

Trust Board Meeting in Public: Wednesday 11 November 2015
TB2015.137

Title	Annual Review of Assurance Strategy
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Status	For discussion and approval
History	<p>The Trust Board formally approved the existing Assurance Strategy on 31 July 2012.</p> <p>The previous Annual review of the strategy was presented to the:</p> <ul style="list-style-type: none"> • Trust Management Executive in October 2014 • Trust Board in November 2014. <p>The current review was presented to the Audit Committee in September 2015 and Trust Management Executive on 10 September 2015.</p>

Board Lead(s)	Eileen Walsh, Director of Assurance			
Key purpose	Strategy	Assurance	Policy	Performance

Executive Summary

1. This paper provides the results of the annual review of the Assurance Strategy for consideration by the Trust Board. The purpose of the review was to ensure that the existing Assurance Strategy remains valid and to review progress in relation to the implementation of the strategy.
2. The Assurance Strategy contains a set of assurance principles and an indicative summary of the application of these principles within the Trust. This was used as the basis of assessment of implementation of the Assurance Strategy. A summary of the results of this assessment are included in Appendix 1 to this report.
3. The paper outlines the activities over the last year which have contributed to the continuous implementation of the strategy.
4. The Assurance Strategy has been fully reviewed and remains valid. A small number of changes were identified and these amendments were supported by the Trust Management Executive on 10 September 2015.

5. Recommendation

The Board is asked to:

- Note the progress made in relation to the continuous development of the Trust's Assurance Strategy: and
- Note and approve the revised Assurance Strategy as recommended by the Trust Management Executive.

Assurance Strategy Review

1. Purpose

- 1.1. The existing Assurance Strategy was formally developed and approved by the Trust Board in July 2012. The strategy is required to be formally reviewed and updated every three years.
- 1.2. The review section of the strategy also sets out the requirement for an annual review of implementation. The purpose of the review was to ensure that the existing Assurance Strategy remains valid and to review progress in relation to the implementation of the strategy.

2. Review Results

- 2.1. The main focus of activity in the last year has been on the following:
 - The development of a programme for review of risk registers with results reported to Clinical Effectiveness Committee;
 - Ensuring that the changes to the CQC regulatory Framework have been built into the Trust CQC assurance system;
 - The review and submission of supporting evidence in relation to the Quality Governance Framework;
 - The review of the Board Governance Memorandum and collation of supporting evidence, as validated by Internal Audit;
 - Ensuring that the CQC Inspection action plans have been subject to regular monitoring by the Trust Management Executive ;and
 - The review of the External Reviews Policy.
- 2.2. The Assurance Strategy contains a set of assurance principles and an indicative summary of the application of these principles within the Trust. This has been used as the basis of the annual assessment of implementation of the Assurance Strategy. A summary of the results of this assessment are included in Appendix 1 to this report.
- 2.3. The review results demonstrate the focus of activity in the last year has strengthened the implementation of the assurance strategy. However, it identifies a small number of areas where further development is required. This will be incorporated into future work programmes.
- 2.4. The Assurance Strategy itself has been fully reviewed as part of this process, in particular in anticipation of authorisation as a Foundation Trust. This demonstrated that the strategy remains valid, however a number of minor changes to the strategy were identified as a result of the review. These amendments were supported by the Trust Management Executive on 10 September 2015.

3. Recommendation

3.1 The Board is asked to:

- Note the progress made in relation to the continuous implementation of the Trust's Assurance Strategy: and
- Note and approve the revised Assurance Strategy as recommended by the Trust Management Executive.

Eileen Walsh

Director of Assurance

November 2015

Report prepared by:

