

REPORT TO THE BOARD OF DIRECTORS: PUBLIC
22 July 2021

Title	Board Assurance Framework (BAF)
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Purpose of the report

<p>The purpose of this report is to:</p> <ul style="list-style-type: none"> • Provide the Board with assurance of the ongoing use of the BAF and the governance arrangements in place • Note the year end position for the BAF for 2020-2021 • Approve the BAF risks for 2021-2022.
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Summary of key issues

<ul style="list-style-type: none"> • BAF for 2020-2021 included eight potential risks that align with the Trust’s strategic priorities; the year end position and Trust’s approach to risk management is reported in detail in annual governance statement included in the Trust’s annual report for 2020-2021 • The Board reviewed the BAF risks for 2021-2022 at a Board Development Session on 24 June 2021 and agreed the proposed amendments to the risk wordings and also that there should be an additional risk relating to the Trust’s commissioning role (risk 9) • A review of the controls, mitigations and risk scoring for all BAF risks is being led by the Chief Nurse and Director of Corporate Governance, and discussions will be held with the individual lead Executives as well as with the Executive Team as a whole • The BAF is also being considered as part of the wider governance framework review including the underpinning systems and process, information flow, etc to provide clarity, consistency and assurance • The intention is to introduce a revised BAF reporting template in the autumn which will provide context, alignment and cross-referencing to other risks, trajectories, use of data, etc with a continued focus on QI, coproduction and leadership • The lead Board committees will continue to review and discuss at each meeting the controls and assurance for each of their assigned BAF risks including the actions identified to address gaps • The intention is for the programme of deep dives into the key risks that may affect the achievement of the Trust’s strategic priorities will continue at the Audit Committee.

Strategic priorities this paper supports

Improved experience of care	<input checked="" type="checkbox"/>	The principle risks identified within the Risk Management and Board Assurance Frameworks all relate to all four strategic priorities
Improved staff experience	<input checked="" type="checkbox"/>	
Improved population health outcomes	<input checked="" type="checkbox"/>	
Improved value	<input checked="" type="checkbox"/>	

Implications

Equality Analysis	This report has not been impact assessed. The BAF contains risks that are relevant to equalities
Risk and Assurance	The BAF, and ongoing development of the Risk Management Framework and its underlying processes, are designed to enable the Trust to more effectively manage its key risks, and therefore better support the achievement of the Trust’s strategic priorities
Service User/Carer/Staff	Risks are identified in relation to the Trust’s strategic priorities
Financial	There are no financial implications associated with this report. The treatment of specific risks may have financial implications, which are processed in line with the Trust’s financial procedures

Quality	The BAF contains risks that are related to, or have implications for, the quality of services provided
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Supporting Documents and Research Material

n/a

1.0 Background/Introduction

- 1.1 The BAF provides a comprehensive method for the effective management of the potential risks that may prevent the achievement of the Trust's strategic priorities. It provides information about strategic risk management and identifies gaps in controls and assurance with associated actions to reduce gaps and improve assurance.

2.0 Board Assurance Framework 2020-2021

- 2.1 The BAF for 2020-2021 included eight principal risks that align with the Trust's strategic priorities. These risks are underpinned with detailed controls and assurance.
- 2.2 During 2020 /2021, Trusts found themselves working in an unprecedented time. The COVID-19 pandemic and Government driven lock-downs swept across the country with a significant impact on our staff, our services users, our services and our finances.
- 2.3 The risks on the BAF were therefore reviewed in the light of the crisis and the Trust's response. Consideration was taken of the impact of the crisis, the actions identified/being undertaken to manage the risk and address the gap, if additional controls were needed and any recommended changes (including rationale) to the target and current risk scores. The Board made the decision not to include a specific risk relating to COVID-19 recognising that the pandemic impacted on the achievement of all our strategic objectives, and individual risks on the BAF were updated accordingly.
- 2.4 The BAF has remained visible throughout the financial year and has been presented at each of the public Board meetings held during 2020-2021. The year-end position is summarised below and the Trust's approach to risk management is reported in detail in annual governance statement included in the Trust's annual report for 2020-2021.

