

<b>Agenda Item No:</b>	<b>7</b>
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<b>Report to:</b>	Executive Committee
<b>Date of Meeting:</b>	8 May 2024
<b>Subject:</b>	<b>Board Assurance Framework</b>
<b>Director Sponsor:</b>	Karina Ellis, Executive Director of Corporate Affairs
<b>Author:</b>	Mike Napier, Director of Governance and Board Secretary Sasha Sencier, Head of Governance and Development

**STATUS OF THE REPORT:**

Approve  Discuss  Assurance  Information  A Regulatory Requirement

**SUMMARY OF REPORT:**

This paper presents the updated Board Assurance Framework (BAF). It aims to provide the ICB Board Members with assurance that the key risks, agreed by the Board, relating to the delivery of the ICB's Strategic Objectives are being managed appropriately.

Key areas for consideration by the Board are detailed in Section 3 of the report. Appendix A provides summary of the changes made to the BAF since March 2024. The BAF can be found in full at Appendix B.

It should be recognised that the BAF risks will be aligned to the new ICB strategic objectives and risk appetite domains once agreed at the May Board development session.

**RECOMMENDATIONS:**

Members are asked to:

- Approve the changes to the BAF as highlighted in the report.
- Review and discuss the analysis of risk rating movement over 2023-24 and agree and actions.
- Identify any further areas of risk that may impact on the delivery of the ICB strategic objectives.

**ICB STRATEGIC OBJECTIVE**

Managing Today	<input checked="" type="checkbox"/>
Managing Tomorrow	<input checked="" type="checkbox"/>
Enabling the Effective Operation of the Organisation	<input checked="" type="checkbox"/>

IMPLICATIONS	
Finance	<b>Risk A3</b> relates specifically to risks associated with the maintenance of financial control. The current assessment of the risks, together with their mitigations, associated with this are set out in the BAF. Financial implications associated with other risks would be set out on a case-by-case basis.
Quality	<b>Risks A1 and C1</b> refer specifically to quality impacts should the threats relating to clinical quality, safety and patient experience not be adequately mitigated for. The current controls and assurances in place are set out within the BAF
HR	<b>Risks A4, B4 and C3</b> set out the risks in the event of not delivering the ICB People Plan, together with the controls and mitigations in place to minimise these.
Legal / Regulatory	The maintenance of a comprehensive BAF provides an important means through which the compliance / regulatory risks to the ICB are mitigated for.
Data Protection / IG	There are no direct data protection / IG implications relating to this paper, however data protection/IG controls and mitigations will be considered, as relevant, for all principal risks.
Health inequality / equality	<b>Risks A1, B1 and B3</b> reference the negative impacts on health inequality/ equality in the event that each risk is not adequately controlled however the existing mitigations are also set out within the document.
Conflict of Interest Aspects	No conflicts of interest are identified in relation to the BAF; however, it is noted that COIs will continue to be monitored on a case-by-case basis given the broad scope of the report's contents and the professional / organisational diversity of the Board membership.
Sustainability	There are no sustainability implications relating to this paper, however sustainability controls and mitigations will be considered on a case-by-case basis, as appropriate.

**ASSESSED RISK:**

The ICB has a statutory and regulatory obligation to ensure that systems of control are in place, to minimise the impact of all types of risk. The BAF and Corporate Risk Register are essential parts of a robust and comprehensive internal control framework for the ICB.

**MONITORING AND ASSURANCE:**

The Executive Team will oversee the development of the wider risk management strategy and framework of which the BAF will be an element. The Audit Committee maintains independent oversight for the assurance of the BAF and ICB control framework.

**ENGAGEMENT:**

A wide variety of ICB subject matter specialists, senior officers and the ICB Board have been engaged in the development of the BAF.

**REPORT EXEMPT FROM PUBLIC DISCLOSURE**

No  Yes

If yes, please detail the specific grounds for exemption.

