

REPORT TITLE:	Board Assurance Framework Report		
SPONSORING EXECUTIVE:	Kam Dhami, Chief Governance Officer		
REPORT AUTHOR:	Dan Conway, Associate Director of Corporate Governance / Company Secretary		
MEETING:	Public Trust Board	DATE:	12 th July 2023

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

The Board is required to review the BAF on a quarterly basis. In doing so, the Board is asked to consider the following:

1. The **strength levels of the controls and assurances** and note the work that needs to be undertaken to improve all the BAF risks in this area.
2. A lack of a projected timetable for **reduction in the risk scores** for the end of this financial year. The heat map shows the majority of risks are rated as **High** and the note that the risks were all at the same scoring level at the last presentation.
3. The aim for Board committees to carry out a **deep dive in July 2023** to agree how the controls and assurances are aligned with the risk descriptions and any gaps have a smart action against them that is embedded and understand how evidence would be provided of sustained positive impact over a continuous period.

2. Alignment to our Vision *[indicate with an 'X' which Strategic Objective[s] this paper supports]*

OUR PATIENTS		OUR PEOPLE		OUR POPULATION	
To be good or outstanding in everything that we do	X	To cultivate and sustain happy, productive and engaged staff	X	To work seamlessly with our partners to improve lives	X

3. Previous consideration *[at which meeting[s] has this paper/matter been previously discussed?]*

At all Board Committees

4. Recommendation(s)

The Public Trust Board is asked to:

- a. **ACCEPT** the current position of the BAF risks and scores.
- b. **SUPPORT** of the upcoming deep dive and the work that needs to be undertaken.
- c. **AGREE** that the updated BAF aligned to the Corporate Risk Register will be presented at the October 2023 Board Meeting.

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

Board Assurance Framework Risk 01	X	Deliver safe, high-quality care.
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Board Assurance Framework Risk 02	x	<i>Make best strategic use of its resources</i>					
Board Assurance Framework Risk 03	x	<i>Deliver the MMUH benefits case</i>					
Board Assurance Framework Risk 04	x	<i>Recruit, retain, train, and develop an engaged and effective workforce</i>					
Board Assurance Framework Risk 05	x	<i>Deliver on its ambitions as an integrated care organisation</i>					
Corporate Risk Register [Safeguard Risk Nos]							
Equality Impact Assessment	Is this required?	Y		N		If 'Y' date completed	
Quality Impact Assessment	Is this required?	Y		N		If 'Y' date completed	

SANDWELL AND WEST BIRMINGHAM NHS TRUST

Report to Trust Board: 12th July 2023

Board Assurance Framework Update

1. Introduction

- 1.1 The BAF was refreshed in April 2022 and last reviewed by the Board on 11th January 2023

2. Committee Presentations and reviews

- 2.1 The June 2023 round of Board Committees have the BAF scheduled on the agenda the following is a summary on the presentations:
- 2.2 **Quality and Safety** – the Q&S BAF001 was presented following a review between the Associate Director of Corporate Governance, the Committee Chair, Chief Nursing Officer and Chief Medical Officer. The risk had significant content added around the controls and assurances and each gap identified now has an action aligned. The members commented that the new template was an improvement and helped them understand the work required to gain a grip of the risk. It was felt that corporate risks linked to the BAF risk were not reflective of the areas that the executive leads felt were their primary concern. It was agreed that further work would be undertaken and the BAF will be the primary item at the July 2023 meeting.
- 2.3 **People and OD Committee** - the POD BAF003 was presented following a review between the Associate Director of Corporate Governance, the Committee Chair, and Deputy Chief People Officer. The Risk was updated and the controls and assurances were strengthened, along with any gaps having a targeted action. The new template was given approval and was seen to be clearer. The committee has asked for the risk to continue to have a deeper review before being presented at the July 2023 meeting.
- 2.4 **Finance, Investment and Performance Committee** - The FIPC BAF002 was reviewed by the Associate Director of Corporate Governance, the Committee Chair, and Chief Finance Officer. The presentation at the committee was verbal update, the Chief Finance Officer confirmed the description of risks to achieving the objective. Due to annual leave and the challenges of the year end submissions the template was not fully completed, and the committee agreed that the BAF would be presented in full at the July 2023 meeting.
- 2.5 **Integration Committee** – The committee was updated on the need for the BAF to have a full refresh given the changes to workings of the committee since its inception. They agreed that the work that is being undertaken in July will need to include a read across the challenges and risks being held at the two system levels.

