

NHS Highland



Meeting: NHS Highland Board

Meeting date: 31 May 2022

Title: Improvements to Board Assurance Framework

Accountable Executive: Pam Dudek, Chief Executive

Report Author: Ruth Daly, Board Secretary

1 Purpose

This report is presented to the Board for:

- Assurance
- Awareness

This report relates to:

The progress with implementing the findings of an Internal Audit Report on NHS Highland's Board Assurance Framework.

This aligns to the following NHSScotland quality ambition(s):

- Effective governance

This report relates to the following Corporate Objective(s)

Clinical and Care Excellence <ul style="list-style-type: none"> • Improving health • Keeping you safe • Innovating our care 		Partners in Care <ul style="list-style-type: none"> • Working in partnership • Listening and responding • Communicating well 	
A Great Place to Work <ul style="list-style-type: none"> • Growing talent • Leading by example • Being inclusive • Learning from experience • Improving wellbeing 		Safe and Sustainable <ul style="list-style-type: none"> • Protecting our environment • In control • Well run 	 X X

2 Report summary

2.1 Situation

This report provides an update on progress in implementing the main findings of an Internal Audit review of NHS Highland's Board Assurance Framework (BAF).

2.2 Background

In September 2021, the Board agreed an improvement plan to address the recommendation of the BAF Internal Audit review, and that progress against it should be a standing item of Board business for the foreseeable future.

Regular assurance reporting on progress was suspended for the March 2022 Board meeting, and this report provides an update therefore since January 2022. Delivery of the improvement plan must be considered within the context of the Board's decision to pause development sessions and prioritise business at Board and Committee meetings in response to the pandemic.

2.3 Assessment

The appendix to this report highlights the areas of progress since the last iteration of the report. Briefly, the following areas of progress have been made since the last meeting of the Board:

Elements completed

- **Improvement of awareness and understanding of assurance reporting**

A report writing session is being prepared for authors of Board and Committee papers. This will focus on the purpose and desired quality of reports and will highlight good practice identified.

- **Review of Corporate Documents**

The Terms of Reference of the Executive Directors Group have been drafted to ensure effective integration with those of the Board and governance committees. The EDG ToR was agreed in March 2022 by the EDG.

The Board agreed Workplans for future Board and Committee activity over the current financial year at its meeting in March 2022.

- **Quality of Board and Committee Reports and timely distribution**

A schedule of meetings has now been agreed for Committee Chairs and Lead Executives to hold preparatory meetings ahead of Committee agenda distribution dates. This is designed to improve the quality and timeliness of reports as well as ensuring the respective Chair's expectations are met. The intention is that these meetings will address the improvement areas identified from last year's committee self-assessments which are included in the Improvement Plan at Appendix A.

Elements nearing conclusion**Organisational Strategy**

NHS Highland's organisational strategy 'Together We Care' will be brought to the Board for adoption in July 2022. The delivery of the strategy will achieve many of the elements included in the BAF improvement plan. Organisational values, strategies, programmes, and projects will link to the strategic objectives and will be communicated to all staff to ensure they have a clear understanding of the links.

Risk Management and Strategy

The appointment of a Corporate Risk Manager was identified in action plans to Internal Audit reviews associated with both the Board Assurance Framework and Risk Management. To avoid duplication this action has been deleted from the Board Assurance Framework review action plan (listed at action point 11 on the appendix to this report).

2.4 Proposed level of Assurance

This report proposes the following level of assurance:

Substantial	<input type="checkbox"/>	Moderate	<input checked="" type="checkbox"/>
Limited	<input type="checkbox"/>	None	<input type="checkbox"/>

It is anticipated that the adoption of the organisational strategy will complete the delivery of the improvement plan. At this point the assurance level will lift to 'substantial'.

3 Impact Analysis**3.1 Quality/ Patient Care**

The impact on quality / patient care is a key consideration for governance.

3.2 Workforce

The impact on workforce is a key consideration for governance.

3.3 Financial

Financial governance is a key component of the Board's Code of Corporate Governance, containing therein the Scheme of Delegation and Standing Financial Instructions.

