

Board of Directors - Public

14 September 2023

Paper title:	Board Assurance Framework update	Agenda Item 11.0
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Committees where content has been discussed previously	n/a	
Purpose of the paper Please check ONE box only:	<input type="checkbox"/> For approval <input type="checkbox"/> For information <input checked="" type="checkbox"/> For discussion	
Link to Trust Strategic Vision Please check ALL that apply	<input checked="" type="checkbox"/> Providing excellent quality services and seamless access <input checked="" type="checkbox"/> Creating the best place to work <input checked="" type="checkbox"/> Supporting people to live to their fullest potential <input checked="" type="checkbox"/> Financial sustainability, growth and innovation <input checked="" type="checkbox"/> Governance and well-led	
Care Quality Commission domains Please check ALL that apply	<input checked="" type="checkbox"/> Safe <input checked="" type="checkbox"/> Caring <input checked="" type="checkbox"/> Effective <input checked="" type="checkbox"/> Well-Led <input checked="" type="checkbox"/> Responsive	

Purpose of the report
<p>The purpose of this cover paper is to provide an overview of changes and updates to the 2022/23 strategic objectives (SO) and associated risks currently held on the Board Assurance Framework (BAF). The full BAF is also provided along with the Organisational High Risk Report.</p> <p>The report also outlines the proposed changes to how the BAF will be changing over the next reporting period in order to align it to the revised strategic priorities identified in the refreshed better lives, together strategy.</p>

Executive Summary
Existing Process:

The Lead Executive for each strategic objective and any additional in-year ambitions reviews their specific objective(s), ambition(s) and the associated risk(s) and updates the controls and assurances associated with those risks on a monthly basis. Any organisational high risks linked to the BAF strategic objectives are also identified in the BAF summary with relevant narrative where a risk has changed or been archived for the relevant committee to view.

There is one Strategic Objectives aligned to the Trust Board for oversight which is SO4: “Collaborating to drive innovation and transformation, enabling us to deliver against local and national ambitions”.

It is the responsibility of the Lead Executive for each Committee to present the progress towards achievement of each strategic objective to the relevant Committee, and therefore SO4 will be presented in the Private Board meeting by the Director of Integration and Transformation.

Main points to note:

- This month’s reviews focused on:
 - ~ Evaluation of risk controls and assurance against each objective and ambition
 - ~ Progression against actions identified
- There are two changes to overall risk scores or target scores for Board to be aware of this month:
 - ~ SO1:3 Risk scoring has reduced from 3-2 (6) to 3-1 (3) which is the target score. This is to reflect the progress and completion of all associated actions.
 - ~ SO3:2 Risk scoring has reduced from 3-3 (9) to 3-2 (6) which is the target score. This is to reflect the progress and completion of all associated actions, with the exception of one which relates to a review of risk appetite and tolerance, and quality metric reporting to committees which is part of a wider review of the quality dashboard that is due for approval in September 2023.
- The review of SO2 which was scheduled for Q1 will now take place as part of the ‘close down’ of the current BAF and initiation of the new process. This is to ensure that the BAF provides assurance against the strategic people priorities in the refreshed better lives, together and that operational and tactical grip and control is overseen at the appropriate level within the organisation.
- There has been one new high risk added to the Organisational High Risk Report (OHRR) since the last report:
 - ~ **2736** Invoicing delays – monies have not been obtained for work (Review Health Assessments and Initial Health Assessments) undertaken, resulting in likelihood that this cannot be recouped at a time when the

service (Children in Care, Care Leavers and Youth Justice) has a significant overspend.

The OHRR is received by each committee based on the high risks directly related to the individual committee’s work and the full OHRR is scrutinised at the Compliance and Risk Group bi-monthly.

Any organisational high risks linked to the BAF strategic objectives will continue to be identified in the BAF summary with relevant narrative where a risk has changed or been archived.

New process:

Following a refresh of the Trust’s strategy, the organisation will be moving to a revised way of monitoring progress against the new objectives. Each committee has delegated responsibility for being assured as to the progress in achieving specific elements of the strategic ambitions of the Trust.

As part of this, the organisation will be moving to an ‘assurance’ based BAF process, rather than a ‘risk’ based process. Whilst risks and mitigations will be considered, these will be used to produce an ‘assurance’ level against each priority area, with supporting data and narrative which explicitly supports this.

This process will be introduced during September / October Committees and will be presented in full to the Public Board in November 2023.