2.6 **MMUH Opening Committee** – The BAF is presented every month to the committee. This BAF risk is the most mature in regard to being linked to the corporate risk register. The committee was informed that the deep dive review would be taking place in July 2023 due to leave and the availability of the Managing Director of the MMUH Programme Company. The members were informed that the controls and assurances, sequencing of the BAF mitigating actions and the residual risk profiles associate with this will be part of the deep dive and presented at the July 2023 Meeting.


3. Summary

- 3.1 The updated BAF is set out in **Appendix 1** (the full committee BAF details are contained in the Reading room) and the current risk ratings associated with each risk are shown below in a heat map. The BAF is embedded within each Board committee’s agenda and is reviewed on a monthly/quarterly basis by each committee (dependent on the committee cycle.)
- 3.2 Risk scoring is undertaken on a 5x5 matrix (Consequence x Likelihood). Risks rated 15 or over are rated high (Red), 10 -12 are medium (Amber), 4 – 8 are moderate (Yellow) and 1-3 are low (Green). The “Initial Risk” score sets out the scoring for each risk before the application of any controls. The “Current Risk” score sets out the scoring for the current quarter after all controls for that risk has been applied.
- 3.3 All the BAF risks currently do not have a forecast date to meet their target risk score. The Committee’s will need to agree a projected date that is set against established actions. The Board will then at the next presentation in October 2023 need to review and confirm its acceptance of the timetable.
- 3.4 A summary of the up to date position for each risk is provided below and the Board should refer to **Appendix 1** for more detail.

Q&S BAF001 – Trust fails to deliver constant safe, high-quality care					
Current risk score (C X L)	Target risk score	Target date	Overall movement	Strength of Controls	Strength of Assurance
16 (4 X 4)	12 (4 X 3)	TBC	↔	Amber (Some gaps in controls or assurances)	Amber (Some gaps in controls or assurances)
Update					
The risk score has remained at 16 since it was approved in April 2022 this was mainly due to the lack of maturity of the Fundamentals of Care within the organisation and the committee not having full assurance around the escalation process for issues such as deteriorating patients and learning across the organisation. There is still work to do on strengthening the controls and assurances. The risk will need to have more stringent management of the					

actions set against the mitigations to reduce this risk score. These will need to be set against a realistic date and plan to get the risk to the target score of 12.


FIP BAF002 – There is a risk that the Trust fails to make best strategic use of its resources

Current risk score (C X L)	Target risk score	Target date	Overall movement	Strength of Controls	Strength of Assurance
20 (4 X 5)	12 (4 X 3)	TBC		Amber (Some gaps in controls or assurances)	Red (Significant gaps in controls or assurances)

Update


The risk score was increased in October 2022 from 16 to 20 due to the financial challenges the Trust was seeing. The risk needs a full review, and it is too financially focussed and there is a lack of attention to the investment and performance areas of the committee. Due to how the finances have an effect across all the organisation this will need to also be aligned with the People Plan and workforce utilisation areas of the POD BAF risk. When agreeing the trajectory of the actions to reduce the risk score and decision will need to be made as to whether a target score of 12 is realistic given the financial challenges across not just the Trust but the two ICB's we sit under.


