

Meeting Title	Board of Directors - Open		
Date	14 July 2022	Agenda item	Bo.7.22.27

## Board Assurance Framework & High Level Risks

Presented by	Laura Parsons, Associate Director of Corporate Governance/Board Secretary		
Author	Executive Directors John Holden, Director of Strategy and Integration/Deputy Chief Executive Laura Parsons, Associate Director of Corporate Governance/Board Secretary		
Lead Director	Mel Pickup, Chief Executive		
Purpose of the paper	This paper provides a profile of risks, controls and assurances related to the delivery of the Trust's strategic objectives		
Key control	Understanding the Board's risk appetite related to the achievement of the Trust's strategic objectives is a key component of the Board Assurance Framework		
Action required	For decision		
Previously discussed at/informed by	Board Assurance Framework: ETM – 4 July 2022 High Level Risk Register and movement log: ETM – 16 May & 4 July 2022, Academies – 25 May & 29 June 2022		
Previously approved at:	Committee/Group	Date	
	N/A		

### Key Options, Issues and Risks

In line with the updated Risk Management Strategy, the Board's role in relation to the Board Assurance Framework (BAF) and High Level Risks is as follows:

- Seek assurance from the Executive Team and Academies that all risks on the High Level Risk Register and BAF are appropriately recognised and recorded, and that all appropriate actions are being taken within appropriate timescales where risks are not appropriately controlled. (NB Where risks relating to a particular strategic objective are not aligned to an Academy, the Board will seek assurance directly from the Executive Team.)

### BAF – Strategic Risk

#### Development of the new BAF template

The Board has overall responsibility for ensuring systems and controls are in place, sufficient to mitigate any significant risks which may threaten the achievement of the organisation's strategic objectives.

The BAF collates information about risk appetite, relevant risks, and assurance, for each of the Trust's five Strategic Objectives. This supports Board members in considering the papers and topics discussed at Board meetings, and informing an overall view about the level of assurance provided.

As Board members are aware, a new BAF has been developed, to simplify the presentation of the information, and clarify the assurances being provided in relation to the achievement of the Trust's strategic objectives. The BAF now only includes risks which are relevant to the attainment of strategic objectives, rather than the "principal risks" used previously which were an amalgamation of the operational risks and were not recorded on Datix or anywhere else.

The format has been developed in line with best practice at other Trusts and with guidance from the Good Governance Institute. Executive and Non Executive members of the Board have also provided helpful feedback and suggestions. A new set of strategic risks has been developed by the lead executive director/s for each strategic objective.

The draft BAF was presented to the Audit Committee on 12 April including an example of the risks relating to strategic objective 5 (partnerships). Whilst the Committee felt that the new BAF was an improvement, it was agreed that the fully populated document would need to be reviewed, and further clarity was required in

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relation to the Academies' role in reviewing the BAF risks, before the Audit Committee could recommend its approval by the Board. The fully populated BAF was considered by the Audit Committee on 24 May, and was recommended for approval by the Board.

Following the approval of the revised BAF template, some supporting documents will be produced including a BAF Process and SOP as recommended by Internal Audit, and an assurance map which will show the sources of assurance in relation to each objective and the forum to which they are presented. BAF reviews will also be added to the Academy work plans (on a bi-monthly basis).

#### BAF – Quarter 1

The BAF as at the end of Quarter 1 is attached for review and approval. It was reviewed and updated by the lead executives, and was reviewed and agreed by the Executive Team on 4 July 2022.

The matters that should be noted by the Board are outlined on the summary page of the BAF (page 1). The risk score has reduced in relation to four risks. There have been no changes to the overall assurance ratings for each objective.

#### High Level Risk Register and Movement Log – Operational Risk

All **operational** risks scoring 15 and above (high level risks) are escalated to the Executive Team Meeting (ETM) on a monthly basis and then to the relevant Academies and the Board.

At its meetings on 16 May and 4 July 2022, ETM considered a summary of all high level risks, aligned to their respective Academies and a movement log showing additions, closures and changes in score, and those risks which had passed their review date.

A summary of ETM's discussions was presented to the Academies on 25 May and 29 June 2022, alongside the risks within their remit (NB due to sickness absence, the high level risks were not fully considered by ETM until 4 July). The Academy chair reports to this Board include details of the matters discussed in relation to high level risks.

