

BOARD MEETING

Date of Meeting: 17 January 2023	Agenda item: 10
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Title of Paper: Development of an ICB Corporate Risk Register, Board Assurance Framework

Paper is for: (Please ✓)	Discussion		Decision	✓	Information	
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<p>Executive Summary</p> <p>This report includes an update on the development of the Board Assurance Framework and Corporate Risk Register with a first draft of eight risks to delivery of the ICB’s strategic objectives presented for Board approval. The risks cover the following areas:</p> <ul style="list-style-type: none"> a. Health Inequalities b. Financial Sustainability c. Resilience d. Access to Services e. Transformation f. Quality and Safety g. Subsidiarity h. People/ Organisational Development <p>The proposed risks were reviewed by the Audit and Risk Committee and recommended to the Board for approval.</p>

<p>Action Required</p> <p>The Board Members are asked to review and approve the draft strategic risks</p>
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Date of Paper: 6 January 2022

Conflicts of Interest	
No conflict identified	✓
Conflict noted: conflicted party can participate in discussion and decision	
Conflict noted, conflicted party can participate in discussion but not decision	
Conflict noted, conflicted party can remain but not participate in discussion	
Conflict noted, supported paper withheld from conflicted party e.g. pecuniary benefit	
Conflicted party is excluded from discussion	

Development of an ICB Corporate Risk Register, Board Assurance Framework

Introduction and Context

1. At its meeting on 27 September 2022, the Board received an update on the development of an ICB Corporate Risk Register (CRR), Board Assurance Framework (BAF) and Risk Management system (4Risk). This paper updates the Board on the progress made to date and includes the first draft of the risks for the CRR. These provide the first steps in development of the ICBs Board Assurance Framework (BAF).
2. The Board discussed these proposed strategic risks at the 20 December workshop session. Comments made during this discussion and further review by the Audit and Risk Committee on 3 January 2023 have informed development of these before being presented to the Board at this meeting. Further work and refinement, particularly on the wording of the risks is required.
3. The Governance Team continue to work with Organisational Risk Leads/Owners within our Directorates to put in place clear processes for the identification and management of risk; building on the parameters and reporting structures set within 4Risk, to further assist in the assessment and prioritisation of Directorate/corporate/strategic risk.

Board Assurance Framework (BAF)

4. The BAF will bring together in one place all the relevant information on the risks to the board's strategic objectives (these will be referred to as strategic risks). Our strategic objectives will emerge through the work underway to develop the integrated care strategy and the Joint Forward Plan. Currently the four statutory purposes of the ICS are being used as the interim objectives. The BAF will provide the Board with the means to identify whether the BAF remains fit for purpose and if not, to change it to conform to the best current practice.
5. Once the Integrated Care Strategy and Joint Forward Plan are agreed, we will refocus the BAF to the agreed objectives. The BAF will need to remain dynamic and be developed to take account of the developing strategy and plan and reflect the requirement for joint system working across our partners – the wider collaborative. This will look to seek collective responsibility for system objectives and outcomes, whilst acknowledging system interdependencies. This is reflected to some extent in the proposed strategic risks (eg workforce) but we need to have more discussion to agree how this aligns with our system partners and how where oversight and assurance is best situated.
6. As highlighted to the Board, the Executive team have reviewed the risks that had been identified within teams/directorates and looked at approaches and BAFs developed in more mature systems. This has led to the identification of 8 strategic risks within the following areas:
 - a. Health Inequalities
 - b. Financial Sustainability
 - c. Resilience
 - d. Access to Services
 - e. Transformation
 - f. Quality and Safety
 - g. Subsidiarity
 - h. People/Organisational Development

7. A first draft of the proposed strategic risks is included in Annex 1. These have been amended in line with the discussion at the Board workshop and the Audit and Risk Committee. The Audit and Risk committee gave some helpful feedback to inform the development of the detail to ensure we are clear about aspects that are within our organisational control and those that are wider. They also discussed options for presenting risks to indicate time horizons as well as likelihood and impact.
8. The Audit and Risk Committee recommended the Board consider and approve the draft strategic risks as a first step in developing our overall approach to risk management.

