



TRUST BOARD
29 SEPTEMBER 2022

AGENDA ITEM NUMBER	19.1	
TITLE OF PAPER	Board Assurance Framework	
Confidential	NO	
Suitable for public access	YES	
PLEASE DETAIL BELOW THE OTHER SUB-COMMITTEE(S), MEETINGS THIS PAPER HAS BEEN VIEWED		
Modern Healthcare Committee, People Committee, Quality of Care Committee – September 2022 Strategic Change Committee in July 2022.		
<u>STRATEGIC OBJECTIVE(S):</u>		
Quality of Care	✓	
People	✓	
Modern Healthcare	✓	
Digital	✓	
Collaborate	✓	
EXECUTIVE SUMMARY		
<p>The Board Assurance Framework (BAF) is comprised of 17 strategic risks for which each of the respective Board sub-committees have oversight, and these are reviewed at each meeting as a standing agenda item. Further to this, the BAF is submitted to both the Audit and Risk Committee and Trust Board for assurance and oversight.</p> <p>Following review and discussion at the Board sub-committees in July/September, there are two agreed changes to risk scores:</p> <p>Risk 3.2 - Critical Systems Maintenance and Replacement: has reduced from 12 to 9 and;</p> <p>Risk 5.1 - Internal strategic risk of failure to deliver the strategy: increased from 12 to 16.</p> <p>The rationale for each is included in the report.</p> <p>The Board receives a BAF update at each meeting, however, regular oversight and detailed scrutiny of the BAF is undertaken at each Audit and Risk Committee, in order to provide assurance to the Board that the risks are being effectively managed.</p>		

SPECIFIC ISSUES CHECKLIST:	
Quality and safety	
Patient impact	
Employee	
Other stakeholder	
Equality & diversity	
Finance	
Legal	
AUTHOR	Sal Maughan, Associate Director of Corporate Affairs & Governance
PRESENTED BY	Julie Smith, Chief Executive
DATE	21 September 2022
BOARD ACTION	The Board is asked to RECEIVE the report.

1. Board Assurance Framework (Strategic Risks)

1.1 Introduction

This report is intended to provide an overview of the current Board assurance Framework including any changes to the strategic risks following review at each sub-board committee throughout the reporting period. Detailed scrutiny of the risks is undertaken by the Audit and Risk Committee and is supported by a regular, rotational deep dive into each strategic risk at each meeting.

2. Strategic Objectives

This section provides a summary of the rationale for each risk score as agreed by the most recent Board sub-committees. The detailed risks can be found at Appendix 1.

2.1 Quality of Care

There is no agreed change for risk 1.1, to reflect the continued risks associated with implementation of Surrey Safe Care (SSC) and the need for significant system stabilisation. Extracting data from SSC is also affecting the ability to report on key Quality Priorities and visibility of operational performance.

For risk 1.1a, the score is maintained due to the unpredictability of Covid in the community, SSC stabilisation and impact on visibility and reporting, some of the challenging IPC NHS contract targets and antimicrobial compliance is challenged. Estates planned improvements for theatres which will positively impact this risk in relation to surgical site infections, is currently behind the planned schedule.

For risk 1.2, the score remains unchanged, whilst awaiting SSC stabilisation, and the impact on patient experience. Complaints performance is currently not supportive of a good patient experience as they are currently experiencing delays.

2.2 Modern Healthcare

The financial strategic risk (2.1) remains significant with the 2022/23 plan forecasting a £12m deficit, despite a £17m cost improvement programme. Significant risks remain around both delivery of this and on how to reduce the deficit further.

With regard to back log maintenance (2.2), the risk remains high and as referred to in my previous report there are currently plans underway to address this backlog as well as to commence more proactive maintenance planning going forward.

There has been no change on the strategic risk in relation to operational / constitutional standards (2.3) with the Surrey Safe Care launch having led to additional impacts on our recovery progress, hence likelihood and consequence delivery risks remain significant. In addition there is no change to the internal efficiency risk (2.4); whilst this has been improving we may still not achieve or exceed previous levels in line with national expectations. The Surrey Safe Care go-live has also impacted this in the short term.

There is currently no change to risk 2.5 whilst we await further feedback on the 2022/23 financial plans following the Surrey Heartlands financial plan submission in June and the subsequent challenge sessions.

