


## Board of Directors' Meeting 10 February 2022

<b>Agenda item</b>	015/22		
<b>Report</b>	Board Assurance Framework		
<b>Executive Lead</b>	Director of Governance & Communications		
	<b>Link to strategic pillar:</b>		<b>Link to CQC domain:</b>
	Our patients and community		Safe
	Our people		Effective
	Our service delivery		Caring
	Our partners		Responsive
	Our governance	✓	Well Led
	<b>Report recommendations:</b>		<b>Link to BAF / risk:</b>
	For assurance		All
	For decision / approval	✓	<b>Link to risk register:</b> All
	For review / discussion		
	For noting		
	For information		
	For consent		
<b>Presented to:</b>	Partial: Finance and Performance Assurance Committee Partial: Quality and Safety Assurance Committee In full: Audit and Risk Assurance Committee		
<b>Dependent upon</b> (if applicable):	n/a		
<b>Executive summary:</b>	<p>This report brings together the details of the newly formatted Board Assurance Framework (BAF) document for the quarter ending September 2021. At the time of reporting, the Q3 2021/22 quarter is being currently considered by the Executives and will be taken through documented process to board following the committees' receipt.</p> <p>New risks have been proposed, which the Board will be asked to approve, as BAF10, BAF11, BAF12, and BAF13. Details are provided in sections 2.2, appendix A 3.1 and appendix A 3.2 and section 4.0/appendix 3.3 respectively.</p>		
<b>Appendices</b>	BAF Risks		
<b>Lead Executive</b>			

## **1.0 Introduction:**

- 1.1. The newly formatted BAF document uses the Trust's strategic 'pillars', and the Getting to Good framework to support delivery of the Trust's objectives.
- 1.2 The BAF has been simplified and provides an easier format which will be further developed for 2022/23 financial year, and will incorporate the Trust's priorities and strategic objectives as we move forwards.

## **2.0 Process:**

- 2.1 The new format BAF was established during Q1 of the 2021/22 financial year and included nine risks.
- 2.2 The nine BAF risks were initially divided between the Board Committees as follows:

Quality and Safety Assurance Committee	Finance and Performance Assurance Committee
BAF1	BAF3
BAF2	BAF5
BAF4	BAF6
BAF8	BAF7
BAF9 (for quality elements)	BAF9 (for finance/performance elements)
BAF10 (for quality elements) <b>NEW RISK</b>	BAF10 (for finance/performance elements) <b>NEW RISK</b>

- 2.3 With tentative risk scores provided by the Executive, the Committees were asked to:
  - Consider whether the controls, gaps in controls, assurances and action target dates (which should align with the Trust's objectives and plans) were appropriate. This would be accomplished by using the information received by the committees over time, together with information from other sources (e.g. the information provided through monthly board reports, miscellaneous information received from board seminars, development sessions, Genba Walks, engagement sessions with regulators, strategy documents, etc.), and to challenge the risk scores provided, if thought appropriate.
  - Consider whether any additional risks to the delivery of the Trust's objectives had emerged during the quarter.
- 2.4 After presentation of five risks each to both the above Committees, the BAF document was then presented to the Audit and Risk Assurance Committee for oversight.

## **3.0 Commentary on Q2 BAF risks, from the Committees:**

- 3.1 Commentary from the three board assurance committees, is provided at Appendix A.

#### **4.0 'Maternity services' risk:**

- 4.1 The Board has deliberated at some length, both in private and public, regarding the inclusion of a risk specific to the maternity services on its BAF document.
- 4.2 To date, such a risk has not been included; the Board has agreed that standards of poor patient experience, safety, and outcomes, culture and behaviours, were already included on the BAF.
- 4.3 However, with further reflection, and following the issue being raised again during the recent Audit and Risk Assurance Committee (see item 3.3 of Appendix A), it was agreed that this matter be revisited, and an appropriate risk be added to the BAF.

#### **5.0 Actions requested of the Board of Directors:**

- 5.1 The Board is asked to **approve** the risk scores for BAF1 – BAF9 for the period ending 30 September 2021, as highlighted on the following template.
- 5.2 The Board is asked to **approve** the addition of risk BAF10, “The Trust is unable to meet the required national urgent and emergency standards.”
- 5.3 Whilst recognising the high score given but noting the narrative above, the Board of Directors is asked to **approve** the ‘current’ score of  $5 \times 5 = 25$  for BAF10.
- 5.4 The Board is asked to **approve** the addition of risk BAF11, “The current configuration of and layout of acute services in Shrewsbury and Telford will not support future population needs and will present an increasing risk to the quality and continuity of services.” If approved, this will be taken forward to the Q3 BAF.
- 5.5 The Board is asked to **approve** that an additional risk BAF12, be added to reflect the details highlighted in 3.2 of Appendix A.
- 5.6 The Board is asked to **approve** that an additional risk BAF13, be added to reflect the details highlighted in section 4.0 above.

