

|                                    |   |
|------------------------------------|---|
| Title:                             | Board Assurance Framework and Key Issues      |
| Report to the:                     | Trust Board                                   |
| Meeting date:                      | 25 September 2024                             |
| Agenda item:                       | 12  |
| Report author & Executive sponsor: | Rachel Hawkins, Director of Corporate Affairs |

|                   |  |
|-------------------|--|
| Assurance level:  | Substantial <input checked="" type="checkbox"/><br>Reasonable <input type="checkbox"/><br>Partial <input type="checkbox"/><br>Minimal <input type="checkbox"/>   |
| Rationale:        | <ul style="list-style-type: none"> <li>• Key evidence in of mitigation and controls (included in the individual risks on a page in the reading room for Board members)</li> <li>• Robust risk and issue management policy and supporting procedures in place, which includes monthly reviews of all operational risks scoring 12 and above and all operational issues with a consequence rating of 4 and above, by the Wider Management Executive</li> <li>• Substantial assurance rating from internal audit for the latest risk management audit (October 2023)</li> </ul> |
| Assurance action: | <ul style="list-style-type: none"> <li>• To review the Board Assurance Framework considering the Board and Committee papers to confirm assurance rating.</li> </ul>  |

## 1.0 Executive Summary

1.1 The Board Assurance Framework (BAF) sets out an accurate and up to date analysis of the major risks being faced across the organisation and the overall risk profile across our service divisions.

## 2.0 Recommendation

2.1 The members are asked to:

- **discuss** the report and consider if the Board Assurance Framework accurately describes the main risks facing the organisation, and
- **agree** the substantial assurance recommendation of the report.

### 3.0 How the report supports achievement of the Strategic Objectives:

|                           |   |
|---------------------------|---|
| Provide outstanding care: | The risks to achieving this objective are identified within the BAF – Risks 3653 and 3562       |
| Be collaborative:         | The risks to achieving this objective are identified within the BAF – Risks 3467, 3475 and 3534 |
| Be an excellent employer: | The risks to achieving this objective are identified within the BAF – Risks 3619 and 3620       |
| Be sustainable:           | The risks to achieving this objective are identified within the BAF – Risks 3514 and 3621       |

