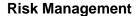
Appendix B ii)





Deep Dive Review: Integrated Strategic Risk Register and Board Assurance Framework

The purpose of this 'deep dive proforma' is to provide the Finance, Service Improvement and Development Committee with a structured approach to providing a deep dive review of each of the risks on the Integrated Strategic Risk Register and the Board Assurance Framework.

Risk ref: 002	Failure to achieve fina	ncial sustainability			
Identified in	S06 Strategic Objective: Financial stability and recovery				
	S06.6.1 Failure to achi	ieve financial susta	inability		
Risk Analysis					
Underlying Causes	Identified that the risk is to continue to be the failure to achieve financial sustainability.				
	The review identified that:				
	 meeting financia This is linked to holders needing management. There is a need coordinated eng This is a need to unforeseen ever There is a need monitored for fin There is a need ldentified a need managing the C The financial poefficiency work. There is a need the financial con 	o plan ahead and to lead to lead to lead to lead to lead to ensure local efficition ancial recovery. Ito build in plans for the lead to ensure reduction	ifies a loss of finand management wo overnance approassilience through one flexible to adapted a securing market so of financial penathrough to the STP	ncial control. with budget each to budget clear and of to well hare. Ities from not restanding of	
Underlying	delivery. The focus of the risk is managing the impacts for:				
Impacts	 Long Term Financial Planning (2021 and STP). 2017/18 Financial Recovery Plan. 3 Year Financial Recovery Plan. 2 Year Operational and Financial Plan Performance Accountability Framework 				
Risk Management					
Risk scores	Probability 5	Severity 4	Rating 20 Red – Very High Risk	Target – proposed to be 12	

Changes to scores	The likelihood and the severity of the score remain the same as the previous risk; the focus of the risk is financial Planning, the accountability and engagement for financial recovery.	
Key Controls	There is a need to ensure that there is an understanding of the dependencies of other Strategic Risks to the failure to financial sustainability, which includes:	
	 The People Strategy Workforce Planning / Agency Reduction Performance Improvement 	
	 Market Share Clinical and overall governance Service Reviews Information sharing 	
Mitigation action	Reviewing the mitigation actions identified that there are key compliance and local governance arrangements in place but these need to demonstrate a 'grip and control' on spend, budget management and service line reporting to strengthen the position to secure financial sustainability through the Financial Recovery Plan.	
	There are various activities that are in development, this in itself provides risks with current gaps in financial management support for recovery plans.	
	There is a need to ensure that further support and information is provided to Clinical and Non-Clinical Directorates through engagement for financial planning.	
	Need to provide further support for integrating performance, governance and workforce planning.	
Risk Assurance		
First line	There are existing governance arrangements in place, but there is a need to strengthen the Financial reporting and performance accountability frameworks. There is the development of a Financial Recovery Plan, supported by a Financial Turnaround Group to gain financial Grip and Control. These are essential to work towards demonstrating ability to sustain financial spend and delivery services.	
Second line	There are reports and the provision of assurance to the Trust Board Committees. There are reports provided for contract assurance.	
	The Financial Recovery Plan and regular financial reports are provided to ET, CEC and CMG, whose responsibility it is to manage local financial management across directorates and provide assurance on performance and to minimise the risk of not sustaining services through lack of financial control.	
Third line	There is a need to ensure financial management reporting through to external regulators through contract management and wider STP reporting and NHS I through the Performance Review Meetings and the System Improvement Board.	
	There is a need to provide more evidence of improving financial	
Gaps in	performance for organisational sustainability. There are impacts of the gaps in financial management at directorate levels	

	There is much work in development, which forms part of the mitigation actions, however, this is development but there is a need for pace and grip and control of financial spend now, to protect services for patients. The Financial Recovery Plan affects the whole of the organisation, but its
	delivery requires each of the directorates to deliver.
Gaps in	There is a need to strengthen local governance and accountability for
assurance	improving financial management and prevent the failure of meeting the
	financial sustainability of services.
Completion	Completion of the Financial Recovery Plan to October 2017 Board and
dates for	NHSI submission by 31 st October 2017. The Implementation of 2-17/18
actions	Financial Recovery Plan by 30 th November.
Responsible	Director of Finance
Executive	
Deep-dive	Director of Finance, Head of 2021 Programme
review by	
Date of review	22 August 2017