NHS
Lancashire and South Cumbria
Integrated Care Board

# Integrated Care Board

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| **Date of meeting** | 7 December 2022 |
| **Title of paper** | ICB Risk Management Report including the ICB's proposed Strategic Objectives and Board Assurance Framework |
| **Presented by** | Sam Proffitt |
| **Author** | Debra Atkinson, Company Secretary/Director of Corporate Governance |
| **Agenda item** | 13 |
| **Confidential** | No |

**Purpose of the paper**

The purpose of this report is to present the board with an overview of the work undertaken to date in the development of the Lancashire and South Cumbria (LSC) Integrated Care Board's (ICB) risk management strategy and policy. It includes a proposed set of strategic objectives for the transitional year 2022-23 and the Board Assurance Framework (BAF) which supports the board to focus on the delivery of the strategic objectives.

**Executive summary**

The report outlines the work to date to support the development of the ICB's risk management strategy and policy, and the implementation and delivery of risk management across the ICB.

The report also provides an overview of the work to review options for a more streamlined approach to support the maintenance of the ICB's strategic, corporate and operational risk registers.

**Recommendations**

The ICB is asked to:

- Note the contents of the report;
- Approve the ICB risk management strategy and policy
- Approve the proposed strategic objectives for 2022-23
- Approve the ICB Board Assurance Framework

**Governance and reporting** (list other forums that have discussed this paper)

| Meeting | Date | Outcomes |
|---|---|---|
| **ICB Audit Committee** | 29 September 2022 | Noted and approved the report |
| **ICB Executive** | 22 November 2022 | Supported |

**Conflicts of interest identified**

Nil

**Implications**

| (If yes, please provide a brief risk description and reference number) | **Yes** | **No** | **N/A** | **Comments** |
|---|---|---|---|---|
| Quality impact assessment completed | | | n/a | |
| Equality impact assessment completed | | | n/a | |

| | | | | |
|---|---|---|---|---|
| Data privacy impact assessment completed | | | n/a | |
| Financial impact assessment completed | | | n/a | |
| Associated risks | | | n/a | The report provides an overview of the work undertaken to date to develop the ICB's risk management strategy and policy. |
| Are associated risks detailed on the ICB Risk Register? | | | n/a | As above |
| **Report authorised by:** | Sam Proffitt, Chief Finance Officer | | | |

# ICB Risk Management update report

## 1. Introduction

1.1 The purpose of this report is to present the Lancashire and South Cumbria (LSC) Integrated Care Board's (ICB) draft Risk Management Strategy and Policy for approval.

1.2 The report also sets out the approach to the development of a proposed set of Strategic Objectives for the 2022/23 transitional year, and a draft Board Assurance Framework (BAF), to support the board focus on the delivery of the strategic objectives for review and approval.

## 2. Background

2.1 Effective risk management supports the achievement of the ICB's strategic objectives by enabling risks to be prioritised, informing effective decision making and allowing the ICB to direct its resources efficiently. It sets the culture, processes and structures that are directed towards the effective management of potential opportunities and associated adverse effects.

## 3. Draft risk management strategy and policy

3.1 The ICB risk management strategy and policy (link provided at the end of this report) provides a systematic and consistent integrated framework and guiding principles for the implementation and delivery of risk management across the ICB. It has been developed to reflect the mutual accountability that the ICB holds in achieving the triple aims for systems:

- Better health for everyone
- Better care for all and,
- Efficient use of NHS resources

3.2 The strategy outlines the management structure, accountabilities and responsibilities in relation to risk management; the policy details the systems and processes involved to support this. Risk management will be integral to all organisational activities and support decision making; where appropriate organisations will take a shared ownership of risk.

3.3 The document has been reviewed against national guidance and best practice including the National Quality Board guidance "Quality risk response and escalation in integrated care systems" and, aligns with the roles and responsibilities of the ICB's quality committee, including adherence to the National Quality Board's 3-stage approach to the management of system level quality concerns and risks.

3.4 The strategy will remain under review as further NHS England guidance on System Quality Risk Management is published.

## 4. Development of the ICB's Strategic Objectives and Board Assurance Framework

4.1 On 27th July, a System Diagnostic Report was presented to the board which identified a number of risks and issues inherited by the ICB upon its establishment.

4.2 The board also receives regular monthly update reports which have highlighted key issues and opportunities around workforce, quality, performance, inequalities, financial sustainability and strategic direction.

4.3 To support the development of the ICB's strategic objectives for this transitional year, the board held a development session facilitated by Mersey Internal Audit Agency (MIAA) in October. The session focused on the ICB's approach to risk management; the ICB's Chair summarised the session by describing three areas of focus that the board should seek assurance against to support the achievement of the strategic objectives:

| Tiers of responsibility | Description |
|---|---|
| Level 1 | The responsibilities of the ICB as a statutory body |
| Level 2 | The role of the ICB for NHS system oversight |
| Level 3 | The role of the ICB as a system partner to support integration |

4.4 In November 2022, the board reviewed a number of key initiatives (underpinned by five priority areas) to support integrated delivery, improvement and transformation to address the immediate, short and medium-term improvement and transformation priorities for the LSC system.

4.5 The work described above has formed the basis for the development of a proposed set of strategic objectives for 2022-23 (below) and a BAF (Appendix 2):

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|---|---|
| Strategic objective 1 | • Improve quality, including safety, clinical outcomes and patient experience |
| Strategic objective 2 | • To equalise opportunities and clinical outcomes across the area |
| Strategic objective 3 | • Make working in Lancashire and South Cumbria an attractive and desirable option for existing and potential employees |
| Strategic objective 4 | • Meet financial targets and deliver improved productivity |
| Strategic objective 5 | • Meet national and locally determined performance standards and targets |
| Strategic objective 6 | • To develop and implement ambitious, deliverable strategies |

## 5. Review of systems and processes for the management of risk

5.1 The ICB risk management strategy and policy describes the role of board and its committees for the management of risk at strategic, corporate and operational levels. To support this, a central repository which captures information e.g. controls, assurances and mitigating actions to manage risks is required.

5.2 A review of the legacy LSC CCGs systems for risk management and the maintenance of risk registers has identified differing systems/approaches across. Therefore, the ICB's governance team are currently scoping options to support an integrated risk management system across the organisation, alongside any opportunities for future alignment with system partner organisations. A further update will be provided to the board through the quarterly reports to the Audit Committee.

## 6. Conclusion

6.1 The report has outlined the work to date to support the development of the ICB's risk management strategy and policy, to support the implementation and delivery of risk management across the ICB.

6.2 The proposed Strategic Objectives and BAF sets out the key risks and opportunities based on the ICB's transformation approach to addressing the immediate, short and medium-term improvement and transformation priorities for the LSC system.

6.3 Work is also underway to review options for a more streamlined approach to the systems and processes that will support the effective management of the ICB's strategic, corporate and operational risk registers and subsequent reports to the board and its committees.

## 7. Recommendations

7.1 The Board is asked to:

- Note the contents of the report and the work undertaken to date
- Approve the ICB risk management strategy and policy http://www.lancashireandsouthcumbria.icb.nhs.uk/additionalpapers
- Approve the ICB's Strategic Objectives and BAF
- Note the work underway to review the ICB's systems and processes for risk management

**Mrs Debra Atkinson**

**7 December 2022**