

<b>REPORT TITLE:</b>	Board Assurance Framework Report		
<b>SPONSORING EXECUTIVE:</b>	Kam Dhami, Chief Governance Officer		
<b>REPORT AUTHOR:</b>	Dan Conway, Associate Director of Corporate Governance / Company Secretary		
<b>MEETING:</b>	Public Trust Board	<b>DATE:</b>	13 <sup>th</sup> September 2023

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

The Trust Board is required to review the BAF. In doing so, the Committee is asked to consider the following:

- The **strength levels of the controls and assurances** and note the work that has been undertaken to improve all the BAF risks in this area.
- The Board committees carried out a **deep dive in August 2023** (apart from the MMUHOC as the Clinical Safety Officer's review is due to finish in September and will then feed into the BAF risk refresh) 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 in August 2023

**4. Recommendation(s)**

The Public Trust Board is asked to:

- ACCEPT** the current position of the BAF risks and scores.
- AGREE** that the updated BAF aligned to the Corporate Risk Register will be presented at the January 2024 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.
Board Assurance Framework Risk 02	X	Make best strategic use of its resources
Board Assurance Framework Risk 03	X	Deliver the MMUH benefits case

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	X	If 'Y' date completed	n/a
Quality Impact Assessment	Is this required?	Y		N	X	If 'Y' date completed	n/a

# SANDWELL AND WEST BIRMINGHAM NHS TRUST

## Report to Public Trust Board on 13<sup>th</sup> September 2023

### Board Assurance Framework Update

#### 1. Introduction

- 1.1 The BAF was refreshed in April 2022 and last reviewed by the Board on 12<sup>th</sup> July 2023

#### 2. Committee Presentations and reviews

- 2.1 The August 2023 round of Board Committees all had the BAF scheduled on the agenda.
- 2.2 Each of the committee leads and Chairs reviewed their BAF (apart from the MMUHOC, as the Clinical Safety Officer's review of all MMUH risks is due to finish in September and will then feed into the BAF risk refresh and the Integration Committee) discussed the BAF risk and supported the transition to the new template, which now has now more defined impact descriptions of challenges to the achievement of the principal risks.
- 2.3 Each BAF risk now has a measurable set of actions to support the reduction, mitigation or management of each risk which are aligned to an executive lead and has an agreed target date.
- 2.4 Part of the work into quarter 2 is for the committees to agree how best to measure traction of the actions and how to gain an understanding of how actions are embedded, and evidence provided of sustained positive impact over a continuous period.

#### 3. Summary

- 3.1 The updated BAF summary below (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.

## HEATMAP

Consequence	Likelihood				
	Rare 1	Unlikely 2	Possible 3	Likely 4	Almost Certain 5
5 Catastrophic	5	10	15	20	25
4 Major	4	8	12 BAF 003	16 BAF 001 BAF 004 BAF 005	20 BAF 002
3 Moderate	3	6	9	12	15
2 Minor	2	4	6	8	10
1 Insignificant	1	2	3	4	5

- 4.1 A summary of the up-to-date position for each risk is provided below and the committee should refer to **Appendix 1** for more detail.

### *Quality and Safety BAF Risk*

Strategic Objective: Patients - To be good or outstanding in everything we do			
BAF001: There is a risk that the Trust fails to deliver constant safe, high-quality care.			
Initial Risk Score	4	4	16
Current Risk Score	4	4	16
Target Risk Score	4	3	12
Impact Description (ID) (what might cause this to happen)			Committee Assurance Rating for each ID
1a	Significant Failure to deliver the standards of quality and safety for patient care across the Trust resulting in substantial incidents of avoidable harm and poor clinical outcomes		Amber
1b	Insufficient understanding and embedding of learning following significant events/incidents/complaints and evidencing improved practice and clinical outcomes.		Amber
1c	Safe & skilled workforce not achieving adequate numbers & skill mix impacts on the ability to deliver safe care, effective outcomes and organisational objectives.		Amber
1d	A lack of a trust-wide systematic approach that is understood and owned by the organisation resulting in reduced patient experience and missed opportunities		Amber

