

Integrated Care Board

Date of meeting	17 July 2024
Title of paper	Board Assurance Framework 2024/25
Presented by	Sarah O'Brien, Chief Nursing Officer
Author	Debra Atkinson, Company Secretary/Director of Corporate Governance Claire Moore, Head of Risk Assurance and Delivery
Agenda item	8
Confidential	No

Executive summary

This paper presents an overview of the work undertaken since the last report to the board in March 2024, including a full review by the Executive Management Team (EMT) of all risks held on the Board Assurance Framework (BAF) and demonstrates how the revised BAF has captured any inherent risks as reported to the board in March which were relevant during the 2023/24 reporting period.

Following this extensive review, the BAF has been re-focused to reflect 10 principal risks aligned to the delivery of key priorities and actions that will support achievement towards the ICB's six strategic objectives.

During April–June 2024, the board were further appraised of work that has been undertaken in the development of a framework for defining key deliverables against each strategic objective. Progress against the associated key deliverables will collectively support the basis of the assurances provided to the board in the achievement of the ICB's strategic objectives.

In accordance with the ICB's revised Risk Management Strategy and Policy, the Board Assurance Framework will be reported bi-annually; it will include the risks to the achievement of the ICB's Strategic Objectives and all operational risks held by the ICB which have been assessed at a risk score of "20" or higher".

Recommendations

The board is requested to:

- Note the contents of the report;
- Note the full implementation of the ICB's updated Risk Management Strategy and Policy;
- Note the significant review of the BAF and assurances provided in relation to risks previously held on the BAF and mapping of inherent risks;
- Note the two risks scored at "20" held on the ICB's Operational Risk Register that meet the threshold for Corporate Oversight and reporting to the Board.
- Note the implementation of the Delivery plan and that assurance and oversight of progress will be through structured reporting to the Board or named committee on a quarterly basis;
- Review and comment on the Board Assurance Framework and the risks held in relation to the achievement of the ICB's strategic objectives.

Which Strategic Objective/s does the report relate to:		Tick
SO1	Improve quality, including safety, clinical outcomes, and patient experience	x
SO2	To equalise opportunities and clinical outcomes across the area	x
SO3	Make working in Lancashire and South Cumbria an attractive and desirable option for existing and potential employees	x
SO4	Meet financial targets and deliver improved productivity	x
SO5	Meet national and locally determined performance standards and targets	x
SO6	To develop and implement ambitious, deliverable strategies	x

Implications

	Yes	No	N/A	Comments
Associated risks				As outlined in the report
Are associated risks detailed on the ICB Risk Register?				As outlined in the report
Financial Implications			N/A	

Where paper has been discussed (list other committees/forums that have discussed this paper)

Meeting	Dates	Outcomes
EMT	March – June	Endorsed

Conflicts of interest associated with this report

Not applicable

Impact assessments

	Yes	No	N/A	Comments
Quality impact assessment completed			X	
Equality impact assessment completed			X	
Data privacy impact assessment completed			X	

Report authorised by:	Sarah O'Brien Chief Nursing Officer
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Integrated Care Board – 17 July 2024

Board Assurance Framework 2024/25

1. Introduction

- 1.1 The ICB's strategic risk management processes are centred on the Board Assurance Framework (BAF), which is a structured way of identifying and mapping the main sources of assurance in support of the achievement of the ICB's core aims/objectives. The Assurance Framework provides the Board with confidence that what needs to be happening is happening in practice.
- 1.2 The BAF also plays a key role in informing the production of the Chief Executive's Annual Governance Statement (included within the ICB's Annual Report) and is the main tool that the Board uses to discharge its overall responsibility for ensuring that an effective system of internal control is in place.

2. Background

- 2.1. Since the last report to the board in March 2024, significant work has been undertaken to support the implementation of the ICB's updated Risk Management Strategy and Policy, and a full review and refresh of the ICB's BAF for 2024/25. The development of the BAF has been informed through a series of facilitated workshops held with the Executive Management Team (EMT) and two board seminars (April and June).
- 2.2. Following this extensive review, the BAF has been re-focused around 10 strategic risks aligned to the delivery of the ICB's six strategic objectives and actions that will support delivery of key priority programmes of work.

