

Board of Directors

Thursday, 31 January 2019

Report Title:	Transitional Board Assurance Framework
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Previously considered by:	BAF by Trust Executive, CRR by Executive Risk Oversight Group

Approval
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Executive summary

Purpose

- **The Board Assurance Framework (BAF)** sets out the strategic objectives for the organisation, identifies risks in relation to each strategic objective along with the controls in place and assurances available on their operation. The BAF is used to drive the board and assurance committee agendas.
- **The Corporate Risk Register (CRR)** is the corporate high level operational risk register used as a tool for managing risks and monitoring actions and plans against them. Used correctly it demonstrates that an effective risk management approach is in operation within the Trust.
- ESNEFT is in the process of developing a new strategy, following which a new ESNEFT BAF will be developed. In the meantime, a transitional BAF has been developed, linked to the objectives in the Post-Transaction Implementation Programme (PTIP) and based on the legacy risks from the Colchester Hospital and Ipswich Hospital Board Assurance Frameworks and the risks in the PTIP. These risks have been reviewed and challenged by the risk owners and the Trust Executive and are presented here for the board's attention.
- ESNEFT continues to use the 5x5 risk assessment matrix, assessing each risk for impact (1-low; to 5-catastrophic) and likelihood (1-rare; to 5-almost certain) and the BAF template used by both previous Trusts.

BAF

There are 17 risks in the BAF, of which 8 are red, as follows. The narrative has been updated to reflect the most recent assurance activity and to reflect Board Assurance committee discussions, as appropriate.

Risk	Risk Score
If we do not have in place effective organisational management, then we may not be able to fully mitigate the variance and volatility in financial performance against the plan leading to failure to deliver the control total, impact on cash flow and long-term sustainability as a going concern	20
If we do not establish systematic processes for identifying, measuring and delivering cost improvement opportunities and leveraging transformational change, then we will not deliver the cost improvement programme in the financial year or create long term opportunities for sustainability, which may lead to failure to deliver the control total, impact on cash flow and long-term sustainability as a going concern	20
If we do not fully engage our staff on the improvement journey, then they may fail to make a positive contribution to change, which may limit the sustainability of improvements made	16
If we do not have in place robust processes for the recording of activity, then we may have inaccuracies for clinical use and reporting of activity, which may lead to information gaps regarding patient diagnostics, care and treatments, tracking of patient pathways and coding inaccuracies (impacting on our external data submissions e.g. contract reporting, HSMR and regulatory submission)	16
If we do not transform the Pathology Services, then we may fail to achieve quality	15

and cost improvements leading to suboptimal service impacting on patient care and relationship with our partners	
If we do not have sufficient nursing staff on duty then there may be delayed or rushed care for patients that may lead to poor patient experience, potential clinical harm, delays in patient flow and poor job satisfaction.	15
If we do not transform through strategy and its delivery then we will be unable to achieve long term sustainability leading to further regulatory intervention	15
If activity growth exceeds capacity assumptions based on the 2018/19 contract and legacy issues are not addressed, then we may not have sufficient capacity to assess and treat people in a timely manner affecting system resilience and internal efficiencies, patient safety and delivery of contractual performance (4 hour standard, RTT 18 weeks, cancer and diagnostics within 6 weeks	15
If growth in elective demand exceeds planned levels of activity or unexpected reductions in available capacity within the Trust, then there will be a growth in waiting times creating potential risk to patients	12
If investment to support IT strategy delivery is not available then there could be delay to the delivery of enabling programmes of work to support the delivery of the Trust Strategy.	12
If we do not have sufficient medical staff on duty then there may be inconsistent medical management for patients that may lead to poor patient experience, potential clinical harm, deterioration in outcomes, delays in patient flow and poor job satisfaction.	12
If site wide redevelopment of the Ipswich hospital estate does not occur then some parts of the estate may become unfit for purpose, which may impact on the delivery of our clinical strategy.	12
If we fail to implement a combined strategy for integration with alliance partners then we will not deliver the STP ambitions to limit growth in acute activity.	12
If we fail to continually develop a skilled and competent workforce, we may not equip our teams with the necessary skills, knowledge and capability to undertake their current and emerging roles.	12
If we are not able to respond effectively to potential IT disruptive outage / incident, then there will be delays on clinical and corporate services operational and transformational delivery.	12
If we do not have in place appropriate EPRR to business disruption then there may be unplanned disruption to clinical and corporate services for up to 12 – 24 hours which may lead to patient care being suboptimal.	9
If we do not have a robust premises assurance model and associated evidence for both sites the Trust may not be compliant with legislative requirements that give rise to regulatory sanctions including potential financial implications.	9

Corporate Risk Register

There are 14 risks in the Corporate Risk Register with a current score of 12 and above, of which three are red, as follows:

