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| Agenda Item No: | 7 |
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| <b>Report to:</b>        | Humber and North Yorkshire Integrated Care Board   |
| <b>Date of Meeting:</b>  | 10 April 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<br>Sasha Sencier, Head of Governance and Development |

|   |  |
|---|--|
| <b>STATUS OF THE REPORT:</b>                |  |
| Approve <input checked="" type="checkbox"/> | Discuss <input checked="" type="checkbox"/> Assurance <input checked="" type="checkbox"/> Information <input type="checkbox"/> A Regulatory Requirement <input type="checkbox"/> |

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| <p><b>SUMMARY OF REPORT:</b></p> <p>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.</p> <p>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 C.</p> <p>As part of the Quarter 4 Governance review, this report also provides an analysis of risk ratings over the past 12 months for 2023-24 (see Appendix B). The analysis in this part of the report supports any areas identified for consideration by the Board as detailed in Section 3.</p> <p>As part of the Quarter 4 Governance review, this report also provides an analysis of risk ratings over the past 12 months for 2023-24.</p> <p><b>RECOMMENDATIONS:</b></p> <p>Members are asked to:</p> <ul style="list-style-type: none"> <li>• Approve the changes to the BAF as highlighted in the report.</li> <li>• Review and discuss the analysis of risks and agree any actions.</li> <li>• Identify any further areas of risk that may impact on the delivery of the ICB strategic objectives.</li> </ul> |
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|--------------------------------|
| <b>ICB STRATEGIC OBJECTIVE</b> |
|--------------------------------|

|  |                                     |
|--|-------------------------------------|
| 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</b> and <b>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. <b>Risk C2</b> specifically considers the principal compliance / regulatory risk identified at the present time, together with its controls and mitigations.      |
| 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, B2</b> and <b>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.

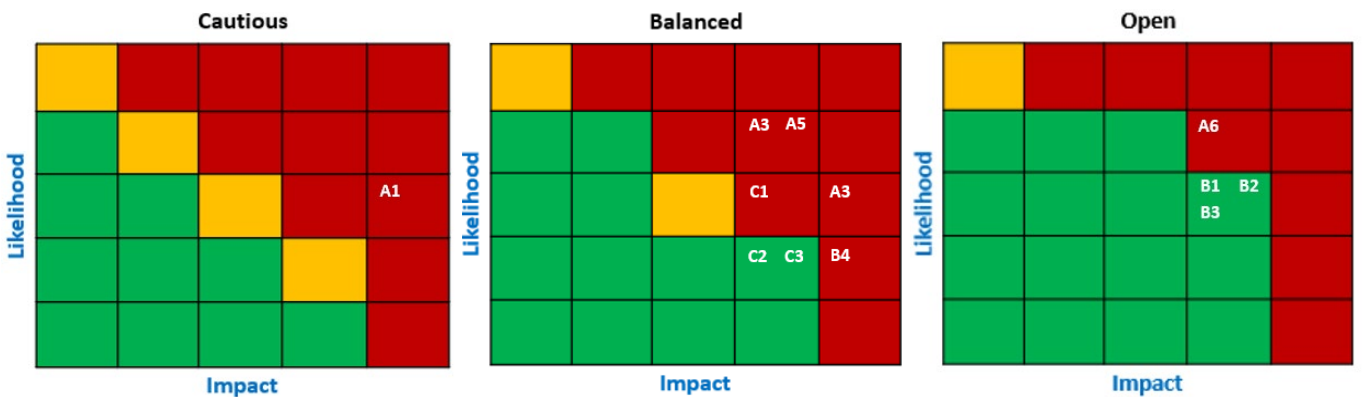
Key areas for consideration by the Board are detailed in **Section 3** of the report. **Appendix A** provides summary of the changes made to the BAF since March 2024. The BAF can be found in full at **Appendix C within the supplementary information**.

