Level 2 ☑	Function ☑

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1.0	BOARD COMPOSITION AND COMMITMENT				
	Area	**Self-Assessment Score**	**Action**	**Lead Name**	**Time Line**
1.1	Board positions and size	Green	Definition of Senior Independent Director and process for identification to be agreed **action regarding SID complete. No further action.** Constitution to be reviewed to ensure clarity of voting rights **– discussion has taken place around action and is pending Board approval.**	JT/DF JT/DF/SPJ	End January End January
1.2	Balance and calibre of board members	Green	NED recruitment matrix, equality and skills assessment to be formalized **– action complete**	SPJ/KGu	End January
1.3	Board member commitment	Green	Code of conduct for VSM and from Appointments Commission to be integrated **– action complete, pending Board approval**	KGu	20th February Board
2.0	BOARD EVALUATION, DEVELOPMENT AND LEARNING				
2.1	Effective Board-level evaluation	Green	Board evaluation to be conducted **– action completed; including internal evaluation in January, scheduled for March and B2B in August**. Independent evaluation to be commissioned on receipt of independent governance report **– KPMG will be commissioned for the BGAF review**.	KK DF	23rd January End February
2.2	Whole Board development programme	Amber/ Green	Board development plans to be updated to include individual development needs **– w/c 19th March individual development plans will be updated; action complete.** Regulation regime and working with Governors development session to be arranged **– scheduled for the 15th March Development session.**	DF/KGu SPJ/JT/DF	20th February March Development Session

2.3	Board induction, succession and contingency planning	Green	Review current induction arrangements and formalize **– action complete following agreement of the Induction Policy changes at the OD Group.** Deputy Chair position to be formalized **– this action is complete; Deputy Chair agreed.** Succession planning approach to executive appointments to be agreed and formalized **– action completed by 15th March.** Emergency cover arrangements to be agreed and incorporated into Business Continuity plans **– action completed by end of March and will be incorporated in the Business Continuity document.**	KGu JT PJM/DF/KGu PR	20th February March Formal Board March Formal Board End February
2.4	Board member appraisal and personal development	Green	Process for Board level 360° appraisal to be developed – **currently being commissioned and will be in place from April 2012.** Process for Chair review of Executive contribution to be agreed – **Executive team meeting with Chair.** Chair review process with SID to be agreed – **action complete; formal paper being received by at March Board.** Executive Director objectives to be agreed with Chairman for Executive role – **Objectives are currently being agreed with action complete by mid March.**	All - JT/PJM/KGu	All -March formal Board
3.0	**BOARD INSIGHT AND FORESIGHT**				
3.1	Board performance reporting	Amber/ Red	Scorecards to highlight finance, quality and performance variances and trends to be developed – **action completed; scorecards drafted with formal**	BB/KG/PR	End March

			introduction of scorecards April 2012. The role of BIU in information provision to be reviewed - **development of the Business Intelligence Units terms of reference and process** Escalation process for all performance issues to Trust Board to be developed **– full process around escalation addressed by 19th March.** 12 month rolling cash flow forecast to be incorporated into Finance Director report - **action complete; this is now also reflected in the Integrated Board Report.** Performance management regime for individual accountability to be reviewed **– currently under review to this action.**	PR/BB BB/SPJ BB KGu/SPJ	End March End February End March End March
3.2	Efficiency and Productivity	Amber/Green	Review of presentation of CIP/QIPP plans to give greater visibility, analysis and delivery against targets to be undertaken (to include benchmark data) – **action will be addressed by the end of March** Quality impact assessment process for Board oversight and escalation to be reviewed **– Process has be reviewed and amended; action complete** Process for post implementation review to be developed **– currently underway; action complete**	BB JG JG	End March End February End February
3.3	Environmental and strategic focus	Green	The CEO report should link environmental changes to the Trust Risk Register **– action complete.** The Trust Board should discuss appetite for risk in response to the new operating model **– currently an on-going action; discussion taking place during**	PJM PJM/PR	End February End March

			Private Board/ Development sessions. Environmental and strategic risk review and scenario planning review should be incorporated into the Trust Board cycle - **Trust Board cycle for approval at the next Formal Board**	~~KK~~ KS	End February
3.4	Quality of Board papers and timeliness of information	Amber/Green	A further review of the Board covering paper should be undertaken to ensure clarity around decision making – **complete; cover sheet has been approved and is now in circulation across the Trust**	~~KK~~ KS	End January
			Procedures for escalating significant issues outside of formal Board meetings should be developed **– Draft proposal for consideration by the end of March**	~~KK~~ KS	End January
			Board papers should give more detail as to the options appraisal and rational for recommendations **–currently underway with anticipated completion by the end of March.**	Exec Team	By End March
			Information Governance reporting and flagging arrangements should be reviewed in terms of Board responsibility **– reporting and flagging arrangements have been reviewed.**	BB	End February
			A process for reviewing all risks (including Green) and methods of triangulating assurance methods should be agreed **– the new assurance framework addresses this action.**	KK	End February

4.0	BOARD ENGAGEMENT AND INVOLVEMENT				
	Area	**Self-Assessment Score**	**Action**	**Lead Name**	**Time Line**
4.1	External stakeholders	Amber/Red	Stakeholder Engagement Plan to be completed including system engagement, user engagement and roles for Board members in listening and feeding back views – **Stakeholder Engagement Plan has been completed to include the above.**	RW	End January
			Commissioner Convergence timelines to be agreed – **timeline has been reviewed.**	DF	End January
			Staff Engagement Strategy to be completed to include Staff Survey results improvement plan – **this is included within the Stakeholder Engagement Strategy**	KGu	End March
			Reputation Management and Improvement plan to be developed and agreed	RW	End February
4.2	Internal stakeholders	Amber/Red	Staff recognition and reward schemes to be developed – **by the end of March this will be included as part of the Stakholder Engagement Strategy.**	RW/KGu	End February
			Director visits to be formalised with a cycle for key messages being developed to include IBP, Risk management and Operating Model delivery – **being included as part of the Transformation programme**	DF/RW	End February
			Performance Management regime to be reviewed to ensure process for agreeing KPI's, accountability and escalation is clear – **following a review final actions have been agreed to address this.**	BB	End February
4.3	Board profile and visibility	Amber/Green	Structure for NED engagement with Service Users/Patient Groups and feedback mechanism is developed – **there is evidence of a framework however we are outstanding a framework which**	RW	End February

			will be complete by the end of March.		
4.4	Future engagement with FT governors	Amber/Green	Strategic Development session to focus on role of Governors, election processes and council of governors engagement – **this will be addressed during the Strategic Development session on 15th March with Board.**	DF/SPJ	For March Session
5.0	**BOARD IMPACT CASE STUDIES**				
	Key points to highlight				
5.1	Performance issues in the areas of quality	Amber/Green	Patient Safety issues arising from delays, turnaround. Internal definition and review of Never Events. **Case study is currently being developed and in draft format.**	KG	
5.2	Performance issues in the areas of finance	Red	PTS, CIP, Capital Planning –**Case study not yet developed**	BB	
5.3	Organisation culture change	Amber/Red	Staff Engagement - **Case study in progress**	KGu	
5.4	Organisational strategy	Amber/Green	Developing the Vision, Values and Strategic Direction **Case study is currently being developed and in draft format.**	DF	