



Trust Board				27 November 2012	
Title	Board Assurance Framework			Paper Ref	6.4
PURPOSE (X)		Information		Strategic Objective	Business Plan Objective
Approval	√	Decision			
Assurance	√	Discussion	√	All	All
Purpose of the paper	The purpose of this paper is to inform the Trust Board on the current position of the Board Assurance Framework for 2012/13 and to provide assurance in regard to the effective management of risks to the strategic objectives.				
Recommendation	The Trust Board approves the content of the Board Assurance Framework and is assured in regard to the effective management of risks to the strategic objectives. The Board are specifically asked to approve the addition of a new strategic risk to the Corporate Risk Register and Board Assurance Framework.				
Author	Kevin Wynn Associate Director of Risk and Safety		Accountable Director:	Steve Page Executive Director of Standards and Compliance	
RISK ASSESSMENT				Yes	No
Changes to the Board Assurance Framework and Corporate Risk Register				√	
Resource Implications					√
Legal implications					√
ASSURANCE/COMPLIANCE					
CQC Registration Outcome(s)	Auditors' Local Evaluation		NHSLA Risk Management Standards for Ambulance Trusts		
All	N/A		1.3 1.5 1.6		

1. PURPOSE/AIM

- 1.1 The purpose of this paper is to inform the Trust Board on the current position of the Board Assurance Framework (BAF) for 2012/13 and to provide assurance in regard to the effective management of risks to the strategic objectives.

2. BACKGROUND/CONTEXT

- 2.1 The November 2012 iteration of the Board Assurance Framework (BAF) contains the detail of 8 strategic objectives and 11 strategic risks.
- 2.2 The structure and content of the BAF takes account of Audit Committee opinion and the views of executive and associate directors.
- 2.3 The BAF is closely aligned to the Corporate Risk Register, the Trust's five year Integrated Business Plan 2012-2017 and the Annual Business Plan for 2012-13.

3. RISK ASSESSMENT

- 3.1 The November iteration of the BAF contains the detail of 11 strategic risks and is supported by separate risk movement and assurance movement reports. These reports provide detail on the actions taken to mitigate the strategic risks and any reports received that could provide the Trust Board with assurance. The BAF, Corporate Risk Register (CRR), Risk Movement Report and the Assurance Movement Report for November 2012 are all attached to this paper for reference.
- 3.2 Since the last report to the Trust Board there have been some positive movements against a number of strategic risks;
- BAF 1b/CRR84 - Adverse clinical outcomes due to failure of reusable medical devices and equipment
 - BAF 3a/CRR 103 - Inability to deliver performance targets and clinical quality standards
 - BAF 3b/CRR94 - Lack of compliance with key regulatory requirements (CQC,HSE, IGT, NHSLA) due to inconsistent application across the Trust
 - BAF 5a/CRR105 - Inability to deliver service transformation and organisational change, including non-delivery of cost improvement programmes
 - BAF 5b/CRR69 - Failure to learn from patient experience and adverse events due to inadequate data management systems for reporting and to identifying learning opportunities
 - BAF 6a/CRR 39 - Adverse impact on clinical outcomes due to failure to embed the clinical leadership framework

- BAF 7a/CRR74 - Adverse impact on organisational performance and clinical outcomes due to significant events impacting on business continuity
- BAF 8a/CRR93 - Adverse impact on developments in urgent/unscheduled care services in partnership with other providers due to failure to implement 111 service/WYUC provision

The Risk Movement Report provides detail of the actions taken since the last Trust Board meeting to positively influence the risk score.

- 3.3 Although there has been some positive movement against strategic risk BAF 3a, it should be noted that achievement of the Red 1 response time targets remains challenging, and elements of training have been re-scheduled to support this. The re-scheduling of training has a wider potential impact on business objectives, and mitigation has been reviewed in the Trust Executive Group. Work is continuing to manage sickness absence rates, although rates have not significantly reduced to date. A Non-Executive Directors turnaround group on the management of sickness absence has been established. The current training level in clinical staff has the potential to input on delivery and work is continuing to ensure that vacancies are filled as soon as possible. The potential for industrial action related to proposed workforce changes is noted; discussions are on-going with staff-side representatives.
- 3.4 In addition to the positive movement on risk against four of the risks; BAF 1b, BAF 3a, BAF 5a, BAF 5b and BAF 7a, there have been a number of positive assurances received. The assurances are provided by a number of sources, including external regulator reports, monitoring feedback from executive groups and primarily the Quality Committee, and positive feedback from live testing of plans.
- 3.5 With the exception of BAF 5b, the assurances received are too limited at this stage to propose a change to the assurance level indicated on the BAF.
- 3.6 Additional positive assurances for BAF 3a include; an Internal Audit review of Statutory and Mandatory training rated as substantial assurance and an NHSLA Mock assessment identified good workforce policy management. However; given the concerns identified in section 3.3, the assurance level for this risk should remain at its year start position of Amber/Red.
- 3.7 Good progress being made against all actions on the risk treatment plan to mitigate strategic risk 5b. Concerns regarding gaps in controls and assurance are diminishing; work has been undertaken to embed learning processes and the Trust has recently implemented the Covalent compliance data management system. The project plan for the implementation of the Datix risk data management system is currently on target. The incidents, complaints and claims modules have now been built within the system and training for managers has commenced. The assurance level for this risk has moved from Amber/Red to Amber/Green.

