



CATEGORY OF PAPER					
Specific action required:	✓	Provides Assurance:		For Information:	

Board of Directors' Meeting – 25/10/2018	
Report title:	Board Assurance Framework – Quarter 2 2018/19
Purpose of report:	To present the Board with the last iteration of the Board Assurance Framework (BAF) for review and approval
Key issues: <i>(key points of the paper, how this supports the achievement of the Trust's corporate objectives, overview of risk implications, main risk details on page 2)</i>	<p>The Board Assurance Framework has been updated to reflect the changes to the sub-objectives supporting the corporate priorities for 2018/19 (corporate priorities covered a two year period).</p> <p>The Board Committees have reviewed the relevant extracts from the BAF at each their meetings towards the end of Q2 to inform this position.</p>
Issue previously considered by:	Board Committees and Executive Risk Management Group
Recommended actions:	The Board is asked to review the latest iteration of the BAF, seeking assurance over the effective management of our strategic risks
Sponsor / approving director:	Executive Directors
Report author:	Executive Directors Jennifer Boyle, Trust Secretary

Governance and assurance

Link to Trust Priorities: <i>(please tick)</i>	Organisational Sustainability	Improving Quality & Safety	Workforce & Investors in People	Clinical Care & Transport	NHS 111 & Clinical Assessment Service	Comms & Engagement
	✓	✓	✓	✓	✓	✓
Link to CQC / KLOE: <i>(please tick)</i>	Caring		Responsive	Effective	Well Led	Safe
	✓		✓	✓	✓	✓
Link to Trust values: <i>(please tick)</i>	Pride	Strive for excellence	Respect	Compassion	Take responsibility & be accountable	Make a difference – day in & day out
					✓	
<i>(Please explain how this paper supports the application of the Trust's values in practice)</i>	The Board Assurance Framework provides the Board with assurance that the responsible Directors and their teams are effectively managing the strategic risks down to an acceptable level. This therefore links back to the Trust's value regarding accountability and responsibility.					
Any relevant legal / statutory issues? <i>(Such as relevant acts, regulations, national guidelines or constitutional issues to consider)</i>	Potential legal and regulatory issues if risks are not appropriately identified and managed					
Equality analysis completed If this is not relevant please explain why:	Yes		No		Not Relevant	
					✓	
	This relates to the management of strategic risks and therefore doesn't directly impact positively or negatively on social groups.					

Key considerations	Details			
<p>Confirm whether any risks that have been identified have been recognized on a risk register and provide the reference number:</p>	<p>Not applicable – this relates to the BAF and its linkage to those risks already recognized on Ulysses.</p>			
<p>Please specify any Financial Implications</p> <p>Please explain whether there are any associated efficiency savings or increased productivity opportunities?</p>	<p>None identified.</p>			
<p>Are any additional resources required e.g. staff capacity?</p>	<p>Lead Directors may require additional resource to complete the actions identified in the gaps in controls / assurance sections of the BAF.</p>			
<p>Is there any current or expected impact on patient outcomes/experience/quality?</p>	<p>Managing our strategic risks in line with the target scores should contribute towards the achievement of our strategic objectives, ultimately improving our services, viability and patient care</p>			
<p>Specify whether appropriate clinical and/or stakeholder engagement has been undertaken: <i>(stakeholders could include staff, other Trust departments, providers, CCGs, patients, carers or the general public)</i></p>	<p>Engagement has occurred through discussion of the BAF risks at each Board committee and ERMG.</p>			
<p>Are there any aspects of this paper which need to be communicated to our stakeholders (internal or external)?</p> <p><i>(Please tick – if ‘yes’ then please complete all boxes. Please briefly specify the key points for communication and ensure the Comms team are informed via mailto:publicrelations@neas.nhs.uk)</i></p>	Yes	No	Positive	Negative
	✓			
	Proactive	Reactive	Internal	External
	✓		✓	✓
<p>The BAF is included within the public Board papers for information.</p>				

