

Trust Board - 28 November 2013

Title of the Paper:	Board Assurance Framework – Update
Agenda item:	TB Item 91/13
Executive Lead:	Dr Mike Van Der Watt, Medical Director
Trust Objective:	Achieving continuous improvement in the quality of patient care that we provide and the delivery of service performance across all areas; Setting out our future clinical strategy through clinical leadership in partnership and with whole system working; Creating a clear and credible long term financial strategy.
Purpose To update the committee as to the efficacy of the current Board Assessment Framework (BAF) and a recommended way forward	
Previously Discussed And Date For Further Review (list relevant committees) This report has not been discussed elsewhere	
Benefits To Patients And Patient Safety Implications Management of risks associated with delivery of care will ensure that threats to patients and patient safety can be identified, eliminated and mitigated	
Risk Implications for the Trust (including any clinical and financial consequences):	Mitigating Actions (Controls):
Failure to have a revised BAF will impact on the ability of the Trust to achieve its objectives Risk of litigation, non compliance with NHSLA and CQC requirements	As set out in the report
Links to Board Assurance Framework, CQC Outcomes, Statutory Requirements	
Legal Implications: (if applicable) Failure to have robust processes of assurance and risk management risks enforcement action where non compliance is identified	
Financial Implications: (if applicable) Risk of financial penalties	
Communications Plan: (if applicable)	
Recommendations: The Board is asked to: <ol style="list-style-type: none"> 1. Note the current position in respect of the BAF as described in the report 2. Agree the actions as described in paragraph 3 of the report 3. Agree that the revised BAF be submitted to the December meeting of the committee and January Board 	

Trust Board – 28 November 2013

Review of Board Assurance Framework (BAF)

Presented by: Michael Van der Watt, Medical Director

1. Purpose

- 1.2 The Board is provided with information on the recent reviews of the Board Assurance Framework (BAF) and is asked to consider a new approach to the BAF in the light of these reviews.

2. Background

- 2.1 *The simple rules guide for the NHS - Board Assurance Framework describes the Board Assurance Framework (BAF) as follows: Board Assurance Frameworks provide a structure and process that enables the organization to focus on those risks that might compromise achieving its most important (principal) annual objectives; and to map out the key controls that should be in place to manage those objectives and confirm that the Board has gained sufficient assurance about the effectiveness of these controls.*

(The full guidance can be found at the following link <http://good-governance.org.uk/Products/board-assurance-framework.htm>) Although the guidance was written in 2009, this definition is still in use.

- 2.2 An up to date BAF aims to improve the management of risks associated with delivery of care and should ensure that threats to patients and patient safety can be identified, eliminated or mitigated.

3. Analysis

- 3.2 In April 2013, the Trust's Board Assurance Framework (BAF) was reviewed by RSM Tenon. The BAF has also recently been reviewed by the newly appointed interim Associate Director of Risk and Governance.
- 3.3 A number of issues were identified (both by Kate Wilkins and RSM Tenon) within the existing BAF. These included the way risks were described, the understanding and description of controls and assurance and most importantly the interface between the organisation's strategic and annual objectives and their associated risks.
- 3.4 In order to address the issues highlighted, as well as to achieve compliance with best practice and the recommendations of RSM Tenon, the following actions are proposed:
 - a. The annual objectives should be split up within the BAF and individually risk assessed.

- b. Consideration should be given as to which strategic objectives, as well as annual objectives, should be incorporated into the BAF
- c. The template should be revised incorporating the above. (A suggested template is attached at appendix A)
- d. There should be a future Board seminar on the BAF. (As the title would suggest, a BAF provides assurance for the *Board* as to the achievement of the Board's objectives). The seminar to review each of the Trust's objectives and consider the risks to achieving them.
- e. Risk training should be provided to the Executive and others who input into the BAF, in order for the BAF to be compiled more effectively. (Kate Wilkins is happy to provide this).

4. Risks

The BAF is itself a risk management tool.

5. Recommendation

The Board is asked to

- i. Note the current position in respect of the BAF as described in the report.
- ii. Consider and approve the actions as described at paragraph 3 of the report
- iii. Subject to ii above, agree that the revised BAF be submitted to a future meeting of the Board

Mike Van der Watt, Medical Director
28th October 2013.

Strategic Goal / Annual objective	Risk Source	Risk ID BAF	CQC Domain/ Reg	Principal Risk Name (Risk Description)	Primary Risk Grouping (Governance - GOV, Financial - FIN, Operational - OP, Corp-COR, Work force- HR)	Inherent Consequence	Inherent Likelihood	Inherent Score	Lead Director	Risk Lead	Controls	Gaps on Controls	Current Consequence	Current Likelihood	Current Risk Score	Direction of Risk Score (Since Previous)	Assurance + or -	Gaps in Assurance	Risk Treatment Action Plan to Address Gaps in Assurance and Controls	Risk Treatment action plan review date	Risk treatment action plan Outcomes further review date	Residual Consequence	Residual Likelihood	Residual Risk Score