1.1 As part of the Quarter 4 Governance review, this report also provides an analysis of risk ratings over the past 12 months for 2023-24 (see **Appendix B**). The analysis in this part of the report supports any areas identified for consideration by the Board as detailed in **Section 3**.

## 2.0 BAF Snapshot

2.1 There are currently **12 active risks** detailed on the BAF. 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 |                      |    |   |
| 5: Compliance / Regulatory (BALANCED)     |                   |    |    |                      |    | C2  |
| 6: Reputation (BALANCED)                  |                   |    |    |                      |    |   |
| 7: Transformation Delivery (OPEN)         | A6                |    |    | B1                   | B3 |   |
| 8: Partnership (OPEN)                     |                   |    |    | B2                   |    |   |



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

Following analysis of the current position of risks, as described on the BAF, and also the analysis of the risks over the past 12 month (as detailed in the appendices), the Board is asked to draw its attention to the following areas that require consideration:

| RISK  | RISK DESCRIPTION   | FOR CONSIDERATION BY THE BOARD  |
|---|--|---|
| <b>Strategic Objective A: Managing Today</b>    |  |   |
| A1  | <b>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.</b>   | The risk score has remained high over the past 12 months with a low-risk appetite. The Board is asked to consider whether a deep dive of this risk should be undertaken by the Board.   |
| A3  | <b>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.</b>   | This risk relates to 2023/24 which will be closed after year-end is finalised (June). A new risk is in development for 2024/25 (Risk Ref A7) which will be fully populated once planning is complete. The risk will be presented at the meeting in public in May.   |
| A4  | <b>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.</b> | The risk score has remained high over the past 12 months with a moderate risk appetite. The Board is asked to consider whether a deep dive of this risk should be undertaken by the Board.  |
| A6  | <b>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.</b>  | The risk score remains high, at 16. The Board is asked to consider whether a deep dive of this risk should be undertaken by the Board or whether to accept the risk score for 2023/24 and open a new risk for 2024/25.  |
| A7  | <b>NEW RISK – relating to financial risk for 2024/25</b>   | The Board is asked to consider whether to approve a new risk to be included in the BAF for 2024/25, with the Executive Director of Finance & Investment as the risk owner   |
| A8  | <b>NEW RISK – relating to delivery of the ICB operating plan for 2024/25</b>   | The Board is asked to consider whether to approve a new risk to be included in the BAF for 2024/25, with the Deputy Chief Executive as the risk owner   |
| <b>Strategic Objective B: Managing Tomorrow</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.</b>  | The Executive Risk Owner is making a recommendation to reduce the risk score from 12 to 8. This revised score, if approved, is now below the risk appetite of 12. The risk had previously reached its risk appetite of 12 over the past year. The Board is asked to consider the following recommendations, to: |

|  |  |  |
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|  |  | <ul style="list-style-type: none"> <li>• Approve for the change in risk score from 12 (4 x 3) to 8 (4 x 2)</li> <li>• Consider if this risk can now be closed and form part of business as usual.</li> </ul> |
| <b>Strategic Objective C: Enabling the Effective Operation of the Organisation</b> |  |  |
| <b>C2</b>  | <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</b> | This risk has remained at its risk appetite of 8 for the past 12 month. The Board is asked to consider if this risk can now be closed and form part of business as usual.                                    |

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

##### The Board is asked to:

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

**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 and moved to positive assurance, as detailed below.
- One additional gap and mitigating actions has been included, as detailed below.

| Mitigating Action  | Update                                  |
|--|---|
| ICB wide approach to managing clinical risk with ambulance handover delays and revised policy in line with national requirements from 1 December 2023.<br>Proactive role of system coordination centre to maximise flow. | Completed: moved to positive assurance. |
| Ambulance 45 minute handover policy in place but requires performance to be measured – ensure a full applicable implementation from April 24.  | NEW<br>Target date April 2024           |

**1.2 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.**

- No changes to report.