Do the recommendations in this paper have any impact upon the requirements of the protected groups identified by the Equality Act?

Yes (please set out in your paper what action has been taken to address this)

No

Recommendation(s)

- The Board of Directors is asked to:
- Note the progress made against the Strategic Objectives
 - Note the achievement of target risk score for SO1:3 and 3:2
 - Note the mitigations and controls in place to manage the risks associated with the Strategic Objectives described within the BAF
 - Support the review of SO2 as part of the ‘close down’ of the current BAF and inhiation of the new process
 - Approve the proposed changes to how the BAF is structured and managed

Relationship to the Board Assurance Framework (BAF)

The work contained with this report links to the following strategic risks as identified in the BAF:

<ul style="list-style-type: none"> ☒ SO1: Engaging with our patients, service users and wider community to ensure they are equal partners in care delivery (QSC) ☒ SO2: Prioritising our people, ensuring they have the tools, skills and right environment to be effective leaders with a culture that is open, compassionate, improvement-focused and inclusive culture (WEC) ☒ SO3: Maximising the potential of services to delivery outstanding care to our communities (QSC) ☒ SO4: Collaborating to drive innovation and transformation, enabling us to deliver against local and national ambitions (Board) ☒ SO5: To make effective use of our resources to ensure services are environmentally and financially sustainable and resilient (FBIC) ☒ SO6: To make progress in implementing our digital strategy to support our ambition to become a digital leader in the NHS (FBIC) 	
<p>Links to the Strategic Organisational Risk register (SORR)</p>	<p>The work contained with this report links to the following corporate risks as identified in the SORR:</p> <ul style="list-style-type: none"> • All
<p>Compliance & regulatory implications</p>	<p>The following compliance and regulatory implications have been identified as a result of the work outlined in this report:</p> <ul style="list-style-type: none"> • N/A

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Board Assurance Framework - update

1 Purpose

The purpose of this cover paper is to provide an overview of changes and updates to the 2022/23 strategic objectives (SO) and associated risks currently held on the Board Assurance Framework (BAF). The full BAF is also provided along with the Organisational High Risk Report.

The report also outlines the proposed changes to how the BAF will be changing over the next reporting period in order to align it to the revised strategic priorities identified in the refreshed better lives, together strategy.

2 Update on the content of the current BAF

The Strategic Objectives were reviewed and updated by the Executive Leads at the end of March 2023. Since the last Board report (in July) the following committees received the respective BAF reports:

- Quality & Safety Committee: 20 July 2023
- Workforce and Equality Committee: 20 July 2023
- Finance, Business, Investment Committee: 27 July 2023
- Mental Health Legislation Committee: 27 July 2023

The risk scoring has also been reviewed against all new in year ambitions and is relative to the progress made with addressing the gaps in control contained within each risk area. As these are progressed, they move from the 'gaps' area to being a 'control' in place to manage the risk.

During August the focus of the strategic objective reviews was to further populate and articulate the risk controls and assurance against each objective and ambition and identify the progress against identified actions.

There have been two changes to overall risk scores since the last report. These will be presented and approved at QSC on 19/9/23:

- **SO1(1.3) – Target reduced from 3-2(6) to 3-1(3):**
This is to reflect the progress and completion of all associated actions.
- **SO3(3.2) – Target reduced from 3-3(9) to 3-2(6):**
This is to reflect the progress and completion of all associated actions, with the exception of one which relates to a review of risk appetite and tolerance, and quality metric reporting to committees which is part of a wider review of the quality dashboard that is due for approval in September 2023.

Appendix 1 contains the BAF as it stands at end of August 2023.

3 Development of the BAF - background

Since April 2022, the Board has received a BAF report aligned to the 6 strategic objectives which had been agreed by the Board in previous meetings. The structure of the BAF has been stable since 2020 when it was first developed into its current format. The process for updating and refreshing the BAF has been led by the relevant Executive Directors with responsibility for each element of the strategic objectives, and each Committee and Public Board has received a regular update outlining the strategic risks aligned to each objective, the controls and mitigations in place to manage these risks and the actions underway to reduce these risks.

