

# DRAFT Board Assurance Framework

November 2018



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# 1. Executive summary

## Purpose

The Board Assurance Framework (BAF) forms a part of the overall risk management and assurance process of the Trust and allows the Board to maintain oversight of the principal risks to delivery of the Trust's strategic objectives. BAF risks have been mapped to the Trust's strategic objectives and BAF reporting is managed through the DATIX system and risks are escalated through the relevant Trust Committee structures.

Action plans for BAF risks are reviewed on a monthly basis are captured within the Trusts' Datix reporting system. Risk target and risk appetite is reviewed at Committee level. A draft Committee Summary report is included at item 2.

Executive Directors review open BAF risks on a monthly basis and the BAF risks

are brought to Trust Committees for review on a quarterly basis. The BAF tracker which includes the long term trend for each BAF risk is attached at Appendix A (above Appetite) and B (within Appetite).

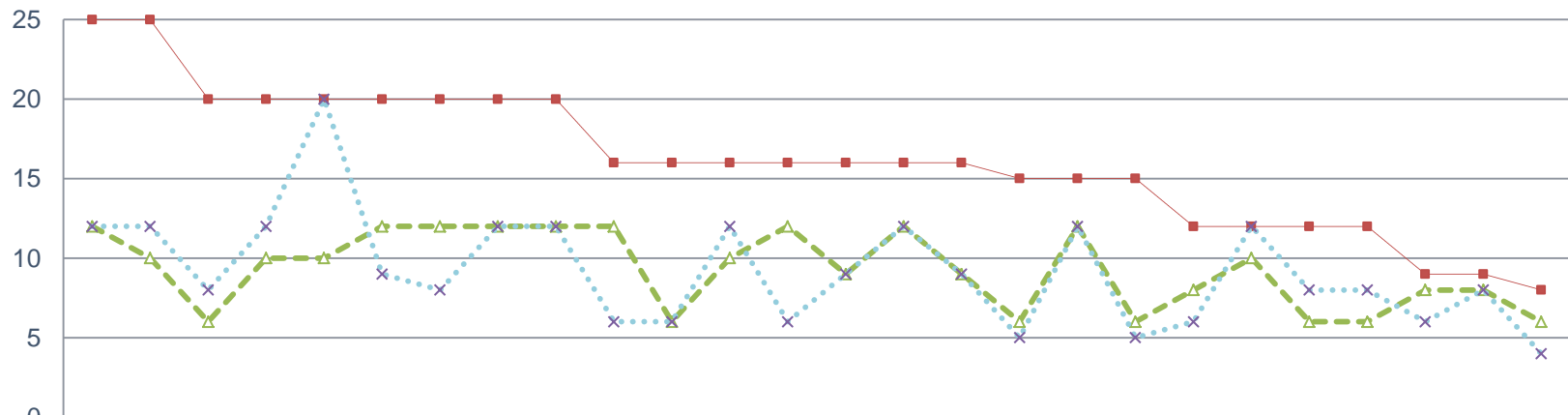
## Headlines

Twenty six BAF risks have a Residual Risk Rating above the Risk Appetite set by the Trust.

## Recommendation

The Board are requested to note the BAF tracker and approve draft reporting structure.

## Risks Above Appetite



BAF ID	836	869	742	833	835	837	841	843	865	678	690	871	1695	1853	1854	1929	744	866	1511	730	868	1114	1787	684	1162	675
Residual Risk Rating	25	25	20	20	20	20	20	20	20	16	16	16	16	16	16	16	15	15	15	12	12	12	12	9	9	8
Risk Appetite	12	10	6	10	10	12	12	12	12	12	6	10	12	9	12	9	6	12	6	8	10	6	6	8	8	6
Target RR	12	12	8	12	20	9	8	12	12	6	6	12	6	9	12	9	5	12	5	6	12	8	8	6	8	4

# 2 Committee Risks Above Appetite (EXAMPLE/ DRAFT REPORT)



Board Assurance Framework November 2018 Monthly Report November 2018  
Performance Committee: Chair David Hughes: ED Lead Roy Clarke

