

<b>Report Title</b>	Strategic Board Assurance Framework		
<b>Sponsoring Executive</b>	Kam Dhami, Director of Governance		
<b>Report Author</b>	Kam Dhami, Director of Governance		
<b>Meeting</b>	Trust Board (Public)	<b>Date</b>	7 <sup>th</sup> January 2021

### 1. Suggested discussion points *[two or three issues you consider the Trust Board should focus on]*

The paper outlines how the Board will prepare our 2021-23 Strategic Board Assurance Framework (SBAF) during Q4 and how we will undertake work to analyse and tidy up our 2020 Board Assurance Framework position, given a COVID-19 related hiatus.

It would be helpful to discuss the control model applied during 2019/20 and whether that remains our preferred approach. We should also consider how we propose to frame our strategic risk profile while developing our 2020-2025 strategy.

The work undertaken in my absence via RSM, our internal auditors, is included here and the actions cited will be addressed and progressed reporting to the Audit and Risk Management Committee in February.

### 2. Alignment to 2020 Vision *[indicate with an 'X' which Plan this paper supports]*

Safety Plan	<input checked="" type="checkbox"/>	Public Health Plan	<input checked="" type="checkbox"/>	People Plan & Education Plan	<input checked="" type="checkbox"/>
Quality Plan	<input checked="" type="checkbox"/>	Research and Development	<input checked="" type="checkbox"/>	Estates Plan	<input checked="" type="checkbox"/>
Financial Plan	<input checked="" type="checkbox"/>	Digital Plan	<input checked="" type="checkbox"/>	Other <i>[specify in the paper]</i>	

### 3. Previous consideration *[where has this paper been previously discussed?]*

n/a

### 4. Recommendation(s)

The Trust Board is asked to:

**a. NOTE** work to be undertaken to address control gaps during 2020-21

**b. DISCUSS** and **AGREE** approach to the next iteration of our SBAF

### 5. Impact *[indicate with an 'X' which governance initiatives this matter relates to and where shown elaborate]*

Trust Risk Register	<input checked="" type="checkbox"/>	Various			
Board Assurance Framework	<input checked="" type="checkbox"/>	All			
Equality Impact Assessment	Is this required?	Y	<input type="checkbox"/>	N	<input checked="" type="checkbox"/> If 'Y' date completed
Quality Impact Assessment	Is this required?	Y	<input type="checkbox"/>	N	<input checked="" type="checkbox"/> If 'Y' date completed

# SANDWELL AND WEST BIRMINGHAM HOSPITALS NHS TRUST

## Report to the Public Trust Board: 7<sup>th</sup> January 2021

### Strategic Board Assurance Framework

#### 1. Introduction

- 1.1 This paper recognises that since Q1 2020/21 limited reporting or progress with our Strategic Board Assurance Framework (SBAF) has been possible, primarily owing to the COVID-19 pandemic pressures. This position is not inconsistent with central instruction on how Boards should focus their time in Q1/2. The paper outlines how we should approach matters in Q4 and in readiness for next year.
- 1.2 In common with some other governance procedures, with turnover of Board members it may be useful to reconfirm the principles that we have previously agreed about the role and format of our future SBAF. We have an upcoming Board Development workshop on 12 February where we will consider risk management, and it may be useful to discuss this further there if members wish time to consider options.

#### 2. SBAF 2018-20

- 2.1 The current Trust Strategic Board Assurance Framework comes in a format recommended by our internal auditors, and which the Board in 2018/19 co-designed as a distinct document and process from the operational Risk Register. Board members may recall that this formulation was favoured by the chair and Chief Executive, and we maintained it after the 2018 CQC inspection which did not necessarily welcome this distinction. The content of the SBAF was designed by the full Board through a series of workshops.
- 2.2 The control regime around the SBAF was based on oversight by individual Executive Directors. This was then challenged by joint meetings three times each year led by the Audit and Risk Management Committee chair, Marie Perry, and myself. The Chief Executive, Toby Lewis, was given an objective to ensure adequacy of controls across the SBAF. That was exercised via the Performance Management Committee and Executive Group as well as in individual discussions. However, the routine and standardised place for discussion of each SBAF entry was in our Board committees, led by the Non-Executive Director chair, and reported in the summary overview given by that chair to the full Board. This worked, in my view well, but with some difficulties of time for the four entries which were overseen by the Board itself not one of its committees.
- 2.3 The persistent challenge lay in the difference between the controls and the performance of the risk. It is possible to have strong controls and weak performance, or vice versa. Given that the nature of the SBAF risks is often that they are quite diverse

and need bespoke controls, we decided to place our focus on that aspect of the regime. In February 2020 we undertook a Board mid-year review of controls which suggested that we had less than adequate controls for 12 of our 19 risks. This then became the basis for intensive work in the last six months of the year, interrupted in late Q4 by wave one. I will work with our auditors to go through the relevant minutes and other documentation to reconfirm that process which did result in most items reaching Adequate assurance. For example, the introduction to PTRG satisfied the Digital Committee on Risk 16, and the finalisation of Optimisation datasets did the same in respect automation of processes.