Should the Board of Directors disagree with any of the above at 5.1 to 5.6 inclusive, the Board of Directors is asked **to approve** that a small group (comprising Director of Governance, Chair of Audit and Risk Assurance Committee, Trust Chair and CEO) be provided with delegated authority to finalise the said items outside of the meeting. The Board will then be updated at its next meeting.

The Board is asked **to approve** that the same group as above be provided with delegated authority to finalise the wording of proposed BAF12 and proposed BAF13. The Board will then be updated at its next meeting.

Anna Milanec  
Director of Governance and Communications

February 2022

## Appendix A.

### **Comments received from the Assurance Committees.**

#### **1.0 Finance and Performance Assurance Committee**

- 1.1 The Committee noted that there was lack of consistency in the dating of actions, with some showing monthly dates, and some showing quarters (Q2, Q3, Q4). It was explained that the dates were provided directly from the Getting to Good Framework, hence the inconsistency between the different workflows, depending upon their nature. It was proposed that the format of dates be made more consistent.
- 1.2 The inherent score for BAF5 had been scored as  $5 \times 4 = 20$ . Upon reflection, it was agreed that this should be scored as  $4 \times 5 = 20$ .
- 1.3 BAF6 (estate) contained too little information for Q2 to enable the Committee to challenge the scores. It was noted that the risk was not covered as part of the Getting to Good framework, upon which the BAF was based. The information will be updated for Q3.
- 1.4 BAF7 (digital) detailed that there had been some delays in the implementation of the original programme. However, it was noted that despite controls being in place, these appeared to have made no difference in managing the risk as the inherent and current risk score (30 September 2021) were the same. This echoed the reports provided to the board members through various forums, where causes of delays had been explained.
- 1.5 For BAF9, an increase in current (30 September 2021) risk score from the inherent (1 April 2021) risk score was queried, even though mitigations had been put in place. It was proposed by the Committee that the inherent risk score be 'rescored'.
- 1.6 The Committee was advised that the Executives had proposed another risk be added to the BAF, entitled "The Trust is unable to meet the required national urgent and emergency standards". This had been numbered BAF10. The Committee noted the same issue as for BAF9, i.e. that 'current' risk score was higher than the residual score.

#### **2.0 Quality and Safety Assurance Committee**

- 2.1 Re BAF1, the Committee agreed the proposed reduction from the residual score of  $5 \times 4 = 20$  to  $4 \times 4 = 16$  for the current score (as of 30 September 2021) be agreed. This was due to the improvements seen in the standards of safety and quality of patient care and governance in these areas across the Trust, during that time.
- 2.2 With regard to BAF2, the Committee noted the proposed reduction from the residual score of  $5 \times 4 = 20$  to  $4 \times 4 = 16$  for the current score (as of 30 September 2021). Committee members felt that this score could be reduced even further to  $4 \times 3 = 12$ , based on the amount of work that had been undertaken by the Trust. However, Committee members agreed to retain the proposed score of  $4 \times 4 = 16$ , following advice of the Director of Nursing, advising Committee members that she preferred to take a more cautious view, at least until the outcome of the recent CQC inspections was known.
- 2.3 It was acknowledged that a large amount of work would be undertaken during 2022/23 regarding workforce, and it was acknowledged that a third wave of international

recruitment, increase in the maternity workforce, etc. should be reflected in BAF4. A consistent score of  $5 \times 4 = 20$  was noted and agreed for BAF4.

- 2.4 Re BAF8, the Committee agreed the proposed reduction from the residual score of  $4 \times 5 = 20$  to  $4 \times 4 = 16$  for the current score (as of 30 September 2021) be agreed. This was due to the work that had been undertaken, in the main, relating to compliance with CQC recommendations.
- 2.5 Re BAF9, the Committee agreed the proposed increase from the residual score of  $4 \times 4 = 16$  to  $5 \times 4$  for the current score (as of 30 September 2021) be agreed. This was because several of the actions that should have been completed by 30 September 2021, had not. It was hoped that the score could decrease again by the end of the next quarter following completion of outstanding actions.
- 2.6 The Committee agreed that the proposed new risk BAF10, should be added to the Board of Directors' BAF document. Furthermore, in considering the current external environment and the number of external pressures that the Trust would be subjected to in the lead up to, and during winter, the Committee agreed that the current risk score should be reflected as  $5 \times 5 = 25$ . The Committee felt that the Trust would not meet the demands of urgent and care until after the winter period, and this was due to several external factors.