Board of Directors
Board Assurance Framework – Quarter 2 2018/19
25 October 2018

1. Introduction

- 1.1. This report provides the Board with an overview of the Board Assurance Framework (BAF) at the end of Quarter 2. The individual BAF risks have been subject to scrutiny and challenge at the Board committees, and also at Executive Risk Management Group.
- 1.2. The BAF is presented to the Board on a quarterly basis to provide Board Members with an overview of how strategic risks are being managed to reduce the risk scores down towards the target risk scores agreed at the beginning of the year

2. Overview of Quarter 2 Position

- 2.1. There are 6 strategic / corporate risks mapped to the Trust's 6 corporate priorities. They are;

Reference	Strategic risk	Linked corporate priority
CR1	Organisational sustainability is compromised by the Trust's ability to meet its financial plan and / or contractual commitments, including an inability to meet the challenging cost improvement target. This would impact negatively on the ability of the Trust to meet its regulatory requirements and efficiency targets, with potential impacts on patient care, reputation and the ability to recruit / retain staff.	Organisational sustainability
CR2	Pressures on performance, workforce and finance, coupled with a number of changes in the local and national health economy and structures may place significant risk on the ability of the Trust to achieve national quality standards and deliver the Quality requirements	Improving quality and safety
CR3	Failure to develop and maintain a strong workforce and culture will result in poor retention of staff, increased pressure on existing employees and a weak organisational culture, ultimately impacting upon the desirability of the Trust in respect of employment, investment and sustainability.	Workforce and Investors in People
CR4	Inability to implement a front line delivery model that enables the Trust to deliver an integrated, responsive quality service, resulting in poor performance, care which is not appropriately tailored to patient needs and potential damage to our reputation.	Clinical Care and Transport
CR5	Inability to deliver an effective and efficient NHS111 and CAS impacting on the sustainability of the Trust	NHS111 and Clinical Assessment Service (CAS)

	and its ability to win new business and negative impacts on reputation and recruitment	
CR6	A lack of effective communications and engagement will result in disaffected and disengaged employees; a lack of compliance with key requirements which may impact on patient safety; inability to meet corporate objectives; loss of opportunity for the Trust to build market share; poor external reputation; and poor relationships with stakeholders. Ultimately the Trust will be unable to progress and develop, thus impacting upon sustainability.	Communications and Engagement

2.2. The current scores of each of the 6 strategic risks on the BAF are shown in the below heatmap. Target risk scores are shown in blue boxes to enable an assessment of progress to be made.

		Likelihood				
		Rare 1	Unlikely 2	Possible 3	Likely 4	Almost Certain 5
Consequences	Insignificant 1	1	2	3	4	5
	Minor 2	2	4 CR5	6	8	10
	Moderate 3	3	6 CR3 CR6	9 CR6 CR5	12 CR1	15
	Major 4	4	8	11 CR4 CR3	16	20
	Catastrophic 5	5	10	15 CR1 CR2	20	25

2.3. The heatmap demonstrates that CR1 has reached its target score. This was achieved in Quarter 1 and the score has been maintained.

2.4. Residual risk scores for CR2, CR4, CR5 and CR6 have remained the same as at the end of Quarter 1, although it is noted that a number of gaps in control and gaps in assurance have been closed during the quarter. In addition, the risk scores for some of the linked risks on the risk registers have reduced.

- 2.5. The residual risk score for CR3 reduced from 12 to 9 following careful consideration at the September 2018 meeting of the Workforce Committee. This reflected a number of positive assurances, such as the latest external Investors in People report and the healthy paramedic pipeline.

3. Strategic impact

- 3.1. There is a need to ensure that strategic risks are effectively identified and proactively managed in order enable the Trust to deliver its corporate priorities.

4. Assurances

- 4.1. The BAF has been subject to regular scrutiny at a number of forums throughout the quarter, which should provide Board Members with assurance over its accuracy and completeness.

5. Risks

- 5.1. There is a risk that target risk scores are not met by the year-end. The strategic risks require robust management and effective and regular scrutiny to ensure that progress is made in reducing risk scores throughout the year.

6. Recommendations

- 6.1. The Board is requested to review the Quarter 2 position of the BAF, seeking assurance over the management of our strategic risks.