3. Implementation of Updated Risk Management Policy and Strategy

- 3.1. Following the board's approval of the revised Risk Management Strategy and Policy in March, the ICB's risk management systems and processes have been fully aligned and embedded to support the implementation of the updated policy.
- 3.2. The arrangements for the management and oversight of risks are linked to objectives and aims, which exist at different levels:
 - **Strategic risks** – those risks which may impact on the achievement of the ICB's strategic objectives or as an organisation as a whole;
 - **Operational Risks with Corporate Oversight**; operational risks which may impact on the delivery of plans and priorities, and which are categorised as "high". These will be held on the Operational Risk Register (ORR) and reported to the relevant assuring committee on a quarterly basis and receive EMT oversight. The board will be sighted on operational risks which score "20" or above.
 - **Operational risks** which may impact on the delivery of team plans and priorities and have been assessed a medium (or lower). These risks will be monitored at a functional level with named Senior Responsible Officer oversight.

- 3.3 Assuring committees may undertake “deep dive” review to facilitate a more detailed assessment about a specific risk, to identify whether more directed support of intervention is required. Timely updates and recommendations from committees will be provided to the board through the Committee Escalation and Assurance reports and through updates provided through Executive Leads.
- 3.4 Staff awareness and training has been rolled out for the recording and monitoring of operational risks a functional level, with a dedicated staff intranet page and system for recording such risks directly linked to the ICB’s risk register.
- 3.5 The diagram below represents the ICB’s risk management oversight framework and reporting arrangements:



4. Review and Development of the Board Assurance Framework

- 4.1. To support the extensive review of the BAF, EMT have undertaken a number of dedicated sessions which have focused on:
- The ICB’s “risk universe”. This enabled the EMT to consider the impact of external risks, as well as opportunities
 - Inherent and emerging risks
 - A review of all controls, assurances, gaps and risk scores
- 4.2. The revised BAF risks have been structured to ensure a consistent approach to writing style/description, scoring and each has been assessed in accordance with the board’s Risk Appetite.
- 4.3. As part of the review a number of existing risks were considered, and actions taken to align them to the revised BAF. One risk was deescalated ‘ICB 040: Climate Change’ and this risk has been incorporated into the Net Zero risk and is held on the ORR.
- 4.4. All remaining BAF risks as reported to the board in March 2024, have been mapped to the revised BAF and this work included the rationale for the changes. The table at **Appendix A** provides a high-level summary of risks held on the BAF.
- 4.5. The revised BAF risks have also been mapped against the ICB’s Inherent risks and this assurance mapping is included at **Appendix B**. The Full Board Assurance Framework is included as **Appendix D**

5. Operational Risk Register – Corporate Oversight

5.1 There are a total of 13 risks held on the ORR (**Appendix C**); 2 are assessed with a score of “20” and therefore meet the criteria for highlighting to the board. These are as follows:

- **ICB 010** There is a risk that effective delivery of an ICB Primary Care quality function and associated oversight will be compromised due to challenges with ICB staff resource and capacity.

The risk has been scored at “20” (C4 x L5) with a target risk score of “12” to be achieved by 31 March 2025. The risk will be overseen through the Quality Committee and is driven by ongoing financial challenges in the ICB’s operating environment which are impeding the ability to recruit additional resources.

- **ICB 003** Adult Autism assessment; there is a risk that the newly commissioned assessment service is unable to meet NICE guidelines in a timely manner for waits with existing budget; not currently meeting statutory compliance against NICE guidance for waiting times and post-diagnostic support across ICB. There is insufficient investment to commission post-diagnostic support offer appropriate to demand.