Risk	Risk Score
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If we do not have sufficient nursing/AHP staff on duty, this will result in delayed care, omissions in care or rushed care for patients, which will lead to poor patient experience, potential clinical harm, delays in patient flow and prolonged length of stay. This may also have a negative impact on staff morale and job satisfaction	16
If we fail to screen patients for sepsis or fail to implement sepsis 6 bundle, sepsis may go undetected and untreated and could lead to unnecessary deaths and long term co-morbidities for survivors	16
Ageing EBME multi-tone system no longer supported and no longer fit for purpose and difficult to maintain could result in system failure, bleep signals not getting through, clinicians/security not notified of emergency and could lead to harm to patients due to clinicians being unable to respond sufficiently rapidly	15
If there is a lack of investment on delivery of IT strategy, this will result in limitations or delays in the delivery of the Trust's enabling programme of work, and may have an impact on delivery of the Trust's strategic objectives such as maximising use of resources and efficiency of service models/patient pathways and embracing new ideas to deliver new, technology-enabled financially viable ways of working	12
If we are not able to respond effectively to potential IT disruptive outage/incidents, the effect will be delays/disruptions on clinical and corporate systems, which could impact on operational and transformational service delivery	12
A failure to have sufficient clinical coding capacity due to high vacancy levels and the inability to attract temporary staffing may lead to insufficient resources to manage normal operations, increase of backlog of uncoded episodes, decrease in accuracy and depth of coding, impact on HSMR reporting, loss of Trust income through incorrect coding or missed deadlines, poor staff morale, retention and high levels of staff sickness	12
Insufficient substantive workforce in place to safely support ward areas as outlined in the 92% bed occupancy plan for 2018/19 may result in clinical harm, delays in patient flow, rising financial costs due to agency costs and poor staff experience	12
Out of date fire compartmentation drawings and overdue compartmentation surveying resulting in the Trust being unsighted on penetrations and breaches in compartmentations that have occurred since the last survey and being unable to predict fire compartmentation effectiveness across the site	12
If we do not have in place information systems with validated information, then we will be unable to populate a CQC provider information request within the required 3 week's notice period and comply with the request, which may lead to regulatory sanctions	12
Absence of up to date estates strategy and site development control plan and failure to identify inappropriate projects and failing to report/react before it's too late may result in changes to the estate that are inconsistent with the Trust's clinical strategy, do not provide value for money, do not meet required standards including legislation (H&S, HTMs etc) and involve non-standard items that may be difficult/expensive to maintain, resulting in corrective costs, risk of non-compliance, injury, death by failure to meet relevant standards	12
Business as usual requirements restricting ability of finance team to develop requirements of the organisation for business intelligence reporting, leading to lower development of BI reporting than expected and reduced development of new reporting and availability of reports across the sites	12
High risk of skilled staff turnover (loss of key staff) in Finance could result in reductions in capacity affecting delivery of support to operational teams and development of new reporting.	12
Merged organisation and cross site working along with the general trend for access to information and data available anytime anywhere to enable better decision-making may result in increased demands for complex development resulting in decreased development in other areas along with risk to national reporting of mandatory databases	12
Delays in development of shared warehouse/data lake of information from the legacy systems causes a risk to delivery of data and information to operational teams across the Trust, resulting in increased time and effort required to respond to specific data requests, provide additional support and develop new reports for the organisation and may lead to increased workload and stress for the finance department and team and slower information to operational teams	12
Action Required of the Board of Directors	

The Trust Board is asked to note the BAF and CRR risks listed above.

Board Committees are encouraged to update their assurance maps and forward plans with the above risks so as to ensure that their forward plans are reflective of the principal strategic risks to the Trust.

Link to Strategic Objectives (SO)		Please tick
SO1	Improve quality and patient outcomes	<input checked="" type="checkbox"/>
SO2	Provide better value for money	<input checked="" type="checkbox"/>
SO3	Sustain and improve access to services that meet the needs of the population	<input checked="" type="checkbox"/>
SO4	Deliver a sustainable, skilled workforce	<input checked="" type="checkbox"/>
Risk Implications for the Trust (<i>including any clinical and financial consequences</i>)		If we do not have effective risk management arrangements, we may fail to predict, plan and prepare for potential threats to the organisation's objectives and this may jeopardise their delivery
Trust Risk Appetite		Compliance/Regulatory: The board has a minimal risk appetite when it comes to compliance with regulatory issues. It will meet laws, regulations and standards unless there is strong evidence or argument to challenge them
Legal and regulatory implications (<i>including links to CQC outcomes, Monitor, inspections, audits, etc</i>)		Risk Management is part of the Well-led Framework for assessing the effectiveness of Boards of Directors and is audited annually as part of the internal audit programme, to inform the Head of Internal Audit Opinion and the Annual Governance Statement made by the Chief Executive
Financial Implications		None noted
Equality and Diversity		None noted