

**Governing Body Assurance Framework Update****2021/22 Third and Fourth Quarter Reviews up to and including  
31 March 2022 and Refresh for 2022/23****F****Governing Body meeting****5 May 2022**

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<b>Purpose of Paper</b>	
<p>This report presents the Governing Body Assurance Framework (GBAF) third and fourth reviews for 2021/2022 and covers the period from 1 November 2021 up to and including 31 March 2022. The GBAF has been shared with Governing Body members as part of the supporting information pack.</p> <p>This report also sets out the process undertaken to roll over the organisation's Governing Body Assurance Framework (GBAF) for 2022/23 from 1 April up to and including 30 June 2022.</p> <p>The report provides assurance to the Governing Body that there are systems and processes in place for the effective management of both strategic and operational risks.</p>	
<b>Key Issues</b>	
<p>The GBAF is a "rolling" document reviewed approximately quarterly.</p> <p>This report sets out the 1 November 2021 to 31 March 2022 position for 2021/2022</p> <ul style="list-style-type: none"> <li>• 26 principal risks are identified on the GBAF</li> <li>• No risks have reduced in risk score</li> <li>• Two risks have increased in score</li> <li>• One risk shows a gap in control, no risks show a gap in assurance</li> <li>• The Senior Management Team (SMT) considered the Quarter 3 review on 2 March 2022 and the Quarter 4 review on 21 April 2022. SMT approved the requested changes to five of the actions and confirmed and agreed that the actions recommended by Internal Audit, as outlined in section 2.1, had been taken into consideration in this review.</li> <li>• In light of transition to the Integrated Care Board (ICB) from 1 July 2022, SMT agreed that instead of undertaking the usual Confirm and Challenge refresh session with Internal Audit, the 2021/22 GBAF would roll over to the end of June 2022, noting that as we go into Quarter 1 of 2022/23 a review of each of the starting risk scores would need to take place to reflect an impact of any changes, particularly the change in financial year.</li> <li>• Due to timings of meetings this combined report has been shared virtually with the Audit and Integrated Governance Committee (AIGC) prior to presentation to Governing</li> </ul>	

Body. AIGC previously received and reviewed the report from the Quarter 3 review at their meeting of 17 March 2022.

**Is your report for Approval / Consideration / Noting**

**Consideration and Approval**

**Recommendations / Action Required by Governing Body**

Governing Body is recommended to:

- **Review** and **comment** on the GBAF review from 1 November 2021 to 31 March 2022.
- **Note** SMT's approval of the requested changes to the five actions and their agreement that the proposed actions recommended by Internal Audit, had been taken into consideration in this review.
- **Consider** and **approve** the content of the Summary GBAF for 2022/23 up to and including 30 June 2022.
- **Consider** any new principal risks that members feel should be added.

**Governing Body Assurance Framework**

***Which of the CCG's Objectives does this paper support?***

This paper supports each of the five CCG objectives in addition to all identified principal risks.

**Are there any resource Implications (including Financial, Staffing etc)?**

No specific resource implications

**Have you carried out an Equality Impact Assessment and is it attached?**

There are no specific issues associated with this report.

**Have you involved patients, carers and the public in the preparation of the report?**

Not applicable

## **Governing Body Assurance Framework Update**

### **2021/22 Third and Fourth Quarter Reviews up to and including 31 March 2022 and Refresh for 2022/23**

#### **Governing Body meeting**

**5 May 2022**

#### **1. Introduction**

This paper is presented to provide an overview of the strategic risks which may threaten achievement of the Clinical Commissioning Groups (CCGs) Strategic Objectives.

The Governing Body Assurance Framework (GBAF) is an important document which provides a repository of principal risks to delivery of the CCG's objectives and which allows Governing Body members to understand and oversee management of these risks by addressing barriers to its success. The Audit and Integrated Governance Committee (AIGC) has responsibility, on behalf of the Governing Body, for scrutiny of these risks, prior to submission and oversight by Governing Body. 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 routinely reviewed and challenged by Governing Body. The Governing Body needs to be confident in the systems, policies and people it has in place to efficiently and effectively drive the delivery of its objectives by focusing on minimising risk.