2.3 Digital

With regard to the Surrey Safe Care implementation, the first digital strategic risk (3.1) has been reframed to reflect that the system has now been implemented and that the risk going forward will relate to benefits realisation. The second SSC related risk (3.1a) has been closed as this was a risk directly related to implementation, which has now passed.

The score for risk 3.2 has been downgraded to reflect the fact that the PAS hardware aspect of this risk is now closed following SSC implementation. However, the risk remains given that the overall reliance on the technical infrastructure has significantly increased now that Surrey Safe Care is live; this in turn requires several systems to be working smoothly to support SSC, i.e. smartcard, integration engine, wifi, network, printers (hardware & software), and bedside devices.

The cyber security risks remain unchanged following consideration of the KPIs at the closed Digital Committee.

2.4 People

With regard to the first People risk (4.1) around workforce modelling, there is no change proposed although much work is underway to further mitigate this risk: The Nursing Establishment Review is a good start regarding workforce modelling and this is mitigating and moving things in the right direction. Rostering is also helping us to do this. However, the demand continues to increase, and the overlay of outsourcing and insourcing isn't considered, hence workforce gaps can worsen when this factor is included. Further work is needed to accurately model all workforce and the multidisciplinary team, and to remain fluid for winter pressures, surges, or future demand. We are currently piloting self-rostering using Rotageek in some of the therapy areas this autumn.

Risk 4.2 relates to recruitment and retention and remains unchanged as the current establishment does not meet current demand for services evidenced by escalation capacity staffed via temporary staffing. There are high levels of vacancies in some areas (AHPs, Pharmacy, Radiology); although some recruitment progress has been made.

The final People risk (4.3) relates to staff engagement and morale (having encompassed a recently closed risk around staff resilience). The score remains unchanged and is reflective of recent feedback through employee surveys, whistleblowing, Freedom to speak up concerns and CQC inspection. The staff survey data 2021 showed an improvement in health and wellbeing and staff engagement scores remain at or above the national average. We are concerned, however, about morale as a consequence of pay negotiations, leading to potential industrial action, and general dissatisfaction with recognition and reward strategies.

2.5 Collaborate

Following a long discussion of the wider impact of the Surrey Safe Care implementation, the Strategic Change Committee agreed to increase the current score for risk 5.1 given the stabilisation programme is being supported by the QI team which in turn has reduced capacity for transformation and QI - this change was expected to be to be short term.

3. Risk Profile

The current risk profile is presented below following consideration at Board sub-committees. There are currently 17 strategic risks on the BAF (detailed risks at Appendix 1) each are aligned to a strategic objective and oversight of the risks and the associated KPIs is undertaken by each Board sub-committee (Appendix 2). The current scores for the strategic risks and tolerable or 'target' risk scores are summarised in Fig 1 & 2:

Fig 1: Strategic Risk Map

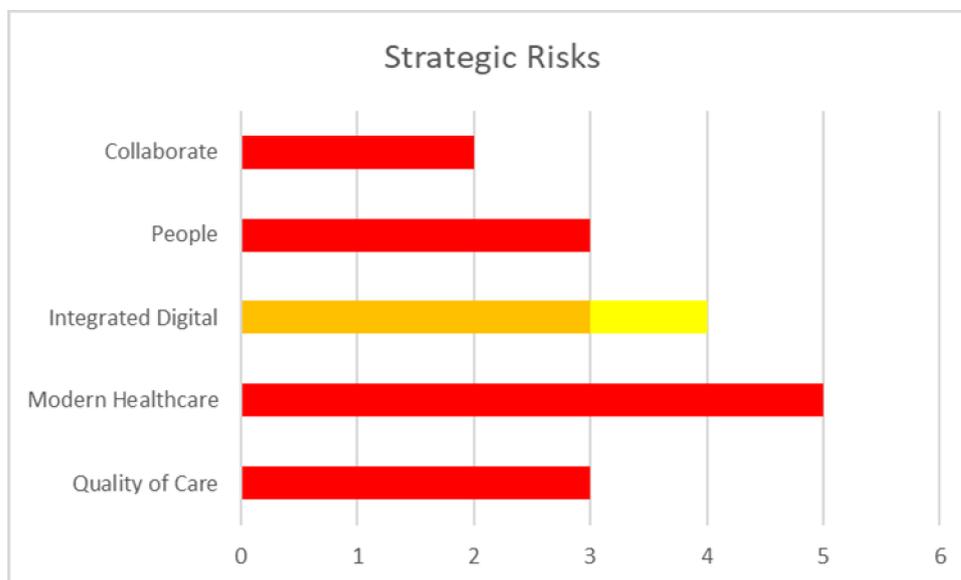
Impact	Likelihood				
	1 Rare	2 Unlikely	3 Possible	4 Likely	5 Almost Certain
5 Catastrophic					
4 Major			2	6	7
3 Moderate			1		
2 Minor			1		
1 Negligible					