3.0 Oversight of the Board Assurance Framework by the Audit Committee

- 3.1 The Audit Committee has responsibility for ensuring that the Trust has good risk management processes in place, which operate effectively. This includes responsibility for monitoring the BAF.
- 3.2 The role of the Audit Committee is to:
- Review the Risk Management Framework in general, in order to ensure that the risk identification and management process is functioning appropriately. The Committee will also consider any comments or recommendations from internal and external audit to improve the framework
 - Monitor that committees have regularly reviewed their risks
 - Approve any recommendations to add or remove risks
 - Recommend that other committees seek further assurance when required (i.e. if a risk rating is deteriorating, or not improving over a sustained period of time).

3.3 To avoid duplication, the Audit Committee does not discuss in detail any risks which are the responsibility of other committees, but makes recommendations to those committees if this is felt to be required.

3.4 During 2020-2021 the Audit Committee considered the BAF at each of its meetings and in addition continued with its programme of deep dives into BAF risks.

4.0 Board Assurance Framework 2020-2021 Year-end Position

4.1 The key risks to the delivery of the Trust's strategic objectives have remained consistent during the year with no risks escalated to or removed from the BAF.

4.2 Not unexpectedly and as a consequence of the pandemic, by year end only one risk on the BAF met its target score and there were four significant risks:

- **Risk 5:** If the Trust does not effectively attract, retain and look after staff wellbeing, there will be an impact on the Trust's ability to deliver the Trust's strategy – **Significant 16**
- **Risk 6:** If issues affecting staff experience and equalities are not addressed there may be issues around staff morale and engagement – **Significant 16**
- **Risk 7:** If behavioural and culture changes are not embedded, the new approach to value and financial sustainability may result in resorting to previous methods of delivering efficiency savings – **Significant 16**
- **Risk 8:** If infrastructure plans are not well implemented and adopted, services will be impacted, waste and the Trust's carbon footprint will not be reduced and in year financial benefits and service SLAs may not be delivered. This includes physical infrastructure, buildings and suitability of all the elements of digital infrastructure – **Significant 25.**

4.3 A summary of the year end position is attached at appendix 1.

5.0 Board Assurance Framework 2021-2022

5.1 The BAF risks for 2021-2022 were reviewed by the Board at its development session on 24 June 2021. The Board supported that the eight risks should be carried forward to 2021-2022 with a few amendments to the risk wording and agreed that an additional risk relating to the Trust's commissioning role (risk 9) should be included.

5.2 At this session, the Board was advised that the Trust's governance framework is being reviewed to ensure it remains fit for purpose and in particular to ensure there are appropriate, robust and effective underpinning systems and process, and committee structure. The review will also focus on the information flow between committees and to Board, ensuring there is clarity, consistency and appropriate assurance. This review is part of a governance development plan which will be presented to the Audit Committee at its meeting in September 2021.

5.3 The BAF is a 'living' document and matures, develops and adjusts as required to ensure it remains current, meaningful and accessible. The BAF may therefore need to be adjusted once the refreshed strategy is published.

5.4 The BAF continues to reflect that the Trust has been and is continuing to work in unprecedented time. The Covid-19 pandemic and Government driven lock-downs, including the introduction of the new tier system at the end of 2020, has had a significant impact on our staff, our services users, our services and our finances. All BAF risks have therefore continue to be reviewed in the light of the Covid-19 crisis and the Trust's response, and consideration has been taken of:

- The impact of the crisis

- The actions being undertaken to manage/mitigate the risk and address the gap
- If additional controls are needed
- How assurance will be provided
- Any recommended changes (including rationale) to target and current risk scores.

5.5 The BAF will also reflect the following challenges and issues:

- Workforce including agency
- Service demands and impact on access/waiting times
- Infrastructure requirements: digital/estates adapting to COVID/new ways of working
- Digital: increased importance of cyber security in a digital world
- Financial viability: given austerity
- COVID: continued impact/new variants
- Equalities: impact of COVID/wider social factors linked to and exposed by COVID

And with a continued focus on:

- Leadership/clinical leadership
- Quality Improvement
- Coproduction.

