

Governing Body Assurance Framework
 (Up to and including 17 August 2017)

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Governing Body meeting

7 September 2017

Author(s)	Sue Laing, Corporate Services Risk and Governance Manager
Sponsor	Julia Newton, Director of Finance
Is your report for Approval / Consideration / Noting	
<p>This report is presented for CONSIDERATION and to provide assurance to the Governing Body that strategic risks are being actively reviewed, challenged and managed.</p> <p>Members are asked to note that the Quarter 2 Governing Body Assurance Framework (GBAF) is include in the noting pack at Item 20d</p>	
Are there any Resource Implications (including Financial, Staffing etc)?	
No	
Audit Requirement	
<p><u>CCG Objectives</u></p> <p><i>Which of the CCG's objectives does this paper support?</i> Strategic Objective 5. Organisational development to ensure the CCG can achieve its aims and objectives and meet national requirements.</p> <p>This paper relates to all identified risks, but in particular relates to 5.4 Inadequate adherence to principles of good governance and legal framework leading to breach of regulations and consequent reputational or financial damage. The paper provides assurance that the risks identified to the delivery of the CCGs objectives are being managed and that they are discussed and appropriately actioned and/or challenged by the Governance Sub-committee and the Audit and Integrated Governance Committee.</p>	
<u>Equality impact assessment</u>	
<p><i>Have you carried out an Equality Impact Assessment and is it attached?</i> No, There are no specific issues associated with this policy.</p>	
<u>PPE Activity</u>	
<p><i>How does your paper support involving patients, carers and the public?</i> Not applicable</p>	

Recommendations
<p>Governing Body is asked to consider the GBAF at Quarter 2 and identify if there are any additional strategic risks which should be added or any further actions taken to mitigate against the risks identified.</p>

Governing Body Assurance Framework (Quarter 2 up to and including 17 August 2017)

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1 Introduction

The Governing Body Assurance Framework (GBAF) is an important document for the Governing Body to understand and manage the key risks to the CCG achieving its objectives, by addressing barriers to success. It also provides external assurance to NHS England, internal and external audit, the public and stakeholders that the CCG is cognisant of its risks and has a robust system of internal control. Auditors expect the GBAF to be kept up to date and used routinely by Governing Body.

High level (strategic) risks continue to be managed through the assurance process. The attached GBAF sets out the key risks to the achievement of the CCG's strategic objectives and priorities.

The process for review is that first the lead Executive Director reviews the risk and updates the GBAF as appropriate. The CCG's Executive Directors then review jointly at one of their Senior Management Team meetings. A further review takes place at the CCG's Governance Sub Committee, alongside a detailed review of the CCG's operational risk register. Governance Sub-committee considers quarterly reports to monitor and discuss identified risks and where appropriate to challenge associated controls and assurances.

The Audit and Integrated Governance Committee (AIGC) receives an update at each of its quarterly meetings and Governing Body also receives an update for consideration quarterly. This is to ensure that each can be assured that the strategic risk review process identified within the Risk Management Strategy provides a significant level of assurance that the organisation has the appropriate level of control and monitoring processes are in place.

The latest GBAF has been circulated to members as part of the information pack for this meeting of Governing Body.

2 Quarter 2 Review (As at 17 August 2017)

Members are asked to note that the Quarter 2 Governing Body Assurance Framework (GBAF) is include in the noting pack at Item 20d

The CCG's Senior Management Team (SMT) considered the GBAF at its meeting on 22 August 2017. Revised director level responsibilities for certain risks were confirmed. Following discussion the level of risk was changed for 2 risks:

- Risk 2.1 – initially reduced in score to 2 x .2 – agreed to reinstate to 2 x 3
- Risk 4.5 – score reduced to 3 x 4

SMT also considered whether an additional risk should be added to the GBAF concerning resilience of sufficient staff resources as we start to implement new working arrangements as part of the South Yorkshire and Bassetlaw Accountable Care System and the Sheffield

Accountable Care Partnership. It was agreed, however, that the existing risk 5.5 adequately covered this issue.