Fig 2: Tolerable Risk Map

Impact	Likelihood				
	1 Rare	2 Unlikely	3 Possible	4 Likely	5 Almost Certain
5 Catastrophic					
4 Major					
3 Moderate		6	6		
2 Minor		5			
1 Negligible					

The Trust's current risk profile continues to be significantly changed from its position in March 2020 prior to the Covid pandemic. It is accepted, that because of the current operating environment, several strategic risks may continue to score more highly. The current risk scores by strategic objective are detailed in Fig 3.

Fig 3: Risk scores by strategic objective



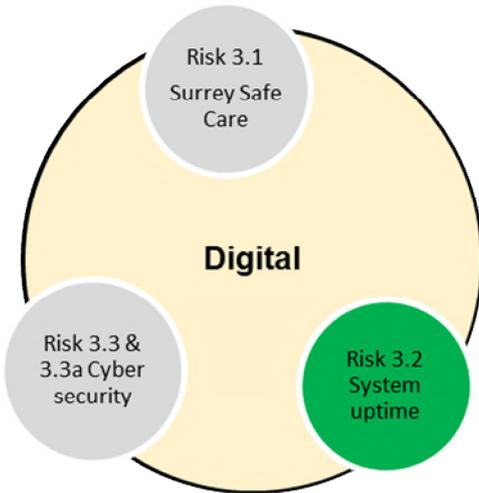
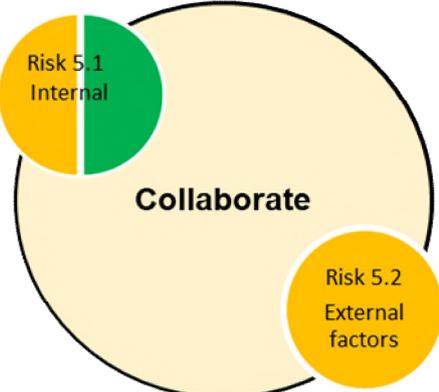
3.1 Strategic Risks - KPI Dashboard

The Strategic KPI Dashboard provides an update on progress against key performance indicators (KPIs).

As part of the Trust response to the Well Led external review a programme of work has been commenced to undertake a further detailed review of the KPIs intended to both identify and capture indicators of future risk, also ensuring alignment with both the Executives' and corporate objectives. As such the suite of KPIs below is evolving and will be subject to change in future reports.

