

Board of Directors Meeting in Public

Subject:	Board Assurance Framework	Date: 2 nd May 2019		
Prepared By:	Neil Wilkinson, Risk and Assurance Manager			
Approved By:	Shirley Higginbotham, Director of Corporate Affairs			
Presented By:	Richard Mitchell, Chief Executive Officer			
Purpose				
To enable the Board to review the effectiveness of risk management within the Board Assurance Framework (BAF) and approve the proposed changes agreed by the respective Board sub-committees.			Approval	✓
			Assurance	
			Update	
			Consider	
Strategic Objectives				
To provide outstanding care	To promote and support health and wellbeing	To maximise the potential of our workforce	To continuously learn and improve	To achieve better value
✓	✓	✓	✓	✓
Overall Level of Assurance				
	Significant	Sufficient	Limited	None
		✓		
Risks/Issues				
Financial	Principal Risk 4 concerns the Trust's financial sustainability.			
Patient Impact	Principal Risk 1 concerns the delivery of safe and effective patient care.			
Staff Impact	Principal Risk 3 concerns staff capability and capacity.			
Services	Principal Risk 2 concerns the management of capacity and demand. Principal Risk 6 concerns the effectiveness of strategic partnerships. Principal Risk 7 concerns the management of major disruptive incidents.			
Reputational	Principal Risk 5 concerns stakeholder confidence.			
Committees/groups where this item has been presented before				
Lead Committees review individual Principal Risks at each formal meeting (Quality Committee; Finance Committee; Risk Committee; People, OD and Culture Committee). Risk Committee reviews the entire BAF quarterly.				
Executive Summary				
<p>Each principal risk in the BAF is assigned to a Lead Director as well as to a Lead Committee, to enable the Board to maintain effective oversight of strategic risks through a regular process of formal review. The 7 Principal Risks are:</p> <ul style="list-style-type: none"> PR1 Catastrophic failure in standards of safety & care PR2 Demand that overwhelms capacity PR3 Critical shortage of workforce capacity & capability PR4 Failure to maintain financial sustainability PR5 Fundamental loss of stakeholder confidence PR6 Breakdown of strategic partnerships PR7 Major disruptive incident <p>Lead Committees have been identified for specified principal risks and consider these at each meeting, providing a rating as to the level of assurance they can take that the risk treatment strategy will be effective in mitigating the risk.</p> <p>The Risk Committee further supports the lead committees in their role by maintaining oversight of the organisation's divisional and corporate risk registers and escalating risks that may be pertinent to the lead committee's consideration of the BAF.</p> <p>As part of the Horizon Scanning and Risk Appetite Board workshop held on 28th February, and</p>				

the discussion on the overall content of the BAF, it was agreed to remove the following:

- Details of change
- Proximity of threat
- Key risk indicator graphs

The whole BAF will be reviewed to align it with the new Trust Strategy at the Board workshop 30th May.

Schedule of BAF review since last received by the Board of Directors on 31st January

- Finance Committee – PR 4 and 6 – 29th January and 23rd April.
- Quality Committee – PR 1, 2, 3 and 5 – 20th March.
- Risk Committee – full BAF 12th March – PR7 9th April.

Outcomes of lead committee reviews and further updates

Finance Committee (18th December meeting)

PR4 - the **current risk exposure** likelihood element to be reduced from 4 – ‘somewhat likely’ to 3 – ‘possible’; the overall rating reduced to 15.

PR6 - the **current risk exposure** consequence element reduced from 5 – ‘very high’, to 4 – ‘high’; the overall rating reduced to 4.

Quality Committee

PR1 - the overall risk rating and assurance ratings for all threats to remain unchanged.

PR2 - the **tolerable risk** rating likelihood element to be increased from 2 – ‘unlikely’ to 3 – ‘possible’; the overall rating increased to 12.

PR3 - the overall risk rating and assurance ratings for all threats to remain unchanged. Lead Committee changed to Workforce, OD & Culture.

PR5 - the overall risk rating and assurance ratings for all threats to remain unchanged.

Risk Committee

PR7 - the **current risk exposure** consequence element reduced from 5 – ‘very high’, to 4 – ‘high’; the overall rating reduced to 8.

Details of changes to the BAF since the last review by the Board of Directors

Proposed amendments to the respective sections of the BAF are detailed below, and on the attached document additions to the text are highlighted in yellow and removals are in green.

PR1: Catastrophic failure in standards of safety & care

Strategic threat - A widespread loss of organisational focus on patient safety and quality of care

Gaps in control

- “Website & Intranet currently contains some out of date clinical information” now only applies to the Intranet

Plans to improve control

- “Website & Intranet redevelopment project” now only applies to the Intranet as the website element is completed – timescale for completion amended to September 2019

Sources of assurance – Management

- NM & AHP Board Update to QC – removed
- Learning From Deaths report – replaced with Mortality Surveillance report
- Guardian of Safe Working report to Board qrtly – added
- Senior Leadership Walkarounds weekly – added
- Divisional Risk Reports to RC 6-monthly – added
- Report dates updated to reflect most recent reviews

Sources of assurance – Risk & compliance

- SOF Performance Report Oct '18 – removed – SOF added to Quality Dashboard report
- CQC report to QC bi-monthly – added
- PSQG added as recipient of reports where applicable
- Report dates updated to reflect most recent reviews