3.8 The following risks are subject to further work on the development and implementation of risk treatment plans;

- BAF 1a/CRR22 - Significant disruption to 999 service provision, leading to adverse impact on clinical outcomes due to the complexity and interface of different IT systems

The original risk treatment plan has been completed, however; since the Board review of strategic risks and the development of the BAF for 2012/13, an additional risk treatment plan is required to reflect the new revised risk which is much broader and strategic in context. A review of the risk treatment plan is currently underway.

- BAF 2a/CRR66 - Harm to patients, staff and others due to deficiencies in the data flagging process leading to potential for data flags not being brought to the attention of interested parties

The newly appointed Emergency Operations Centre (EOC) Locality Director is working with the Associate Director Risk & Safety to review the current process. A new risk treatment plan has been developed, and some action taken. The EOC Locality Director has developed a new data flagging process and will present this to TEG for approval. A number of key actions still require attention, most notably the formation of a data flagging group. The EOC Locality Director is currently making arrangements for the first meeting of this group to take place in the next two weeks.

- BAF 4a/CRR104 - Loss of income due to inability to secure/retain PTS and other significant service contracts, adversely influencing future service commissioning intentions

Action has been taken to mitigate the risk via the PTS transformation programme and appointment of a new manager. Work is also progressing to strengthen the corporate commercial team. The financial performance in PTS remains a key risk (refer to section 3.9). The risk treatment plan is being strengthened and this is expected to move the risk mitigation in a positive direction in the coming months. A Board 'deep dive' session is planned for the 11 December 2012.

3.9 The Trust Executive Group has noted concerns regarding a potential significant overspend in the PTS business area. A risk statement has been drafted for consideration by the Board for addition to the CRR and BAF. The risk statement reads; "Deficit against planned financial outturn due to significant overspending on the provision of Patient Transport Services".

It is proposed that the initial risk score be graded as 'Consequence 5 (£100,000 +)' x 'Likelihood 4 (Likely)' giving a total initial risk score of 20 (Red). Further discussions are required to determine the key controls, risk treatment plan and residual risk score. The Trust Executive Group believes that this risk is too significant to be considered within the broader risk BAF 4a, and that this merits specific attention as a stand-alone strategic risk.

4. PROPOSALS/NEXT STEPS

- 4.1 The draft strategic risk “Deficit against planned financial outturn due to significant overspending on the provision of Patient Transport Services” to be added to the CRR and BAF.
- 4.2 The Associate Director Risk & Safety will continue to liaise with each Executive Director on a monthly basis to review the content of the risks for which they have lead responsibility.
- 4.2 The Risk Manager and Risk & Safety Co-ordinator will liaise with all risk leads to promote effective risk management and to ensure efficient implementation of the Risk Escalation and Reporting Procedure in each business area across the Trust.
- 4.3 The Associate Director Risk & Safety will deliver a bespoke risk management training session to nominated risk leads from the Operations Directorate. The aim of the session will be to further develop the management of risk in accordance with the Risk Escalation and Reporting Procedure, in this key business area.

5 RECOMMENDATIONS

- 5.1 The Trust Board approves the content of the Board Assurance Framework and is assured in regard to the effective management of risks to the strategic objectives.
- 5.2 The Board are specifically asked to approve the addition of the proposed PTS strategic risk to the Corporate Risk Register and Board Assurance Framework.

6. ATTACHMENTS

- 6.1 The Board Assurance Framework – November 2012
- 6.2 The Corporate Risk Register – 15 November 2012
- 6.2 Risk movement report – November 12
- 6.3 Assurance movement report – November 12