Corporate Risk Register (CRR)

9. In addition to the strategic risks, and to meet the needs of individual directorates, the corporate risks captured will include those high-level risks facing the organisation from a strategic, clinical, and business risk perspective that require corporate oversight.
10. To ensure we have a structured approach to risk management we have established an Operational Risk Management Group (ORMG) which will review the CRR and BAF to ensure consistency and clear articulation of controls, assurances, and actions and that the actions are being delivered on time. This group will then report to the Executive team for strategic oversight and review prior to reporting to Audit and Risk Committee and to the Board.

Next steps

11. The work to be delivered over the last quarter of 2022/23 includes:
 - a) January/February: Organisational Risk Owners/Leads to continue to review risk and develop processes at place and system wide.
 - b) ORMG and executive team develop detail of risk description, controls, assurances etc to populate the risk database and ensure complete reporting for the BAF and CRR
 - c) February 2023: Update to Audit and Risk Committee.
 - d) March 2023: The ICB Board receive and agreed the CRR and BAF

Recommendations

12. The Board is asked to:
 - Review and approve the draft strategic risks .

Annex 1 Draft Strategic Risks

Draft Strategic Risk	Lead Director and Board Assurance Committee	Statutory Purpose impacted			
		Outcomes	Inequalities	Productivity	Social & Economic
<p><i>Health Inequalities</i> If the ICB is unable to lead effectively, resource appropriately and integrate meaningfully with system partners in relation to improving health outcomes and reducing health disparities, then the population of BOB will continue to experience inequalities and suboptimal outcomes and experience.</p>	<p>Chief Medical Officer Population health and patient experience</p>	✓	✓		
<p><i>Financial Sustainability</i> If the BOB health and care system is unable to manage its expenditure, then it will not deliver its financial plan, resulting in an unsustainable financial position and an increased challenge in driving improvements for patients.</p>	<p>Chief Finance Officer System Productivity</p>			✓	
<p><i>Resilience</i> If the BOB health and care system lacks resilience to respond to significant incidents, events and emergencies (eg cyber, incidents, extreme weather, pandemic), then services to the populations of BOB will be affected, resulting in poorer health outcomes for people across BOB.</p>	<p>Chief Delivery Officer Audit and Risk</p>	✓	✓	✓ <input type="checkbox"/>	?
<p><i>Access to Services</i> If the BOB health and care system is unable to achieve the restoration of NHS services in line with priorities and operational planning guidance, then the populations of BOB will wait longer for clinical appointments and</p>	<p>Chief Delivery Officer Population health and patient experience</p>	✓	✓		

Draft Strategic Risk	Lead Director and Board Assurance Committee	Statutory Purpose impacted			
		Outcomes	Inequalities	Productivity	Social & Economic
treatment, resulting in poorer health outcomes for people across BOB.					
<i>Transformation</i> If the ICB is unable to establish and lead a system-wide approach and culture of transformation, then it will fail to achieve the four core purposes set out by NHS England.	Chief Executive Officer	✓	✓	✓	✓
<i>Quality and Safety</i> If the ICB does not have the correct quality assurance mechanisms in place, then it may fail to maintain or improve the quality and safety of patient services, resulting in poor patient care and experience and potential harm.	Chief Nursing Officer Population health and patient experience	✓	✓		
<i>Subsidiarity</i> If BOB does not develop effective partnerships across place, system and beyond, then it will be unable to respond to the needs of patients and public across BOB, resulting in lost opportunities to deliver the right care at the right place and at the right time to address the full range of people's needs.	Chief Delivery Officer Place and System Development	✓	✓	✓	✓
<i>People/Organisational Development</i> If the BOB health and care system is unable to attract and retain a suitably qualified workforce, this will result in missed opportunities to deliver services and/or work on the improvement agenda across the system.	Chief People Officer People	✓	✓	✓	