As part of the signing of the Annual Governance Statement (AGS) by the Accountable Officer and approval of the Annual Accounts and Annual Report, the need for the Governing Body to demonstrate they have been properly informed of the totality of their risks is paramount. Governing Body needs to be able to evidence that it has systematically identified its objectives and managed the principal risks to achieving them over the course of the year.

This paper provides the Governing Body with the position on the GBAF from 1 November 2021 to 31 March 2022 and sets out the process undertaken to roll over the organisation's GBAF for 2022/23 from 1 April up to and including 30 June 2022.

#### **2. Review up to and including 31 March 2022**

The Quarter 3 review of the GBAF covering the period 1 November 2021 to 31 January 2022 was presented to the Senior Management Team (SMT) on 2 March 2022 and to AIGC on 17 March 2022. The Quarter 4 review and 2022/23 refresh were presented to the SMT on 21 April 2022. Due to timings of meetings this combined report has been shared virtually with the AIGC prior to presentation to Governing Body. AIGC previously received and reviewed the report from the Quarter 3 review at their meeting of 17 March 2022.

##### **2.1 Quarter 3 and 4 Reviews**

At the end of the monitoring periods there remained 26 identified principal risks. No new risks were identified during this review period. The level of risk is set out below.

31 March 2022	Critical	Very High	High	Medium	Low	Risks Closed	TOTAL
1 November 2021 to 31 March 2022	4	5	15	2	0	0	26

The Head of Internal Audit Opinion Stage 1 review of the GBAF content identified a low risk in the GBAF content in that the effectiveness of the GBAF in managing strategic risks may be adversely impacted if the key information is not clear or fully completed. They proposed a number of actions for consideration when reviewing our risks, some of which SMT were already picking up as part of the planned actions or have since been undertaken:

- Controls to clearly articulate what the CCG has already put in place to mitigate the identified risks.
- Provide further clarity whether assurances are one off assurances with completion dates or are ongoing

### 3. Movement in risk scores

#### 3.1 Risks reduced in score:

No risks were reduced in score during the review period.

#### 3.2 Increase in risk score:

The following two risks were increased in score during the review period.

**Risk 2.1** - There is a risk that organisations fail to meet quality standards, resulting in reduced quality of services, increased patient safety risks and a lack of satisfaction in commissioned services.

**Rationale:**

*The risk score has increased this quarter based on the final CQC report for STH with an overall rating of Requires Improvement, noting that a number of services such as urgent and emergency care, medicine, surgery and maternity, are rated as Inadequate. This impacts on both local and wider regional services*

**Risk 4.1** - There is a risk that the financial challenges of our own organisation and that of our system partners distort our short-term spending priorities and prevent us investing in the key areas to deliver our objectives

**Rationale:**

*The risk score has increased this quarter based on a recognition that the current uncertainty regarding how services will operate post COVID as well as lack of clarity re planning and financial frameworks makes the whole environment in which we are operating riskier.*

The table below summarises risk ratings against the initial risk score, and the risk appetite score. Gaps in control and/or assurance are also identified.

Objective	Risk Reference	Principal Risk	Risk Owner	Risk Initial Score	Current Risk Score				Risk Target or Appetite Score	Gaps in Control?	Gaps in Assurance?
					Q1	Q2	Q3	Q4		Position at 31.03.2022	
1. Reduce the impact of health inequalities on peoples' health and wellbeing through working with Sheffield City Council and partners( Lead: Brian Hughes )	<a href="#">1.1</a>	There is a risk that our agreed joint <b>commissioning priorities</b> do not deliver the anticipated impact on improving the health and wellbeing of our population, and a positive impact on reducing health inequalities. The backlog of service delivery, and recovery (economic and service delivery) from the pandemic could have a significant impact on the delivery of our priorities.	BH	12	12	12	12	12	9	No	No
	<a href="#">1.2</a>	There is a risk that, due to insufficient data/intelligence and clinical leadership across health, education and social care, we fail to make sufficient progress to implement the key developments required to achieve our goal of giving every child and young person the <b>best start in life</b> , potentially increasing demand on health, education and care services.	SB	12	12	12	12	12	6	No	No
	<a href="#">1.3</a>	There is a risk that due to the increase in demand, the magnitude of change required and lack of workforce capacity, we are unable to make sufficient progress on delivering our <b>all age mental health</b> objectives, and as a result fail to impact on the health and social inequalities faced by people with mental health conditions, learning disability and autism, resulting in reduced life expectancy.	SB	16	16	12	12	12	9	No	No
	<a href="#">1.4</a>	There is a risk that inequalities have worsened as a result of the COVID-19 pandemic due to elective activity being paused and exacerbating those with long term conditions.	SB	20	20	20	20	20	12	No	No