Risks Above Appetite					Assurance level*			
No.	Description of Risk	Status		Change	Key Actions / Mitigation	Assurance level*		
		P	C			1	2	3
836	If the trust does not meet growth targets then this will lead to lower income/cash levels but no reductions in cost levels so a higher level of deficit is made.	25	25	●	Activity recovery plan in place and linked to this risk.	x	x	x
869	If the activity and capacity assumptions are not valid for the Theatres and Cath Labs then the consequence increased costs due to the operating areas being under utilised.	20	25	●	Detailed capacity model & plans in place. Activity recovery plan in place.	x	x	x
833	If the activity within the contract base for 18/19 is not achieved, then the Trust will significantly increase its deficit as the fixed costs are incurred.	20	20	●	Activity review by service. Activity recovery plan in place	x	x	x
835	If cost control measures are not heightened then the current cost base is unsustainable contributing to an ongoing deficit.	20	20	●	Monthly performance reviews with budget managers.	x	x	x
837	If the case mix changes towards loss making procedures, then the overall profitability changes which will cause an I&E and cash pressure	20	20	●	Clinical Vision & Strategy planning includes finance and activity analysis	x	x	x
841	If the Trust does not have a Board approved CIP programme of projects that extends beyond 18/19 then the likelihood of transformational change and savings is greatly reduced.	20	20	●	Fortnightly meetings with all relevant departments and directorates for New CIP planning	x	x	x
843	If the Trust does not meet its CIP targets it then causes short term I&E and cash pressure and it also widens the gap to being able to afford for the Unitary Payment in 18/19	20	20	●	The trust is about to start planning for next years CIP programme 2019/20.	x	x	x
865	IF the activity transfers from CUH as part of the Transition and Local Health Economy work are not profitable THEN the deficit level will be increased	20	20	●	Finance plans being developed for each service to be transferred	x	x	x
678	IF the Trust failures to meet its RTT trajectory and cancer waiting targets THEN this will result in a poor patient experience, could damage its reputation and reduce its income.	16	16	●	RTT meetings held three times a week. Additional capacity has been put in place. Cancer reporting changes in PIPR.	x	x	x
871	If higher occupancy levels cannot be achieved in the New Hospital then the throughput of patients will be lower resulting in lower activity and income.	16	16	●	Capacity plans remain outstanding	x	x	x
1853	If turnover does not reduce turnover to target the Trust will lose key skills, reduce levels of experience in the workforce, incur additional costs in the form of recruitment costs & temporary staffing spend, see a reduction in staff engagement and satisfaction and be unable to maintain safe staffing levels and achieve activity levels.	16	16	●	Turnover volatile with 2 year average of around 20%. Consultation processes have concluded for the majority of staff with no significant increase in turnover	x	x	x
1854	If the Trust is unable to attract and recruit staff to meet its workforce plan, it will be unable to ensure safe staffing levels, maintain levels of activity required by the Capacity and Demand plan, achieve the levels of income required by the Financial Improvement Plan contain pay spend within budgeted levels and staff engagement and retention will be negatively impacted.	16	16	●	Recruitment challenges relating to specific staff groups continue. Plans in PIPR detailing actions across staff groups.	x	x	x
866	If current ways of working are taken into the new hospital without review then the chance for more efficient ways of working are not taken.	15	15	●	Workforce planning reflects new ways of working. Will move to target RR once Operational plan agreed	x	x	x
868	If the target length of stay assumptions are not met then a lower level of activity will be accommodated in the New Hospital leading to a lower level of income.	12	12	●	Demand and capacity modelling undertaken.	x	x	x
1114	If plans for use of capacity released are not developed/timely Then the trust will miss opportunities to meet financial and contractual obligations. This will effect Income and ability to deliver RTT/cancer waits.	12	12	●	Close as duplicated 841 / 843	x	x	x
Status: Previous / Current					*First Line: Management Control & Reporting *Second Line: Functional Oversight/Governance *Third Line: Independent Review/Assurance/Regulatory			

Actions being taken to mitigate risks
<ul style="list-style-type: none"> <li>Activity Recovery Plan in place.</li> <li>RTT recovery plan in place.</li> <li>RTT competency based training undertaken</li> <li>Weekly PTL meetings looking to 14 weeks</li> <li>Booking meetings in place &amp; booking to 6 weeks</li> <li>Agreement to cap fines and seeking reinvestment</li> <li>Targeted recruitment for Thoracic services.</li> <li>ED led performance review meetings in place.</li> <li>Clinical vision workshop set and strategy development process in place.</li> <li>CIP planning &amp; delivery meetings in place with services.</li> <li>Recruitment and retention plans in place across staff groups.</li> <li>Operational planning started for 2019/10.</li> </ul>
Key milestones / activities in current reporting period
Reduction in forecast outturn deficit to £11.5M BAF 843: CIP planning gap reduced to £87k  RTT improvement in line with recovery plan  Cardiac Surgery EuroSCORE reporting at 1.54%  Registered Nurse vacancies at 0.42% and PRP pass rate for OET/OSCE significantly above the national average (40% vs 20%)
Key milestones / activities in next reporting period
Signature ED Lead

