

AGENDA ITEM 11 – BOARD ASSURANCE FRAMEWORK UPDATE
BOARD OF DIRECTORS 7 MARCH 2019

Report title	Board assurance framework and corporate risk register
Report from	David Probert, chief executive
Prepared by	Helen Essex, company secretary
Previously discussed at	Audit committee, management executive and with individual risk owners
Attachments	Board assurance framework
Link to strategic objectives	The board assurance framework links to all eight strategic objectives

Brief summary of report

The Board Assurance Framework (BAF) is the means by which the Board holds itself to account and protects its patients and staff as well as the trust. The Board should also support the creation of a culture which allows the organisation to anticipate and respond to adverse events, unwelcome trends and significant business and clinical opportunities.

The audit and risk committee considers the BAF on a quarterly basis and the board receives a bi-annual highlight report. The format of the BAF has been reviewed and comprises a separate template for each of its risks, allowing a detailed analysis of each risk including mitigating actions, trends and executive commentary. The audit and risk committee seeks assurance from other board committees that the risks relevant to the committee portfolio are effectively monitored and scrutinised. The following risks have been reviewed at committee level:

- Quality & safety committee – risks relating to CQC fundamental standards and learning the lessons (4 December 2018)
- Strategy & commercial committee – risks relating to Oriel and commercial activity (9 January 2019)
- People committee – risks relating to workforce planning and staff engagement (4 December 2018). This committee will review the ‘No deal EU Exit’ risk at its next meeting.
- Finance committee – risks relating to tariff and commissioner turbulence (22 January 2019)

Quality implications

The BAF helps to clarify what risks will compromise the trust’s strategic objectives and should assist the Board in driving its agenda and determining where to make the most efficient use of its resources in order to improve the quality and safety of care.

Financial implications

There are no direct financial implications arising from the paper. Financial risks are detailed within.

Action Required/Recommendation.

The Board is asked to note the board assurance framework and receive it for assurance.

For Assurance	✓	For decision		For discussion		To note	✓
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Board assurance framework report – Qs 3&4 2018/19

1. BAF analysis and summary of changes

All risks have been identified as those that will potentially have a significant impact on the delivery of patient care or the patient and staff experience, the financial sustainability and reputation of the trust or a combination of all of these. The identified areas are those that require the most focus from the Board in terms of scrutiny and provision of assurance from the executive team. Particular attention is also being given to risks that are not wholly within the trust's control to mitigate and a strategy developed as to how to manage external factors.

Central changes to the tariff and market forces factor that have a disproportionate impact on MEH as a single specialty trust – mitigating actions

- Development of new models of care and the work being done in clinical subspecialty workshops to allow the trust to develop a different and modern offer to commissioners. Options for each of the four core services were presented at the strategy away day in October and implementation will be monitored through the trust management committee on a quarterly basis.
- Development of costing is ongoing to allow better understanding of the financial performance of each service. Assurance will be provided through the finance committee, and a board level presentation will be scheduled once the costing model is more mature.
- Modelling of tariff reductions is now included in all business cases considered and approved by the trust management committee.

Delivery of our long-term plan for a new centre for research, education and clinical care – mitigating actions

- The delivery of the outline business case and project plan continues to be monitored through the capital scrutiny committee and the board. The next milestone is the delivery of the OBC in June 2019 and this will partly be informed by the outcome of the public consultation. Although this consultation is being led by the CCG, the work done by the trust so far has been presented to both the board and membership council to provide assurance.

The ability to retain a 'good' CQC rating and continue to meet the highest clinical standards – mitigating actions

- The CQC inspection took place in November and December 2018 and the final outcome report is awaited. The trust was fully engaged with CQC inspectors throughout the process and all data requests were submitted on time.
- Initial informal feedback was largely positive.

Increased commissioner turbulence – mitigating actions

- Regular meetings are held with commissioners and these are reported through clinical governance (for CQRG) and management executive when escalation is required.
- An appropriate customer relationship management process based on the mapping done as part of the communications strategy is still to be done.
- The trust will use legal processes where appropriate although it is preferred that a more informal and flexible approach can be taken in order to make the most effective use of public funds.
- The committee agreed that the risk could be combined with the risk relating to tariff and MFF for the next quarterly report.

Consistent and effective staff engagement – mitigating actions

- The management executive has approved its approach and response to the staff survey which will focus on three to four key themes over a longer period as opposed to developing an annual action plan.

- Three leadership development sessions took place with all staff with managerial responsibility invited to attend in order to engage with a good cross section of staff across bands and disciplines. These sessions will continue over the next year.
- The people committee received an update on progress with equality, diversity and human rights and a strategy to strengthen the trust's approach in this area.
- Leadership visibility is a key priority for the executive team and although a lot of work has been done in this area the approach needs to be sustained. A further programme of walkabouts has been scheduled following TMC approval. Non-executive director visits are scheduled on a more ad-hoc basis but with a plan for all sites to be visited at least annually.

Robust workforce planning – mitigating actions

- The draft workforce strategy was presented to the board in February and will come back for final sign off following staff consultation in April.
- Workforce planning has been fully integrated into the business planning process this year.
- The recommendations from internal audit on consultant job planning are in progress and subject to detailed discussion at the audit and risk committee.

Learning the lessons from incidents and addressing poor clinical practice – mitigating actions

- Although there are a number of ways that lessons learned are disseminated it was acknowledged that a more systematic process would ensure better and consistent discipline of process across all network sites.
- The clinical audit plan and agendas for service-specific half days have been planned for the year.
- Service specific learning from incidents is distributed to training directors for each service to present at service teaching events.
- Quality and safety newsletters have been developed for each division.
- Dissemination of 'learning of the week' will commence.
- This will be completed through the clinical governance committee, reporting in to the quality and safety committee.

The impact of a 'no deal' EU exit – mitigating actions

- An executive lead has been identified and is working with the emergency planning lead in relation to operational guidance issued by the centre.
- The trust continues to work with staff on the potential impact of EU withdrawal.
- Clarity is awaited from the centre as to what the deal will comprise.

The executive team has reviewed the BAF and is satisfied that there are no additional risks that require escalation to the board in this quarter.

A number of risks will be revised for the next quarterly report due in April 2019 and a summary of those changes will be presented to the board in September 2019.