POD BAF003 – There is a risk that the Trust fails to recruit, retain, train, and develop an engaged and effective workforce

Current risk score (C X L)	Target risk score	Target date	Overall movement	Strength of Controls	Strength of Assurance
16 (4 X 4)	12 (4 X 3)	TBC		Amber (Some gaps in controls or assurances)	Amber (Some gaps in controls or assurances)

Update

The risk score has remained at 16 since it was approved in April 2022 this was mainly due to the delay in agreeing the People Plan. The challenge now is how the controls and assurances from the People Plan are used to inform the agenda at the committee. Like the Q&S BAF risk, the organisation risks aligned were felt by the committee as not a true reflection of the challenges the People agenda was facing. The risk does now have a good set of actions to mitigate the gaps in controls and assurance, but the committee will need to understand if these are realistic to reduce the risk to the planned target score.

IC BAF004 – There is a risk that the Trust fails to deliver on its ambitions as an integrated care organisation.					
Current risk score (C X L)	Target risk score	Target date	Overall movement	Strength of Controls	Strength of Assurance
12 (4 X 3)	8 (4 X 2)	TBC		Amber (Some gaps in controls or assurances)	Amber (Some gaps in controls or assurances)
Update					
The risk score was reduced to 12 from 16 in March 2023, this was due to the committee feeling that the governance across the systems had been strengthened. The next challenge for this risk is to ensure that it is aligned to the two ICB systems strategies and BAF's. The executive lead has agreed to carry out a full review to include this alignment. Input will also be needed on the risks in PCCT and the oversight of the governance arrangements of external partners that could have a reputational affect on the Trust.					

IC BAF005 – There is a risk that the Trust fails to deliver the MMUH benefits case.					
Current risk score (C X L)	Target risk score	Target date	Overall movement	Strength of Controls	Strength of Assurance
16 (4 X 4)	12 (4 X 3)	TBC		Amber (Some gaps in controls or assurances)	Amber (Some gaps in controls or assurances)
Update					
The risk score has remained the same since it as approved in April 2022. The Clinical Safety Officer is undertaking a review of all the overall risks related to MMUH and will be asked to feed into the deep dive being undertaken in July 2023. There needs to be some horizon scanning against all the BAF risks to ensure that where needed complementation of the risks to MMUH are understood and established in all the BAF risks especially in People and Finance. There is good understanding at the committee on the BAF and it is used well to influence the monthly agenda. There is still work to do to ensure that the actions agreed are set against a planned date to reduce the risk score.					

4. Summary

- 4.1 The deep dive process for July 2023 will be focusing on reviewing and improving the grip on the controls and assurances and setting an agreed date for achieving the target risk score. These will need to be aligned to a set of actions that the committee will be able to measure an understanding of how actions are embedded and evidence provided of sustained positive impact over a continuous period.
- 4.2 As part of deep dive and in order to strengthen the link between the BAF and the corporate risk register, work we be undertaken to ensure the two are aligned to

support a more streamlined approach to measure the risk and again a helicopter view of the risks across the whole strategic objectives.

- 4.3 Overall, the BAF is evolving well, and the committees are gaining an understanding of how to use it when setting forward planners and areas that need an escalation report to the meetings. There is still work to do to ensure a better understanding of the range of effective control and assurance and actions to continually improve to mitigate the risks over time.
- 4.4 There is still a lack of detailed discussion and effective challenge when the BAF is presented, and this may be due to there being a need for some development in understanding. This is something that will be considered in the upcoming Board Development Programme.
- 4.5 The BAF is now on all committee's forward planners and is reviewed by the Board on a quarterly basis.

5. **RECOMMENDATIONS**

The Trust Board is asked to:

- a) **ACCEPT** the current position of the BAF risks and scores.
- b) **SUPPORT** of the upcoming deep dive and the work that needs to be undertaken.
- c) **AGREE** that the updated BAF aligned to the Corporate Risk Register will be presented at the October 2023 Board Meeting.

Dan Conway
Associate Director of Corporate Governance / Company Secretary

4th July 2023

Annex 1: Summary of BAF Risks

Reading Room: Committee BAF risks