3.4 Risk Assessment/Management

Without making changes to the way the Board gets its assurance, there is a risk that the Board will not have active oversight on the achievement of its objectives.

3.5 Data Protection

This report does not involve personally identifiable information.

3.6 Equality and Diversity, including health inequalities

There are no equality or diversity implications arising from this paper.

3.7 Other impacts

No other impacts.

3.8 Communication, involvement, engagement and consultation

Reviewed by EDG and Chairs' Group

3.9 Route to the Meeting

This report has been reviewed by the Board Chair and Chief Executive.

4 Recommendation

The Board is asked to note the contents of the report and take assurance that progress is being made towards improvements identified in the Board Assurance Framework.

4.1 List of appendices

The following appendices are included with this report:

- Appendix A - Updated Improvement Plan, May 2022

Appendix A

IMPROVEMENT PLAN

Board Assurance Framework and Committee Self-Assessments – May 2022

Progress since the January 2022 update **highlighted**

	DEVELOPMENT AREA	INTERVENTION	OWNER	TIMEFRAME	STATUS
01	Improve awareness and understanding of assurance and the quality of assurance reports.	<p>Develop an effective assurance training and awareness plan to be delivered across the year to non executive, executive and senior management.</p> <p>This may include a further session on active governance.</p> <p>Develop a communication plan to improve the understanding of assurance and the quality of assurance reports.</p>	Ruth Daly, Ruth Fry, Fiona Hogg	30/09/2021	<p>COMPLETE</p> <ul style="list-style-type: none"> Board has a log of development, strategy and training sessions undertaken 2021-22 and will refresh its forward plan at the beginning of financial year 2022-23. Active governance training has been held and a programme of work undertaken to support self-assessment exercises. Further active governance training will be delivered as appropriate following the release of Blueprint for good governance revision. Board and Committee report writing training sessions for authors currently being devised and to be rolled out from June/July 2022 onwards
02	<p>Consider implementing a “level of assurance” approach SBARs to clarify the:</p> <ul style="list-style-type: none"> purpose of the report corporate objectives 	Develop a proposal for a revised SBAR and committee agenda / minuting process to cover level of assurance approach and present for review and agreement.	Ruth Daly, Fiona Hogg	31/08/2021	<p>COMPLETE</p> <p>Agreed at Board 28 September, pilot by Staff Gov and expand to</p>

	<ul style="list-style-type: none"> risks it is addressing level of assurance management provides 				Board and other governance committees by end financial year.
03	Review, consider and agree any additional good practice from other organisations and ensure this, along with any other changes to processes, are appropriately documented.	Regular attendance at Board Secretaries National Forum meetings and providing feedback to CEO and Board Chair of national developments	Ruth Daly,		<p>COMPLETE</p> <p>Ongoing updates through Board Chair and Board Secretary from national meetings</p>
04	<p>Review all corporate documents informing the Board Assurance Framework to identify inconsistencies and gaps:</p> <ul style="list-style-type: none"> Code of Corporate Governance Risk Management Strategy Committee Terms of Reference Workplans Standing Orders <p>Compare the EDG ToR against those of the Board and governance committees to ensure effective integration and avoid duplication</p>	Set up a short life working group with key Senior Managers and Executives to conduct a review of all elements of the board assurance framework and the EDG terms of references and identify inconsistencies, overlaps and gaps and present a report on proposed changes.	Ruth Daly, Fiona Hogg	30/09/2021	<p>Complete</p> <p>Updates to Code of Corporate Governance considered by Audit Cttee Dec 2021 and Board in Jan 2022.</p> <p>Committee meetings February - March 2022 refreshed their annual workplans with endorsement given at the March 2022 Board meeting.</p> <p>Executive Directors Group Terms of Reference agreed in March 2022</p>
05	Implement a Board and Governance Committee system of Self-Assessment referring to the Blueprint for Good Governance values.	Establish and complete a governance committee and Board self assessment exercise to ensure corporate governance is effective, transparent, accountable, and committed to continuous improvement.	Ruth Daly, Fiona Hogg	31/08/2021	<p>COMPLETE</p> <p>11 JUNE 2021</p> <p>Next annual self-assessment scheduled February- March 2022</p>