### 4.0 How the report supports tackling Health Inequalities

4.1 The report doesn't specifically address Health Inequalities.

### 5.0 Links to Board Assurance Framework / Trust Risk Register

5.1 Board Assurance Framework Risks linked as above in section 3.0.

### 6.0 Legal and Regulatory requirements

6.1 Well Led Framework / Self-assessment of governance.

### 7.0 Previous report

7.1 Board Assurance Framework, 17 July 2024

### 8.0 Strategic Risks

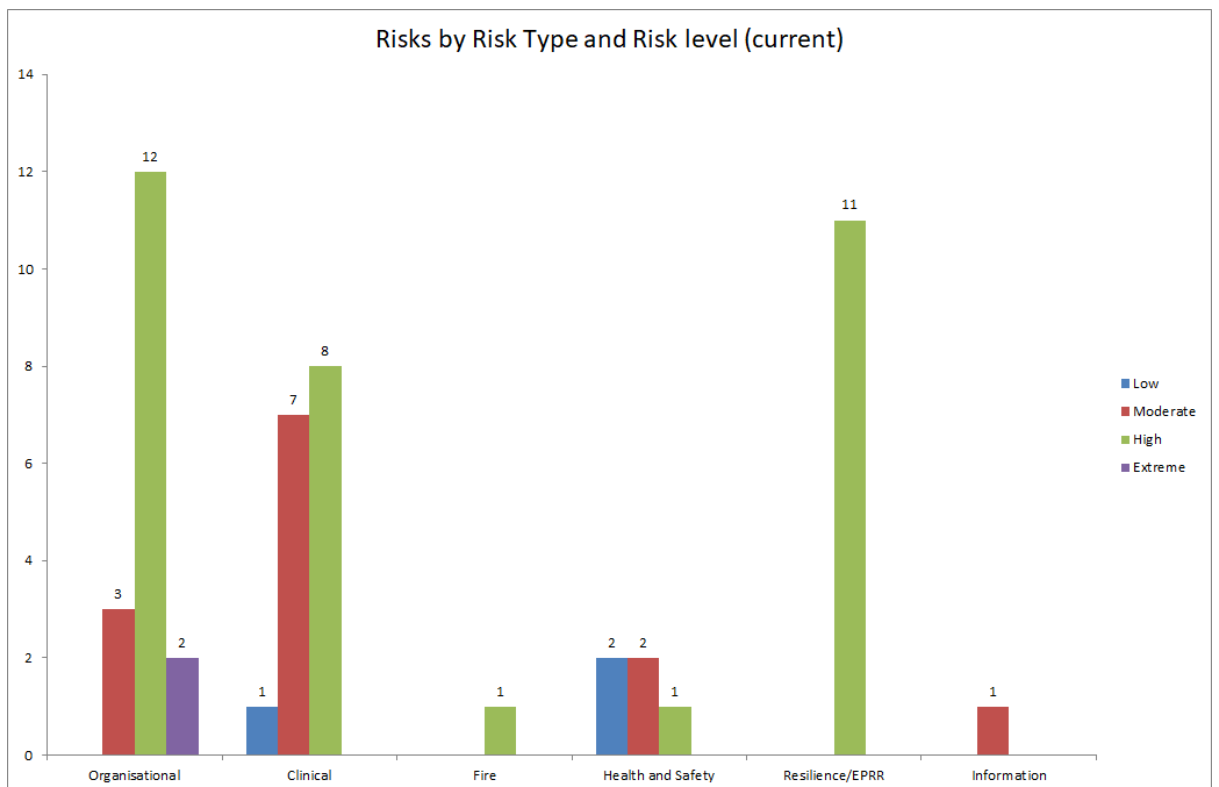
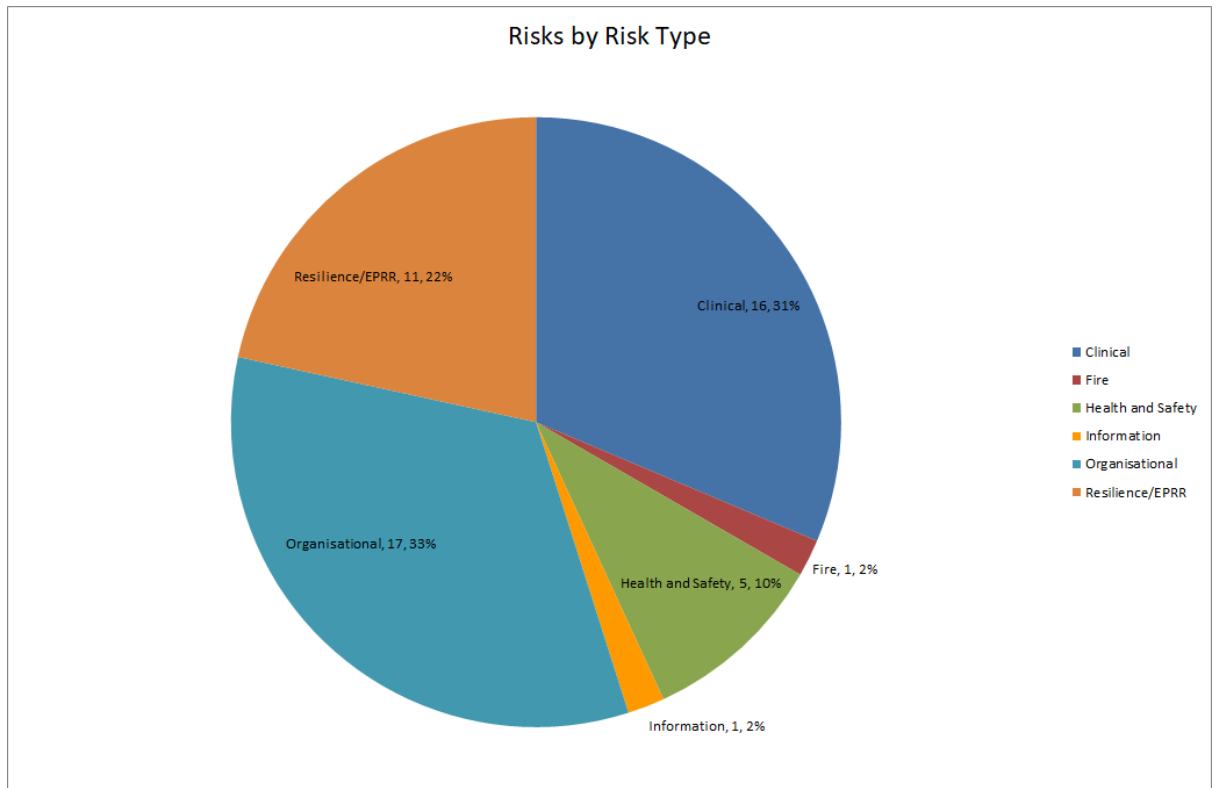
8.1 The Trust's Board Assurance Framework incorporates a live register of the principal risks faced by the Trust in meeting its strategic objectives. It provides the Trust with a clear and comprehensive method of:

- ❖ describing the main risks to achieving the organisation's strategic objectives,
- ❖ describing the controls, assurance, and oversight of these risks, and
- ❖ identifying any gaps in controls and assurance.

8.2 The Board Assurance Framework and strategic risks were last reviewed by the Trust Board on 17 July 2024 and the Audit Committee on 24<sup>th</sup> July 2024, to ensure that they were aligned to the Trust's strategic objectives. The latest position is shown in the Dashboard at **Appendix A**.