Objective	Risk Reference	Principal Risk	Risk Owner	Risk Initial Score	Current Risk Score				Risk Target or Appetite Score	Gaps in Control?	Gaps in Assurance?
					Q1	Q2	Q3	Q4		Position at 31.03.2022	
2. Lead the improvement of quality of care and standards (Lead: Alun Windle)	<a href="#">2.1</a>	There is a risk that organisations fail to meet quality standards, resulting in reduced quality of services, increased patient safety risks and a lack of satisfaction in commissioned services.	AW	16	16	16	16	20	9	Yes	No
	<a href="#">2.2</a>	There is a risk that system wide or specific provider <b>capacity problems</b> emerge in secondary and/or primary care that hinder the recovery of service delivery post COVID as well as delivery of statutory requirements of the NHS Constitution, Long Term Plan and 2021/2022 Operational Plan expectations.	SB	20	20	20	20	20	9	No	No
	<a href="#">2.3</a>	There is a risk that we fail to effectively engage and <b>communicate our messages with the public and involve patients</b> and carers in CCG and system priorities and service developments, leading to loss of confidence in CCG decisions, potential legal challenge and barriers to progressing required change.	BH	16	16	12	12	12	8	No	No
	<a href="#">2.4</a>	There is a risk that there is insufficient workforce to deliver high quality care across the health care economy, particularly in primary and secondary care covering all professions due to increasing demands on health services	AW	12	12	12	12	12	9	No	No
	<a href="#">2.5</a>	There is a risk that insufficient <b>preparedness to deal with significant emergency events</b> mean that if those events occur local health services may be overwhelmed, distorting delivery of our priorities. We need to ensure our response reflects the lessons learned and experiences from the Covid Pandemic	BH	15	15	15	15	15	8	No	No

Objective	Risk Reference	Principal Risk	Risk Owner	Risk Initial Score	Current Risk Score				Risk Target or Appetite Score	Gaps in Control?	Gaps in Assurance?
					Q1	Q2	Q3	Q4		Position at 31.03.2022	
	<a href="#">2.6</a>	There is a risk that the CCG may not meet <b>Flu Vaccine requirements</b> set by NHSEI 2021/22, due to availability of vaccine, workforce capacity with other vaccination programmes, access to vulnerable Cohorts in a period of both Covid and General practice work recovery and restoration	AW	12	12	12	9	9	9	No	No
	<a href="#">2.7</a>	There is a risk that the CCG is unable to deliver on national expectations of <b>uptake of the Covid 19 vaccine</b> due to the lack of workforce, vaccine supply, or the appetite of our population, resulting in our population not being protected from the virus, higher morbidity and mortality, continued high demand for health and care services and in inability to restart the local economy.	AW	16	16	16	16	16	9	No	No
3. Bring care closer to home (Lead: Sandie Buchan)	<a href="#">3.1</a>	There is a risk that we have insufficient capacity and resources to support development of <b>Primary Care Networks (PCNs) and primary care at scale working</b> or that PCNs are overwhelmed by multiple demands for their involvement.	SB	16	16	16	16	16	9	No	No
	<a href="#">3.2</a>	There is a risk that there is insufficient <b>resilience in primary and community care</b> , in particular GP practices but also in the community pharmacy, care providers and the voluntary sector, that we are unable to expand capacity in primary and community care.	SB	16	20	20	20	20	6	No	No

