

Cover page

Meeting	Board of Directors
Paper Title	Board Assurance Framework
Date of meeting	30 July 2020
Date paper was written	22 July 2020
Responsible Director	Interim Director of Corporate Governance
Author	Governance Manager

Executive Summary

The Trust Board's main focus is strategic. Board members need to know the key strategic objectives and be able to identify the principal risks to achieving those objectives. Assurance goes to the heart of the work of any NHS board of directors. The provision of healthcare involves risk and being assured is a major factor in successfully controlling risk.

The Board Assurance Framework (BAF) brings together in one place all of the relevant information on the risks to the Board's strategic objectives. It is an essential tool for Boards, and provides a structure and process that enables focus on those risks that might compromise its principal objectives.

All Assurance Committees of the Board review the BAF at each meeting where they are asked to consider and report:

- Are the BAF risks up-to-date?
- Is the direction of travel stated current and correct?
- Are the current risk ratings correct?
- Is there any additional or updated content that needs to be added?

Appended:

- **Attachment 1** is the BAF. All recommended amendments and additional content is shown in purple text.
- **Attachment 2** gives reference information on risk appetite statements linked to the Trust's objectives.

Finally, please be advised that as discussed at directors meetings and Assurance Committees, the BAF and risk management in the Trust is currently under review. Changes are to take place to the BAF and risk management processes. Some of the actions to take place with timelines are provided in the integrated performance report (IPR) within this set of papers for the Board of Directors.

The Trust Board is asked to:

- **APPROVE** the BAF, noting new and revised content
- **NOTE** the update process and in particular the four questions posed to Assurance Committees for reviewing and updating the BAF

Previously considered by:	Standing item at the Board of Directors meeting and all Assurance Committees of the Board.
---------------------------	--

The Board is asked to:

<input checked="" type="checkbox"/> Approve	<input type="checkbox"/> Receive	<input checked="" type="checkbox"/> Note	<input checked="" type="checkbox"/> Take Assurance
To formally receive and discuss a report and approve its recommendations or	To discuss, in depth, noting the implications for the Board or Trust	For the intelligence of the Board without in-depth discussion required	To assure the Board that effective systems of control are in place

a particular course of action	without formally approving it		
-------------------------------	-------------------------------	--	--

Link to CQC domain:				
<input checked="" type="checkbox"/> Safe	<input checked="" type="checkbox"/> Effective	<input checked="" type="checkbox"/> Caring	<input checked="" type="checkbox"/> Responsive	<input checked="" type="checkbox"/> Well-led
Link to strategic objective(s)	<input checked="" type="checkbox"/> PATIENT AND FAMILY Listening to and working with our patients and families to improve healthcare <input checked="" type="checkbox"/> SAFEST AND KINDEST Our patients and staff will tell us they feel safe and received kind care <input checked="" type="checkbox"/> HEALTHIEST HALF MILLION Working with our partners to promote 'Healthy Choices' for all our communities <input checked="" type="checkbox"/> LEADERSHIP Innovative and Inspiration Leadership to deliver our ambitions <input checked="" type="checkbox"/> OUR PEOPLE Creating a great place to work			
Link to Board Assurance Framework risk(s)	All			

Equality Impact Assessment	<input checked="" type="radio"/> Stage 1 only (no negative impact identified) <input type="radio"/> Stage 2 recommended (negative impact identified and equality impact assessment attached for Board approval)
Freedom of Information Act (2000) status	<input checked="" type="radio"/> This document is for full publication <input type="radio"/> This document includes FOIA exempt information <input type="radio"/> This whole document is exempt under the FOIA
Financial assessment	n/a