Sources of assurance – Independent assurance

Reports/assurance added

- Sherwood Birthing Unit Audit to PSQG 2018
- ICNARC Quarterly Report
- SHOT report to PSQG 2018
- EoLC Audit 2018; PHQA visit for Smoke-free Life
- Audit Inpatient Survey 2017
- Maternity Inpatient Survey 2018
- CQC Insight Tool to PSQG monthly and QC bi-monthly
- GMC Feedback 2018
- NNAP Audit 2018

Strategic threat - An outbreak of infectious disease

Sources of assurance – Management

- IPC Annual Report to Board – reporting to QC added
- Water Safety Group – added

Sources of assurance – Risk & compliance

- IPC Committee report – reporting to PSQG added
- SOF Performance Report – reporting to Board added
- Report frequency added where applicable

Sources of assurance – Independent assurance

Reports/assurance added

- PLACE Audits 2018

PR2: Demand that overwhelms capacity

Tolerable risk

- Increase Likelihood to 3 - Possible, which raises the Tolerable risk rating to 12 - High

Plans to improve control

- Two actions completed:
 - Implement IST Demand & Capacity model – starting with Outpatients
 - Action plans for recovery of cancer 62 day performance

Sources of assurance – Management

- Remove STP Annual report 2017/18

PR3 - Critical shortage of workforce capacity & capability

Lead Committee

- Change to Workforce, OD & Culture

Plans to improve control

- Actions completed:
 - Embedding the new BP model and the workforce planning group
 - Workforce planning group to oversee an analysis of likely retirement impact for key posts by division / specialty with mitigation plan
 - Workforce planning group to review co-ordination of new roles and develop, introduce and roll-out plan
- 'Series of deep dives to triangulate data and soft intelligence' replaces 'Triangulation of data with soft intelligence to develop a cultural heat map'
 - SLT Lead: Executive Director of HR & OD
 - Timescale: end of July 2019
- Added actions - Maximising our Potential 3-year Plan development in progress
 - Split into two actions, one for each threat, that each specify the pillars they relate to - 'Attract and Retain' and 'Engage, Develop, Nurture, Perform'
 - SLT Lead: Deputy Director of HR
 - Timescale: End of April 2019

Sources of assurance –

- Addition in Independent Assurance - IA Recruitment & Retention report Jan '19 – Significant Assurance
- Report dates updated to reflect most recent reviews

PR4: Failure to maintain financial sustainability

Plans to improve control

- Remove 'Distressed Finance Team' from the action 'Continue to work in partnership with NHSI to submit in year applications for cash support'
- Action 'Financial Strategy to be developed in consultation with NHSI, and approved'
 - Presented to FC in Mar 19 and Board Workshop in Apr 19
- Action 'System Financial Plan, shared governance on delivery and aligned incentive contracts being developed for 2019/20'
 - Add **SLT Lead:** Chief Financial Officer and **Timescale:** 31/03/2019
 - Action complete

PR5 - Fundamental loss of stakeholder confidence

Plans to improve control

- Three actions completed
 - Implementation of 'Should do' action plan (Campaign 5 of AQP)
 - Monthly stakeholder updates
 - System partners to develop a best practice standard for engagement across the Mid-Nottinghamshire

Sources of assurance – Management

- Update report to CQC Engagement meetings qtrly – added

Sources of assurance – Risk & compliance

- National Clinical audit programme/ Clinical Effectiveness Report to QC (R) May '18 – removed
- Freedom to Speak Up report to Board qtrly – added
- SOF exception reporting to Board monthly – added

Sources of assurance – Independent assurance

- Annual Patient Experience report to QC Jan '19
- CQC Insight report to QC bi-monthly
- Quality Account update to QC bi-monthly

PR6: Breakdown of strategic partnerships

Strategic threats

- Replace “QIPP/FIP non-alignment” with “system financial plan misalignment”
- Add “ICP partners” to the statement “ineffective governance resulting in a breakdown of relationships amongst ICS partners”
- Remove unneeded examples (e.g. skin cancer, liver disease, diabetes) from the threat and opportunity ‘Clinical service strategies and/or commissioning intentions’

Sources of assurance – Management

- Remove latest reported dates for recurring reports

Sources of assurance – Independent assurance

- For the 360 Assurance review of SFH readiness to play a full part in the ICS, replace “in progress” with “Significant Assurance”

PR7 - Major disruptive incident

Primary risk controls

- EU Exit Preparation Working Group – added against supply chain threat

Plans to improve control

- “Development of white list and restriction imposed on unauthorised devices” – phase 1 complete – phase 2 in progress, timescale end August 2019
- “Network accounts will be checked after 60 days of inactivity – disabled after 90 days if not used” – action complete
- “CSSD options appraisal being carried out through the Strategic Partnership Board” – timescale changed to end May 2019

Sources of assurance – Management

- “IG Toolkit submission to Board Mar '18 - rated 92% - green – compliant” – replaced with – “Data Protection and Security Toolkit submission to Board Mar '19 - 100% compliance”
- IG Toolkit Baseline submission to NGS Digital Oct '18 – removed
- Hygiene Report – added text – “to Cyber Security Board monthly”
- NHIS report to Risk Committee – frequency changed from bi-annual to quarterly
- Estates Governance work programme to RC Jun '18 - removed

Gap in Assurance / Action to address gap

- 90 day duration creates a risk – review to reduce to 60 days – removed
- On-going review of potential impact of no-deal Brexit on services and supplies – removed

Report dates have been updated throughout to reflect the most recent reviews, or removed where unnecessary.