### **3. SBAF 2021-23**

- 3.1 The first decision that we need to reach is to agree against which sets of plans or objectives we are framing our strategic risks. Dave Baker is leading a process of developing a longer-term strategy to succeed our 2020 vision. Depending on a credible timeframe for this, given the competing pressure of wave 2 and expectation of continuation of those pressures until at least April 2021 we could either pause the creation of another SBAF into Q2 2021/22, or identify strategic themes which can be the basis for renewed consideration of the key organisational/system risks.
- 3.2 Importantly in developing our next SBAF we need to take account of the Integrated Care System (ICS) and the places that we help to lead. Neither currently appear to have in place visible assurance frameworks, albeit some risk registers for specific projects exist. It ought to be possible however to frame the strategic risk around the capability of the ICS to achieve accredited status by the NHS-wide deadline. Governance changes form part of that consideration as does surmounting the large system wide financial deficit, in which money being moved out of our CCG to cross fund others has always formed part of the our SBAF.
- 3.3 I am proposing that we do indeed, given weaknesses in our 2020/21 position, discussed below, press on with formalising an SBAF during Q4 for the coming two years. As this formed part of our last Well-Led CQC assessment, we might expect it to form part of any inspection in this calendar year. We should discuss the five or six strategic themes we might wish to group long term risks against, and confirm this when we meet in February.

These could include the following:

- a) Our safety and quality plans, as well as maintaining or improving our CQC rating.
- b) The wellbeing of our employees and delivery of the People Plan.
- c) Our ability to safely staff our services over the medium term.
- d) Our contribution to place and system, and the sustainability of both.
- e) Our work on regeneration, public health and wider inequality.

f) The execution of our Midland Met clinical model and its outcome dependencies.

#### **4. SBAF in 2020-21**

- 4.1 The Board had, in starting this financial year, scheduled to review the SBAF in our workshop in July 2020. With ongoing COVID-19 issues, and also some turnover and absence among senior leaders, this was deferred and has not taken place. With wave 2 now surging, there is a need to act proportionately in Q4, sufficient to ensure governance compliance in our upcoming Annual Governance Statement (AGS).
- 4.2 The Audit and Risk Management Committee meets on 4<sup>th</sup> February. We will consider their work on the Executive with the six comments made by RSM. For clarity the SBAF items are (and were) on Safeguard where the Executive sponsor has undertaken that requested action. The central team will ensure all have, and support colleagues who are experiencing difficulties in use of the electronic system. The adequacy position on controls is outlined above.
- 4.3 The key step is to ensure that the controls, as distinct from the performance, are in place and functional. Key to the 2019-20 Q4 move to adequacy was the introduction of certain datasets. It seems probable that these have not been continued. I will meet with each Executive sponsor to review their control regime and produce an updated assessment for the March Trust Board. This will then inform the AGS. If diaries permit we will do this via the previous joint assessment undertaken by the ARM non-executive chair and myself. For the same meeting, and with David's support, I will draft an AGS suggested entry to cover the financial year just gone.
- 4.4 Whilst the process for suggesting new SBAF entries was widely known, and is documented in our Board minutes, it has not been used to create a new COVID-19 related set of SBAF entries. This was because the pandemic risks were immediate and operational and were therefore appropriate for the Risk Register. However, the Executive will propose an additional general Pandemic and Business Continuity SBAF entry to reflect the impact over time of COVID, work we need to do on future resilience, and any other considerations.

#### **5. Recommendations**

- 5.1 The Trust Board is asked to:
- a. **NOTE** work to be undertaken to address control gaps during 2020-21
  - b. **DISCUSS** and **AGREE** approach to the next iteration of our SBAF

Kam Dhami  
Director of Governance

30<sup>th</sup> December 2020

**Annex 1:** SBAF risks by assurance level: January 2020