

<b>Meeting Title</b>	Mid and South Essex University Hospitals Group-Board in Common		
<b>Meeting Date</b>	11 <sup>th</sup> September 2019	<b>Agenda No</b>	5
<b>Report Title</b>	Board Assurance Framework (BAF) Review		
<b>Lead Executive Director</b>	Diane Sarkar – Chief Nursing Officer		
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<b>Action Required</b>	Decision <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Monitoring <input type="checkbox"/> ( <i>please tick</i> )		
<b>Background / Context</b>	The purpose of this paper is to provide an update to the Board of the current BAF.		
<b>Key Issue 1</b>	<p>Each risk has been reviewed at the associated board sub-committee or designated group for sign off.</p> <p>All risks have been reviewed and updated in the BAF – August Version (appendix 1) and have been presented to the Audit Committee in Common (23/08/19)</p> <p>There has been the following changes / movement. Three risks have reduced:</p> <p><b>1.3 has reduced from 16 to 12</b> Failure to demonstrate sufficiently high levels of performance to achieve “Good” overall rating for CQC Well Led</p> <p><b>2.3 has reduced from 20 to 15</b> Failure to gain agreement and consensus of local communities to changes that reflect best practice</p> <p><b>4.4 has reduced from 16 to 12</b> Failure to deliver transformation in corporate support to create a fit for purpose future proofed structure</p> <p>No risks have increased on this review.</p> <p><b>3.0 Strategic Objective – Become an employer of choice for a supported, engaged and high performing workforce</b> The risks (3.1, 3.2 and 3.3) previously identified under this have now been amalgamated to create a new 3.1</p> <p>Following agreement at the PODCIC on 15<sup>th</sup> May 2019, the Interim Head of HR Projects and Governance has undertaken a full review of the BAF and following separate discussions with the Chief People and OD Director and non-executive director colleagues, the three former BAF risks (3.1, 3.2 and 3.3) have been amalgamated into one, retaining the risk number of 3.1 and entitled “Risk of workforce instability as a result of high levels of turnover and the inability to reduce these levels, resulting in low staff morale and further increased turnover.”</p>		

This approach was taken as all assurance areas relating to the people agenda are inter-linked and interdependent of one another; for example, staff that feel valued, engaged and supported are more likely to stay, reducing turnover and the need to recruit.

Controls are listed where they are in place, with any gaps in controls or assurance clearly documented. Any gaps in controls have clear actions against them and where there is overlap with CQC recommendations, internal audit recommendations and other action plans, work will be streamlined and clarified in subsequent reports.

The KPI table has been updated for Q1 so far with revised targets shown.

This paper also details a summary of the top rated risks (appendix 2), rated 20 or above, from each individual site corporate risk registers. These risks have previously been reviewed by the relevant site leadership teams.

**3.1 Risk of workforce instability as a result of high levels of turnover and the inability to reduce these levels, resulting in low staff morale and further increased turnover.**

This risk, which is an amalgamation of the former three BAF risks, describes the link between low staff morale with increased turnover and resulting workforce instability. The risk has been scored 16 with an appetite score of 3, which means the group is open to new ways of working to address the remaining assurance gaps.

The targets against which vacancy rates and turnover are measured remain ambitious and the Committee receives workforce data in this regard. The HR and POD team will ensure all core documents are aligned to the BAF so that performance can be measured and assurance given to all people interventions.

The HR&POD BAF is closely interlinked with the developing interim people strategy, recruitment and retention plan and the overarching merger project plan. The work is complex and high volume; the committee is asked to confirm levels of assurance received as a result of the review and resulting updated BAF.

At the PODCIC on 17<sup>th</sup> July 2019, it was agreed that further explanatory work would be undertaken to provide assurance to the Board that the revised BAF captures all known risks, controls and mitigations. It was also agreed that the score may need to remain at the former 20, rather than 16, until a six-month improvement trajectory can be demonstrated.

**Risks 4.2 and 4.6** have been reviewed and amalgamated to create a new 4.2, with the risk score increasing to 25

**Summary of top corporate risks (with a rating of 20 or more):**

The top risks (Abbreviated to subject heading) that are consistent across one or more of the three sites:

Area of concern	BTUH	MEHT	SUHFT
Staffing / Workforce	√	√	√
National targets / performance	√	√	√
Finance	√	√	√
CQC compliance		√	

	End of life operating systems			√
	<p>This BAF was reviewed by the Audit Committees in Common on 23<sup>rd</sup> August at which a number of comments were made, these can be summarised as follows:</p> <ul style="list-style-type: none"> <li>• Need to achieve greater consistency in how each risk item is populated and what information is included excluded (length, KPIs).</li> <li>• Mitigating actions should be presented with deadlines for actions to be completed.</li> <li>• Further review of risks where the inherent and mitigated risk are the same (suggesting that the actions being taken are making no impact).</li> </ul> <p>These questions will be considered by the Executive and will be reflected within the next iteration of the BAF.</p>			
<b>Timescale for Benefits to be Realised</b>	Ongoing monitoring on a monthly basis via Board sub committees			
<b>Risk</b>	Inadequate oversight of quality risks increases the overall risks to patients and the trusts			
<b>Freedom of Information</b>	<i>No exemptions apply</i>			
<b>Other Implications Identified</b>	<ul style="list-style-type: none"> <li>• Regulatory impact may be evident</li> </ul>			
<b>Recommendation</b>	<p>The Board is invited to:</p> <ul style="list-style-type: none"> <li>• Review each risk presented for approval and the risk movement</li> <li>• Note the top rated risks from each individual site</li> </ul>			
<b>Appendix</b>	1 - BAF Risks			