

## Board of Directors Meeting in Public

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|---|--|--|---|--|
| <b>Subject:</b>   | Board Assurance Framework (BAF) Report   | <b>Date:</b> 20 <sup>th</sup> April 2017 |   |  |
| <b>Prepared By:</b>   | Paul White, Risk Manager   |  |   |  |
| <b>Approved By:</b>   | Peter Herring, Chief Executive   |  |   |  |
| <b>Presented By:</b>  | Peter Herring, Chief Executive   |  |   |  |
| <b>Purpose</b>  |  |  |   |  |
| To enable the Board of Directors to take assurance as to the effectiveness of the Trust's risk management arrangements.   | <b>Decision</b>  |  |   |  |
|   | <b>Approval</b>  |  |   |  |
|   | <b>Assurance</b>   | ✓  |   |  |
| <b>Strategic Objectives</b>   |  |  |   |  |
| <b>To provide outstanding care to our patients</b>  | <b>To support each other to do a great job</b>   | <b>To inspire excellence</b>             | <b>To get the most from our resources</b> | <b>To play a leading role in transforming health and care services</b> |
| ✓   | ✓  | ✓  | ✓   | ✓  |
| <b>Overall Level of Assurance</b>   |  |  |   |  |
|   | <b>Significant</b>   | <b>Sufficient</b>                        | <b>Limited</b>                            | <b>None</b>  |
|   | ✓  |  |   |  |
| <b>Risks/Issues</b>   |  |  |   |  |
| <b>Financial</b>  | Where identified through specific Principal Risks.   |  |   |  |
| <b>Patient Impact</b>   | As above.  |  |   |  |
| <b>Staff Impact</b>   | As above.  |  |   |  |
| <b>Services</b>   | As above.  |  |   |  |
| <b>Reputational</b>   | Potential for failure to meet the requirements of good governance if strategic risk management arrangements are not effective. |  |   |  |
| <b>Committees/groups where this item has been presented before</b>  |  |  |   |  |
| Board Risk Committee for monthly review of risk management effectiveness.<br>Audit & Assurance Committee for bi-annual review of internal controls.<br>Lead Committees for bi-monthly review of individual Principal Risks (Quality Committee; Finance Committee; Organisational Development & Workforce Committee; Executive Team).  |  |  |   |  |
| <b>Executive Summary</b>  |  |  |   |  |
| The Board of Directors has identified the following Principal Risks for inclusion in the Trust's Board Assurance Framework (BAF)*:<br>AF1 – Safe and effective patient care<br>AF2 – Managing emergency demand<br>AF3 – Managing elective demand<br>AF4 – Financial sustainability<br>AF6 – Staff engagement and morale<br>AF7 – Staffing levels<br>AF8 – Senior leadership stability |  |  |   |  |
| 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 as new information becomes available.  |  |  |   |  |

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.

Following review of the BAF at the meeting of the Board Risk Committee on 18<sup>th</sup> April 2017 it was noted that no changes have been made to the ratings of any Principal Risks since the last report to the Board.

**Action required by the Board**

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

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

*\* Please note that the Board made the decision to remove Principal Risk AF5 from the BAF in December 2016.*