Objective	Risk Reference	Principal Risk	Risk Owner	Risk Initial Score	Current Risk Score				Risk Target or Appetite Score	Gaps in Control?	Gaps in Assurance?
					Q1	Q2	Q3	Q4		Position at 31.03.2022	
	<a href="#">3.3</a>	Inability to secure active <b>engagement/participation and involvement of PCN Clinical Directors, Members Practices and relevant CCG teams</b> which may result in not achieving CCG priorities.	ZM	9	9	9	6	6	6	No	No
	<a href="#">3.4</a>	There is a risk that the capacity and role of the voluntary and community sector is not fully realised as part of our system infrastructure and presence	BH	12	12	12	12	12	6	No	No
4. Improve health care sustainability and affordability (Lead: Jackie Mills)	<a href="#">4.1</a>	There is a risk that the financial challenges of our own organisation and that of our system partners distort our short term spending priorities and prevent us investing in the key areas to deliver our objectives	JM	16	16	12	12	16	9	No	No
	<a href="#">4.2</a>	There is a risk that the <b>proposed legislative changes</b> and potential dissolution of the CCG have a disruptive effect on commissioning and provider partnerships during 2021/22 resulting in failure to secure the level of transformation required and an ability to deliver on our joint objectives.	BH	12	12	12	12	12	6	No	No
	<a href="#">4.3</a>	There is a risk that our <b>digital infrastructure</b> is inadequately maintained/developed and thus impacts our ability to deliver safe, efficient and high quality health and care services and make informed decisions. This is both a current issue and is also a risk for the delivery of the digital strategy building blocks.	CT	12	12	12	12	12	9	No	No
	<a href="#">4.4</a>	There is a risk that the <b>estates infrastructure</b> is inadequately maintained/developed and so impacts on the ability to integrate services/bring services closer to home.	JM	12	12	12	12	12	9	No	No



Objective	Risk Reference	Principal Risk	Risk Owner	Risk Initial Score	Current Risk Score				Risk Target or Appetite Score	Gaps in Control?	Gaps in Assurance?
					Q1	Q2	Q3	Q4		Position at 31.03.2022	
	<a href="#">4.5</a>	There is a risk that we fail to address the impact that the services that we commission have on the <b>environment</b> .	ZM	12	12	12	12	12	9	No	No
	<a href="#">4.6</a>	There is a risk that our internal QIPP plan does not deliver the level of efficiency changes required to enable us invest in the services that we have prioritised to achieve our objectives either because the schemes are not developed robustly or because we have insufficient people/resources to deliver it or we cannot engage key partners appropriately.	SB	16	16	12	12	12	9	No	No
	<a href="#">4.7</a>	There is a risk that our collective <b>risk appetite</b> is insufficient to realise the potential of our plans	JM	16	16	16	16	16	8	No	No
5. Be a caring employer that values diversity and maximises the potential of our people (Lead: Brian Hughes)	<a href="#">5.1</a>	There is a risk that the proposed legislative changes and potential dissolution of the CCG have a disruptive effect during 2021/22 causing anxiety and uncertainty in staff and that we have <b>insufficient workforce</b> to deliver our organisational objectives and commissioning intentions during times of major change.	CT	12	12	16	16	16	9	No	No
	<a href="#">5.2</a>	There is a risk that if we do not engage actively in the co-design of the future arrangements for place and commissioning we will not have maximised the potential of our staff and their contribution to an integrated health and care system.	BH	12	12	12	12	12	9	No	No

Objective	Risk Reference	Principal Risk	Risk Owner	Risk Initial Score	Current Risk Score				Risk Target or Appetite Score	Gaps in Control?	Gaps in Assurance?
					Q1	Q2	Q3	Q4		Position at 31.03.2022	
	<a href="#">5.3</a>	There is a risk that our focus on future system design means that we lose focus and momentum on our culture change programme, talent management and succession planning and our ambitions on equality and diversity.	BH	12	12	12	12	12	9	No	No
	<a href="#">5.4</a>	There is a risk that due to the wide range of staff home working experiences during the pandemic, our post-pandemic flexible working arrangements will not cater for the needs of all our staff.	CT	12	12	12	12	12	9	No	No

### 3.3 Gaps in Assurance and/or Control

One risks (2.1) shows a gap in control and has an action plan in place to close the gap. No risks have identified gaps in assurance.

