

Meeting Title	Board of Directors		
Date	19 January 2023	Agenda item	Bo.1.23.24

Corporate Strategy – Board Reporting Arrangements

Presented by	John Holden, Director of Strategy and Integration		
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Lead Director	John Holden, Director of Strategy and Integration		
Purpose of the paper	To present a proposal in relation to reporting against the Corporate Strategy		
Key control	N/A		
Action required	For decision		
Previously discussed at/informed by	Board Meeting – 10 Nov 2022; Board Development – 8 Dec 2022		
Previously approved at:	Committee/Group	Date	
	N/A		

Situation, Background & Assessment

At its meeting on 10 November 2022, the Board received an update on tracking progress against the strategic commitments in the Corporate Strategy. This was in response to concern expressed by some Non-Executives that the individual components of the Strategy (as described in the logic model) must be reviewed more frequently and in more detail to provide the required level of assurance. Some members noted potential duplication between the logic model progress reports which had been proposed, and other reports and information routinely presented to Academies and the Board. It was agreed that this issue should be considered further at the Board Development Session on 8 December.

At the Development Session, each of the Executive Directors provided an overview of their portfolios, linked to the '4 Ps' in the Strategy (Patients, People, Place and Partners) to illustrate how the Strategy was being implemented and the explicit alignment of roles and responsibilities. Whilst recognising this, some colleagues questioned whether existing reporting mechanisms were sufficiently frequent and thorough.

What are we trying to achieve?

There are varying views about how best to review progress against the strategy. The Chairman has summarised this question as needing to know *“where can any Director go to understand the present position, the intended outcomes and milestones over the 5 year period, and the performance metrics by which to assess progress?”*. And specifically – *“what is the level of confidence of achieving [x] by date [y]?”*.

Level of detail

One initial question to resolve is the level at which we want to monitor progress against the strategy. Our discussion to date has referred to the 18 strategic commitments listed in the logic model. These 18 commitments comprise 51 key areas of work, and it has been suggested that we should be disaggregating reports at this more granular level (51 key areas) to strengthen assurance. Board members will wish to consider the optimal level of detail for Academies to track progress and report to Board.

Academy Work Plans, Agendas, and Chairs' Reports

In discussion, Board members identified the key role of the Academies in monitoring delivery of the Trust's Strategy (ie the “Assurance” in their triple aim of “Learning, Improvement, & Assurance”). Rather than introduce a new (and potentially overlapping) set of Board reports, it was suggested that:

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- the strategic commitments should be numbered and cross-referenced to the work plans and individual meeting agendas of each Academy, providing a line of sight and assurance for the Board as to the coverage of these topics; and
- the written reports from Academy Chairs presented at every Board meeting should contain a section recording which strategic commitments had been covered in the meeting(s).

This was straightforward and uncontentious and has now been implemented; the relevant strategic commitments and areas of work are included in the Academy Chair reports included on today's agenda.

Alignment of language in Dashboards and other reporting tools

In addition to the Academy Chair reports, there is of course a range of other materials routinely used to report progress to Board including the Dashboards, Board Assurance Framework, Risk Registers, CEO report, and updates on individual items throughout the year. We have also recently introduced a cycle of strategy stocktake discussions led by Executives, with a focus on one of the four Ps at each Board Development session. One suggestion at the 8 December meeting was that it would be helpful to more closely align the language used in these current reporting tools – especially the Dashboard - with the language used in the Strategy/logic model, so that progress could be more easily identified and monitored. Some Board members have also pressed for reporting to include more use of RAG ratings and clarity about timescales/trajectories to measure progress.

The current Dashboards have been refined over time and are built up from a wide variety of source materials. Some of this material is generated for other reporting purposes, so it may not be possible to make comprehensive change immediately. The narrative commentary within the current Dashboard can more easily be amended to align. The Chair of the People Academy and Director of HR have already started this work in relation to the People Academy Dashboard; we will learn from their experience how much progress we can make by alignment of language alone, and look to replicate this with the other Academies. This could help give Board members more of the assurance in the format they seek, as the Dashboard already employs quantitative data (including statistical process control charts) and RAG ratings and trajectories, where this makes sense, to show progress. We believe in the short/medium term this would be preferable to introducing a completely new set of reports. NB: All Board members can already see all of the material presented to the different Academies, by accessing Team Engine (or by looking in the relevant folder in the shared drive on Trust computers).

Further development of Dashboards

We will require a more comprehensive review if we are to develop the Dashboard significantly from its current scope and format. Potential changes might include eg i) moving to focused Dashboards, one for each of the Academies, and/or ii) presenting information in a more visual and dynamic format – perhaps by using Power BI to generate a set of automated reports. The Chairman has asked about iii) the potential to create a database which any Board member could interrogate to obtain “real time” information tracking the progress of the Trust's strategic commitments. At present we do not have such a database but we could look at this as part of a wider review of the presentation of business intelligence which shows progress against the corporate strategy.