		This exercise to be undertaken during June/July 2021 and thereafter aligned with the annual assurance reporting cycle.			
06	Schedule a follow-up audit or a peer review approach by another NHS Scotland Board to comply with the Good Governance Blueprint independent review requirements.	Following completion of the actions to update the board's approach to assurance and risk, schedule a peer review of our systems and processes and present the findings.	Ruth Daly, Fiona Hogg	31/03/2022	COMPLETE Board agreed in September 2021 that an independent external assessment of our governance arrangements should be undertaken against the Blueprint for Good Governance. This review is to be scheduled during 2022. Corporate Governance Steering Group (National Chairs Group) are also considering options for this. Refresh of Blueprint for Good Governance to be released in coming weeks/months.
07	Documenting the Board Assurance Framework, consider the purpose and audience of the document and illustration of the 'golden thread' of assurance throughout the governance structure.	Ensure that a clear communications and engagement approach and plan is drawn up to ensure all aspects of the board governance and assurance approach are clearly articulated, relative to the audience and their requirements and linked to the board strategy and objectives.	Ruth Fry, Ruth Daly Fiona Hogg	31/10/2021	COMPLETE Board agreed the document describing our Board Assurance Framework in November 2022. This document has been shared through EDG, and uploaded to the web.
08	Dissemination of stated values and ethos of the Health Board alongside the strategy.		Ruth Fry Fiona Hogg		IN HAND This ties in with current Strategy work and will conclude with Board agreement of the Strategy in July 2022

09	Ensure that the strategic objectives are timebound and measurable.	The strategy for 21/22 will be reviewed together with the remobilisation plan with KPIs and dates assigned as volumes / funding are agreed with SG. This will be in the context of the NHS Highland Board Values.	David Park Lorraine Cowie	01/10/2021	IN HAND Strategy work and will conclude with agreement of the Strategy in July 2022
10	Ensure that the planning, performance, and reporting framework supports explicit linkage to the strategic, operational and/or service objectives, considering each of the issues identified above.	The IPQR will be linked to these KPIs	David Park Lorraine Cowie	01/10/2021	IN HAND This ties in with current Strategy work and will conclude with Board agreement of the Strategy in July 2022
11	<i>In line with the Risk Management Action Plan, refresh the Board's risk appetite and tolerance.</i> <i>Embed the assessment of risks within the IPQR.</i>	<i>Risk Management report to board on 28 September captures this action.</i>	<i>Boyd Peters</i>	<i>Revised date of April 2022 agreed at Audit Committee December 2021.</i>	DELETED FROM THIS ACTION PLAN DUE TO DUPLICATION WITH RISK MANAGEMENT IMPROVEMENT PLAN <i>This action will be the focus of the Corporate Risk Manager once an appointment has been made.</i>
12	Consider and document how each of the organisational strategies, programmes, and projects link to the strategic objectives, and each other. This should be communicated to staff to ensure they have a clear understanding of these links.		David Park Lorraine Cowie		IN HAND Strategy work and will conclude with agreement of the Strategy in July 2022
13	Quality of Reports – is the information and data included in the papers sufficient/excessive/easy to understand so as to allow members to reach an appropriate conclusion?	<ul style="list-style-type: none"> • Papers should be streamlined • Better clarity on why the paper is being submitted • Information should focus on providing assurance and offer different pieces of evidence to triangulate assurance 	All Executives		COMPLETE All Committee and Board reports shared with EDG prior to issue for awareness and readability. Preparatory meetings now scheduled for Execs and Chairs

					for governance committees to clear reports prior to distribution.
14	Are papers provided in sufficient time prior to the meeting to allow members to effectively scrutinise and challenge the assurances given	Action needed for execs to prioritise timely papers	All Executives		COMPLETE All Committee and Board reports shared with EDG prior to issue for awareness and readability. Discussions now held with Execs and Chairs through preparatory meetings for governance committees to clear reports prior to distribution.