The risk has been scored at “20” (C4xL5) with a target risk score of “12” to be achieved by 30 September 2024. The actions to mitigate the risk are in progress with a business case in development for presentation to the Commissioning Resource Group for consideration in September.

6. Assuring Delivery Towards the Strategic Objectives

6.1. The board were also appraised during April – June of work undertaken in the development of a framework for defining key deliverables against each strategic objective and the ICB’s Inherent risks. These were identified from within the following areas:

- ICB statutory requirements
- 5 Year Joint Forward Plan
- Recovery and Transformation programmes
- Integrated Care Strategy
- Sustainability and QIPP deliverables

6.2 Each key deliverable has a named executive and SRO/s, with clearly defined aims and actions to achieve quarterly objectives. The actions have been aligned to the appropriate risks held in the BAF and will become controls and assurances as they are achieved.

6.3 Demonstrating progress against this delivery plan will collectively support the basis of the assurances provided to the board in the achievement of the ICB’s strategic objectives. Assurance and oversight of progress will be through structured reporting to the Board or named committee on a quarterly basis.

7. Recommendations

7.1 The board is requested to:

- Note the contents of the report;
- Note the full implementation of the ICB's updated Risk Management Strategy and Policy;
- Note the significant review of the BAF and assurances provided in relation to risks previously held on the BAF and mapping of inherent risks;
- Note the two risks scored at "20" held on the ICB's Operational Risk Register that meet the threshold for Corporate Oversight and reporting to the Board.
- Note the implementation of the Delivery plan and that assurance and oversight of progress will be through structured reporting to the Board or named committee on a quarterly basis;
- Review and comment on the Board Assurance Framework and the risks held in relation to the achievement of the ICB's strategic objectives.

Debra Atkinson

Company Secretary/Director of Corporate Governance

Appendix A

Refreshed BAF Risks		Summary Review
SO1: Improve quality including safety, clinical outcomes and patient experience		
BAF 001	There is a risk that safe and effective healthcare services are not delivered and health outcomes in Lancashire and South Cumbria are not improved.	<ul style="list-style-type: none"> the revised risk has been reviewed to provide a greater focus on achieving quality and financial sustainability.
SO2: Equalise opportunities and clinical outcomes across the area.		
BAF 002	There is a risk that the ICB does not deliver its statutory duty to reduce health inequalities	<ul style="list-style-type: none"> The risk narrative has been expanded to reflect the national context and the ICB's population health programmes of work to support the reduction of health inequalities. Controls and assurances updated to reference to financial allocations and SDF funding. Risk score reduced through a reduction in consequence score and an increase in likelihood score from "C4 x L4=16" to "C2 x L5=10"
SO3: Make working in Lancashire and South Cumbria an attractive and desirable option for existing and potential employees		
BAF 003	There is a risk that the continued challenges to recruit and retain a stable workforce in primary care, radiology, psychiatry, Community and intermediate care services and oncology are impacting the system's ability to deliver high quality and timely care to our patients and communities.	<ul style="list-style-type: none"> ICB 033/009/006 have all been reviewed and captured in one overarching strategic workforce transformation risk. The People Committee has reviewed the re-drafted risk and noted the re-drafted risk will have key differences across workforce sectors, therefore the mitigating actions must clearly align to each sector. Revised risk consequence score has increased from "C3x4=12 to "C4x4=16".
SO4: Meet financial targets and deliver improved productivity		
BAF 004	There is a risk that the ICB continues to be a national outlier against All Age Continuing Healthcare in terms of referrals per head of population and cost per head of population and that quality targets are not sustained	<ul style="list-style-type: none"> The risk has been re-assessed with a greater focus on the financial impact and re-aligned from SO1 to SO4 No change in risk score.
BAF 005	There is a risk that the ICB fails to deliver against its financial plan to ensure recurrent financial balance over a three-year period.	<ul style="list-style-type: none"> Controls and assurances strengthened; impact on quality incorporated into revised BAF Risk 001. Revised risk score has been lowered from "25" to "20" following reduction in likelihood score (5 down to 4).
BAF 006	There is a risk that the ambition for infrastructure transformation as set out in the Lancashire and South Cumbria system-wide estates plan and LSC infrastructure strategy, will not be delivered.	<ul style="list-style-type: none"> Risk fully reviewed following approval of LSC Infrastructure Strategy and reflects impact of this risk on transformation of clinical and community services. No change in risk score
SO5: Meet national and locally determined performance standards and targets		
BAF 007	There is a risk that critical information systems suffering some sort of failure due to a cyber-attack leading to possible financial loss, disruption to services and patient care and/or damage to the reputation of the ICB	<ul style="list-style-type: none"> Updated to reflect EPR procurement delay and ICB maturity. Revised risk score reviewed and reduced to "12" (consequence score reduced from C5x3 to C4x3).
BAF 008	BAF 008: There is a risk that the recovery and delivery plan for improvements in Elective and Urgent and Emergency Care services are not achieved in Lancashire and South Cumbria.	<ul style="list-style-type: none"> Risk fully reviewed and re-framed to focus on key deliverables and national ambitions for delivery against Elective and Urgent and Emergency Care plans. Risk has been re-framed to focus on specific areas of concern rather than overarching achievement of national performance standards. Risk score reduced to "16"
SO6: Develop and implement ambitious and deliverable strategies		
BAF 009	NEW RISK Clinical and Community Transformation: There is a risk that longer term strategic priorities including transformation of clinical and community services and Places are not delivered. New risk opened and scored at C4 x L4=16	
BAF 010	There is a risk that Places will not be able to deliver both the Place Integration Deal and the Place Recovery and Transformation Plans.	<ul style="list-style-type: none"> The revised risk has been aligned to Places supporting delivery of the ICB's transformation and recovery plans. This also been reflected in the new BAF Risk 009: Clinical and Community Transformation. No change in risk score