**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 has been updated as detailed below.

| Mitigating Action                                      | Update  |
|--|---|
| Lobby on inclusion of CICs in national funding streams | Executive Director of People to advise of target date |

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

- One mitigating action has been completed and has moved to positive assurance.
- One mitigating action target date has been updated from Q4 2023-24 to Q1 2024-25

| Mitigating Action   | Update                                  |
|---|---|
| Working with exec director and governance team to establish clear reporting and governance arrangements.              | Completed: moved to positive assurance. |
| Continue to prioritise in line with agreed risk prioritises and review options and alternative funding opportunities. | Target date moved to Q1 2024-25         |

**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 are due for completion at the end of March 2024, however these will not be reported until the May Board due to the need to analyse data and thus progress.

| Mitigating Action  | Update          |
|--|-----------------|
| Regular reset H2 plan update to Board – starting in January 2024   | Reported in May |
| UEC further faster plan prioritising immediate actions             | Reported in May |
| Cancer recovery plan developed through cancer system tier meetings | Reported in May |

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

- Three mitigating actions are due for completion and have been updated as detailed below.

| Mitigating Action   | Update  |
|---|---|
| Align digital priorities with the ICP strategy and develop an action plan to deliver.<br>(mitigating action moved from Q4 2023/24 to Q1 2024/25)                          | Currently looking at how we support collaboratives to keep ownership of programme delivery. Discussions now taking place the acute collaborative about moving some programmes across. |
| Electronic Patient Record replacement to be developed across the ICB to support harmonisation of pathways, information to be shared more easily and simplified reporting. | The initial phase of this has been completed and moved to positive assurance, additional actions remain on the BAF.   |
| BI, analytics and reporting wrt populational health to be developed through population health management programme/ <b>development of decision intelligence model.</b>    | This action has been partially completed and the second part highlighted remains an action to complete by Q4 2024/25.   |

**1.7 Risk Ref B2: 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.**

- One mitigating action which was due for completion has been updated as detailed below.

| Mitigating Action   | Update  |
|---|---|
| Integration needs assessment (lens on coastal):<br>Development and recommendations. | Expecting NECS report at the end of March 2024 - a report will come to the May Board and the ICP in June. |

**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.**

- One mitigating action have been partially completed and partially moved to positive assurance. The outstanding element of this action is detailed below.

| Mitigating Action  | Update  |
|--|---|
| BI, analytics and reporting wrt populational health to be developed through population health management programme/ <b>development of decision intelligence model.</b> | This action has been partially completed and the second part highlighted remains an action to complete by Q4 2024/25. |

**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 has been updated as detailed below.

| Mitigating Action   | Update  |
|---|---|
| National lobbying on whole system finance, including position of social care. | Executive Director of People to advise of target date |

**1.10 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.**

- Four mitigating actions are due for completion and have been updated as detailed below.
- Additional positive assurances and key controls have been included.
- A new mitigating action has been included to align better with gaps in control

| Mitigating Action   | Update  |
|---|---|
| Working with People and Communities: Engagement Strategy, annual review undertaken, resulting in further development with a proposal to be shared with the Board.   | Target updated to May 2024. Report to go to the Board June/July.  |
| Cross directorate working group established to progress actions with the priorities being mapped of existing intelligence and development of a shared framework for future delivery (ie Voice of the Lived Experience). | Completed and move to positive assurance and key controls   |
| Integrated Impact Assessment processes are reviewed, including the identification of training and development for colleagues' where appropriate.  | This has partially been met as a tool now in place, however we are now working towards suitably qualified person to provide expertise |
| To establish clear governance processes – thinking through the lens of the ICB's duty to involve and engage   | NEW with a target date of end Q1 24/25  |
| Level of non-pay investment to be agreed at EXCO  | Due to a delay with planning, the target date has moved to Q4 23/24 to May 24/25  |

**1.11 Risk Ref C2: 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**

- One mitigating action which was due for completion has been updated as detailed below.
- Additional positive assurances and key controls have been included.