### *Finance, Investment and Performance BAF Risk*

Strategic Objective: People - Patients - To be good or outstanding in everything we do			
BAF002: There is a risk that the Trust fails to make best strategic use of its resources			
Initial Risk Score	4	4	16
Current Risk Score	4	5	20

Target Risk Score	4	1	4
<b>Impact Description (ID)</b> (what might cause this to happen)			<b>Committee Assurance Rating for each ID</b>
2a	Failure to ensure adequate infrastructure, capacity and governance to deliver CIP.		Amber
2b	Insufficient capital resources to progress required investments.		Amber
2c	Income and Expenditure performance resulting in cashflow challenge to operations and capital investments		Amber
2d	Lack of capacity to effectively plan to address strategic risk		Amber
2e	Failure to meet operational performance targets		Amber
2f	Failure to adopt and exploit digital solutions that can enhance patient care and improve efficiency.		Amber

### ***People and OD BAF Risk***

<b>Strategic Objective: People - To cultivate and sustain happy, productive, and engaged staff</b>			
<b>BAF003: There is a risk that the Trust fails to recruit, retain, train, and develop an engaged and effective workforce.</b>			
Initial Risk Score	4	4	16
Current Risk Score	4	4	16
Target Risk Score	4	3	4
<b>Impact Description (ID)</b> (what might cause this to happen)			<b>Committee Assurance Rating for each ID</b>
3a	Plan, attract, recruit, and develop (workforce planning and safe staffing).		Amber
3b	Staff experience and retention (culture and climate).		Amber

### ***Integration BAF Risk***

<b>Strategic Objective: Patients - To work seamlessly with our partners to improve lives.</b>			
<b>BAF004: There is a risk that the Trust fails to deliver on its ambitions as an integrated care organisation</b>			
Initial Risk Score	4	4	16
Current Risk Score	4	3	12
Target Risk Score	4	2	8
<b>Impact Description (ID)</b> (what might cause this to happen)			<b>Committee Assurance Rating for each ID</b>
4a	Failure of the Trust to engage in shared planning and decision-making at system and place level.		To be agreed
4b	Failure to manage governance of external partners effectively.		To be agreed
4c	Risk that the population's continuously changing need for service exceeds the Trust's capability and capacity to respond in a timely way.		To be agreed
4d	Without sufficient capacity to develop strong relationships, differences in the maturity of partnerships may result in lack of shared purpose.		To be agreed
4e	Operational failure of General Practice to cope with demand resulting in even higher demand for secondary care as the 'provider of last resort'		To be agreed

### ***MMUH Opening BAF Risk***

<b>Strategic Objective: Patients - To work seamlessly with our partners to improve lives.</b>			
<b>BAF005: There is a risk that the Trust fails to deliver the MMUH benefits case</b>			
Initial Risk Score	4	4	16
Current Risk Score	4	4	16
Target Risk Score	4	3	12

Impact Description (ID) (what might cause this to happen)		Committee Assurance Rating for each ID
5a	To be agree following the Clinical Safety Officer's review	To be agreed
5b	To be agree following the Clinical Safety Officer's review	To be agreed
5c	To be agree following the Clinical Safety Officer's review	To be agreed

## 5. Committee assurance ratings

5.1 The impact descriptions that are considered likely to increase or reduce the principal risk were individually rated by the Quality & Safety Committee, Finance, Investments and Performance Committee and the People and OD Committee in the August 2023 meetings for the level of assurance they can take that the strategy will be effective in treating the risk (see below for key):

Key to lead committee assurance ratings:

- **Green – Positive assurance:** the Committee is satisfied that there is reliable evidence of the appropriateness of the current strategic risk management in addressing the threat or opportunity
  - no gaps in assurance or control AND current exposure risk rating = target
  - or
  - gaps in control and assurance are being addressed.
- **Amber – Inclusive assurance:** the Committee is not satisfied that there is sufficient evidence to be able to make a judgement as to the appropriateness of the current strategic risk treatment management.
- **Red – Negative assurance:** the Committee is not satisfied that there is sufficient reliable evidence that the current strategic risk treatment management is appropriate to the nature and/or scale of the threat or opportunity.