Clare Winch

Deputy Director of Assurance

Assurance Principle	Application within the Trust
<p><u>Planning to gain assurance</u></p> <p>Overall assurance will only be gained if there is a strategy for obtaining it. The Assurance Strategy should be approved by the Board and the Audit Committee. Supporting processes for obtaining assurance should be embedded into existing processes.</p>	<p>An Assurance Strategy, which reflects the assurance system in operation within the Trust and therefore the supporting processes, has been approved at Board Level after consultation with both the Audit Committee and the Quality Committee. The Assurance Strategy has been prepared to align with the other key strategies – Risk Management Strategy and Quality Strategy.</p> <p>Assurance Directorate 2015 review comments: Above wording is still relevant no further actions required.</p>
<p><u>Making explicit the scope of the assurance boundaries</u></p> <p>To form an overall opinion the scope of the processes need to include the whole of the organisation's governance, risk and performance management lifecycle. Whilst this does not reflect the need to review every risk and internal control it should cover:</p> <p>Assurance on the Risk Management and Performance Management Strategies and how these work in practice (the extent to which line managers review the risks and controls within their responsibility and maintain dynamic risk and performance management arrangements)</p> <p>Assurance on management of risks and controls themselves.</p> <p>Assurance on the adequacy of the assurance processes.</p>	<p>The Assurance Directorate will be responsible for ensuring that there is adequate assurance on the risk management system and the risks / controls themselves.</p> <p>Assurance Directorate 2015 review comments: Above wording is still relevant the following actions have been taken since the previous review of the strategy:</p> <ul style="list-style-type: none"> • Internal Audit annual review of the systems for managing risk and the Board Assurance Framework (significant assurance opinion provided) • Assurance Directorate programme for review of risk registers now in place, results reported to Clinical Effectiveness Committee.
<p><u>Evidence</u></p> <p>The evidence supporting assurance should be sufficient in scope and weight to support the conclusion and be:</p> <ul style="list-style-type: none"> • Relevant • Reliable • Understandable • Free from material misstatement • Neutral / free from bias 	<p>The Assurance Directorate will define 'what good evidence looks like', ensuring that the details within this principle are adhered to. The software being used to support the assurance agenda will act as a central repository of evidence in relation to compliance with the CQC Fundamental Standards of Care. Allowing a quality assurance process to be undertaken by the Assurance Directorate in relation to quality of evidence. Any issues identified in this way will be addressed by additional guidance.</p> <p>Assurance Directorate 2015 review comments: Above wording is still relevant the following actions have been taken since the previous review</p>

Assurance Principle	Application within the Trust
<ul style="list-style-type: none"> Such that another person would reasonably come to the same conclusion <p>All evidence does not carry the same weight and should be weighted in accordance to independence and relevance. Evidence may be flawed in terms of both quality and quantity, leading to limitations in the assurance that can be provided.</p>	<p>of the strategy:</p> <ul style="list-style-type: none"> The changes to the CQC regulatory Framework have been built into the Trust CQC assurance system
<p><u>Evaluation</u></p> <p>The objective is to evaluate the adequacy of the:</p> <ul style="list-style-type: none"> governance, risk and performance management policies and strategies to achieve their objectives risk management processes designed to constrain residual risk to the risk appetite performance management processes to support the achievement of targets and goals; and Identify limitations in the evidence provided or in the depth or scope of the reviews undertaken Identify gaps in control and / or over control and provide the opportunity for continuous improvement Support the preparation of the Annual Governance Statement 	<p>The independent review of all key areas will be co-ordinated by the Finance Directorate. The Audit Committee will approve the Internal and External Audit Plans.</p> <p>Gaps and duplications in assurance will be identified by the development of an assurance map, the responsibility for which falls within the remit of the Assurance Directorate. A directory of sources of external assurances will be maintained in accordance with the requirements of the External Reviews Policy. This will populate, in part, the assurance directory, which will also contain internal sources of assurance.</p> <p>Central reviews of evidence held in the electronic assurance system, will be undertaken by the Assurance Directorate. Training and guidance will be provided across the Trust to enable Divisions and Corporate Directorates to be the first line of evidence assessment.</p> <p>Assurance Directorate 2015 review comments: Above wording has been amended to reflect current practice. The following actions have been taken since the previous review of the strategy:</p> <ul style="list-style-type: none"> Full review and submission of evidence in support of the Trust's Quality Governance Memorandum Full review of the Board Governance Memorandum and supporting evidence, this work was independently validated by Internal Audit. See comments re Internal Audit review of BAF & CRR External Reviews Policy has been reviewed and updated.

Assurance Principle	Application within the Trust
<p><u>Reviewing and Reporting</u></p> <p>Assurances are reported from many different sources within an organisation and therefore the Assurance Strategy needs to define stages where assurances will be evaluated and opinions reported through the various layers of management to the Trust Board.</p> <p>Assurance opinions need to be reported clearly and worded so as to clearly communicate the scope and criteria used in arriving at those conclusions.</p>	<p>The Assurance Strategy links to the governance structure for the Trust. It makes it clear that assurances for the Trust Board will be assessed in terms of value by the Assurance Directorate. Training and education will be undertaken across the Trust in relation to reporting of assurances.</p> <p><i>Assurance Directorate 2015 review comments: Above wording is still relevant.</i></p> <p><i>The following actions have been taken since the previous review of the strategy:</i></p> <ul style="list-style-type: none"> • <i>CQC Inspection action plans have been subject to regular monitoring by the Trust Management Executive.</i> • <i>The BAF has been used as the starting point for the production of the Annual Governance Statement; this was compiled and presented to the appropriate committees in a timely manner.</i> • <i>The Deep Dive process of reporting assurance to the Audit Committee has continued to develop.</i> • <i>The data quality assessment process applied to the IPR has been incorporated into the HealthAssure system to allow for improved review and reporting of supporting evidence.</i> • <i>The changes to the CQC regulatory Framework have been built into the Trust CQC assurance system</i>