5.6 The review of the BAF will also include ways in which it can be strengthened.

- New review approach: Although each risk has an Executive lead, it is important to recognise that there is shared ownership across the team. Regular discussions will be held at the Executive Team meetings on a monthly basis to ensure there is alignment and cross referencing of risks
- Consideration is being given to ensure a consistent approach to risk scoring through independent oversight
- New template: The intention is to introduce a revised BAF reporting template that provides context, alignment and cross-referencing to other risks. It will capture relevant mitigations and controls with a focus on both preventative and mitigating actions, as well as the consistent use of data and graphs to show progress against trajectories. It is planned that the new template will be used from the autumn and discussions will be held with all committee chairs prior to this.

6.0 Board Assurance Framework Update

6.1 A summary of the BAF as at 1 July 2021 is attached at appendix 2. This is based on the risks carried forward from 2020/2021, amendments to risk wordings including the additional risk (risk 9) as agreed by the Board at its development session on 24 June 2021.

5 Action Being Requested

5.1 The Committee is asked to:

- **RECEIVE and DISCUSS** the contents of this report
- **AGREE** the BAF risks for 2021/2022
- **AGREE** that appropriate controls are in place and operating effectively.

Appendix 1: BAF 2020-2021

Risk No	BAF 2020-2021 Risk Description	Lead Committee	2020-2021					20/21 Risk Target
			Final Risk Score 19/20	Risk Score Q1	Risk Score Q2	Risk Score Q3	Risk Score Q4	
1	If the Trust does not anticipate, and proactively respond to, external changes, including factors outside the Trust's control, then the Trust may fail to deliver in its strategy, including our population health, quality and value strategic objectives, and key associated transformation plans	Trust Board	12	12	12	12	12	8
2	If the Trust does not anticipate, and proactively respond to, external changes, including factors outside the Trust's control, then the Trust may fail to deliver in its strategy, including our population health, quality and value strategic objectives, and key associated transformation plans	Trust Board	12	12	12	12	12	8
3	If the Trust does not effectively work with patients and local communities in the planning and delivery of care, services may not meet the needs of local communities	Quality Assurance Committee	12	12	12	12	12	8
4	If essential standards of quality and safety are not maintained, this may result in the provision of sub-optimal care and increases the risk of harm	Quality Assurance Committee	20	20	20	20	12	12
5	If the Trust does not effectively plan for, attract and retain the right numbers and skills of staff required, there will be an impact on the Trust's ability to deliver safe, high quality integrated care	Appointment & Remuneration Committee	12	12	12	16	16	9
6	If issues affecting staff experience, health and wellbeing and equalities are not addressed there will be a high turn over of staff as well as staff burnout	Appointment & Remuneration Committee	9	16	16	16	16	9
7	If behavioural and culture changes are not embedded, the new approach to value and financial sustainability may result in resorting to previous methods of delivering efficiency savings	Finance, Business & Investment Committee	15	25	20	20	16	9
8	If the adoption of supporting plans is not embedded to aid waste reduction, in year financial benefits may not be delivered. This includes infrastructure, people and directorate plans	Finance, Business & Investment Committee	10	25	25	25	25	8

