

**Board Assurance Framework (BAF) - August 2021**

<b>Meeting</b>	Board of Directors		
<b>Date</b>	04/08/2021	<b>Agenda item</b>	10
<b>Lead Director</b>	Alison Hughes, Director of Corporate Affairs		
<b>Author(s)</b>	Karen Lees, Head of Corporate Governance		
<b>Action required</b> (please tick the appropriate box)			
<b>To Approve</b> <input checked="" type="checkbox"/>		<b>To Discuss</b> <input type="checkbox"/>	<b>To Assure</b> <input checked="" type="checkbox"/>
<b>Purpose</b>			
<p>The purpose of this paper is to seek approval from the Board of Directors on the strategic risks for 2020-21 managed through the Board Assurance Framework, as recommended by the sub-committees of the Board and following the informal board session on 7 July 2021</p>			
<b>Executive Summary</b>			
<p>The Board has in place a full Board Assurance Framework which is reviewed annually to reflect the strategic priorities of the Trust.</p> <p>During 2020-21 the BAF was focused on the NHS response to the COVID-19 pandemic and remained visible through bi-monthly Board of Director meetings.</p> <p>During June and July 2021 each committee of the Board has discussed the relevant strategic risks aligned to the duties and responsibilities of the committee. On 7 July 2021, the Board of Directors met in informal session to develop the strategic risks and discuss risk ratings, risk appetite and mitigations, outcomes and gaps.</p> <p>This work has resulted in the recommendation of 11 strategic risks, as detailed in appendix 1 for Board approval.</p> <p>Of the 11 strategic risks there is one with a current risk rating of RR16 - <i>Inability to restore NHS services inclusively with the aim of protecting the most vulnerable people in our communities.</i> This is being monitored through the Quality &amp; Safety Committee.</p> <p>Each of the committees of the Board have the BAF as a standing agenda item on their bi-monthly agendas, and this work is focused on monitoring and agreeing the following;</p> <ul style="list-style-type: none"> <li>- Risk mitigations (based on processes and structures in place across the Trust)</li> <li>- Outcomes and trajectories to determine risk reduction</li> <li>- Target risk ratings</li> <li>- Gaps in mitigations</li> <li>- Cumulative impact of organisational risks as reported through Risk Reports</li> <li>- Any new or emerging strategic risks to escalate to the Board of Directors</li> </ul> <p>The Board of Directors will receive a report at each meeting and the BAF will drive the board agenda.</p>			
<b>Risks and opportunities:</b>			
<p>The BAF records the principal risks that could impact on the Trust's ability in achieving its strategic objectives. Therefore, failure to correctly develop and maintain the BAF could lead to the Trust not being able to achieve its strategic objectives or its statutory obligations.</p>			

There are opportunities through the effective development and use of the BAF, to enhance the delivery of the Trust's strategic objectives and effectively mitigate the impact of the principal risks contained within the BAF.

**Quality/inclusion considerations:**

Quality Impact Assessment completed and attached  No

Equality Impact Assessment completed and attached  No

The quality impact assessments and equality impact assessments are undertaken through the work streams that underpin the BAF.

**Financial/resource implications:**

Any financial or resources implications are detailed in the BAF for each risk.

**Trust Strategic Objectives**

Please select the top three Trust Strategic Objectives that this report relates to, from the drop-down boxes below.

<input type="checkbox"/> Our Populations - outstanding, safe care every time	<input type="checkbox"/> Our People - enhancing staff development	<input type="checkbox"/> Our Performance - increase efficiency of all services
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**Board of Directors is asked to consider the following action**

- To approve the strategic risks as described in appendix 1.

**Report history**

Submitted to	Date	Brief summary of outcome
Board of Directors	14/04/21	The Board of Directors received the year-end position for all strategic risks in the BAF. An update was also provided on the recommendations from the annual Assurance Framework Review with an agreed to provide greater oversight of the relevant risks at the committees of the Board.
Board of Directors	09/06/21	The Board of Directors <ul style="list-style-type: none"> <li>- was assured of the review and focus on principal risks at the committees of the Board</li> <li>- received the summary of risk themes for 2021-22 as determined by the committees</li> <li>- was assured of the process to finalise these through the committees and the Informal Board session in July 2021</li> </ul>
Informal Board	07/07/21	All members of the Board participated in a series of workshops to define risk descriptions, discuss risk ratings, risk appetite and mitigations, outcomes and gaps for referral back to committees.

## Principal risks for 2021-22 as recommended by sub-committees of the Board and discussed at informal board

The table below describes the current position in relation to the risk descriptions, risk appetite and current risk ratings for approval by the Board of Directors.

Work is on-going with all sub-committees of the board to determine the outcomes and gaps in assurance.