Fig 4 – KPIs

Summary of Key Performance Indicators by Strategic Objective		Risk Score
	<p>KPIs – Risk 1.1 - Two new KPIs*</p> <p>Harms free care: 4 Green relate to falls and Cat 2 pressure ulcers. Clinical effectiveness: Hospital deaths initial review within 2 days (15.9% vs target 95%) and Structured judgement reviews (0%) <i>Emergency admissions seen by a Consultant within 14 hours (NEW) 81.5% vs target 90%</i> <i>Ongoing daily Consultant directed review documented 71.9% vs target 90%</i></p>	L5x C4 (20)
	<p>KPIs – Risk 1.1a Infection control</p> <p>IPC (9) Green: Avoidable cases of Klebsiella, MRSA, MSSA bacteraemia (ytd) & Hand hygiene audits Trust average (93% vs target 80%) Surgical Site Infection KPIs (10) all above target – red.</p>	L4xC4 (16)
	<p>KPIs - Risk 1.2</p> <p>Patient Experience (9): 4 Red - relate to complaints and Patient feedback via viewpoint. Amber (4) FFT response rates , PALS response within 5 working days Green - Reduce incidents, complaints and PALS related to patient discharge by 20%</p>	L4 x C4 (16)
	<p>KPIs Risk 2.1– (Finance) – KPIs recently refreshed</p> <p>The Trust is £0.5m behind plan YTD against the NHSI control total although currently flagging as green Temporary staffing reductions and ERF trajectory are red.</p>	Risk 2.1 L5x C4 (20)
	<p>KPIs Risk 2.2 (Estates) - KPIs require further refinement</p> <p>£5.4m spent vs £6.6m plan – Amber Backlog maintenance currently flagging as green but requires adjustment to reflect current challenges</p>	Risk 2.2 L5x C4 (20)
	<p>KPIs Risk 2.3 (Operational)</p> <p>August 2022 – all red</p>	Risk 2.3 L5 x C4 (20)
	<p>KPI Risk 2.4 (Efficiency/ effectiveness)</p> <p>No KPI data available Sept MHC</p>	Risk 2.4 L5 x C4 (20)
	<p>KPIs Risk 2.5 (External impact)</p> <p>SH distance from target (revenue plan) - Green Trust distance from target (capital plan) ERF Trajectory against 104% of 19/20 activity target - grey</p>	Risk 2.5 L5 x C4 (20)

	KPI Risk 3.1 (Surrey Safe Care Programme – benefits realisation) Benefits Plan Progress Report – not yet reported	L3 x C4 (12)
	KPI Risk 3.2 (Critical Systems) Critical system uptime: Green	L3 x C3 (9) ↓
	KPI Risk 3.3 (Known Cyber security risk) KPI performance is reported to Closed Integrated Digital Committee (IDC) and via minutes to Closed Trust Board.	L3 x C2 (6)
	KPI Risk 3.3a (Unknown Cyber security risk) KPI performance is reported to Closed Integrated Digital Committee (IDC) and via minutes to Closed Trust Board	L3 x C4 (12)
	KPIs Risk 4.1 (Modelling workforce requirements) Amber relates to the increasing use of Bank and Agency to respond to latest operational pressures, SSC and new ways in which we are caring for patients	L4 x C4 (16)
	KPIs Risk 4.2 (Recruitment & retention) Two red KPIs relate to labour turnover and number of leavers compared to number of starters. Amber KPI is stability at 86.1% vs target of 89%. Ratio of Established Posts: Unestablished Posts or % of Unestablished Post – data not available	L4 x C4 (16)
	KPIs Risk 4.3 (Staff engagement & experience) Amber: Appraisals – improving position at 79% September '22 Staff uptake of benefits is narrowly missing target and is the second Amber. Retire and return target to be confirmed at next Committee meeting	L4 x C4 (16)
	KPI Risk 5.1 – (Delivering the strategy) Aggregated reporting through CEO Report - Amber Governance: Attendance at each SCC meeting – Green	L4 x C4 (16)
	KPI Risk 5.2 (External factors) Proportion of services deemed sustainable – service resilience metric developed and regular reporting in place: Amber Percentage of positive results from annual stakeholder survey: Amber	L5 x C4 (20)

Targets met in the period
Some targets met – exception in report
Targets not met
KPIs in development or not yet reported
Closed or completed

Appendix 1 – BAF Overview

Risk		Initial Rating	Post mitigation			Direction	Rationale for change	Risk Appetite Level
			Proximity	March 2020	Current Score			
1. Quality of Care								
1.1	Inability to deliver against key Quality Improvement Priorities and thereby reduce the incidence of repeated and/or avoidable harm to patients from medication errors, episodes of poor care, and avoidable mortality, due to insufficient capacity and capability.		Imminent	16	L5x C4 (20)	↔	No change proposed	Low ↔
1.1a	Inability to achieve the North Star objective to end health and care acquired infections (and associated harm) for the team, patients, and the community, due to insufficient capacity and capability.		Med		L4xC4 (16)	↔	No change proposed	Low -
1.2	Inability to improve and achieve outstanding patient experience, through an inability to harness and optimise learning from patient and family feedback, due to insufficient capacity and capability.		Med	20	L4 x C4 (16)	↔	No change proposed	Low ↔
2. Modern Healthcare								
2.1	Inability to live within the financial framework allocations due to emergency activity pressures, combined with the requirements to restore elective work, undertake or outsource additional activity, & given existing staffing constraints.		Med	12	L5 x C4 (20)	↔	No change proposed	Moderate ↓

