

Board of Directors Meeting in Public

Subject:	Board Assurance Framework and Significant Risks Report	Date: 4 th November 2021		
Prepared By:	Neil Wilkinson, Risk and Assurance Manager			
Approved By:	Shirley Higginbotham, Director of Corporate Affairs			
Presented By:	Paul Robinson, Chief Executive Officer			
Purpose				
To enable the Board to review the effectiveness of risk management within the Board Assurance Framework (BAF) and approve the proposed changes agreed by the respective Board sub-committees, and for oversight of significant operational risks.			Approval	✓
			Assurance	
			Update	
			Consider	
Strategic Objectives				
To provide outstanding care	To promote and support health and wellbeing	To maximise the potential of our workforce	To continuously learn and improve	To achieve better value
✓	✓	✓	✓	✓
Overall Level of Assurance				
	Significant	Sufficient	Limited	None
		✓		
Risks/Issues				
Financial	Principal Risk 4 concerns achievement of the Trust's financial strategy.			
Patient Impact	Principal Risk 1 concerns the delivery of safe and effective patient care.			
Staff Impact	Principal Risk 3 concerns staff capability and capacity.			
Services	Principal Risk 2 concerns the management of capacity and demand. Principal Risk 6 concerns the delivery of benefits from working more closely with local health and care partners. Principal Risk 7 concerns the management of major disruptive incidents.			
Reputational	Principal Risk 5 concerns the implementation of evidence based improvement and innovation.			
Committees/groups where this item has been presented before				
Lead Committees review individual Principal Risks at each formal meeting (Quality Committee; Finance Committee; People, Culture and Improvement Committee; Risk Committee). Risk Committee reviews the full BAF quarterly.				
Executive Summary				
<p>Each principal risk in the BAF is assigned to a Lead Director as well as to a Lead Committee, to enable the Board to maintain effective oversight of strategic risks through a regular process of formal review. The 7 Principal Risks are:</p> <ul style="list-style-type: none"> PR1 Significant deterioration in standards of safety and care PR2 Demand that overwhelms capacity PR3 Critical shortage of workforce capacity and capability PR4 Failure to achieve the Trust's financial strategy PR5 Inability to initiate and implement evidence-based improvement and innovation PR6 Working more closely with local health and care partners does not fully deliver the required benefits PR7 Major disruptive incident <p>Lead committees have been identified for specified principal risks and consider these at each meeting, providing a rating as to the level of assurance they can take that the risk treatment strategy will be effective in mitigating the risk.</p>				

The Risk Committee further supports the lead committees in their role by maintaining oversight of the organisation's divisional and corporate risk registers and escalating risks that may be pertinent to the lead committee's consideration of the BAF.

To provide Board oversight, a report of significant operational risks is available in the reading room. This report outlines significant risks on the Trust's risk register at the time of the last Risk Committee, and the respective principal risks on the Board Assurance Framework to which they apply.

The Risk Committee reviews all 'Significant' risks recorded within the Trust's risk register every month. This process enables the Committee to take assurance as to how effectively significant risks are being managed and to intervene where necessary to support their management, and to identify risks that should be escalated.

Proposed amendments to the BAF, agreed by the respective Lead Committees, are on the attached document - additions to the text are in red type and removals are in blue type (struck out).

Schedule of BAF reviews since last received by the Board of Directors on 5th August

- Quality Committee: PR1 and PR2 – 13th September
- People, Culture and Improvement Committee: PR3 and PR5 – 19th October
- Finance Committee: PR4 – 28th September and 26th October
- Risk Committee: PR6 and PR7 – 10th August, 14th September and 12th October

PR1, PR2 and PR3 are significant risks, and PR1 remains above its tolerable risk rating. PR4 has been reduced from significant to high risk. PR1, PR2, PR3 and PR5 reflect the threat and impact of COVID-19.

There was an action from the August meeting of the Board of Directors for "Sub committees to review the BAF with particular reference to comparing the tolerable risk level to the risk level on the BAF". The Executive Leads and Lead Committees have considered this as part of the recent BAF reviews. A note relating to this has been added to the front sheet of the BAF, along with, for reference, a table containing risk likelihood scores and descriptors.

Board members are requested to:

- Review the Principal Risks in light of proposed changes agreed by the respective lead committees
- Consider the implications of any current risk ratings being above tolerable levels
- Agree any further changes
- Approve the BAF subject to any further changes identified