Appendix B

Strategic Objectives	Inherent Risks	Mapped to revised BAF Risks
<p>1 Improve quality, including safety, clinical outcomes and patient experience</p>	<p>Excess mortality Deterioration in clinical outcomes Unsafestaffinglevels Delays in treatment Poor patient experience Low CQC ratings Fragile services Inadequate out-of-hospital services Access to diagnostic services SOF ratings impacted</p>	<p>Risk 001: Delivery of safe and effective healthcare services and improved health outcomes</p> <p>Risk 003: Recruitment and retention of stable workforce</p> <p>Risk 008: Recovery and delivery plans for improvement in elective and Urgent and Emergency Care Services</p> <p>Risk 009: Transformation of clinical and community services and Place</p>
<p>2 Equalise opportunities and clinical outcomes across the area</p>	<p>Inequality gaps grow Lack of standardisation/rollout of good practice Absence of systemwide support for initiatives</p>	<p>Risk 002: Delivery of statutory duty to reduce health inequalities</p>
<p>3 Make working in Lancashire and South Cumbria an attractive and desirable option for existing and potential employees</p>	<p>High level of vacancies Inability to recruit and retain specialist staff Low staff morale High sickness rate</p>	<p>Risk 003: Recruitment and retention of stable workforce</p>
<p>4 Meet financial targets and deliver improved productivity</p>	<p>Failure to achieve ICB QIPP and System CIP/productivity targets Underfunding of national initiatives Time and resource required to delivery service change Need for realigning resources Impact of contract changes on provider viability Inadequate outturn position resulting in external intervention</p>	<p>Risk 004: Outlier in AACC referrals per head of population</p> <p>Risk 005: Delivery of recurrent financial balance</p> <p>Risk 006: System wide estates plan and Infrastructure Strategy</p> <p>Risk 007: Critical systems failure/cyberattack</p> <p>Risk 009: Transformation of clinical and community services and Place</p>
<p>5 Meet national and locally determined performance standards and targets</p>	<p>Poorly managed urgent and emergency demand Pressure on primary care services Inadequate out-of-hospital services Access to diagnostic services Inadequate performance resulting in external intervention</p>	<p>Risk 001: Delivery of safe and effective healthcare services and improved health outcomes</p> <p>Risk 006: System wide estates plan and LSC infrastructure strategy</p> <p>Risk 008: Recovery and delivery plans for elective and urgent and emergency care services</p> <p>Risk 009: Transformation of clinical and community services and Place</p>
<p>6 Develop and implement ambitious, deliverable strategies</p>	<p>Effectiveness of external relationships Affordability of clinical model Availability of capital resources Changing goal posts External scrutiny of systems and processes Lack of innovation or ambition Financial position</p>	<p>Risk 006: System wide estates plan and health infrastructure strategy</p> <p>Risk 009: Transformation of clinical and community services and Place</p> <p>Risk 010: Delivery of Place Integration deal and Place Recovery and Transformation Plans</p>