In July 2023, the Board of Directors approved the refreshed better lives, together strategy. This included revised strategic objectives. In a change from the previous objectives, accountability for seeking assurance for the delivery of these objectives has been delegated to responsible Board committees as described below:

Committee	Strategic Priority	Theme
Finance and Performance Committee	Best Use of Resources	Theme 1: Financial sustainability
		Theme 2: Our environment and workspaces
		Theme 3: Giving back to our communities
	Best Quality Services	Theme 1 - Access & flow (performance perspective)
Quality and Safety Committee	Best Quality Services	Theme 1 - Access & flow (quality perspective)
		Theme 2 – Learning for improvement
		Theme 3 – Improving the experience of people using our services
Workforce and Equality Committee	Best Place to Work	Theme 1 – Looking after our people
		Theme 2 – Belonging in our organisation
		Theme 3 – New ways of working and delivering care
		Theme 4 – Growing for the future
Mental Health Legislation Committee	Best Quality Services	Theme 3 – Improving the experience of people using our services (specifically in relation to restrictive practices)
Board / All	Best Partner	Partnership
Audit Committee	Good Governance	Governance, accountability and effective oversight

4 Changes to the BAF process and implementation plan

As well as changing the BAF so that it aligns to the new priorities and the themes identified within them, it is proposed that the Board moves away from a risk-based approach to managing the delivery of the BAF objectives, to a more positive-assurance based approach.

In order to promote consistency across the Trust, including alignment with the approach of the Internal Audit team, the Trust will use the following definitions to identify the level of assurance that the Trust is making sufficient progress against its strategic priorities

Assurance Level	Definition
High (Strong)	High assurance can be given that there is strong evidence that this ambition is being achieved and is embedded within usual practice. There are examples of outstanding practice and/or innovation in this area which can be evidenced.
Significant (Good)	Significant assurance can be given that there is good evidence that this standard is this ambition is being achieved across the majority of areas / reviews undertaken. Whilst there may be some gaps, these are infrequent and there is evidence these are mitigated / responded to rapidly and appropriately.
Limited (Improvement Required)	Limited assurance can be given as whilst there is evidence that some elements of the ambition are being achieved across some areas, there are areas that require improvement in order to bring them up to the required standard.
Low (Weak)	Low assurance can be given as there is weak or no evidence that the ambitions are being achieved. There are significant gaps with little evidence of effective plans to address and significant works needs to be undertaken to bring these areas up to standard.

What this means in practice is that each Committee will receive a number of key documents which will include an Integrated Strategic Performance Report and Strategic Narrative Report which will directly align to those priority areas delegated to each Committee. Within these reports, informed by Executive oversight of operational grip and control systems, will be a proposed BAF assurance rating for each priority and theme. At the end of each Committee meeting the chair will make a formal decision to either ratify that assurance level or change it, based on the intelligence considered across the entirety of the business of the Committee.

In terms of papers to be received by Board, the revised BAF will form part of a refreshed Integrated Strategic Performance Report and BAF. As well as demonstrating performance against the strategic metrics aligned to each priority, the integrated report will include the ratified assurance level. This will be supported by the identification of the top 3 strategic risks and supporting narrative within each Committee's AAA+D report.

In order to ensure an orderly and safe transition to the new arrangements the proposed process will be:

- BAF papers for Quality & Safety Committee on 19 September and Finance and Performance Committee on 28 September will be in the existing format but will include a section describing the changes being proposed.
- As there is no Mental Health Legislation Committee in October, therefore the meeting on 28 September will use the new BAF and performance dashboard templates, and there will be a paper explaining the changes. This committee does not currently 'own' any strategic objectives so there is no requirement for a BAF 'close down' paper
- Quality & Safety Committee on 19 October will use the new templates and will include a paper 'closing down' the existing BAF
- Workforce and Equality Committee, Audit Committee and Finance and Performance Committee on 26 October will use the new templates. As Audit Committee and Workforce & Equality Committee will not have met before October there will be a paper explaining the changes as well as the new templates and the paper 'closing down' the existing BAF
- The Public Board Meeting on 9 November will receive the new version of the IPR and BAF, plus the new AAA+D papers from all Committees as well as a formal close down of the existing BAF.

6 Recommendations

The Board of Directors is asked to:

- Note the progress made against the Strategic Objectives
- Note the achievement of target risk score for SO1.3 SO3:2
- Note the mitigations and controls in place to manage the risks associated with the Strategic Objectives described within the BAF
- Support the review of SO2 as part of the 'close down' of the current BAF and initiation of the new process
- Approve the proposed changes to how the BAF is structured and managed

Rachel Howitt, Head of Patient Safety, Patient Safety Specialist

01 September 2023