Reason for RAG status changes from previous (if applicable)	Forecast Recovery				
BAF 869: Trust not delivering planned activity; poor use of capacity due to issues with booking that are being addressed.	BAF ID	Q3	Q4	Q1	Q2
BAF 1114 closed (duplicates BAF 841 / BAF 843)	841		v		
BAF 871 / 868 to be revised to a single capacity assumptions risk.	678				v
Recommendations for EDs	To focus on achievement of 90% IPR target - proposal to go to EDs				
	Request for spotlight reports on January: BOOKING; NURSE TRAINING (AND SUPPORT TO PRP); February: IMAGING PERFORMANCE Request for a summary and plan to address the IHU 7 day standard that had been consistently unmet				
Risks/issues requiring escalation to Board					
Signature Committee Chair					

# Appendix A: BAF Tracker Risks Above Risk Appetite

ID	Exec	Opened	Title	Sep-18	Oct-18	Nov-18	Status since last month	Long running Trend	Risk Appetite as at 17/02/2017	Risk Appetite achieved	% Risk Assurance against risk appetite	BAF with Datix action plan	Trust Strategic Objectives 2018/2019 (by at bottom of page)	Responsible Committee in addition to the Board
836	EM	01/02/2016	Income Growth - targets	25	25	25	↔		12	<input checked="" type="checkbox"/>	48%	Y	3.2	Performance
869	EM	01/02/2016	Capacity assumptions - activity ( <b>updated 2.11.2018</b> )	20	20	25	↑		10	<input checked="" type="checkbox"/>	40%	Y(F)	1.2	Performance
742	JR	30/01/2015	Safer staffing and Monitor's Agency Price cap	20	20	20	↔		6	<input checked="" type="checkbox"/>	30%	Y	1.1	Q&R
833	RC	01/02/2016	Current Trading Income performance	20	20	20	↔		10	<input checked="" type="checkbox"/>	50%	Y	3.2	Performance
835	RC	01/02/2016	Current Trading Expenditure	20	20	20	↔		10	<input checked="" type="checkbox"/>	50%	Y	3.2	Performance
837	EM	01/02/2016	Income Growth - case mix	20	20	20	↔		12	<input checked="" type="checkbox"/>	60%	Y(F)	3.2	Performance
841	EM	01/02/2016	Delivery of Efficiency Challenges : CIP Schemes Identified	20	20	20	↔		12	<input checked="" type="checkbox"/>	60%	Y	3.2	Performance
843	EM	01/02/2016	Delivery of Efficiency Challenges : CIP Schemes Delivered	20	20	20	↔		12	<input checked="" type="checkbox"/>	60%	Y(F)	3.2	Performance
865	EM	01/02/2016	Income Growth - activity transfers	20	20	20	↔		12	<input checked="" type="checkbox"/>	60%	Y(F)	3.1	Performance
678	EM	11/06/2014	Failure to meet cardiac and cancer waiting targets	16	16	16	↔		12	<input checked="" type="checkbox"/>	75%	Y	1.2	Performance
690	RC	11/06/2014	Ageing Estate	20	20	16	↓		6	<input checked="" type="checkbox"/>	38%	Y	1.1, 3.1, 3.2	Q&R
871	EM	01/02/2016	Capacity assumptions - higher occupancy	16	16	16	↔		10	<input checked="" type="checkbox"/>	63%	Y(F)	1.2	Performance
1695	OM	22/09/2017	Risk of insufficient workforce levels to meet the staffing requirements RPH	16	16	16	↔		12	<input checked="" type="checkbox"/>	75%	Y	1.1, 1.2, 3.1, 4.2	SPC
1853	OM	27/04/2018	Turnover in excess of our target level and increasing as a result of move	16	16	16	↔		9	<input checked="" type="checkbox"/>	56%	Y	2.2	Performance
1854	OM	27/04/2018	The Trust is unable to recruit the required number of staff	16	16	16	↔		12	<input checked="" type="checkbox"/>	75%	Y	2.2	Performance
1929	OM	23/07/2018	Low levels of Staff Engagement	16	16	16	↔		9	<input checked="" type="checkbox"/>	56%	N	2.1, 2.2	Q&R
744	JR	15/01/2015	<b>NEW</b> CQC Fundamentals of care	6	6	15	↑		6	<input checked="" type="checkbox"/>	40%	Y	1.1, 3.1	Fun's of Care
866	RC	01/02/2016	Expenditure Growth - New ways of working	15	15	15	↔		12	<input checked="" type="checkbox"/>	80%	Y	3.1, 3.2	Performance
1511	JR	05/05/2017	Inability to retain or recruit staff	15	15	15	↔		6	<input checked="" type="checkbox"/>	40%	Y	1.1, 3.1, 3.2	Q&R
730	RH	01/04/2015	R&D strategic recognition	12	12	12	↔		8	<input checked="" type="checkbox"/>	67%	Y	4.1	RDD
868	EM	01/02/2016	Capacity assumptions - length of stay	12	12	12	↔		10	<input checked="" type="checkbox"/>	83%	Y(F)	1.2	Performance
1114	EM	17/02/2016	Utilisation of capacity to add financial gains to the overall SIP	12	12	12	↔		6	<input checked="" type="checkbox"/>	50%	Y	3.2	Performance
1787	JR	22/12/2017	Optimisation of the EPR systems	12	12	12	↔		6	<input checked="" type="checkbox"/>	50%	Y	1.1	Q&R
684	JS	11/06/2014	Failure to release staff to undertake educational activity	9	9	9	↔		8	<input checked="" type="checkbox"/>	89%	Y	2.1	Q&R
1162	EM	07/07/2016	The STP work includes Cardiology	9	9	9	↔		8	<input checked="" type="checkbox"/>	89%	Y	4.1	Performance
675	JR	11/06/2014	Failure to stay within ceiling trajectories for all HCAI's	8	8	8	↔		6	<input checked="" type="checkbox"/>	75%	Y	1.1, 1.2, 2.1, 3.2	Q&R