As the Governance Sub- committee meets on 30 August a verbal update will be provided to Governing Body on any issues which emerge. This update will also provide any key points arising from the regular review of the CCG's operational risk register.

At the end of the monitoring period there remained 17 key risks against the CCG's key objectives identified on the GBAF. The level of risk compared to the last review and initial risk score is set out below.

Review period	Critical	Very High	High	Medium	Low
Initial Risk score at start of 2017/18	0	5	7	5	0
Up to and including 15 May 2017 (Q1)	0	5	3	9	0
Up to and including 17 August 2017 (Q2)	0	3	5	9	0

The table below summarises the risk rating (both current and in previous reviews) against the initial risk score, and the risk appetite score. The table also highlights any identified gaps in control and/or assurance.

Risk Reference	Risk Owner	Risk Initial Score	Current Risk Score				Risk Target or Appetite Score	Are there Gaps in Control?	Are there Gaps in Assurance
			Q1	Q2	Q3	Q4		Position at 17 th August 2017	
1.1	Nicki Doherty	12	12	12			6	Yes	No
1.2	Brian Hughes wef 29.05.17	15	12↓	12			9	No	No
2.1	Penny Brooks	12	6↓	6			6	No	No
2.2	Brian Hughes	9	9	9			6	No	No
2.3	Peter Moore (Steve Thomas)	16	16	16			12	Yes	Yes
2.4	Penny Brookes wef 01.08.17 (Margaret Ainger)	12	16↑	12↓			9	No	No
3.1	Peter Moore	9	9	9			6	No	Yes
4.1	Julia Newton	16	16	16			9	No	No
4.2	Julia Newton	9	9	9			6	No	No
4.3	Brian Hughes wef 29.05.17	16	16	16			8	No	No
4.4	Peter Moore	9	9	9			6	No	No
4.5	Maddy Ruff	16	16	12↓			8	No	No
5.1	Katrina Cleary	12	9↓	6↓			6	No	No
5.2	Brian Hughes Wef 29.0.17	12	12	12			6	Yes	No
5.3	Zak McMurray	12	6↓	6			6	No	No
5.4	Julia Newton	8	6↓	6			4	No	No
5.5	Penny Brooks	12	6↓	6			6	Yes	No

Risk descriptions

1. To improve patient experience and access to care (Goals 1, 2,5 & 8)	1.1 Insufficient communication and engagement with patients and the public on CCG priorities and service developments, leading to loss of confidence in CCG decisions.
	1.2 System wide or specific provider capacity problems in secondary and/or primary care emerge to prevent delivery of NHS Constitution and/or NHS E required pledges including 7 day access
2. To improve the quality and equality of healthcare in Sheffield (Goals 1, 2, 3, 4 & 6)	2.1 Providers delivering poor quality care and not meeting quality targets.
	2.2 CCG unable to influence equality of access to healthcare because insufficient or ineffective mechanisms to change
	2.3 That the CCG fails to achieve Parity of Esteem for its citizens who experience mental health conditions, so reinforcing their health inequality and life expectancy
	2.4 Insufficient resources across health and social care to be able to prioritise and implement the key developments required to achieve our goal of giving every child and young person the best start in life, potentially increasing demand for health and care services.
3. To work with Sheffield City Council to continue to reduce health inequalities in Sheffield (Goals 3 & 7)	3.1 CCG is unable to undertake the actions, and deliver the outcomes from them, that are set out in the HWB's plan for reducing health inequalities, eg due to financial constraints.
4. To ensure there is a sustainable, affordable healthcare system in Sheffield. (Goal 2, 5, 7 & 8)	4.1 Financial Plan with insufficient ability to flex to meet in year demands and at same to meet the NHSE business rules for 2017/18
	4.2 Risk management and other governance arrangements put in place by CCG and SCC to manage the BCF prove inadequate to deliver our integrated commissioning programme and meet our joint efficiency challenges
	4.3 Unable to deliver the QIPP (efficiency) savings plan of £21.6m due to lack of internal capacity and lack of engagement by our key partners
	4.4 Inability to secure partnerships with secondary and primary care providers to deliver the Sheffield Transformation Programme and to develop the Accountable Care Partnership (with reference in particular our out of hospital strategy).
	4.5 Inability to agree and progress service changes across the South Yorkshire and Bassetlaw Sustainability and Transformation Programme (STP) footprint at a pace which supports delivery of collective efficiency, workforce and quality "gap" challenges.
5. Organisational development to ensure CCG meets organisational health and capability requirements. (Goals 1 - 8)	5.1 Inability to maximise the anticipated benefits of the GP Forward View to deliver a sustainable and transformed primary care sector.
	5.2 Unable to secure timely and effective commissioning support to enable us to adequately respond and secure delivery to existing and new emerging requirements. Quality of externally purchased commissioning support (IT and data management) falls below required levels
	5.3 Inability to secure active engagement/participation between Member Practices and relevant CCG teams which may result in not achieving CCG priorities.
	5.4 Inadequate adherence to principles of good governance and legal framework leading to breach of regulations and consequent reputational or financial damage.
	5.5 Insufficient workforce, talent management and succession planning could lead to inability to deliver organisational objectives and priorities.