Appendix 2: BAF as at 1 July 2021

Potential Risk	Actions Overview	Risk Score (consequence x likelihood)		Exec Lead	Lead Committee
		Current	Target		
Strategic Priority 1: Improved population health					
<p>Risk 1 If the Trust does not build and sustain the right organisational capability and capacity this may impact adversely on our ability to deliver our strategic objective to improve population health and integrated care</p>	<ul style="list-style-type: none"> Established new Board committee (Integrated Care and Commissioning Committee) to receive assurance on population health strategy delivery, how to maximise new mechanisms (new models of care, primary care) to improve population health, keep under review impact of integrated care and ICSs Actions being taken to mitigate the risk focus on service model development, workforce, system leadership, digital/informatics and internal governance Range of service model developments including partnership with Marmot team at Institute for Health Equity; decision making framework for population health priorities; delivery of a national community mental health transformation programme; place-based integration of Trust provided services across mental health, community health and primary care, children and adults; and clear offer for primary care networks across mental and community health Workforce: development of integrated care competencies System leadership: developing system leadership capacity in local leadership teams; developing public health and commissioning capability Digital/informatics: developing shared care records and population health management capability 	<p>High 12 Major 4 x Possible 3</p>	<p>High 8 Major 4 x Unlikely 2</p>	Executive Director of Integrated Care	Integrated Care & Commissioning Committee
<p>Risk 2 If the Trust does not build and sustain effective partnerships with other health, care, voluntary sector and other key organisations, this may impact adversely on our ability to deliver the Trust strategy</p>	<ul style="list-style-type: none"> Trust is working flexibly in response to the differences in each system Current strategic issues include the recent NHS Bill, and the mobilisation of ICS establishment programmes in the ICSs Actions being taken to mitigate the risk focus on participation in ICSs and borough/place-based systems, developing relationships with key influencers, refreshing the Trust strategy, and internal governance Participating in borough/place based systems including working with local authority, general practice and other partners at place to deliver integrated services that meet the needs and aspirations of our populations; and working with place based partners to develop place based infrastructure to deliver integrated care in the context of the ICS infrastructure development Developing relationships with key influencers Refreshing the Trust strategy 	<p>High 12 Major 4 x Possible 3</p>	<p>High 8 Major 4 x Unlikely 2</p>	Executive Director of Integrated Care	Integrated Care & Commissioning Committee

Potential Risk	Actions Overview	Risk Score (consequence x likelihood)		Exec Lead	Lead Committee
		Current	Target		
Risk 9 If the Trust does not effectively manage its commissioning responsibilities and associated risks as a <i>lead provider or lead commissioner</i> , this will impact on the quality and experience of care for service users and patients	<ul style="list-style-type: none"> Implemented clear structures of accountability and operational management The medical director and service director for the CAMHS New Models of Care report to the responsible Executive A commissioning support unit has been developed to ensure adequate management span for the process Systems of assurance and engagement developed with partner commissioners as well as providers has been initiated Co-production and service user leadership has been embraced by all partners A renewed clinical strategy being developed A strategic needs assessment has been commissioned for the whole CAMHS pathway and work is underway to develop a single plan across the system for service development 				
Strategic Priority 2: Improved patient experience					
Risk 3 If the Trust does not listen to, work and co-produce with service users, carers and communities, this may impact adversely on our service users and carer experience	<ul style="list-style-type: none"> Good progress in growing peer support across the Trust, expanding into primary care and perinatal – training accreditation achieved Service user led accreditation process continues to roll out across the Trust and is now online Revised process for use of 'Dialog' as an inpatient care plan tool being piloted Developing a patient experience dashboard to triangulate various data sources within the Trust Enhancing staff with recent appointments including people participation leads for digital, community services transformation, communications and peer support workers Leading on standardising people participation work across NEL Peer befriending service developed and rolled out Continuing to take forward initiatives to address digital inequalities 	High 12 Major 4 x Possible 3	High 8 Major 4 x Unlikely 2	Chief Executive	People Participation Committee