Risk Ref	Risk	Gap in Control
2.1	There is a risk that organisations fail to meet quality standards, resulting in reduced quality of services, increased patient safety risks and a lack of satisfaction in commissioned services.	In the past two years of the pandemic, national COVID legislation contractual levers were reduced, this included removal of provider performance and quality data surveillance requirements. As at 1 April 2022 these have been in most part reinstated and therefore this gap in control will be removed from quarter 1.

### 3.4 Action Log

There were 45 new actions added during Quarters 3 and 4. Good progress has been made with regard to closing identified actions and 123 are now either completed or are not yet due for completion

Period	No of Actions identified	Actions Completed	Actions not due for completion	Actions overdue
1 November 2021 to 31 March 2022	123	98	25	0

#### 4. GBAF Review

The Senior Management Team (SMT) considered the 1 November 2021 to 31 March 2022 GBAF reviews prior to the AIGC and Governing Body meetings. SMT particularly considered those risks scored as Critical and agreed that the scoring was appropriate.

SMT also confirmed and agreed that the actions recommended by Internal Audit, as outlined in section 2.1, had been taken into consideration in this review. SMT also approved requested changes to the five actions provided in the table below.

Risk Ref	Risk	Action identified	Change requested and rationale
2.4	There is a risk that there is insufficient workforce to deliver high quality care across the health care economy, particularly in primary and secondary care covering all professions due to increasing demands on health services	Review impact of mandatory vaccinations on the workforce (NHS and Social Care) - to be picked up in the City Wide Vaccination Group	Action removed as this has now been repealed
2.7	There is a risk that the CCG is unable to deliver on national expectations of uptake of the Covid 19 vaccine due to the lack of workforce, vaccine supply, or the appetite of our population, resulting in our population not being protected from the virus, higher morbidity and mortality, continued high demand for health and care services and in inability to restart the local economy.	Ongoing capacity planning to deliver the national programme on a long-term basis	Completion date changed from March 2022 as the guidance for both flu and covid winter programme has not been provided and won't be until after June 2022
3.2	There is a risk that there is insufficient resilience in primary and community care, in particular GP practices but also in the community pharmacy, care providers and the voluntary sector, that we are unable to expand capacity in primary and community care.	Review of the sustainability of the care home sector overseen by EMG: Update, currently ongoing and being led by SCC	Completion date changed from March 2022 as LA continues to lead on this. An update will be provided in August 2022
4.3	There is a risk that our digital infrastructure is inadequately maintained/developed and thus impacts our ability to deliver safe, efficient and high-quality health and care services and make informed decisions. This is both a current issue and is also a risk for the delivery of the digital strategy building blocks.	Incorporate the SCCG digital roadmap within the CCGs operational plan when presented to GB	Action removed given the CCG end date of June 22 there will not be an operational plan for 22/23. The key will be building on the approach that has started with the Dragon's Den - increasing the link between commissioning and digital colleagues

Risk Ref	Risk	Action identified	Change requested and rationale
4.4	There is a risk that the estates infrastructure is inadequately maintained/developed and so impacts on the ability to integrate services/bring services closer to home.	Refresh of the Sheffield strategic estates strategy (in line with changed ICS deadline)	There has been a further delay to the ICS estates strategy refresh with a revised target date of Sep 22.

AIGC considered the Quarter 3 GBAF on 17 March 2022 and agreed that the position to the end of March 2022 would be presented to Governing Body with a consideration of the opening risk score for April 2022 recognising the increased financial risk. Due to timing of meetings the Quarter 4 GBAF report was circulated via email to AIGC members. A couple of members of AIGC gave similar feedback in that there are a number of risks where the risks scores haven't reduced even though all the mitigating actions against those risks have been completed. Six risks fall into this category and for most of these there are clear external factors. This will be reviewed in more detail in the next GBAF review.