8.3 There are nine strategic risks on the Board Assurance Framework of which 2 are scoring 16 and relate to current challenges with collaborative working across the three systems within which the Trust operates. Strategic risk ID: 3530 (Compliance with CQC's fundamental standards) has been closed and replaced with a Quality and Safety Risk (ID:3653) which is more inclusive of wider quality issues.

8.4 As at 2 September 2024, there were 51 open risks on the risk register. The following diagrams show the types of all risks on the risk register and the severity of those risks.



- 8.5 All risks are aligned to the Board or Board Committees for oversight and are reviewed at least annually in these fora.
- 8.6 All operational risks scoring 12 and above are reviewed and discussed each time a relevant sub-committee meets and anything needing Board discussion is escalated through the Integrated Governance Report.
- 8.7 Each time the Board meets in public, it receives assurance and detail on the management of operational risks scoring 15 and above, within the Integrated Governance Report. There are no operational risks scoring 15 and above.
- 8.8 All new risks are reviewed by senior leaders monthly with high scoring and high impact risks. The monthly meetings also take a thematic review of all risks within a particular division. This has led to greater scrutiny of risks and greater consistency in articulation of risks throughout the Trust.

## **9.0 Issues**

- 9.1 In addition to strategic risks on the Board Assurance Framework, the Trust has introduced a new approach to reporting Issues facing the Trust, using the Datix system.
- 9.2 The Trust's risk management policy has been updated to include the approach to issue management, including a new standard operating procedure.
- 9.3 As at 2 September 2024 there were six issues with a consequence rating of 4 (major) on the issue register. There are no strategic issues currently assigned to the board. Currently there are no issues with a consequence rating of 5 (catastrophic). All six issues are discussed at board level committees and included in the Integrated Governance Report to the Trust Board.