Ref	Descriptor	Dir	Low-Medium-High
PATIENT AND FAMILY Listening to and working with our patients Risk Appetite: Open		=	LOW / MEDIUM
<u>1186</u>	<i>IF we do not have meaningful engagement and co-production with our community THEN patients will not be at the centre of everything we do.</i>	=	Low/Medium
SAFEST AND KINDEST Patients and staff feel they were safe and received kind care Risk Appetite: Moderate		=	HIGH / MEDIUM
<u>1204</u>	<i>IF our maternity services do not evidence learning and improvement THEN the public will not be confident that the service is safe.</i>	=	High/Medium
<u>1134</u>	<i>IF we do not work successfully in partnership, THEN our current traditional service models for both unscheduled and scheduled care will be insufficient to meet escalating demand.</i>	=	High/Medium
<u>1533</u>	<i>IF we do not implement all of the 'integrated improvement plan' which responds to CQC concerns THEN we cannot evidence provision of improving care to our patients.</i>	=	High/Medium
<u>1746</u>	<i>IF we do not have effective systems in place to consistently identify and escalate and manage patients with sepsis or other deteriorating medical conditions, THEN patients will not have the best outcomes possible.</i>	=	High
<u>1771</u>	<i>We have a risk that IF we do not have adequate resources, systems, capacity and processes in place THEN we cannot successfully manage the response to the outbreak of the COVID-19 virus effectively Phase 1 - Response</i>	↑	High
	<i>We have a risk that IF we do not have adequate resources, capacity and the processes in place, THEN we will not be able to safely restore critical services to pre-Covid levels Phase 2 - Restoration</i>		
SUSTAINABILITY and HEALTHIEST HALF MILLION Working with our partners for all our communities Risk Appetite: Open		↑	HIGH
<u>561</u>	<i>IF we do not have system-wide effective processes in place THEN we will not achieve national performance standards for key planned activity.</i>	↑	Medium
LEADERSHIP Innovative and Inspirational Leadership to deliver our ambitions Risk appetite (transformation) : hungry Risk appetite (finance): moderate		=	HIGH / MEDIUM
<u>670</u>	<i>IF we do not deliver our control total and meet the trajectory to live within our financial means THEN we cannot meet our financial duties nor invest in service development and innovation.</i>	=	High
<u>668</u>	<i>IF we do not deliver our Hospitals Transformation Programme (HTP) THEN we cannot ensure our patients get the best care.</i>	=	Medium
<u>1492</u>	<i>IF we do not have an agreed Digital Strategy THEN we cannot effectively underpin service improvement.</i>	=	High
<u>1558</u>	<i>IF we do not have sufficient, competent and capable Directors THEN we cannot deliver the Trust's agenda.</i>	=	High/Medium
<u>1584</u>	<i>IF we do not invest in our ageing estate nor replace old equipment THEN we cannot provide a safe environment and sufficient capacity to meet demand.</i>	=	High
OUR PEOPLE Creating a great place to work Risk Appetite: Open		=	HIGH
<u>423</u>	<i>IF we do not have positive staff engagement THEN we cannot support a culture of safety and continuous improvement.</i>	=	High
<u>859</u>	<i>IF we do not have a recruitment strategy and retention strategy along with demand-based rostering for key clinical staff THEN we cannot ensure the sustainability of services.</i>	=	High

Key	
↑	Worsening
↓	Improving
=	No change

Risk Appetite statement by objective

Risk appetite is the level of risk the Trust will take in pursuit of its objectives

Trust Objectives	Risk Appetite Statement	Appetite (level)
<p>1 Listening to and working with our patients and families to improve healthcare</p>	<p><i>The Trust is keen to consider all delivery options and select those with the highest probability of productive outcomes even when there are elevated levels of associated risk</i></p>	<p>4 Open</p>
<p>2 Our patients and staff will tell us they feel safe and received kind care</p>	<p><i>The Trust will support innovation with demonstration of commensurate improvements in outcomes. Systems / technology used routinely to enable operational delivery.</i></p>	<p>3 Moderate</p>
<p>3 Working with our partners to promote 'Healthy Choices' for all our communities</p>	<p><i>The Trust is prepared to take decisions that are likely to bring scrutiny but where the potential benefits outweigh the risks. Value and health benefits will be considered, not just cost and resources allocated to capitalise on opportunities.</i></p>	<p>4 Open</p>
<p>4 a) Innovative and Inspiration Leadership to deliver our ambitions (transformation)</p>	<p><i>The Trust is eager to be innovative and to pursue options that offer potentially substantial rewards, despite also having greater levels of risk</i></p>	<p>5 Hungry</p>
<p>4 b) Innovative and Inspiration Leadership to deliver our ambitions (finance)</p>	<p><i>The Trust is prepared to invest for return and minimise the possibility of financial loss by managing the risks to a tolerable level. Value and benefits considered (not just cheapest price). Resources allocated in order to capitalise on opportunities.</i></p>	<p>3 Moderate</p>
<p>5 Creating a great place to work</p>	<p><i>The Trust will encourage new thinking and ideas that could lead to enhanced staff engagement</i></p>	<p>4 Open</p>

Risk Appetite definitions

1 Averse:	Avoidance of risk and uncertainty is a key organisation objective.
2 Minimal:	Preference for ultra-safe options that are low risk and only have a potential for limited reward.
3 Moderate:	Preference for safe options that have a low degree of risk and may only have limited potential for reward.
4 Open:	Willing to consider all potential options and choose the one most likely to result in successful delivery, while also providing an acceptable level of reward and value for money.
5 Hungry:	Eager to be innovative and to choose options offering potentially higher business rewards, despite greater inherent risk.