| Mitigating Action   | Update  |
|---|---|
| Deliver and implement any recommendations from the Q4 Audit Reports 2022/23 | No concerns but require to close down year end before reporting in full in May. |

**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.**

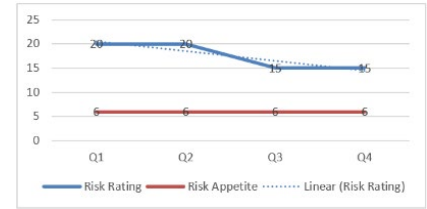
- One mitigating action has been completed and has been move to positive assurances and key controls.

| Mitigating Action   | Update    |
|---|-----------|
| Intranet to be developed by Comms, Marketing and PR, with HR team input | Completed |



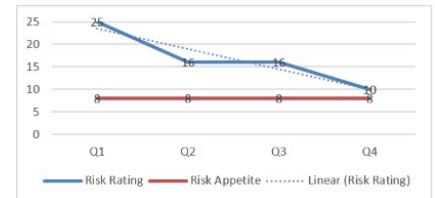
**1.1 Risk Ref A1: Failure to effectively recognise, monitor and have mitigating actions to improve standards of local care will impact on patient safety and positive health outcomes for local people and communities.**

- In 2023/24, the risk score has reduced in likelihood, however the **impact remains high** at 5 and the overall risk score **remains high**, with a low risk appetite of 6.
- Any significant recommendations are detailed at Section 3 of this report.



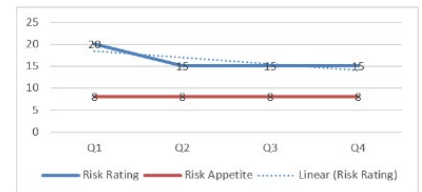
**1.2 Risk Ref A3: Failure to operate within the ICB’s available resources for 2023/24 will cause financial instability leading to poorer outcomes for the population and threaten organisational sustainability undermining confidence in the ICS leadership.**

- The risk score has **significantly reduced** since the start of the year, with the score almost reaching the risk appetite of 8.
- Any significant recommendations are detailed at Section 3 of this report.



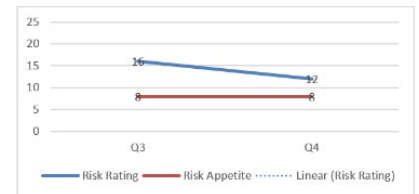
**1.3 Risk Ref A4: Immediate term financial pressure, employment relations challenges and increasing workload, lead to reductions in the availability of workforce across the system and in the numbers of people who choose to start training this year for future health and care careers, negatively affecting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

- In 2023/24, the risk score has slowly reduced between Q2 to Q4, however the **score remains high**, with a low risk appetite of 8.
- Any significant recommendations are detailed at Section 3 of this report.



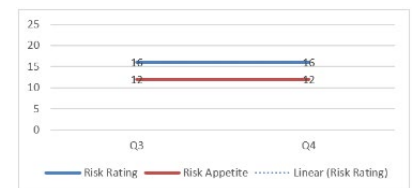
**1.4 Risk Ref A5: The estates infrastructure of the ICS hinders our ability as an ICB to deliver consistently high-quality care.**

- The risk score has reduced between Q3 to Q4.
- Due to the maturity of this risk, it is recommended that the ICB continues to monitor this risk as normal to ensure progress continues in this area.



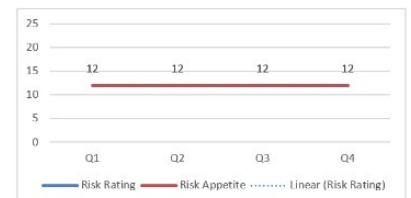
**1.5 Risk Ref A6: Failure to deliver the ICB Operating plan for 2023/24, and the associated 31 national objectives, may result in patients not being treated in a timely and appropriate manner.**

- The risk score has **remained the same** at 16, with a risk appetite of 12.
- Any significant recommendations are detailed at Section 3 of this report.