Movement in risk scores in Q2

Of the 17 identified risks, three have reduced in score.

- 2.4 *Insufficient resources across health and social care to be able to prioritise and implement the key developments required to achieve our goal of giving every child and young person the best start in life, potentially increasing demand for health and care services.*

Reduced as a result of additional identified resources which were in place from 1 August 2017.

- 4.5 *Inability to agree and progress service changes across the South Yorkshire and Bassetlaw Sustainability and Transformation Programme (STP) footprint at a pace which supports delivery of collective efficiency, workforce and quality "gap" challenges.*

After discussion at SMT it was agreed that with the actions during Q2 to progress the Accountable Care System governance and individual work streams looking at service transformation and resilience it was appropriate to reduce the risk score.

- 5.1 *Inability to maximise the anticipated benefits of the GP Forward View to deliver a sustainable and transformed primary care sector. – reduced due to The extended Primary Care Team is actively supporting all practices as well as focussing on those identified at greatest risk in terms of resilience and sustainability. Practices are actively engaging in this approach.*

Reduced as a result of the extended Primary Care Team actively supporting all practices, as well as focussing on those identified at greatest risk in terms of resilience and sustainability. Practices are actively engaging in this approach.

Gaps in Assurance and/or Control remaining at Q2

Four of the seventeen strategic risks showed gaps in control and two risks identified gaps in assurance. Actions identified in order to close the gaps are attached at **Appendix 1**.

3. Recommendations

The Governing Body is asked to consider the GBAF at Quarter 2 and identify if there are any additional strategic risks which should be added or any further actions taken to mitigate against the risks identified.

Paper prepared by: Sue Laing, Corporate Services Risk and Governance Manager
on behalf of: Julia Newton, Director of Finance

August 2017

Gaps

APPENDIX 1

Date: 01-Aug

If your risk has a red box it needs filling in, once you have done so it will turn white. Grey boxes don't need filling in.