# Board Assurance Framework

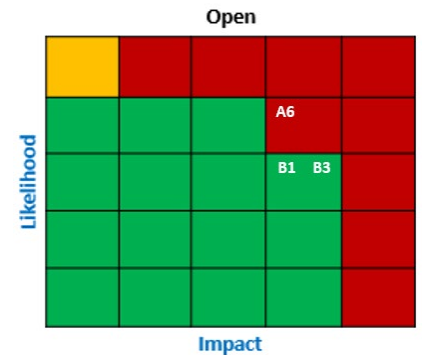
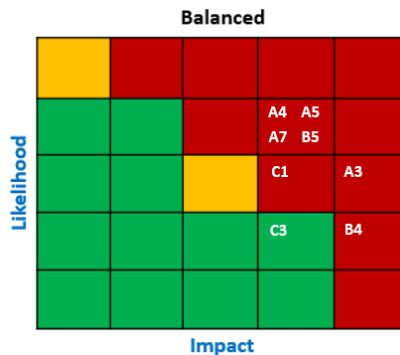
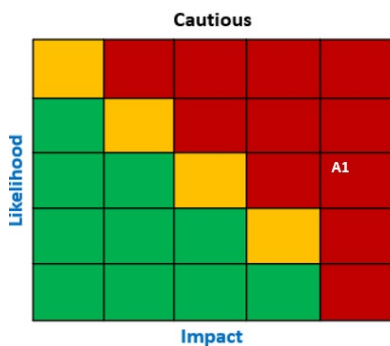
## 1.0 Purpose

- 1.1 This paper presents the updated Board Assurance Framework (BAF). It aims to provide the ICB Board Members with assurance that the key risks, agreed by the Board, relating to the delivery of the ICB’s Strategic Objectives are being managed appropriately.
- 1.2 Key areas for consideration by the Board are detailed in **Section 3** of the report. **Appendix A** provides summary of the changes made to the BAF since March 2024. The BAF can be found in full at **Appendix B**.
- 1.3 It should be recognised that the BAF risks will be aligned to the new ICB strategic objectives and risk appetite domains once agreed at the May Board development session.

## 2.0 BAF Snapshot

2.1 There are currently **12 active risks** detailed on the BAF. Since the Board last met, two new risks have been added (A7 and B5 to be approved) and two risks have been closed, as previously agreed by the Board (B2 and C2) The table and heat maps below outline how each of the risks are aligned to the ICB strategic objectives, risk domains and risk appetite:

Domain (and Risk Appetite)	A: Managing Today				B: Managing Tomorrow		C: Enabling the effective operation of the organisation
1: Clinical Quality & Safety (CAUTIOUS)	A1						
2: Patient Experience (BALANCED)							C1
3: Workforce (BALANCED)					B4		C3
4: Financial / Value for Money (BALANCED)	A3	A4	A5	A7	B5		
5: Compliance / Regulatory (BALANCED)							
6: Reputation (BALANCED)							
7: Transformation Delivery (OPEN)	A6				B1	B3	
8: Partnership (OPEN)							



### 3.0 BAF Risks: Areas for Attention of the Board

The Board is asked to draw particular attention to the following areas that require consideration:

RISK REF	RISK DESCRIPTION	FOR CONSIDERATION
<b>Strategic Objective A: Managing Today</b>		
<b>A7</b>	Failure to operate within the ICB and the ICSs available resources for 2024/25 will cause financial instability leading to poorer outcomes for the population; threaten individual organisation sustainability; undermine confidence in the ICB and ICS leadership; risks the system being subject to escalated oversight from regional and national processes that detract from getting on with the required responsibilities and priorities.	The Finance, Performance & Delivery Committee has made a <b>recommendation to approve</b> the new financial risk for 2024-25.
<b>Strategic Objective B: Managing Tomorrow</b>		
<b>B2</b>	Failure to connect and build relationships with all partners and stakeholders around meeting the wider needs to the population will lead to fragmentation and reduce the impact on wider determinants that affects the population.	Following approval from the Board in April 2024, <b>this risk has now been closed</b> and is part of business as usual.
<b>B5</b>	Failure to deliver a medium-term financial plan that achieves financial sustainability and recovery, leading to poorer outcomes for the population; threatens individual organisation sustainability; undermines confidence in the ICB and ICS leadership.	The Finance, Performance & Delivery Committee has made a <b>recommendation to approve</b> a new financial risk relating to the delivery of the medium-term financial plan.
<b>Strategic Objective C: Enabling the Effective Operation of the Organisation</b>		
<b>C2</b>	Failure to ensure the ICB maintains robust governance processes and effective control mechanisms will prevent the ICB meeting regulatory and compliance standards and threaten organisational sustainability and undermining confidence in the ICS leadership	Following approval from the Board in April 2024, <b>this risk has now been closed</b> and is part of business as usual.

**1.1 Risk Ref A1: Failure to effectively recognise, monitor and have mitigating actions to improve standards of local care will impact on patient safety and positive health outcomes for local people and communities.**

- One mitigating action has been updated as detailed below.

Mitigating Action	Update
Ambulance 45 minute handover policy in place but requires performance to be measured – ensure a full applicable implementation from April 24.	Ambulance handover trajectories to reduce lost hours and contribute positively to the Category 2 responses times for both YAS and EMAS are being put in place for 24/25 to track progress on this

**1.1 Risk Ref A3: Failure to operate within the ICB’s available resources for 2023/24 will cause financial instability leading to poorer outcomes for the population and threaten organisational sustainability undermining confidence in the ICS leadership.**

- One mitigating action has been updated as detailed below.

