

Board of Directors Meeting in Public

Subject:	Board Assurance Framework (BAF) Report	Date: 19 th October 2017						
Prepared By:	Paul White, Risk Manager							
Approved By:	Paul Moore, Director of Governance & Quality Improvement							
Presented By:	Paul Moore, Director of Governance & Quality Improvement							
Purpose								
To enable the Board of Directors to review the content of the Board Assurance Framework (BAF).		<table border="1"> <tr> <td>Decision</td> <td></td> </tr> <tr> <td>Approval</td> <td></td> </tr> <tr> <td>Assurance</td> <td>✓</td> </tr> </table>	Decision		Approval		Assurance	✓
Decision								
Approval								
Assurance	✓							
Strategic Objectives								
To provide outstanding care to our patients	To support each other to do a great job	To inspire excellence						
To get the most from our resources	To play a leading role in transforming health and care services							
✓	✓	✓						
✓	✓	✓						
Overall Level of Assurance								
	Significant	Sufficient						
	✓							
Risks/Issues								
Financial	Principal Risk AF4 concerns the Trust's financial sustainability.							
Patient Impact	Principal Risk AF1 concerns the delivery of safe and effective patient care.							
Staff Impact	Principal Risk AF7 concerns staffing levels.							
Services	Principal Risk AF2 concerns the management of emergency demand; AF3 concerns elective demand.							
Reputational	An effective Board Assurance Framework can enhance the Trust's reputation for good governance.							
Committees/groups where this item has been presented before								
Board Risk Committee for monthly review of risk management effectiveness.								
Audit & Assurance Committee for bi-annual review of internal controls.								
Lead Committees for bi-monthly review of individual Principal Risks (Quality Committee; Finance Committee; Organisational Development & Workforce Committee; Executive Team).								
Executive Summary								
The Board of Directors has identified the following Principal Risks for inclusion in the Trust's Board Assurance Framework (BAF)*:								
<ul style="list-style-type: none"> AF1 – Safe and effective patient care AF2 – Managing emergency demand AF3 – Managing elective demand AF4 – Financial sustainability AF7 – Staffing levels 								
<p>Each Principal Risk on the BAF is assigned to a Lead Director, who regularly reviews the risk and ensures that an appropriate mitigation plan is in place; and a Lead Committee, which reviews assurances as to the effectiveness of those plans in managing the risk. Assurances against each risk are updated each month from information provided to the lead committees.</p> <p>In addition, the Board Risk Committee reviews the full BAF every month to provide assurance that Principal Risks are being managed effectively; and the Audit and Assurance Committee ensures that the BAF remains an effective component within the Trust's internal control framework.</p>								

Since the last report to the Board, the Quality Committee has increased the Likelihood rating for AF2 – Managing emergency demand from 3 (Possible) to 4 (Somewhat likely), which makes the current risk rating now 16 (Significant).

AF6 – Staff engagement and morale has now been removed from the BAF and delegated to the HR & OD Directorate for on-going management, as it has been rated as a Low risk for some time*.

No additional strategic risks are recommended for inclusion within the BAF at this time. However, the Executive Team is in the process of carrying out a horizon scanning exercise to identify and quantify threats and opportunities over the next 5 years, in order to inform future development of the BAF.

** Please note that Principal Risk AF5 (Organisational sustainability) was removed from the BAF in December 2016 and AF8 (Senior leadership stability) was removed in April 2017; these risks have also been delegated the relevant lead directorate.*

A copy of the full BAF is included with this report.

Action required by the Board

The Board are invited to review the content of the BAF and advise as to any further action required in relation to Principal Risks.