2.2	A failure to maintain the Trust's physical environment and clinical infrastructure, may lead to clinical pathway difficulties, deteriorating patient and staff experience, patient safety, and health and safety risks.		Long	9	L5 x C4 (20)	↔	No change proposed	High ↔
2.3	A failure to deliver constitutional and operational targets leading to increased patient waits, poor patient experience, delayed clinical decision making, increased patient safety risks, increased outsourcing or activity and corresponding loss in productivity / efficiency.		Imminent	12	L5 x C4 (20)	↔	No change proposed	High ↔
2.4	Loss of internal efficiency / effectiveness / productivity levels due to staffing constraints or Covid-19 (whether from social distancing requirements, infection control or operational arrangements which in turn impact on supply/demand for services).		Imminent	16	L5 x C4 (20)	↔	No change proposed	High ↔
2.5	Potential external impacts from the Surrey Heartlands ICS overall financial, activity level, & waiting list positions as well as requirements for mutual aid.		Imminent	12	L5 x C4 (20)	↔	No change proposed	Moderate ↓

3. Digital

3.1	Updated description: There is a risk that the anticipated outcomes to improve quality and safety and to avoid clinical risk, both integral to the Trust strategy, may be compromised if the Surrey Safe Care programme is not appropriately embedded (adoption) and with the anticipated exploitation of the invested resource (performance)		Med	12	L3 x C4 (12)	↔	No change proposed	High ↔
3.2	Critical Systems Maintenance and Replacement: Failure of key IT systems could lead to issues of patient safety, experience or quality risks, or process delays.		Imminent	12	L3 x C3 (9)	↓	Risk score reduced following SSC implementation as closure of PAS aspect of risk.	High ↔
3.3	Known Cyber security and data protection breaches could threaten the provision of IT systems, leading to issues of patient safety, experience or quality risks, or process delays.		Med	12	L3 x C2 (6)	↔	No change proposed	Moderate ↔

3.3a	Unknown cyber security and data protection breaches could threaten the provision of IT systems, leading to issues of patient safety, experience or quality risks, or process delays.		Med		L3 x C4 (12)	↔	No change proposed	Moderate ↔
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4. People

4.1	Inability to accurately model workforce requirements, may result in failure to align workforce supply, to meet current and future acuity and demand, resulting in a misalignment with both the service requirement and/or the financial plan		Med	9	L4 x C4 (16)	↔	No change proposed	Low ↔
4.2	Unable to staff to current and future demand resulting in a negative staff and patient experience.		Med	9	L4 x C4 (16)	↔	No change proposed	Low ↔
4.3	Individuals and teams do not feel listened to, empowered and valued resulting in a negative impact on staff and patient experience		Long	12	L4 x C4 (16)	↔	No change proposed	Moderate ↔

5. Collaborate

5.1	Internal strategic risk: There is a risk that the benefits of the Trust strategy are not delivered. This is caused by a lack of capacity and/or oversight and would result in the desired effect and intended benefits of the strategy not being achieved or that sustainability of patient care becomes significantly challenged.		Long	16	L4 x C4 (16)	↑	Likelihood score increased at the Committee on 28 th July to reflect the current focus on Surrey Safe Care stabilisation, although this is anticipated to be short term.	High ↔
5.2	External strategic risk: There is a risk to delivery of the Trust current strategy. This is caused by ineffective or insufficient focus on stakeholder management or by external factors such as decisions taken by national, ICS, ICP which may not correspond or may adversely impact delivery our objectives or undermine our service sustainability.		Imminent	12	L5 x C4 (20)	↔	No change to risk score proposed.	Significant ↔

NPSA Scoring Matrix

	Likelihood				
Likelihood score	1	2	3	4	5
	Rare	Unlikely	Possible	Likely	Almost certain
5 Catastrophic	5	10	15	20	25
4 Major	4	8	12	16	20
3 Moderate	3	6	9	12	15
2 Minor	2	4	6	8	10
1 Negligible	1	2	3	4	5