Mitigating Action	Update
Develop a medium-term financial recovery plan	See new risk Ref B5

**1.3 Risk Ref A4: Immediate term financial pressure, employment relations challenges and increasing workload, lead to reductions in the availability of workforce across the system and in the numbers of people who choose to start training this year for future health and care careers, negatively affecting service user experience and individual outcomes.**

- One mitigating action requires updating.

Mitigating Action	Update
Lobby on inclusion of CICs in national funding streams	Target date needs to be included.

**1.4 Risk Ref A5: The estates infrastructure of the ICS hinders our ability as an ICB to deliver consistently high-quality care.**

- No update due

**1.5 Risk Ref A6: Failure to deliver the ICB Operating plan for 2023/24, and the associated 31 national objectives, may result in patients not being treated in a timely and appropriate manner.**

- Three mitigating actions have been update as detailed below:

Mitigating Action	Update
Regular reset H2 plan update to Board – starting in January 2024	H2 Plan delivery for the latter part of 2023/24 resulted in some positive outcomes; attention has focused on compiling the Operational Plan for 2024/25 whereupon the appropriate oversight and governance arrangements for 24/25 will be determined.
UEC further faster plan prioritising immediate actions	HNY did not meet the required 76% target for the end of March 2024 so learning from 23/24 is being incorporated within the plans for 2024/25
Cancer recovery plan developed through cancer system tier meetings	Cancer performance improved considerably in the latter part of 24/25 but fell slightly short of the targets set. Challenge is to sustain into 24/25 with plans in place to do so.

**1.6 Risk Ref A7: Failure to operate within the ICB and the ICSs available resources for 2024/25 will cause financial instability leading to poorer outcomes for the population; threaten individual organisation sustainability; undermine confidence in the ICB and ICS leadership; risks the system being subject to escalated oversight from regional and national processes that detract from getting on with the required responsibilities and priorities.**

- Mitigating actions to address gaps to be determined.

**1.7 Risk Ref B1: Failure to develop data and digital maturity (including Cyber Security) will prevent the ICS from delivering against its core purposes.**

- Updates have been provided for all mitigating actions as detailed below.

Mitigating Action	Update
Align digital priorities with the ICP strategy and develop an action plan to deliver	Not due <b>Update:</b> Streamlined internal team in place Ongoing work to better align internal Digital workstreams with ICB\ICS priorities underway & maturing. Appropriate workstreams identified for collaboratives
DSPT Toolkit Improvement Plan (if applicable)	Not due <b>Update:</b> Cyber Awareness Events have taken place and were well received
Electronic Patient Record replacement to be developed across the ICB to support harmonisation of pathways, information to be shared more easily and simplified reporting.	<b>Update:</b> An overall Steering Group and Programme Group have been set up to ensure programme success. 1 trust currently deploying 2 trusts currently jointly evaluating solution 1 Trust finalising OBC Finance profiling being worked through with NHSE
Development of decision intelligence model	Not due <b>Update:</b> Discussions around good practice for SCC with our ICBs underway

**1.8 Risk Ref B3: Failure of the ICB to align with the wider partnership vision and priorities and therefore not transforming services to achieve enduring improvement to the health & wellbeing of our population & local communities.**

- No update

**1.9 Risk Ref B4: Failure to deliver or capitalise on priority workforce transformation initiatives lead to static or worsening workforce recruitment and retention challenges system-wide over coming years, which in turn negatively affect population health outcomes and limit impact on health inequalities.**

- One mitigating action requires updating.

Mitigating Action	Update
National lobbying on whole system finance, including position of social care.	Target date needs to be included.

**1.10 Risk Ref B5: Failure to deliver a medium-term financial plan that achieves financial sustainability and recovery, leading to poorer outcomes for the population; threatens individual organisation sustainability; undermines confidence in the ICB and ICS leadership.**

- Mitigating actions to address gaps to be determined.

**1.11 Risk Ref C1: Failure to effectively engage and deliver our legal duty to involve patients and the public in decision making and service development will prevent the ICS from providing integrated, coordinated and quality care.**

- No update due

**1.12 Risk Ref C3: Failure to recruit and retain staff of the right calibre and with the right values will prevent the ICB organisation delivering its core purposes. Lack of effective succession planning will reduce the leadership capability of the ICB and limit the impact and effectiveness of the organisation in leading the improvement and transformation of the HNY health and care system.**

- No update due

END