



Board Assurance Strategy & Framework



Seeing the individual within, embracing difference



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Introduction

Assurance is an increasingly important concept although not always clearly defined. A review undertaken by the Audit Commission, the report of which 'Taking it on Trust' was published in 2009 identified that in the worst cases of health services the assurance process had become a paper chase rather than a critical examination of the effectiveness of internal controls and risk management arrangements.

A good Board Assurance Framework (BAF) should ensure that Boards of Directors know what is happening in the services they are responsible for and, that there is robust governance, risk management and assurance systems in place.

Cheswold Park Hospital Board must be able to assure itself that the organisation is operating effectively and meeting its strategic objectives. We do this through our governance structures and internal management controls and by providing assurance which demonstrates these controls are operating as they should and, objectives are being met.

The aim of this strategy is to ensure there is a clear and common understanding throughout the hospital of what is meant by assurance and its importance. Assurance is underpinned by key elements that are concerned with strategy, risk and control. It is a document to help inform decision making and prioritisation of work relating to the delivery of strategic objectives



The Assurance System

The assurance system will enable the Board of Directors and senior management to review the corporate governance, risk management and internal control framework and address any weaknesses identified.

It will ensure that there is a robust methodology for enabling evidence-based assurance on the key risks and the key controls within the organisation as well as stakeholders as required and at the appropriate levels.

Having an assurance system provides confidence in the operational working of the hospital.

The Key Components of Board Assurance

The diagram sets out the key components and the annual cycle of Board Assurance See Fig 1.

1. The Board sets the Strategic Objectives e.g. clinical, financial, workforce, commercial and other objectives, focusing on those which are crucial to the achievement of its aims and values.
2. Strategic Risks are identified. These are risks which threaten the achievement of the Hospital's objectives. As part of the identification of strategic risks the level and type of risk the organisation is prepared to accept, or its appetite, should also be reviewed.
3. Key Controls are the management systems and processes the organisation has in place to manage its strategic risks. Controls might be policies or procedures, training, incident reporting systems etc.

4. Assurance on Controls: The Board must then gain assurance about the effectiveness of the controls in place to manage the key risks.
5. Board Report & Actions: The BAF provides a framework for identifying which of the organisational objectives are at risk because of inadequacies in controls or where the organisation has insufficient assurance about those controls.

Fig 1



Implementation of the Assurance Strategy

The implementation of this strategy will be achieved through clear leadership, effective delivery and defined roles and responsibilities.

The Board, under the leadership of the Chief Executive, will ensure that there is an appropriate infrastructure in place to facilitate the strategy, this includes the delegated committees and individual responsibilities.

The Chief Nurse will ensure that there are appropriate specialist committees to assure robust clinical governance and patient safety.

All members of staff are required to comply with any requirements in relation to assurance as set out in this strategy.

The Board will use the Business Assurance Framework as a dynamic tool to drive the board agenda. Accordingly we undertake a full review of the Strategic Objectives annually and will review the full Board Assurance Framework at least twice a year.

The format may vary but the framework must include:

- Organisational objectives
- Strategic risks
- Key controls
- Sources of assurance
- Gaps in control/ assurance, and action plans for addressing gaps



Risk Appetite



There may be some risks that the organisation does not choose to eliminate due the cost or disruption of doing so. However, Cheswold Park Hospital has a low tolerance and will seek to control risks that:

- Cause harm to patients, staff, visitors, contractors and other stakeholders
- Endanger the reputation of the Hospital
- Threaten compliance with law and regulation
- Have severe financial consequences which could jeopardise the viability of the hospital
- Put at risk our ability to carry out normal operational activities

Sources of Assurance

Examples of the sources of assurance that we gather at Cheswold Park Hospital include but are not confined to:

- Reports: - To Board, Committees, Forums and those pertaining to events or incidents.
- Policy: - Approved policies, procedures and protocols that are ratified by the relevant committee
- Audit Programmes: both internal and external audits & surveys
- Patient & Staff Feedback
- External Assessment: Inspections CQC, HSE etc.
- Commissioner reviews
- Benchmarking data
- Accreditation Schemes