## Appendix A – Board Assurance Framework

| BOARD ASSURANCE FRAMEWORK 2024-2025 |         |   |                                    |  |         |                    |          |          |          |                    |          |          |          |          |          |                          |            |
|-------------------------------------|---------|---|------------------------------------|--|---------|--------------------|----------|----------|----------|--------------------|----------|----------|----------|----------|----------|--------------------------|------------|
| BAF Dashboard 2024-25               |         |   |                                    |  |         |                    |          |          |          |                    |          |          |          |          |          |                          |            |
| Strategic Priority                  | Risk No | Risk Description  | Executive Lead                     | Lead Committee   | Initial | Risk Score 2023/24 |          |          |          | Risk Score 2024/25 |          |          |          |          |          | Anticipated Closure Date |            |
|                                     |         |   |                                    |  |         | Aug/ Sept          | Oct/ Nov | Dec/ Jan | Feb/ Mar | Apr/ May           | Jun/ Jul | Aug/ Sep | Oct/ Nov | Dec/ Jan | Feb/ Mar |                          | Target     |
| Be collaborative                    | 3467    | There is a risk that if we fail to agree a cross organisational transformational approach for children and young people services in Cambridgeshire and Peterborough, then the Integrated Care Board may not support the establishment of the Accountable Business Unit.   | CEO                                | Board  | 12      | 6                  | 6        | 12       | 12       | 12                 | 16       | 16       | 0        | 0        | 0        | 4                        | 31/01/2025 |
|                                     |         |   |                                    |  |         | ↓                  | →        | ↑        | →        | →                  | ↑        | →        |          |          |          |                          |            |
|                                     | 3475    | There is a risk that if Cambridgeshire and Peterborough Integrated Care System and the Trust fails to secure funding for the redevelopment of the Princess of Wales Hospital, Ely, this would prevent the facilities and infrastructure being upgraded and as a result impact on the quality of care provided to patient and service users. | Director of Corporate Affairs      | Board / Infrastructure   | 16      | 12                 | 12       | 12       | 12       | 12                 | 12       | 12       | 0        | 0        | 0        | 4                        | 31/03/2025 |
|                                     |         |   |                                    |  |         | ↓                  | →        | →        | →        | →                  | →        |          |          |          |          |                          |            |
|                                     | 3534    | There is a risk that outcomes for patients and experience for staff will be adversely affected if we are unable to maximise the benefits of collaborative working across the different systems in which we work.  | Director of Workforce / Deputy CEO | Board  | 12      | 12                 | 12       | 12       | 12       | 12                 | 16       | 0        | 0        | 0        | 8        | 31/03/2026               |            |
|                                     |         |   |                                    |  |         | →                  | →        | →        | →        | →                  | ↑        |          |          |          |          |                          |            |
| Provide outstanding care            | 3653    | There is a risk that clinical quality and patient safety could be compromised if the potential causes of this risk are not managed and mitigated. The impact of this potential risk could lead to increase level of 'harm,' a reduction in clinical quality across services and an increase in patient dissatisfaction.                     | Chief Nurse                        | Board / Quality Improvement Safety                               | 8       | 0                  | 0        | 0        | 0        | 0                  | 0        | 12       | 0        | 0        | 0        | 6                        | 30/06/2025 |
|                                     |         |   |                                    |  |         |                    |          |          |          |                    | ↑        |          |          |          |          |                          |            |
|                                     | 3562    | There is a risk that safeguarding work across all localities is unable to be managed within the staffing capacity available and that this may result in children, young people and adults being left without adequate safeguarding measures.  | Chief Nurse                        | Board / Quality Improvement Safety                               | 16      | 16                 | 12       | 12       | 8        | 12                 | 12       | 12       | 0        | 0        | 0        | 8                        | 31/12/2024 |
|                                     |         |   |                                    |  |         | →                  | ↓        | →        | ↓        | ↑                  | →        | →        |          |          |          |                          |            |
| Be an excellent employer            | 3619    | There is a risk that if staff morale falls the delivery of high quality care may be adversely affected.   | Director of Workforce / Deputy CEO | Board / Clinical Operational Boards                              | 12      |                    |          |          |          | 12                 | 12       | 12       | 0        | 0        | 0        | 8                        | 31/03/2025 |
|                                     |         |   |                                    |  |         |                    |          |          |          | N/A                | →        | →        |          |          |          |                          |            |
|                                     | 3620    | There is a risk that should a service experience a high level of unplanned absence and/or vacancies the delivery of high quality care may be adversely affected.  | Director of Workforce / Deputy CEO | Board / Quality Improvement Safety / Clinical Operational Boards | 12      |                    |          |          |          | 12                 | 12       | 12       | 0        | 0        | 0        | 8                        | 31/03/2025 |
|                                     |         |   |                                    |  |         |                    |          |          |          | N/A                | →        | →        |          |          |          |                          |            |
| Be sustainable                      | 3514    | There is an increased risk of a cyber-attack upon the Trust which could result in a potential loss or disablement of services which would directly impact patients, service users and staff.  | Director of Finance & Resources    | Board / Infrastructure   | 12      | 12                 | 12       | 12       | 12       | 12                 | 12       | 12       | 0        | 0        | 0        | 12                       | 28/11/2025 |
|                                     |         |   |                                    |  |         |                    | →        | →        | →        | →                  | →        | →        |          |          |          |                          |            |
|                                     | 3621    | There is a risk that due to increasing inflationary pressures and a challenging efficiency target, the Trust may not deliver a balanced financial plan for 2024/25 which could impact on the delivery of services.  | Director of Finance & Resources    | Board  | 12      |                    |          |          |          | 12                 | 12       | 12       | 0        | 0        | 0        | 8                        | 31/03/2025 |
|                                     |         |   |                                    |  |         |                    |          |          |          | N/A                | →        | →        |          |          |          |                          |            |

| Risk Matrix                |                      |               |                   |                   |                   |
|----------------------------|----------------------|---------------|-------------------|-------------------|-------------------|
| Likelihood/<br>Frequency ↓ | Consequence/Impact → |               |                   |                   |                   |
|                            | Insignificant 1      | Minor 2       | Moderate 3        | Major 4           | Catastrophic 5    |
| 5<br>Almost Certain        | Moderate<br>5        | High<br>10    | Significant<br>15 | Significant<br>20 | Significant<br>25 |
| 4<br>Likely                | Moderate<br>4        | High<br>8     | High<br>12        | Significant<br>16 | Significant<br>20 |
| 3<br>Possible              | Low<br>3             | Moderate<br>6 | High<br>9         | High<br>12        | Significant<br>15 |
| 2<br>Unlikely              | Low<br>2             | Moderate<br>4 | Moderate<br>6     | High<br>8         | High<br>10        |
| 1<br>Rare                  | Low<br>1             | Low<br>2      | Low<br>3          | Moderate<br>4     | Moderate<br>5     |

| Trust Board Committees |   |
|------------------------|---|
| Infrastructure         | Infrastructure Committee                    |
| COBs                   | Clinical Operational Boards                 |
| PP&E                   | People Participation & Equalities Committee |
| QIS Comm               | Quality Improvement & Safety Committee      |
| RemCo                  | Remuneration Committee                      |
| Audit                  | Audit Committee                             |
| Char                   | Charitable Funds Committee                  |
|                        |   |

Risk Score = Consequence x Likelihood (C x L)

For grading risk, the scores obtained from the risk matrix are assigned grades as follows

|  |         |               |
|--|---------|---------------|
|  | 1 - 3   | Low risk      |
|  | 4 - 6   | Moderate risk |
|  | 8 - 12  | High risk     |
|  | 15 - 25 | Extreme risk  |