

Board of Directors

4th May, 2023

Report Title:	Review of Board Assurance Framework risks
Executive/NED Lead:	Steve Parsons, Interim Director of Governance
Report author(s):	Steve Parsons, Interim Director of Governance
Previously considered by:	N/A

Approval
 Discussion
 Information
 Assurance

Executive summary		
<p>The Board has agreed a number of strategic risks which are recorded on the Board Assurance Framework (BAF). The Board has delegated oversight of most of these risks to Board Committees, whilst retaining one (Transformation) to itself.</p> <p>As part of its work around assurance that effective control systems are in place, the Audit and Risk Committee is also regularly updated on the work of Committees in oversight of BAF risks.</p> <p>The Board has agreed that it will review all of the BAF risks together three times a year, in May, September and January. This paper-</p> <ol style="list-style-type: none"> i. Provides the Board with an updated BAF, reflecting the work undertaken since it was first approved in November 2022; ii. Reports the review by the Committees of the risks delegated to them, to support review by the Board; iii. Invites the Board to review risk 9 related to Transformation, which it has retained. 		
Action requested of the Board		
<p>The Committee is invited to-</p> <ol style="list-style-type: none"> a. Review the BAF risks referred to it by the Board; b. Report to the Board on the levels of assurance currently available. 		
Link to Strategic Objectives (SO)		Please tick
SO1	Keep people in control of their health	<input checked="" type="checkbox"/>
SO2	Lead the integration of care	<input checked="" type="checkbox"/>
SO3	Develop our centres of excellence	<input checked="" type="checkbox"/>
SO4	Support and develop our staff	<input checked="" type="checkbox"/>
SO5	Drive technology enabled care	<input checked="" type="checkbox"/>
Risk Implications for the Trust <i>(including any clinical and financial consequences)</i>		
Trust Risk Appetite		<p>The Board has a cautious risk appetite when it comes to compliance and regulatory issues. Where the laws, regulations and standards are about the delivery of safe, high quality care, or the health and safety of the staff and public, it will make every effort to meet regulator expectations and comply with them and will only challenge them if there is strong evidence or argument to do so and the gain will outweigh the adverse consequences.</p>
Legal and regulatory implications <i>(including links to CQC outcomes, Monitor, inspections, audits, etc.)</i>		
Financial Implications		

Equality and Diversity	

Review of Board Assurance Framework risks

Overview

The Board has identified nine key strategic risks that are currently entered onto the Board Assurance Framework (BAF), when the new BAF was approved in November 2022. Eight of these risks have been delegated to the Performance Assurance Committee for oversight-

BAF	Strategic Risk	Lead Executive	Oversight Committee
1	Partnership Working	Managing Director	Performance Assurance Committee
2	Failure to maintain financial balance in future years	Chief Financial Officer	Performance Assurance Committee
3	Insufficient capital resources to progress investments	Chief Financial Officer	Performance Assurance Committee
4	Ensuring Quality and Patient Safety	Chief Medical Officer Chief Nursing Officer	Quality and Patient Safety Committee
5	Attracting/ retaining a suitably qualified workforce	Director of People and Organisational Development	People and Organisational Development Committee
6	Elective and Emergency Care *	Managing Director	Performance Assurance Committee
7	Estates Development	Director of Estates and Facilities	Performance Assurance Committee
8	Digital Maturity	Director of Digital and Logistics	Quality and Patient Safety Committee
9	Transformation	Director of Strategy, Research and Innovation	Retained to Board

Appended to this paper are the updated entries in the BAF for these risks, including revisions following discussion at the Committee. The discussions at Committee are supported by regular meetings between the risk team and the Executive leads, which explore the BAF risks and any changes that could be considered in light of changing circumstances.

Performance Assurance Committee

The Committee has set out a rolling programme of review, looking in detail at one risk each meeting with presentation from the responsible Executive lead and assessing the assurance available around controls and mitigations.

Overall, the Committee continues to have positive assurance regarding the strategic risks that have been delegated to its oversight. It has agreed the following, which are recommended to the Board for formal approval-

- Work should be undertaken to split Risk 6 into two, one related to Elective Care and the other to Emergency Care. This work is still in progress but is moving forward.
- The Committee has agreed, subject to Board approval, that the risk descriptor for Risk 7 should be amended to-

“If there is insufficient investment available in respect of the Trust’s estate, the Trust will be unable to develop and transform the physical estate of the Trust, which may adversely impact the ability of the Trust to provide high-quality care and patient experience using the latest treatment methods.”

Quality and Patient Safety Committee

The Committee’s work is focused around the core components of Risk 4, and as such it forms an inherent part of the discussions at the Committee. The regular discussions with the Executive leads and risk team provide opportunities to review and update the entries.

The Committee has agreed that there should be a ‘deep dive’ review into Risk 8 on Digital Maturity, with the input of the Director of Digital and Logistics as the Executive lead: this is currently expected to be in June 2023, subject to alignment with the progress of the ‘iCare’ project. Any changes would then come back to the Board in September 2023 in the usual way.

People and Organisational Development Committee

Similarly to Risk 4, Risk 5 is an integral part of the discussions that are held by the People and Organisational Development Committee, and so consideration of the controls and mitigations tends to flow in the usual course of the discussions. The Committee asks itself if there are any specific BAF impacts to be identified at the end of every meeting, and further work can also be undertaken when the Executive lead meets with the risk team.

Risk 9- Transformation

The Board decided to retain oversight of the strategic risk related to Transformation (Risk 9), rather than delegate to a Committee. The Board has received regular updates on the progress of strategic projects, through the reports from the Director of Strategy, Research and Innovation; together with updates on other key strategic projects within other Director’s portfolios.

The Board may wish to consider whether there are any changes that could be made to the controls, mitigations and/ or gaps in control currently recorded in respect of Risk 9.

Audit and Risk Committee

As part of its oversight of the control systems within the Trust and their effectiveness, the Audit and Risk Committee receives a regular report regarding the work of the other Committees on the BAF, to ensure that controls are operating effectively (although subjective judgements on controls and mitigations remain for the Committees to report directly to the Board). To date, the Audit and Risk Committee has not indicated any serious concerns about the control systems for the BAF.