

Board of Directors

Date of Meeting: 7 September 2023	
Title of Document: Board Assurance Framework	
To be presented by: George Chalkias, Director of Governance, with additional input from relevant Executive risk owners.	Author: Anthony May, Associate Director of Risk, Governance and Compliance.
1. Status:	For Approval/<u>Discussion</u>/Noting/Information
2. Purpose:	To provide the Board with an update on the development of the Board Assurance Framework (BAF), committee ownership of strategic risks, and propose a process for the ongoing review and maintenance of the BAF.
Relates to:	
Strategic Objective	All
Operational performance	Effective risk management processes support the operational and strategic performance of the Trust by identifying risks and mitigating them as effectively as possible prior to the issue happening.
Quality	Effective risk management processes help to identify where a risk in the organisation will have significant impact on the quality of care we provide.
Legal/Regulatory/Audit	If ESNEFT does not have an effective risk management process in place for the identification, assessment and control of risk then we will be unable to provide a positive statement within the Annual Governance Statement to that effect, with the potential for impact to our NHS provider license.
Finance	If ESNEFT does not have an effective risk management process in place for the identification, assessment and control of risk then we may not make best use of our resources; be exposed to potential litigation costs and regulatory sanctions.
Governance	This report provides an extract of the BAF relevant to the committee's objectives. The BAF is a key governance tool used to report assurance to the Board regarding mitigation of strategic risks.
NHS policy/public consultation	ESNEFT risk management processes are in line with the Government's Orange book for risk management.
Accreditation/inspection	The Trust's risk management processes are subject to internal audit annually.
Anchor institutions	n/a
ICS/ICB/Alliance	n/a
Board Assurance Framework (BAF) Risk	Full BAF provided within appendix three of this report.
Other	n/a

3. Summary:

The Board Assurance Framework (BAF) is designed to provide the Board with a simple but comprehensive method for effective and focused review of strategic risk. The BAF should enable the Board to receive assurance from its committees that strategic risks are being appropriately managed.

This report provides the Board with an update on changes made to the BAF, based on recommendations made within the Deloitte Well-led Review and best practice.

- **Appendix one** provides, for information, a summary of risk ownership – detailing both the lead executive and lead assurance committee.
- **Appendix two** provides, for discussion, the process for maintaining the BAF detailing reporting through committees to the Board.
- **Appendix three** provides the current work-in-progress BAF for review and approval.

Process for maintaining the BAF

Strategic risks are aligned to Board committees, as determined by the committee's terms of reference. Committees receive an extract of the BAF showing risks relevant to them, at each of their meetings, and going forward a programme of deep-dives will be established.

Each strategic risk is assigned an Executive Lead; the Governance Directorate meet with Executive Leads monthly to discuss risks relevant to their directorate and update the BAF following this.

Each committee will perform a deep-dive into its aligned risks, according to an agreed schedule which acknowledges what has been reviewed previously during the year, whilst also allowing consideration of risk rating. The schedule will then become part of the annual work-plan.

To standardise the risk deep-dive process, it is proposed that a template is developed with input from the Executive Team, Committee Chairs and Audit Committee members. The full BAF review/maintenance process is outlined within appendix two; this is provided for discussion. In addition to the current process, it is proposed that the Chair's Key Issue reports produced after each committee meeting will be used to input into the BAF review process.

BAF format

Taking onboard recommendations from the Deloitte Well-led review, and associated best practice, the format of the BAF has been amended to make it more easily accessible, both to Board members and our stakeholders. Risks have been reviewed by risk Executive Risk owners, and where reporting deadlines have allowed, have been reported through the relevant assurance committee.

The BAF reported within appendix three is a work in progress document, reported to Board to enable feedback to be provided on the format and approach. It details strategic risks previously identified by the Board, together with a summary of the current mitigation, associated assurance and additional actions planned for the future. As the BAF is developed further, in addition to positive controls and assurances it will also detail gaps in control and/or assurance.

Key changes to the BAF

Since the Board received the BAF in May, in addition to the changes outlined above, BAF6B regarding timely cancer diagnosis and treatment, has been removed from the BAF due to the current performance being above both the regional and national average. This will be kept under review by the Cancer Board, and relevant Board Committees and escalated as necessary.

4. Recommendations / Actions

The Board is invited to:

1. Note the Executive Lead and Assurance Committee responsible for each risk (appendix one)
2. Review and provide feedback on the process for maintaining the BAF (appendix two)
3. Review and provide feedback on the revised format of the BAF (appendix 3) and approve the BAF report
4. Note the removal of risk BAF6B, regarding timely cancer diagnosis and treatment, as detailed above.
5. Consider whether, during the course of the meeting, any additional significant strategic risks which may impact on the delivery of the Trust's strategic objectives have been identified.