Potential Risk	Actions Overview	Risk Score (consequence x likelihood)		Exec Lead	Lead Committee
		Current	Target		
<p>Risk 4: If essential standards of quality and safety are not maintained, this may result in the provision of sub-optimal care and increases the risk of harm</p>	<ul style="list-style-type: none"> Ongoing work and support to Newham Centre of Mental Health inpatient improvement plan Responding to continued increasing demands in operational services with the increase of mental health referrals to adult services and in CAMHS Plans in place to address waiting times and access Continued focus and progress with CQC preparedness with Board and directorates; external mock interviews held and feedback shared with Board Commenced procurement for well-led review Continued focus – including thematic review and remedial action – on the increase in violence and aggression in some wards 	<p>High 12 Moderate 3 x Likely 4</p>	<p>High 12 Major 4 x Possible 3</p>	Chief Nurse	Quality Assurance Committee
Strategic Priority 3: Improved staff experience					
<p>Risk 5 If the Trust fails to effectively plan for, recruit and retain people with the right skills, this may adversely impact on the Trust's ability to deliver the Trust's strategy</p>	<ul style="list-style-type: none"> Emphasis on supporting people and teams in the Trust due to continued stresses and pressures on staff as a result of Covid Working group established to review risk assessment process, guidance and issues under review Infection control protocols continuing to keep staff and service users safe Future of Work Group been re-established to focus on remote working Stat/man training remains virtual with exception of PMVA for new starters Trust induction now online and local induction programmes launched Continue to run streamlined recruitment processes to expedite rapid recruitment DBS checks and pre-employment checks are remote in accordance with Government guidance 	<p>Significant 16 Major 4 x Likely 4</p>	<p>High 9 Moderate 3 x Possible 3</p>	Executive Director of People & Culture	Appointments & Remuneration Committee
<p>Risk 6 If issues affecting staff experience are not effectively addressed, this will adversely impact on staff motivation, engagement and satisfaction</p>	<ul style="list-style-type: none"> WRES and WDES submissions being prepared Emphasis on Race and Privilege work and risk assessment/shielders inc wellbeing checks Vitamin D as requested by BAME network has been made available to all staff and take up is positive Satisfactorily addressed issues regarding sub-contractors pay and reviewing impact of any unintended consequences that the uplifts may have caused Increase in the number of employee relations cases, whistleblowing cases and employment tribunals. Working with staffside to take a pragmatic approach in respect of ER cases; where possible informal resolutions sought Reverse mentoring programme established: Board undertaken reverse mentees training and two cohorts of training for reverse mentors held 	<p>Significant 16 Major 4 x Likely 4</p>	<p>High 9 Moderate 3 x Possible 3</p>	Executive Director of People & Culture	Appointments & Remuneration Committee

Potential Risk	Actions Overview	Risk Score (consequence x likelihood)		Exec Lead	Lead Committee
		Current	Target		
Strategic Priority 4: Improved value					
Risk 7 If the Trust's approach to value and financial sustainability are not embedded, this may impact on the achievement of the Trust's financial, service delivery and operational plans	<ul style="list-style-type: none"> Planning guidance for the first six months of 2021/22 includes an efficiency requirement of 0.28%; anticipated this is achievable. Clarity around the efficiency requirement for the second six months is yet to be confirmed but is expected this will return to more 'normal levels' FV programme will be more heavily loaded towards the second part of the financial year; a number of plans for 2021/22 already developed FV programme has continued throughout the pandemic period and is incorporated into the annual planning cycle this year, to ensure that it remains a focus of the Trust's work A number of new FV plans emerged from necessary service redesign as a result of the pandemic; work continues to understand the longer term impact of new ways of working on the Trust's FV programme Working with service users and staff to understand impact of service changes and waste reduction Continued focus on embedding infrastructure to support the required behavioural and culture changes, e.g. value section on the intranet and a tailored learning system for QI teams whose projects focus on value 	Significant 16 Major x 4 Almost Certain 4	High 9 Catastrophic 3 x Possible 3	Chief Finance Officer and Chief Nurse	Finance, Business & Investment Committee
Risk 8 If the Trust fails to implement and embed infrastructure plans including digital and estates, this will adversely impact on our service quality and delivery, patient care and carer experience, and our ability to transform services in line with our aspiration to be a leader in both of our ICSS	<ul style="list-style-type: none"> Digital strategy approved by the Board in March 2021; will enable improvements in investment into skills, and maturity of the digital function Digital and building infrastructure being reviewed by internal teams and external partners; remediation plan for the highest areas of risk underway Cyber security: increased significance and focus in this area given the dependence on digital as the main platform to deliver services with older style technology. Established dedicated funded cyber remediation resources including recruiting expert team and purchasing tools/partnerships Digital governance arrangements reviewed; new framework established The benefits realisation workstream is being incepted to begin identifying the benefits and driving through the delivery of these, including carbon footprint reductions (links to BAF 7) which are linked to the Virtual Desktop Infrastructure (VDI) programme 	Significant 25 Catastrophic 5 x Almost Certain 5	High 8 Major 4 x Unlikely 2	Chief Digital Officer	Finance, Business & Investment Committee

