

Board of Directors Meeting in Public - Cover Sheet

Subject:	Board Assurance Framework and Significant Risks Report	Date: 2 nd February 2023		
Prepared By:	Neil Wilkinson, Risk and Assurance Manager			
Approved By:	Shirley Higginbotham, Director of Corporate Affairs			
Presented By:	Paul Robinson, Chief Executive			
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 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
✓	✓	✓	✓	✓
Identify which principal risk this report relates to:				
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			✓
PR8	Failure to deliver sustainable reductions in the Trust's impact on climate change			✓
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 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 PR8 Failure to deliver sustainable reductions in the Trust's impact on climate change <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 3rd November:

- Quality Committee: PR1 and PR2 – November and January
 - People, Culture and Improvement Committee: December and January ¹
 - Finance Committee: PR4 and PR8 – December and January ^{1,2}
 - Risk Committee: PR6, PR7 and PR8 – November, December and January ²
1. The Finance and People, Culture and Improvement Committee meetings are scheduled for 31st January so some of the proposed changes had not been reviewed by those committees at the time of submitting this report
 2. The Finance Committee reviewed PR8 as part of the proposed change of lead committee from Risk Committee

PR1, PR2, PR3 and PR4 remain significant risks, and it is proposed that the current risk score for PR2 increases to 20 to reflect the current operational pressures.

The current risk ratings for PR1 and PR4 remain above their tolerable risk ratings, and the proposed increase in score moves PR2 above its tolerable rating.

The Lead Director for PR5 has been changed to reflect the current structure.

A new chart has been added to the front sheet of the BAF, that shows the current, tolerable and target risk scores for each of the principal risks, and highlights where current risk ratings are above tolerable levels.

It is proposed that this table replaces the table used in previous reports (shown on page 2 of the attached BAF).

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