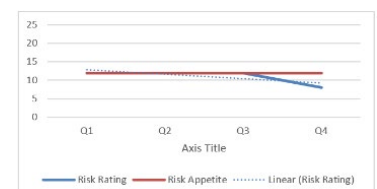


**1.6 Risk Ref B1: Failure to develop data and digital maturity (including Cyber Security) will prevent the ICS from delivering against its core purposes.**

- In 2023/24, the risk score has **remained the same** at 12, with a risk appetite of 12.
- Any significant recommendations are detailed at Section 3 of this report.



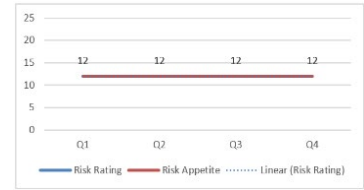
**1.7 Risk Ref B2: Failure to connect and build relationships with all partners and stakeholders around meeting the wider needs to the population will lead to fragmentation and reduce the impact on wider determinants that affects the population.**



- Until late 2023/24, the risk score remained static at 12 with a risk appetite of 12. In March 2024 a recommendation was made to the Board to reduce the score to 8.
- Any significant recommendations are detailed at Section 3 of this report.

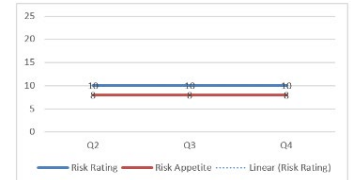
**1.8 Risk Ref B3: Failure of the ICB to align with the wider partnership vision and priorities and therefore not transforming services to achieve enduring improvement to the health & wellbeing of our population & local communities.**

- In 2023/24, the risk score has remained the same at 12, with a risk appetite of 12.
- Any significant recommendations are detailed at Section 3 of this report.



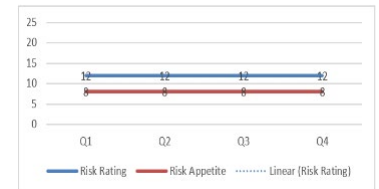
**1.9 Risk Ref B4: Failure to deliver or capitalise on priority workforce transformation initiatives lead to static or worsening workforce recruitment and retention challenges system-wide over coming years, which in turn negatively affect population health outcomes and limit impact on health inequalities.**

- The risk score has not lowered since its inclusion on the BAF with the score remaining on the lower side but with no movement towards reaching the risk appetite of 8.
- Any significant recommendations are detailed at Section 3 of this report.



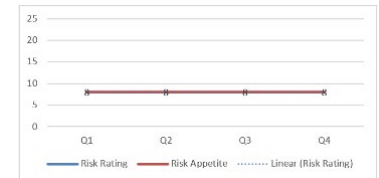
**1.10 Risk Ref C1: Failure to effectively engage and deliver our legal duty to involve patients and the public in decision making and service development will prevent the ICS from providing integrated, coordinated and quality care.**

- In 2023/24, the risk score has remained the same at 12, with a risk appetite of 8.
- It should be recognised that progress has been made in this area, but due to additional gaps identified progress has not been as quick as the ICB would have liked.
- Any significant recommendations are detailed at Section 3 of this report.



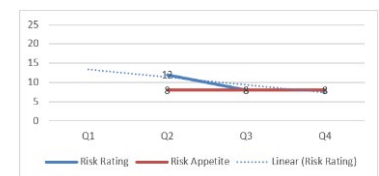
**1.11 Risk Ref C2: Failure to ensure the ICB maintains robust governance processes and effective control mechanisms will prevent the ICB meeting regulatory and compliance standards and threaten organisational sustainability and undermining confidence in the ICS leadership.**

- In 2023/24, the risk score has remained the same at 8, with a risk appetite of 8.
- Any significant recommendations are detailed at Section 3 of this report.



**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.**

- In 2023/24, the risk score has reduced to meet its risk appetite, however there are a number of gaps that required to be mitigated.
- Any significant recommendations are detailed at Section 3 of this report.



END.