## 5. Roll Over of the GBAF to 2022/23

In light of transition to the Integrated Care Board (ICB) from 1 July 2022, SMT agreed that instead of undertaking the usual Confirm and Challenge refresh session with Internal Audit, the 2021/22 GBAF would roll over to the end of June 2022, noting that as we go into Quarter 1 of 2022/23 a review of each of the starting risk scores would need to take place to reflect an impact of any changes, particularly the change in financial year. As part of the Quarter 4 review and recognising the complexity and changing nature of the environment in which we are operating, risk owners were asked to indicate what the risk scores for their respective risks would be for Quarter 1.

In most part SMT agreed that the opening risk scores for 2022/23 would remain as per the agreed score for Quarter 4. For three risks the opening score has been increased. The rationale for the increased risk score is provided in the table below.

The summary GBAF below sets out the principal risks to delivery of the CCG's objectives and includes current risk score and risk appetite, together with the relevant rationale for these scores.

Risk	Principal Risk identified	Risk Owner	Risk score Q4 2021/22	Initial Risk score 2022/23	Rationale for change from Q4
<a href="#">1.3</a>	There is a risk that due to the increase in demand, the magnitude of change required and lack of workforce capacity, we are unable to make sufficient progress on delivering our <b>all-age mental health</b> objectives, and as a result fail to impact on the health and social inequalities faced by people with mental health conditions, learning disability and autism, resulting in	SB	12	16	This risk has increased due to recent complications linked to the pathways for 16/17 year-olds in a mental health crisis. Increased complexities due to other commissioners and provider collaborations.

	reduced life expectancy.				
<a href="#">2.6</a>	There is a risk that the CCG may not meet <b>Flu Vaccine requirements</b> set by NHSEI 2021/22, due to availability of vaccine, workforce capacity with other vaccination programmes, access to vulnerable Cohorts in a period of both Covid and General practice work recovery and restoration	AW	9	12	The risk increases as we go into 2022/23 due similar issues outlined previously (eg workforce, vaccine availability) and clarity requirements regarding the long term plans for the national flu and covid vaccine programme.
<a href="#">4.6</a>	There is a risk that our internal QIPP plan does not deliver the level of efficiency changes required to enable us invest in the services that we have prioritised to achieve our objectives either because the schemes are not developed robustly or because we have insufficient people/resources to deliver it or we cannot engage key partners appropriately.	SB	12	16	The risk has increased due to the challenge of achieving the required level of efficiencies for 2022/23

In addition, a number of summary tables are provided below to illustrate the risk profile and score breakdown for 2022/23 compared to 2021/22 as well as the changes that have been made to the current principal risks.

### Current risk profile (2021/22)

Review period	Critical	Very High	High	Medium	Low	Risks Closed	TOTAL
Up to and including 31 March 2022	4	6	14	2	0	0	26
Up to and including 31 January 2022	3	6	15	2	0	0	26
Up to and including 31 October 2021	3	6	16	1	0	0	26
Up to and including 31 July 2021	3	9	13	1	0	0	26

### Risk profile of proposed summary GBAF Refresh 2022/23

Review period	Critical	Very High	High	Medium	Low	Risks Closed	TOTAL
2022/23 Opening Risk Score	4	8	13	1	0	0	26

For the 30 June Governing Body meeting, due to the timing of the meeting, the GBAF presented will be the position as at 10 June 2022.

At this meeting the plans for how the Sheffield CCG GBAF and corporate risks will be picked up and managed by the new Integrated Care Board organisation from 1 July onwards will be shared with Governing Body.

## 6. Recommendations

Governing Body is recommended to:

- **Review** and **comment** on the GBAF review from 1 November 2021 to 31 March 2022
- **Note** SMT's approval of the requested changes to the five actions set out in section 4 and their agreement that the proposed actions recommended by Internal Audit, as outlined in section 2.1, had been taken into consideration in this review
- **Consider** and **approve** the content of the Summary GBAF for 2022/23 up to and including 30 June 2022
- **Consider** any new principal risks that members feel should be added

Paper prepared by Carol Henderson, Corporate Governance Manager

On behalf of Cath Tilney, Associate Director of Corporate Services

April 2022