Overall stocktake

Finally, it was agreed in the 8 December Board Development discussion that there ought to be a less frequent, “overall stocktake” of progress against the strategy. There was no firm decision on frequency but it was agreed that this “overall stocktake” could augment the more regular reporting (Academy Chair reports, Dashboards etc) described above. If the regular reports described above are intended to highlight, in appropriate detail, exceptional issues to be brought to the attention of the Board (eg

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significant outliers, unmitigated risks, very negative and of course some very positive developments) then we might expect the overall stocktake to provide a counterbalance, with a broader focus on the overall direction of travel in achieving our strategy, ie everything in less detail, rather than a few things in more detail. It is unlikely we will see a great deal of volatility when looking at this level of information, so less frequent reporting (once or at most twice a year) makes more sense.

Recommendations

The Board is therefore asked to agree an approach to strategy reporting based on the following considerations:

- **Academy Work Plans, Agendas, and Chairs' Reports** – will in future be cross referenced to the strategy/logic model, with a section of the Academy Chairs' reports recording which strategic commitments have been addressed in the most recent meeting, and work plans confirming the intention to cover the full strategy over a reporting cycle (for example over a 3 month "quarter")
- **Alignment of language in Dashboards and other reporting tools** - rather than developing an entirely new set of reports, work should be undertaken to align the language/terminology used in our different Board reporting tools with the strategic commitments, to improve line of sight/accountability. The Dashboard should be reviewed to examine the potential for a more comprehensive alignment with the language and format of the strategy, including appropriate use of RAG ratings and trajectories to show progress against strategic commitments. Academy and Dashboard Reports would report by exception, escalating issues/outliers to the attention of the Board
- **Further development of Dashboards** – we could commission a more fundamental review of the Dashboard. Potential changes to consider might include i) moving to focused Dashboards, one for each of the Academies ii) presenting information in a more visual and dynamic format, perhaps by using Power BI to generate a set of automated reports iii) a database which any Board member could interrogate to obtain "real time" information tracking the progress of the Trust's strategic commitments. (These ideas are not necessarily mutually exclusive). This review would need to take account of the Board's view regarding the optimal level of detail (18 commitments vs. 51 key areas), and the Chairman's proposal that for each of these, Directors would need to know:
 - present position;
 - intended outcomes and milestones over the 5 year period;
 - performance metrics;
 - level of confidence in delivery by target date.
- **Overall stocktake** – in addition to this regular reporting there should be a less frequent "stocktake" looking at the overall progress made towards the five year strategy. This should be comprehensive (all strategic commitments) but above the level of detail of the regular Board reporting. The frequency could be annual, or at most 6 monthly.

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Risk assessment						
Strategic Objective	Appetite (G)					
	Avoid	Minimal	Cautious	Open	Seek	Mature
To provide outstanding care for patients, delivered with kindness						
To deliver our financial plan and key performance targets						
To be one of the best NHS employers, prioritising the health and wellbeing of our people and embracing equality, diversity and inclusion						
To be a continually learning organisation and recognised as leaders in research, education and innovation						
To collaborate effectively with local and regional partners, to reduce health inequalities and achieve shared goals						
The level of risk against each objective should be indicated. Where more than one option is available the level of risk of each option against each element should be indicated by numbering each option and showing numbers in the boxes.	Low		Moderate	High	Significant	
	Risk (*)					
Explanation of variance from Board of Directors Agreed General risk appetite (G)						

Benchmarking implications (see section 4 for details)	Yes	No	N/A
Is there Model Hospital data relevant to the content of this paper?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is there any other national benchmarking data relevant to the content of this paper?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is the Trust an outlier (positive or negative) for any benchmarking data relevant to the content of this paper?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Risk Implications (see section 5 for details)	Yes	No
Corporate Risk register and/or Board Assurance Framework Amendments	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Quality implications	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Resource implications	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Legal/regulatory implications	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Diversity and Inclusion implications	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Performance Implications	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Regulation, Legislation and Compliance relevance
NHS England: (please tick those that are relevant)
<input type="checkbox"/> Risk Assessment Framework <input type="checkbox"/> Quality Governance Framework <input type="checkbox"/> Code of Governance <input type="checkbox"/> Annual Reporting Manual
Care Quality Commission Domain: Well Led
Care Quality Commission Fundamental Standard: Good Governance
Other (please state):

Relevance to other Board of Director's Academy: (please select all that apply)			
People	Quality & Patient Safety	Finance & Performance	Other (please state)
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>