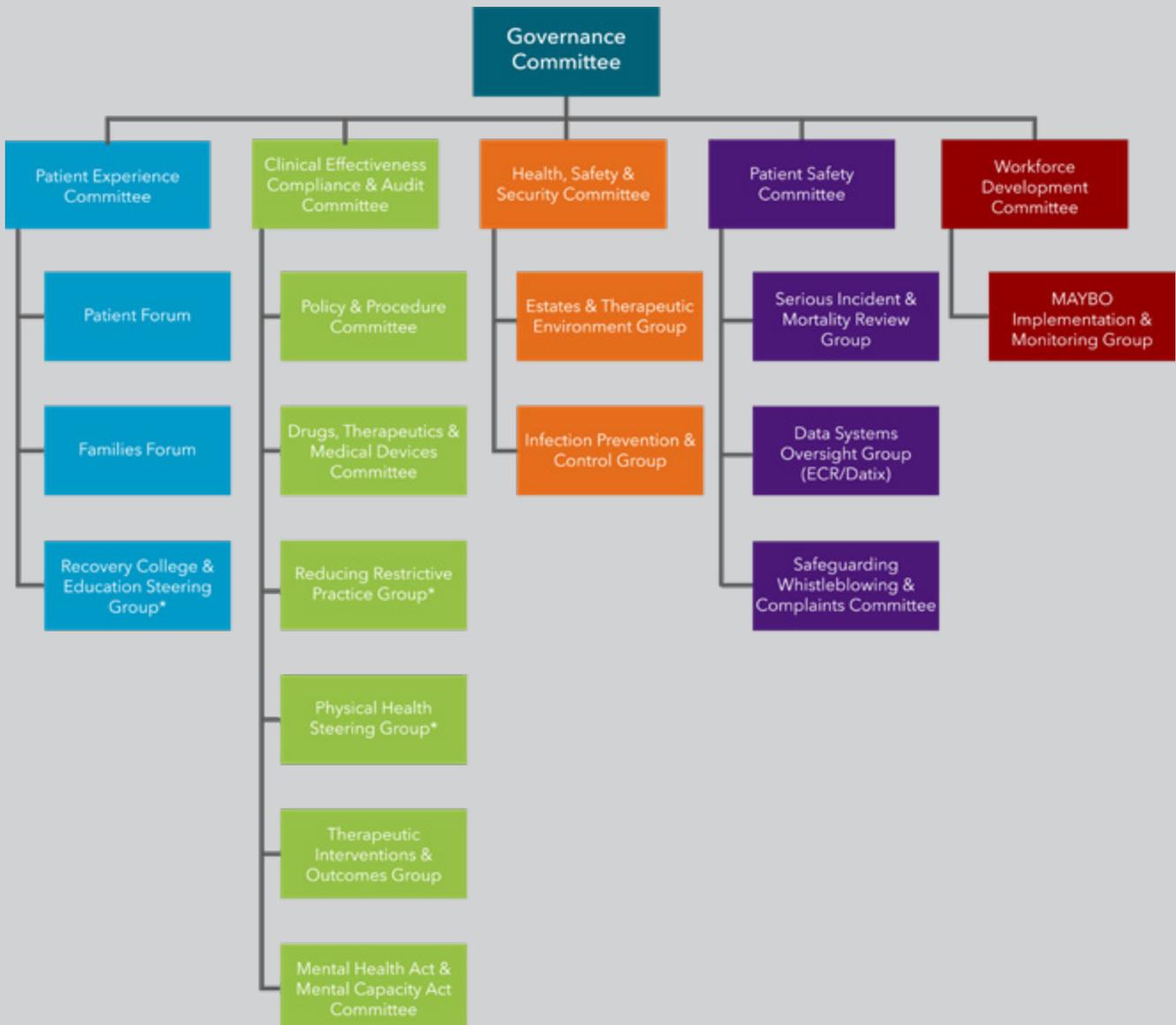


Governance Structure

Governance of the organisation is the management systems, processes and behaviours by which the Hospital leads, directs and controls its functions to achieve its organisational objectives, safety and quality.

partner organisations. Set out below are the Committees, Forums & Groups in which we have vested responsibility for the various parts of the Board Assurance Framework:

This includes the way in which it relates to patients and carers, the wider community and



Strategic Risk Register

The Strategic Risk Register - enables the Board to:

- identify and understand the risks (internal and external) that are critical to the success and continuation of the organisation
- agree acceptable levels of strategic risk and approve the actions required to mitigate risks to this level
- monitor assurance mitigating actions are being taken and risks are being appropriately managed.
- The Organisation has structured the Board Assurance Framework to contain the information that would typically constitute a Strategic Risk Register

Example of the risk register 'heat map'

Impact	5	Yellow	Orange	Orange	Red	Red
	4	Green	Yellow	Orange	Red	Red
	3	Green	Yellow	Yellow	Orange	Orange
	2	Green	Green	Yellow	Yellow	Orange
	1	Green	Green	Green	Green	Yellow
		1	2	3	4	5
Likelihood						

Annual Board Assurance Framework

Set out in the table below is the annual schedule for Board Assurance, these dates will be published each year in the corporate calendar.

Action	Executive Lead	Frequency
Strategic Objective setting as part of the annual business planning cycle	Chief Executive	Annually
Strategic and significant risk review and identification	Chief Executive	Annually
Approval of Strategic Risks	Chief Executive	Annually
Population of Board Assurance Framework (BAF)	Chief Nurse	Annually
Relevant Board committees and Management Forums to ensure risk management of the delivery of the Strategic Objectives	Chief Nurse	Bi-Monthly & Monthly
Review full Board Assurance Framework & present to Board	Chief Nurse	Twice a year





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