

Item: 8.1

REPORT CLASSIFICATION	✓	CATEGORY OF PAPER	✓
Official	✓	Proposes specific action	
Official: Sensitive Commercial		Provides assurance	✓
Official: Sensitive Personal		For information only	

BOARD

30 January 2024

Report Title:

Board Assurance Framework 2023/24 update

Purpose of report

To present the Board with an updated Board Assurance Framework (BAF) as part of the quarterly review for 2023/24.

Key points

The Board has overall responsibility for ensuring systems and controls are in place and sufficient to mitigate any significant risks which may threaten the achievement of the ICB's strategic aims and objectives. The Board achieves this primarily through the work of its committees, through use of audit, independent inspections and by systematic collection and scrutiny of performance data.

The Board Assurance Framework (BAF) is used to provide assurance on the management of key risks to the delivery of the ICB's strategic aims and objectives as well as the wider strategic goals of the Integrated Care Partnership. The BAF is intended to provide a visible strategic risk summary, supported by the full detail of the corporate risk register.

The BAF has been reviewed by the Executive Committee and the Audit Committee before submission to the Board and some minor changes as a result which are included in the attached document.

A copy of the updated BAF for 2023/24 is attached at Appendix 1 and a copy of the corporate risk register is available at Appendix 2.

Risks and issues

Risks are mapped to the goals identified in the North East and North Cumbria Integrated Care Partnership strategy 'Better health and wellbeing for all' and from these goals the principal risks to the strategy have been identified as:

- 1. The ICB fails to commission services in a way that tackles the wider causes of ill health, and life expectancy of people within the North East and North Cumbria is not improving.**
The gap between how long people live in the North East and North Cumbria compared to the rest of England is not on track to reduce by 10% by 2030. Overall risk rated as 16 A (high).
- 2. Our health and care services are not delivered in a way in which improves the outcomes of communities who currently have much poorer health outcomes.**
The gap between the inequality in life expectancy and healthy life expectancy at birth between people living in the most deprived and least deprived 20% of communities is not on track to narrow by 10% by 2030. Overall risk rated as 20 R (extreme).

<p>3. The quality of commissioned health and care services varies across the ICB area and in some places falls below our high expectations for our public and patients. The ICB does not maintain its good or outstanding rating from the Care Quality Commission (CQC) and the percentage of regulated services across social care, primary care and secondary care that are rated as good or outstanding by the CQC is declining. Overall risk rated as 20 R (extreme).</p> <p>4. We fail to deliver health and care services which give children the best start in life. The percentage of children with good school readiness when they join the reception class (including children from disadvantaged groups) is declining. Overall risk rated as 16 A (high).</p>						
Assurances						
As set out in the attached report.						
Recommendation/action required						
<p>The Board is asked to:</p> <ul style="list-style-type: none"> Satisfy itself that the BAF accurately reflects the principal risks to achieving our objectives as well as their current mitigations, and Approve the BAF 2023/24. 						
Acronyms and abbreviations explained						
<p>BAF – Board Assurance Framework CRR – Corporate Risk Register AC – Audit Committee POD - Pharmaceutical, general Ophthalmic and Dental services NHSE – NHS England FOI - Freedom of Information MOU - Memorandum of Understanding VCSE - Voluntary, Community & Social Enterprise SI – Serious Incident</p>						
Committee Approval	Executive Committee – 16 January 2024 Audit Committee - 11 January 2024					
Sponsor/approving executive director	Claire Riley, Executive Director of Corporate Governance, Communications and Involvement					
Date approved by executive director	23 January 2024					
Report author	Wendy Marley, NECS Governance and Assurance Manager Neil Hawkins, Head of Corporate Affairs					
Link to ICP strategy priorities (please tick all that apply)						
Longer and Healthier Lives						✓
Fairer Outcomes for All						✓
Better Health and Care Services						✓
Giving Children and Young People the Best Start in Life						✓
Relevant legal/statutory issues						
Note any relevant Acts, regulations, national guidelines etc						
Any potential/actual conflicts of interest associated with the paper? (please tick)	Yes		No		N/A	✓

If yes, please specify						
Equality analysis completed (please tick)	Yes		No		N/A	✓
If there is an expected impact on patient outcomes and/or experience, has a quality impact assessment been undertaken? (please tick)	Yes		No	✓	N/A	
Key implications						
Are additional resources required?	Not applicable					
Has there been/does there need to be appropriate clinical involvement?	Not applicable					
Has there been/does there need to be any patient and public involvement?	Not applicable					
Has there been/does there need to be partner and/or other stakeholder engagement?	Not applicable					

Board Assurance Framework 2023/24

1. Introduction

The Board has overall responsibility for ensuring systems and controls are in place, sufficient to mitigate any significant risks which may threaten the achievement of the ICB's strategic aims and objectives. Evidence may be gained from a wide range of sources, but it should be systematic, supported by evidence, independently verified and incorporated within a robust governance process. The Board achieves this primarily through the work of its committees, through use of audit, independent inspections and by systematic collection and scrutiny of performance data.

2. Developing the Board Assurance Framework for 2023/24

The ICB manages risk across five levels with the principal risks to achieving the ICB's objectives forming the Board Assurance Framework (BAF):

1. Place
2. Area
3. Directorate
4. Executive directors (corporate risks)
5. Board Assurance Framework

Risks are considered at their corresponding committees to provide the Board with assurance that risks are reviewed individually by risk owners and also collectively by an oversight committee.

Further to the publication of the North East and North Cumbria Integrated Care Partnership's strategy, the ICB's risks have been assessed to determine their impact on achieving the vision and goals of the strategy and these have been incorporated into the BAF for 2023/24.

Each goal has been reviewed to determine an overarching or principal risk to its achievement and then each corporate risk has been aligned to one of the four risks to determine the overall risk score.

All risks have also been aligned to the top five risks identified by the Executive Committee:

- Finance
- Quality
- Workforce
- System recovery
- Political

The updated BAF reflects these top risks against each ICS goal.

The updated BAF for 2023/24 is available at Appendix 1. The BAF is monitored through the Quality and Safety and Executive Committees before submission to the Audit Committee to give oversight to the controls. For the next cycle the Finance, Performance and Investment Committee will also review the BAF.

3. Movement

All ICB risks are assessed against the Integrated Care System's goals with the highest risk score used to determine the overall risk to the achievement of each goal.

In summary, the risks to each goal are:

ICS Goal	Previous overall score	Current overall score
Longer and healthier lives	16	16
Fairer outcomes for all	20	16
Better health and care services	20	20
Giving children and young people the best start in life	16	16

- Risk NENC/0034 - Risk of ongoing recurring financial pressures and commitments for the ICB has reduced from 12 A (high) to 9 Y (moderate) as effective controls are now in place and any recurring commitments are being included in financial plans (which is managed through corporate risk NENC/0065). This reduction has no impact on the risk of achieving Goal 3 better health and care services which remains 20 R (extreme).
- Risk NENC/0004 – Delivery of financial position has reduced from 20 R (extreme) to 16 A (high) following the confirmation of additional non-recurring funding and other benefits, an ICS forecast of £35m deficit and ICB surplus of £32m is expected to be achieved. This reduction brings down the overall risk score for achieving Goal 2 Fairer outcomes for all.

4. Recommendations

The Board is asked to:

- Satisfy itself that the BAF accurately reflects the principal risks to achieving our objectives as well as their current mitigations, and
- Approve the BAF for 2023/24.

Name of Sponsoring Director: D Cornell, Director of Corporate Governance, and Board Secretary

Name of Author: N Hawkins, Head of Corporate Affairs
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Date: 22 January 2024