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689	AR	11/06/2014	Pathology IM&T systems	16	16	12	↓		12	☑	100%	Y	4.2	Digital Board
850	RC	01/02/2016	Whole Hospital Equipping Plan purchases vs loan value	12	12	12	↔		12	☑	100%	Y	3.1, 3.2	Performance
872	RC	01/02/2016	Efficiency assumptions - government policy changes	12	12	12	↔		12	☑	100%	Y	3.2	Performance
882	RC	01/02/2016	Whole hospital equipping plan - deficit position	25	12	12	↔		12	☑	100%	Y	1.1, 3.1, 3.2	Performance
1030	MJ	17/02/2016	Microsoft Software Licenses Non-compliance	12	12	12	↔		12	☑	100%	Y	1.1, 3.2	Digital Board
847	RC	01/02/2016	Variations on the New Hospital	10	10	10	↔		10	☑	100%	Y	3.1, 3.2	Performance
857	JR	01/02/2016	Electronic Patient Record System - escalation of costs	10	10	10	↔		12	☑	120%	Y(F)	3.2	Performance
873	RC	01/02/2016	Master Development and control plans - sale value	10	10	10	↔		10	☑	100%	Y	3.2	Performance
874	RC	01/02/2016	Master Development and control plans - sales dates	10	10	10	↔		10	☑	100%	Y	3.2	Performance
875	RC	01/02/2016	Master Development and control plans - local planning regulations	10	10	10	↔		10	☑	100%	Y	3.2	Performance
1427	RC	10/02/2017	Failure to deliver the operational financial plan 2016/17	12	12	10	↓		12	☑	120%	Y	3.2	Performance
838	JR	01/02/2016	Income Growth - CQUIN rates	9	9	9	↔		12	☑	133%	Y	3.2	Performance
877	RC	01/02/2016	Unitary Payment - RPI increases	9	9	9	↔		9	☑	100%	Y	3.2	Performance
884	RC	01/02/2016	Operational Transition - Transitional Relief	9	9	9	↔		9	☑	100%	Y	3.2	Performance
839	RC	01/02/2016	Efficiency Assumptions - inflation rates	8	8	8	↔		12	☑	150%	Y	3.2	Performance
840	RC	01/02/2016	Efficiency Assumptions - tariff changes	8	8	8	↔		12	☑	150%	Y	3.2	Performance
858	JR	01/02/2016	Electronic Patient Record System - benefits	8	8	8	↔		12	☑	150%	Y	1.1, 4.2, 3.2	SPC
731	RH	01/04/2014	Research Good Clinical Practice and Research Governance	6	6	6	↔		8	☑	133%	Y	1.1	RDD
746	RC	01/01/2015	Future financial performance	6	6	6	↔		12	☑	200%	Y	3.2	Performance
849	RC	01/02/2016	Whole Hospital Equipping Plan - loan draw down	6	6	6	↔		12	☑	200%	Y	3.2	Performance
852	RC	01/02/2016	Operational Transition - Transitional Relief	6	6	6	↔		9	☑	150%	Y	3.1, 3.2	Performance
856	JR	01/02/2016	Electronic Patient Record System - strategic outline case	5	5	5	↔		12	☑	240%	Y	3.2, 4.2	Performance