The July ETM summary is below. There were no exceptional items requiring escalation to the Board:

#### Ongoing risks

No issues were highlighted or escalated in relation to the ongoing risks.

#### New risks to the High Level Risk Register (HLRR)

ETM noted that three new risks had been added to the HLRR with a score of 15 or over:

- 3779 - There is a risk of the Hysteroscopy service being significantly reduced due to equipment failure – this risk is aligned to the Finance & Performance and Quality & Patient Safety academies.
- 3411 - There is a significant risk to Oncology service delivery due to two consultant vacancies – this risk is aligned to the People and Quality & Patient Safety Academies.
- 3481 - There is a risk that at times the qualified nurse staffing levels on the wards are not to planned staffing numbers reducing the staff ability to care for sick children and volume of children – this risk is aligned to the People Academy.

ETM agreed that the scores of risks 3779 and 3411 would be considered in more detail by the relevant executive lead/s and they were therefore not accepted as high level risks.

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Risk 3481 was accepted as a high level risk.

#### Risks which have changed in score

One risk had reduced in score since the last report:

- 3732 - There is a risk of harm to patients, staff and visitors within planned and un-planned care due to the Trust's inability to maintain safe staffing levels as a result of the sustained Covid-19 pandemic. This risk had reduced from a score of 20 to 16 as sickness absence rates are stabilising, key areas (Theatres and Renal) recruited to with overseas recruits. Support from recruitment company (Just R) with first round of interviews in June 2022.

ETM agreed that the reduction in score was appropriate.

#### Risks which have been removed/closed

Three risks had been closed since the last report:

- Risk 3253 - risk that we may have an increase in cross infection during operative procedures because the ventilation system which currently supplies the Obstetric theatre 2 does not meet the required standard – this risk had been closed because the new theatre build is complete and theatres are in use.
- Risk 3765 - risk that patients who test positive for COVID 19 (on asymptomatic IP testing) may come to harm due to multiple moves and not being looked after within their specialty – this risk had been closed as new guidance has been issued that negates the need for this individual risk. IPC risks are being picked up as business as usual and through the IPC BAF.
- Risk 3357 – risk that we are not fully compliant with revised regulatory requirements for ventilation within theatres leading to an increased risk of infection – this risk had been closed as Maternity have now moved into the new theatres so the risk of inadequate ventilation in this area has been removed. There is still inadequate ventilation across the Trust but the remaining risks are now covered by risk 3627 - Critical Infrastructure risk.

ETM agreed that it was appropriate for these risks to be closed.

#### Risks beyond their review date

There were no risks beyond their review date.

The complete high level risk register (as at 22 June 2022) of all risks scoring 15 and above is attached at Appendix 2, and the movement log is at Appendix 3.

#### **Recommendation**

The Board is asked to confirm whether it is assured that all risks on the High Level Risk Register and BAF are appropriately recognised and recorded, and that all appropriate actions are being taken within appropriate timescales where risks are not appropriately controlled.

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Risk assessment						
Strategic Objective	Appetite (G)					
	Avoid	Minimal	Cautious	Open	Seek	Mature
To provide outstanding care for patients, delivered with kindness				g		
To deliver our financial plan and key performance targets		Finance	g	Performance		
To be one of the best NHS employers, prioritising the health and wellbeing of our people and embracing equality, diversity and inclusion					g	
To be a continually learning organisation and recognised as leaders in research, education and innovation				g		
To collaborate effectively with local and regional partners, to reduce health inequalities and achieve shared goals					g	
The level of risk against each objective should be indicated. Where more than one option is available the level of risk of each option against each element should be indicated by numbering each option and showing numbers in the boxes.	Low		Moderate	High	Significant	
	Risk (*)					
Explanation of variance from Board of Directors Agreed General risk appetite (G)						

Risk Implications	Yes	No
Risk register and/or Board Assurance Framework Amendments		▪
Quality implications		▪
Resource implications		▪
Legal/regulatory implications		▪
Diversity and Inclusion implications		▪

Regulation, Legislation and Compliance relevance
NHS Improvement: Risk assessment framework, quality governance framework, code of governance
Care Quality Commission Domain: well led
Care Quality Commission Fundamental Standard: good governance
Other (please state):

Relevance to other Board of Director's Committee:	
Audit Committee	Other (please state)
▪	Academies