5.2 This work needs to take place in the Integration Committee and MMUH Opening Committee in September 2023.

5.3 This approach informs the agenda and regular management information received by the relevant lead committees, to enable them to make informed judgements as to the level of assurance that they can take, and which can then be provided to the Board in relation to the Principal Risk and to identify any further action required to improve the management of those risks.

## 6. BAF Actions

6.1 Each of the BAF risks have a set of actions, all have an identified executive lead, along with the detail of where each of the actions will be monitored within the governance structure.

6.2 Below is a summary of when the number of actions and when they are due to be complete:

### Q&S

Dates to be agreed	Completed	Overdue	2023/24 Q1	2023/24 Q2	2023/24 Q3	2023/24 Q4	2024/25
5	2	1	0	3	6	4	2

### FIPC

Dates to be agreed	Completed	Overdue	2023/24 Q1	2023/24 Q2	2023/24 Q3	2023/24 Q4	2024/25
1	0	0	0	10	16	1	3

### POD

Dates to be agreed	Completed	Overdue	2023/24 Q1	2023/24 Q2	2023/24 Q3	2023/24 Q4	2024/25
2	1	3	0	8	1	6	2

### Integration

Dates to be agreed	Completed	Overdue	2023/24 Q1	2023/24 Q2	2023/24 Q3	2023/24 Q4	2024/25

### MMUHOC

Dates to be agreed	Completed	Overdue	2023/24 Q1	2023/24 Q2	2023/24 Q3	2023/24 Q4	2024/25
0	0	0	6	2	0	1	0

### TOTAL ACROSS THE FULL BAF

Dates to be agreed	Completed	Overdue	2023/24 Q1	2023/24 Q2	2023/24 Q3	2023/24 Q4	2024/25
8	3	4	6	23	23	12	7

## 7. Summary

7.1 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.

7.2 POD has already started to align its forward planner to the BAF actions (see the example below:

Agenda Item	Frequency	By whom	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Finance update on 23/24 Plans, incl. CIP and workforce <b>(BAF action 003/3)</b>	Monthly	SS	x	x	x	x	x	x	x
Updated Financial and workforce plan to take account of CIP and workforce reprofiling <b>(BAF action 003/3)</b>	Annually	DF	x						

Update on MMUH and Core Recruitment Activity ( <b>BAF action 003/1</b> )	Bi - monthly	AH		x		x		x	
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- 7.3 Over quarter 2 we will work with the committees to carry out the same alignment to each forward planner.
- 7.4 While we are seeking to maintain the current total number of 5 Strategic Risks, the focus going forward will be to strengthen the delivery of actions with agreed trajectories. This will support the committee to make informed judgements as to the level of assurance that they can take, and which can then be provided to the Board and to identify any further action required to improve the management of those risks.
- 7.5 A revised Risk Management Framework is under development and part of the work coming out of that is to review and align the BAF with the Corporate Risk Register. This will allow the committee's and the Board to horizon scan all risks that are pertinent to their agenda.

## 8. RECOMMENDATIONS

The Public Trust Board is asked to:

- a) **ACCEPT** the current position of the BAF risks and scores.
- b) **AGREE** that the updated BAF aligned to the Corporate Risk Register will be presented at the November 2023 Meeting.

Dan Conway  
Associate Director of Corporate Governance / Company Secretary

29 August 2023

**Reading Room:** Committee BAF risks