### 3.0 Audit and Risk Assurance Committee

- 3.1 Prior to the ARAC meeting, it had been proposed that a further BAF risk be added to the BAF document, which the Committee was pleased to receive:

“The current configuration and layout of acute services in Shrewsbury and Telford will not support future population needs and will present an increasing risk to the quality and continuity of services.”
- 3.2 In addition, it was proposed that a further risk be added to the BAF relating to the non-delivery of integrated pathways, driven by the ICS and ICP.
- 3.3 In addition, whilst acknowledging the level of discussion that had already taken place regarding the matter, it was suggested that the Board may need to re-visit the decision not to include a specific maternity risk on the BAF, or at least, to ensure that the matter was highlighted again. Whilst it was noted that other risks (primarily BAF1 and BAF2) dealt with issues of patient safety and quality of care, the Board is asked to note section 4.0 of the main report.
- 3.4 The Committee highlighted that many of the deadlines for actions on the BAF were set for completion as of 31 March 2022. It was therefore acknowledged that it was highly unlikely that the current risk scores would reduce to the scores indicated by the Board's risk appetite. It was acknowledged that where this was the case, the actions would need to be carried forward, allocated and monitored by the appropriate board committees after 31 March 2022 once priorities were set.
- 3.5 It was suggested that the gaps in control should be mapped by the Executives to mitigate risks as far as possible.
- 3.6 The Committee was happy to recommend approval of the BAF for Q2 (30 September 2021) to the Board of Directors.

**Annex B: Template showing 'current' risk scores for BAF risks (as of 30 September 2021).**

Risk ID	Risk Title	Inherent risk score 2021.04.01	Risk score at end of Q1	Risk score at end of Q2	Risk score at end of Q3	Risk score at end of Q4	Target risk score - as per risk appetite
BAF1	Poor standards of safety and quality of patient care across the Trust results in incidents of avoidable harm and / or poor clinical	5 x 4 = 20	n/a	4 x 4 = 16	TBD	TBD	3 = SATH has a LOW risk appetite for risks that may compromise safety and the achievement of better outcomes for patients.
BAF2	The Trust is unable to consistently embed a safety culture with evidence of continuous quality improvement and patient experience	5 x 4 = 20	n/a	4 x 4 = 16	TBD	TBD	3 = SATH has a LOW risk appetite for risks that may compromise safety and the achievement of better outcomes for patients.
BAF3	The Trust is unable to attract, develop or retain its workforce in order to deliver outstanding services.	5 x 4 = 20	n/a	4 x 4 = 16	TBD	TBD	6= SATH has a MODERATE risk appetite to explore innovative solutions to future staffing requirements, our ability to retain staff and to ensure that we are an employer of choice.
BAF4	A shortage of workforce capacity and capability leads to deterioration of staff experience, morale, and well-being.	5 x 4 = 20	n/a	5 x 4 = 20	TBD	TBD	6= SATH has a MODERATE risk appetite to explore innovative solutions to future staffing requirements, our ability to retain staff and to ensure that we are an employer of choice.
BAF5	The Trust does not operate within its available resources, leading to financial instability	4 x 5 = 20	n/a	4 x 4 = 16	TBD	TBD	9 = SaTH is open to the HIGH risk appetite required to transform its digital services systems and infrastructure to support better outcomes and experience for our patients and the public.
BAF6	Some parts of the Trust's buildings, infrastructure and environment may not be fit for purpose.	4 x 4 = 16	n/a	4 x 4 = 16	TBD	TBD	9 = SaTH is open to the HIGH risk appetite required to transform its digital services systems and infrastructure to support better outcomes and experience for our patients and the public.
BAF7	The ability to develop, maintain or replace digital systems impacts upon security, functionality and delivery of patient care	4 x 4 = 16	n/a	4 x 4 = 16	TBD	TBD	9 = SaTH is open to the HIGH risk appetite required to transform its digital services systems and infrastructure to support better outcomes and experience for our patients and the public.
BAF8	The Trust cannot fully and consistently meet statutory and / or regulatory healthcare standards.	4 x 5 = 20	n/a	4 x 4 = 16	TBD	TBD	3 = SATH has a LOW risk appetite for risks that may compromise safety and the achievement of better outcomes for patients.
BAF9	The Trust is unable to restore and recover services post-covid to meet the needs of the community / service users	4 x 4 = 16	n/a	5 x 4 = 20	TBD	TBD	3 = SATH has a LOW risk appetite for risks that may compromise safety and the achievement of better outcomes for patients.

BAF10	The Trust is unable to meet the required national urgent and emergency standards.	4 x 5 = 20	n/a	5 x 5 = 25	TBD	TBD	3 = SATH has a LOW risk appetite for risks that may compromise safety and the achievement of better outcomes for patients.
BAF11							
BAF12							
BAF13							

#### Trust Risk Appetite 2021/22

1 to 3	LOW risk
4 to 6	MODERATE risk
8 to 12	HIGH risk
15 - 25	EXTREME risk