Operational Risk Dashboard - Corporate Oversight July 2024

Appendix C

Risk ID	Risk Title	Exec Lead	Senior Responsible	Directorate/ Function	Current Risk Score	Target Risk Score	Risk Category
ICB010	Ability of the ICB to effectively deliver quality oversight for Primary Care.	Sarah O'Brien	Kathryn Lord	Quality Assurance and Safety	20 - C4 x L5, High	8 - C4 x L2, Medium	Quality
ICB003	Adult Autism Assessments	Sarah O'Brien	Jane Brennan	Adult Health and Care	20 - C4 x L5, High	12 - C3 x L4, Medium	Quality
ICB001	Learning Disability and Autism - inpatient services	Sarah O'Brien	Jane Brennan	Adult Health and Care	16 - C4 x L4, High	12 - C4 x L3, Medium	Quality
ICB002	Quality of Maternity and Neonatal Care	Sarah O'Brien	Vanessa Wilson	CYP and Maternity	15 - C5 x L3, High	10 - C5 x L2, Medium	Quality
ICB004	Waiting times for Adult ADHD	David Levy	Fleur Carney	Mental Health	16 - C4 x L4, High	12 - C4 x L3, Medium	Quality
ICB005	Waiting times for CYP ADHD	David Levy	Fleur Carney	Mental Health	16 - C4 x L4, High	12 - C4 x L3, Medium	Quality
ICB006	Medicines shortages impacting clinical time and financial balance	David Levy, Sarah O'Brien	Andrew White	Meds Optimisation	16 - C4 x L4, High	12 - C4 x L3, Medium	Quality
ICB007	High levels of Oral Health issues (Dental Caries) and the longer time to recover from COVID means patients are having difficulties in accessing routine dental access or specific services to manage oral health issues.	Craig Harris	David Armstrong	Primary Care	16 - C4 x L4, High	8 - C4 x L2, Medium	Quality
ICB008	Lymphoedema Provision Morecambe Bay, Lancaster and South Cumbria	Craig Harris	Peter Tinson	Primary Care	15 - C5 x L3, High	10 - C5 x L2, Medium	Quality
ICB009	GP contract 2024/25 dispute - potential industrial action	Craig Harris	Peter Tinson	Primary Care	16 - C4 x L4, High	8 - C4 x L2, Medium	Business/ Service Interruption
ICB011	Non-compliance with National Patient Safety Alert: Valproate (NatPSA/2023/013/MHRA)	David Levy, Sarah O'Brien	Andrew White	Medical - General	16 - C4 x L4, High	8 - C4 x L2, Medium	Quality/Safety
ICB012	Clinical Commissioning Policy Backlog	Sarah O'Brien	Andrew White	Quality Assurance and Safety	16 - C4 x L4, High	8 - C4 x L2, Medium	Quality
ICB013	Ability of the ICB to effectively identify and respond to quality concerns for Primary Care.	Sarah O'Brien	Kathryn Lord, Peter Tinson	Quality Assurance and Safety	16 - C4 x L4, High	8 - C4 x L2, Medium	Quality