



AGENDA ITEM

5.2

CTM BOARD

BOARD ASSURANCE FRAMEWORK & RISK APPETITE STATEMENT

Date of meeting	31/03/2022
FOI Status	Open/Public
If closed please indicate reason	Not Applicable - Public Report
Prepared by	Cally Hamblyn, Assistant Director of Governance & Risk
Presented by	Georgina Galletly, Director of Corporate Governance
Approving Executive Sponsor	Director of Corporate Governance / Board Secretary
Report purpose	FOR APPROVAL

Engagement (internal/external) undertaken to date (including receipt/consideration at Committee/group)

Committee/Group/Individuals	Date	Outcome
Board Development Session	23/02/2022	NOTED
Board Members Consultation	Via Email 23.2.2022	SUPPORTED

ACRONYMS

BAF	Board Assurance Framework
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1. SITUATION/BACKGROUND

- 1.1 It is good practice for the Health Board to have a Board Assurance Framework (BAF) that clearly sets out the risks, actions and relevant sources of internal and external assurances to provide a clear picture

of the 'health' of the organisation and the high level risks threatening delivery of the Board's strategic goals.

- 1.2 The Health Board's current BAF is currently informed by the review and scrutiny of the Integrated Performance Dashboard and the Organisational Risk Register which are routinely reported to the Board and Committee meetings.
- 1.3 The BAF is reliant on robust risk management systems & processes. The past 18 months has seen significant improvement in risk identification, management and escalation across the Health Board that has led to a robust position to design and utilise a BAF report that brings together risks, controls, sources of assurance and action plans to support achieving the Health Boards four new strategic goals that were agreed at the Board in January 2022.
- 1.4 Following the Board Development Session in October 2021, the Health Board embarked on a review of its BAF and Risk Appetite Statement and engaged the Good Governance Institute in November 2021, to work in partnership with the Health Board to refresh a bespoke Board Assurance Framework supported by a revised Risk Appetite Statement and Risk Scoring Matrix.

2. SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

- 2.1 The new BAF has been developed to ensure it appropriately reflects;
 - the four new strategic goals of the Health Board;
 - assurance reporting that supports a streamlined and effective committee and reporting structure;
 - a robust mechanism that reaches into each of the localities and central functions to provide assurance on performance, quality and resources across the breadth of the integrated Health Board;
 - international best practice; and
 - the management of board meetings and agendas to be focussed equally on Oversight, Insight and Foresight i.e. balancing the governance of immediate operational priorities with the need to focus on long-term strategic planning.
- 2.1 The revised BAF, Risk Appetite Statement and Risk Scoring Matrix (Appendices 1-3) were presented to the Board at a Board Development Session on the 23rd February 2022, following which a two week consultation was initiated.

2.2 Following consultation the following changes have been made to the BAF:

- Reframing the articulation of the Strategic Risks to provide improved clarity.
- An additional risk added for Workforce in terms of recruitment and retention.
- Terminology change from priorities to goals to align with the Health Boards approved Strategic Goals.
- An opportunity to include any associated risks and enablers to each sections has been added.
- Changed ministerial priorities to national priorities so that it was less restrictive.
- Indicated that Associated Risks are those that are linked to the Organisational Risk Register but this section can be expanded.

2.3 There were no changes to the Risk Appetite Statement or Risk Domain Scoring Matrix following consultation.

3. KEY RISKS/MATTERS FOR ESCALATION TO BOARD/COMMITTEE

3.1 The Board will note the 'example' watermark on the BAF and this is because this is an illustrative example of a completed BAF, once approved this will be updated with the latest information in conjunction with the Strategic Risk Owners.

3.2 The Board will receive the BAF at every meeting with a review of frequency six months following implementation.

3.3 The Organisational Risk Register will also continue to be received by the Board for the next six months whilst the BAF is embedded.

3.4 The BAF and Risk Appetite Statement will be reviewed on an annual basis by the Board or as and when any changes are made.

3.5 If approved, the suite of risk management policy documents will be updated and brought back to the Board for approval in May 2022.

4. IMPACT ASSESSMENT

Quality/Safety/Patient Experience implications	Yes (Please see detail below)
	The BAF will provide a robust mechanism that reaches into each of the localities and central functions to provide assurance on performance, quality and resources across the breadth of the integrated Health Board; international best practice; and



Related Health and Care standard(s)	Governance, Leadership and Accountability
	If more than one Healthcare Standard applies please list below:
Equality Impact Assessment (EIA) completed - Please note EIAs are required for <u>all</u> new, changed or withdrawn policies and services.	No (Include further detail below) If no, please provide reasons why an EIA was not considered to be required in the box below.
	Not applicable
Legal implications / impact	There are no specific legal implications related to the activity outlined in this report.
Resource (Capital/Revenue £/Workforce) implications / Impact	There is no direct impact on resources as a result of the activity outlined in this report.
Link to Strategic Goals	Improving Care

5. RECOMMENDATION

- 5.1 The Board is asked to **APPROVE** the implementation of the revised Board Assurance Framework Report, Risk Appetite Statement and Risk Domain Scoring matrix.