Strategic Objective	Principal Risk identified	Risk Owner	Risk Initial Score	Risk current Score	Risk Target or Appetite Score	Are there GAPS in control?	Reason for Gap in Control	Action taken to reduce Gap in Control	Are there Gap in Assurance?	Reason for Gap in Assurance	Action taken to reduce Gap in Assurance
1. To improve patient experience and access to care	1.1 Insufficient communication and engagement with patients and the public on CCG priorities and service developments, leading to loss of confidence in CCG decisions.	ND	12	12	6	Yes	We need to further develop operating models and ensure sufficient capacity to support portfolios	Currently refreshing our comms and engagement operational approach and the team structure to support, this will include claification of expected roles of all staff	No		
	1.2 System wide or specific provider capacity problems emerge in secondary and/or primary care to prevent delivery of NHS Constitution and/or NHS E required pledges including addressing 7 day access.	BH	15	12	9	No			No		
2. To improve the quality and equality of healthcare in Sheffield	2.1 Providers delivering poor quality care and not meeting quality targets.	PB	12	6	6	No			No		
	2.2 CCG unable to influence equality of access to healthcare because insufficient or ineffective mechanisms to change	BH	9	9	6	No			No		
	2.3 That the CCG fails to achieve Parity of Esteem for its citizens who experience mental health conditions, so reinforcing their health inequality and life expectancy	PM/ST	16	16	12	Yes	This agenda is long term, and reflects the national health inequalities faced by the population with MH conditions. It will not be mitigated within year	Clinical Director (CD) and Head of Commissioning (HOC) to further engage with relevant teams/ meetings and individuals to highlight this agenda	Yes	Consideration should be given to ways in which the culture of addressing parity of esteem is embedded into the organisation	Governing Body receiving updates on MH and broader transformation work. Parity of Esteem becoming a whole system issue.
	2.4 Insufficient resources across health and social care to be able to prioritise and implement they key developments required to achieve our goal of giving every child and young person the best start in life, potentially incresing demand for health and care services..	PM/MA	12	12	9	No			No		
3. To work with Sheffield City Council to continue to reduce health inequalities in Sheffield	3.1 CCG is unable to undertake the actions, and deliver the outcomes from them, that are set out in the HWB's plan for reducing health inequalities, eg due to financial constraints.	PM	9	9	6	No			Yes	Health inequalities reported on to GB. Role of HWB also strengthened alongside city council's new Director of Public Health. This now needs to be evidenced as effective during the year.	Health inequalities is on the HWB forward plan for Jan 18 . Once evidenced gap will be addressed. Revised TOR and prupose of HWB linking to ACP.
4. To ensure there is a sustainable, affordable healthcare system in Sheffield.	4.1 Financial Plan with insufficient ability to reflect changes to meet demands and at same time to meet the NHSE business rules for 2017/18.	JN	16	16	9	No			No		
	4.2 Risk management and other governance arrangements put in place by CCG and SCC to manage BCF prove inadequate to deliver our integrated commissioning prgramme and meet our joint efficiency challenges.	JN	9	9	6	No			No		
	4.3 Unable to deliver QIPP (efficiency) savings plan of £21.6m due to lack of internal capacity and lack of engagement of key partners	BH	16	16	8	No			No		
	4.4 Inability to secure partnerships with secondary and primary care providers to deliver the Sheffield Transformation Programme and to develop the Accountable Care Partnership (with refeence I particular to our out of hospital strategy).	PM	9	9	6	No			No		
	4.5 Inability to agree and progress service changes across the South Yorkshire and Bassetlaw Sustainable Transformation Programme (STP) footprint at a pace which supports delivery of collective efficiency challenge.	JN (for MR)	16	12	8	No			No		
5. Organisational development to ensure CCG meets organisational health and capability requirements.	5.1 Inability to maximise the anticipated benefits of the GP Forward View to deliver a sustainable and transformed primary care sector.	KaC	12	6	6	No			No		
	5.2 Unable to secure timely and effective commissioning support to enable us to adequately respond and secure delivery to existing and new emerging requirements. Quality of externally purchased commissioning support (IT and data management) falls below required levels.	BH	12	12	6	Yes	Limited contractual mechanisms available via the LPF contract to drive performance improvement.	Recruitment to joint Head of IT or another solution. Service specifications and their development where non-existent are now a priority.	No		
	5.3 Inability to secure active engagement/participation between Member Practices and relevant CCG teams which may result in not achieving CCG priorities	ZM	12	6	6	No			No		
	5.4 Inadequate adherence to principles of good governance and legal framework leading to breach of regulations and consequent reputational or financial damage.	JN	8	6	4	No			No		
	5.5 Insufficient workforce, talent management and succession planning could lead to inability to deliver organisational objectives and priorities.	PB	12	6	6	Yes	Ensuring key workforce analytics are used to inform decisions made and to address areas of development at a directorate level.	OD Strategy Refresh. Directorate level workforce and succession planning utilising key workforce metrics	No		