



Meeting: NHS Highland Board

Meeting date: 25 January 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)

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

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.

2.3 Assessment

Progress with the improvement plan must be considered within the context of the Board's decision in November 2021 to pause development sessions and prioritise business at Board and Committee meetings. The following progress has been made since the last meeting of the Board:

Assurance Reporting through Committees

The Board agreed in September 2021 to pilot a 'level of assurance' reporting format through Staff Governance Committee. The pilot received positive feedback from the Committee which was reported to the Board in November 2021. The new reporting format is now being rolled out to other governance committees. In particular, this approach has been adopted for some reports to Clinical Governance Committee in January 2021 and has also been used for this meeting of the Board. It is expected that all reporting for the March cycle of Committees will use the new reporting format.

The new reporting format now creates linkages with NHSScotland quality ambitions and the Board's Corporate Objectives and this now fulfils a specific action included in the improvement plan.

Understanding of Assurance and Quality of Reports and timely distribution

Arrangements are being made for Committee Chairs and Lead Executives to hold planning meetings ahead of Committee agenda distribution dates. This is designed to improve understanding of assurance and the quality of reports as well as ensuring their timely distribution.

Arrangements are at an early stage of development and discussions will be held before the March Board meeting so that committee planning meetings can come into effect in the next financial year.

Review of Corporate Documents supporting the BAF

A review of the Code of Corporate Governance has been undertaken with revised Terms of Reference for Committees having been considered at Audit Committee in December 2021 and the revised Code being submitted for Board approval to this meeting.

Self Assessments and Workplans for Committees

Committee Chairs have decided not to re-run the Committee self-assessment exercise during the current governance-light approach. Chairs and Lead Executives are reviewing the outcomes of their respective Committee self-assessments undertaken in 2021 and their findings will form the basis for any further improvements. Further consideration will be given to when the self-assessment exercise is re-run.

Discussions will be held with Executive Leads and Chairs to hold preparatory meetings for governance Committees prior to reports being distributed. The intention is that these meetings would address the improvement areas identified from last year's assessments which are included in the Improvement Plan at Appendix A.

Allied to this is the preparation of Committee and Board Workplans for 2022-23. Committee Chairs and Lead Executives will liaise to refresh existing Workplans over the next two months to permit endorsement by the Board at the next meeting in March.

Risk Management and Strategy

Plans are now underway for risk appetite to be considered at a Board Development Session in March 2022. This will contribute to the overall development of the Board's Risk Management Strategy.

Organisational Strategy

Work to develop NHS Highland's organisational strategy will conclude in May 2022 when the final draft Strategy will be presented to the Board for adoption. Many of the elements included in the BAF improvement plan will be achieved through delivery of the organisational Strategy: dissemination of agreed values, and ensuring that strategic objectives are timebound and measurable. Organisational 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.

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"/>

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, January 2022

APPENDIX A

IMPROVEMENT PLAN – January 2022
Board Assurance Framework and Committee Self-Assessments

	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-executives, executives 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 the revised Blueprint for Good Governance. Committee Chairs and Lead Executives will hold planning meetings ahead of agenda distribution to improve understanding of assurance and quality of reports
02	<p>“level of assurance” approach SBARs to clarify the:</p> <ul style="list-style-type: none"> purpose of the report corporate objectives risks it is addressing level of assurance management provides 	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, piloted by Staff Gov and extended to Board and other governance committees w.e.f. January 2022.</p>
03	Review, consider and agree any additional good practice from other organisations and ensure this, along with any other changes to	Regular attendance at Board Secretaries National Forum meetings and providing feedback to CEO and Board Chair of national developments	Ruth Daly,		COMPLETE

	processes, are appropriately documented.				Ongoing updates through Board Chair and Board Secretary from national meetings
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 (see below) • 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 Revised date agreed by Audit of 31/03/22 agreed at Audit Committee December 2021.	<p>COMPLETE</p> <p>Updates to Code Corp Governance considered by Audit Cttee Dec 2021 and Board Jan 2022.</p> <p>Jan-March 2022 review to ensure ToRs & workplans provide clarity on which reports are for assurance.</p> <p>EDG ToR drafted and sent to CEO 8 December 2021</p>
	Review Risk Management Strategy	Risk appetite still to be agreed.		Revised date of 31/03/22 agreed at Audit Committee December 2021.	<p>INCOMPLETE</p> <p>Risk Management Strategy being actively considered with a further consideration of risk appetite and tolerance planned for Board Development Session in March 2022.</p>
05	Implement a Board and Governance Committee system of Self-Assessment referring to the Blueprint for Good Governance values.	<p>Establish and complete a governance committee and Board self-assessment exercise to ensure corporate governance is effective, transparent, accountable, and committed to continuous improvement.</p> <p>This exercise to be undertaken during June/July 2021 and thereafter aligned with the annual assurance reporting cycle.</p>	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>

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 2021. This document is now accessible on NHS Highland's web.
08	Dissemination of stated values and ethos of the Health Board alongside the strategy.		Ruth Fry Fiona Hogg		COMPLETE The Board's values have been shared with the organisation. This will be reaffirmed once the organisational Strategy is endorsed by the Board in May 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	INCOMPLETE Strategy development ongoing and will conclude with agreement of the Strategy May 2022
10	Ensure that the planning, performance, and reporting framework supports explicit linkage	The IPQR will be linked to these KPIs	David Park Lorraine Cowie	01/10/2021	COMPLETE

	to the strategic, operational and/or service objectives, considering each of the issues identified above.				Board assurance reporting requires identification of the relevant corporate objective. Strategy work and will conclude with agreement of the Strategy May 2022
11	In line with the Risk Management Action Plan, refresh the Board's risk appetite and tolerance. Embed the assessment of risks within the IPQR.	Risk Management report to board on 28 September 2021 captures this action.	Boyd Peters	Revised date of April 2022 agreed at Audit Committee December 2021.	INCOMPLETE Risk appetite and tolerance is included in the Board Development Sessions forward plan for March 2022
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		INCOMPLETE Strategy development ongoing and will conclude with agreement of the Strategy May 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	04/2022	INCOMPLETE All Committee and Board reports shared with EDG prior to issue for awareness and readability. Discussions to be held with Execs and Chairs to establish a system of preparatory meeting 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	04/2022	INCOMPLETE All Committee and Board reports sequenced for sharing with EDG prior to issue, which aims to support the Committee reporting schedule.

					Discussions to be held with Execs and Chairs to establish a system of preparatory meeting for governance committees to clear reports prior to distribution.
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