

Item: 9

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

BOARD

26 NOVEMBER 2024

Report Title: Board Assurance Framework and Risk Management Report – Quarter 2, 2024/25

Purpose of report

The purpose of this report is to provide the Board with a refreshed Board Assurance Framework for quarter 2, 2024/25 and an updated corporate risk register for review and consideration.

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, 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. It is intended to provide a visible strategic risk summary, supported by the full detail of the corporate risk register.

The Board also receives the corporate risk register on a quarterly basis which includes risks identified by the ICB and via committee risk registers as being 'high or very high' and risks identified at a place-based level scored 12 and above.

The following appendices are attached to the report:

- Appendix 1 - refreshed BAF for quarter 2, 2024/25
- Appendix 2 – corporate risk register, an overview of all ICB risks with a residual risk score of 12 and above.

The BAF is reviewed regularly by the Executive, Audit, Quality and Safety, and Finance, Performance and Investment Committees before submission to the Board. The corporate risk register is also reviewed regularly by the Audit and Executive Committees and, depending on the nature of the risk, by the Quality and Safety and Finance, Performance and Investment Committees.

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 12 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 16 A (high).

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).

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).

Assurances

The report is in line with the [ICB Risk Management Strategy](#).

Recommendation/action required

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;
- Approve the BAF for quarter 2, 2024/25;
- Receive and review the corporate risk register for assurance.

Acronyms and abbreviations explained

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
 LeDeR - Learning from lives and deaths – people with a learning disability and autistic people

Sponsor/approving executive director	Claire Riley, Chief Corporate Services Officer
Date approved by executive director	15 November 2024
Reviewed by	Deb Cornell, Director of Corporate Governance and Board Secretary
Report author	Neil Hawkins, Strategic Head of Corporate Governance

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 considerations						
Financial implications and considerations	None identified					
Digital implications	None identified					
Clinical involvement	None identified					
Health inequalities	None identified					
Patient and public involvement	None identified					
Partner and/or other stakeholder engagement	None identified					
Other resources	None identified					

Board Assurance Framework 2024/25 (Quarter 2 24/25) and Risk Management Report

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 2024/25

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 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 2024/25.

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 Q2 2024/25 is available at Appendix 1. The BAF is monitored through the Executive, Audit, Quality and Safety and Finance, Performance and Investment Committees before submission to the Board.

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	12	12
Fairer outcomes for all	15	16
Better health and care services	20	20
Giving children and young people the best start in life	16	16

3. Risk movement

- **Risk NENC/0004** – Delivery of financial position. The risk has increased in score from 12 (high) to 16 (high) following review by the risk owner in relation to the delivery of the 24/25 position.
- **Risk NENC/0051** – Learning from lives and deaths – people with a learning disability and autistic people (LeDeR) reviews capacity. Risk as reduced in score from 12 (high) to 9 (medium) following review. As the risk is now scored below 12, the risk no longer meets the criterion for inclusion on the corporate risk register and will be managed locally.

4. New corporate risks

- **NENC/0084** – Local authority strategy in relation to case management and associated functions (continuing healthcare - CHC). As a result of the decisions being taken by some local authorities regarding their intention to cease to undertake activities on our behalf (CHC case management and associated functions including legal support, brokerage and financial transactions), there is a risk that ICB teams may become overwhelmed, capacity to deliver the function may not transfer with the responsibility and additional pressure /risk may be incurred (particularly if additional local authorities make similar strategic business decisions). This could result in reduced oversight of vulnerable citizens and potential harm, additional pressures within ICB teams and reputational risk/damage to the ICB. The risk is scored 12 (high).
- **NENC/0085** – In housing of NECS staff. Financial risk due to stranded costs i.e. staff and infrastructure and estates, and potential redundancies. Due to major organisational change, there is a risk to high levels of attrition and risk of losing skills and experience of staff who are currently in post. The risk is scored 12 (high).

5. Closed risks

- **NENC/0047** - High rates of suspected suicides. The rates of suicide in the North East and North Cumbria are the highest in the country at 13.4 per 100,000 people. Suicide is the leading cause of death in our region for men aged 15 - 49 and women aged 20-34. The risk has been closed at the request of responsible director and be managed as business as usual. A new risk in relation to suicide (and other aspects of mental health) is being developed for inclusion in the next update of the risk register. This will be developed following an update and discussion on suicide prevention by the ICB Suicide

Prevention Lead at the Mental Health, Learning Disability and Autism Subcommittee in November.

- **NENC/0077** - Primary Care Access and Recovery Programme. Funding for 2024/25 has now been allocated and digital budget identified. This risk is now controlled and therefore has been closed.

6. **Risks added after Quarter 2 reporting period**

The following risk was added to the corporate risk register after the end of the quarter two reporting period and will be added to the BAF for reporting/monitoring purposes moving forward.

- **NENC/0086** - Failure to prioritise equality, diversity and inclusion. There is the risk that if the ICB fails to put in place the necessary resources to understand and address the main areas of concern and priority actions for equality, diversity and inclusion within health and care system in the North East and North Cumbria, this would result in limited access to health and care services across the region; communities not feeling welcome and able to contribute; and differences not being understood, celebrated or valued. The risk is scored residual 12 (high) and will be added to the BAF report going forward.

7. **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;
- Approve the BAF for quarter 2, 2024/25;
- Receive and review the corporate risk register for assurance.

Name of Sponsoring Director: Claire Riley, Chief Corporate Services Officer

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Name of Author: Neil Hawkins, Strategic Head of Corporate Governance

Date: 23 October 2024