Principal Risk Description	Committee oversight	Consequence	Link to Work Plan 2021-22	Current risk rating (LxC)	Risk Appetite
ID01 Failure to restore and evolve community services safely and responsively to reflect the needs of the population as we move out of the pandemic and understand its impact better	Quality & Safety Committee	<ul style="list-style-type: none"> <li>Poor experience of care resulting in deterioration and poor health and care outcomes</li> </ul>	Safe Care & Support every time	3 x 3 (9)	Averse
ID02 Inability to restore NHS services inclusively with the aim of protecting the most vulnerable people in our communities	Quality & Safety Committee	<ul style="list-style-type: none"> <li>Inequity of access and experience and outcomes for all groups in our community resulting in exacerbation of health inequalities</li> </ul>	Engaged Populations  Safe Care & Support every time	4 x 4 (16)	Averse
ID03 Non-compliance with statutory, regulatory and professional standards	Quality & Safety Committee	<ul style="list-style-type: none"> <li>Harm to people</li> <li>Reputational damage and lack of public confidence</li> </ul>	Engaged Populations  Effective & Innovative  Safe Care & Support every time	2 x 4 (8)	Averse
ID04 The right partnerships are not developed and maintained to support the success of Provider Collaboratives within the place where the Trust	Finance & Performance Committee	<ul style="list-style-type: none"> <li>Poor service user access, experience and outcomes</li> </ul>	Align the Trust's structure with	3 x 2 (6)	Cautious

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operates i.e. Wirral and other (e.g. St Helens, Mid-Cheshire)		<ul style="list-style-type: none"> <li>Non-compliance with Duty to Collaborate</li> <li>Negative reputational impact across ICPs and in wider ICS</li> <li>Poor contract performance - financial implications (Trust and system)</li> </ul>	current national policy		
ID05 Future system funding regime negatively impacts on system and Trust financial position and sustainability	Finance & Performance Committee	<ul style="list-style-type: none"> <li>Financial sustainability impact</li> <li>Negative reputational impact</li> </ul>	Align the Trust's structure with current national policy	3 x 3 (9)	Cautious
ID06 IM&T infrastructure fails to maintain effective cyber defences affecting Trust security and reputation	Finance & Performance Committee	<ul style="list-style-type: none"> <li>Cyber attack</li> <li>Negative reputational impact</li> <li>IG breaches - loss of data</li> <li>Regulatory action</li> <li>Financial</li> </ul>	Ensure core infrastructure is performant, resilient and complies with relevant cyber standards	3 x 3 (9)	Averse
ID07 Our people's health, wellbeing and morale are significantly affected by the long-term impact of the pandemic combined with the demands arising from reset and recovery and significant transformation.	Education & Workforce Committee	<ul style="list-style-type: none"> <li>Increase in sickness absence levels, lack of availability of staff, reduced staff engagement</li> <li>reputation impact leading to poor health and care outcomes</li> <li>Poor staff survey results</li> </ul>	Wellbeing & Recovery	3 x 4 (12)	Cautious
ID08 Lack of collaboration across the ICP ( <i>health &amp; social care providers</i> ) to implement an effective and complimentary workforce plan resulting in modern, agile, integrated working practices not being established	Education & Workforce Committee	<ul style="list-style-type: none"> <li>Increase in sickness absence levels, lack of availability of staff, reduced staff engagement, reputation impact leading to poor health and care outcomes</li> </ul>	Transformation of the organisation	3 x 4 (12)	Cautious

Principal Risk Description	Committee oversight	Consequence	Link to Work Plan 2021-22	Current risk rating (LxC)	Risk Appetite
		<ul style="list-style-type: none"> <li>Poor staff survey results</li> <li>Poor staff retention</li> <li>Inability to attract new workforce</li> </ul>			
ID09 The Trust's Inclusion intentions are not delivered; the workforce is not representative of its communities and people are not able to thrive as employees of our Trust	Education & Workforce Committee	<ul style="list-style-type: none"> <li>Poor outcomes for the people working in the Trust</li> <li>Poor working environment for staff</li> <li>Failure to meet the requirements of the Equality Act 2010</li> </ul>	Culture	3 x 3 (9)	Averse
ID10 High staff turnover creating gaps in service provision	Education & Workforce Committee	<ul style="list-style-type: none"> <li>Poor staff retention</li> <li>Inability to attract and recruit appropriately skilled staff</li> <li>Low staff morale</li> </ul>	Develop Capability and Talent	3 x 3 (9)	Averse
ID11 The Trust's corporate governance does not remain effective in providing a framework for the Trust's business, within the developing governance framework of the system	Board of Directors	<ul style="list-style-type: none"> <li>Poor quality or slow decisions are made</li> <li>Poor reputation and losing appropriate influence in the system</li> </ul>	All	(2x4) 8	Open

<b>Averse</b>	Prepared to accept only the very lowest levels of risk
<b>Cautious</b>	Willing to accept some low risks
<b>Moderate</b>	Tending always towards exposure to only modest levels of risk
<b>Open</b>	Prepared to consider all delivery options even when there are elevated levels of associated risk
<b>Adventurous</b>	Eager to seek original/pioneering delivery options and accept associated substantial risk levels

