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|---|--|---|
| <b>MEETING DATE:</b>                    | 10 December 2015   | <br><b>North Lincolnshire<br/>Clinical Commissioning Group</b><br><br><b>REPORT TO THE<br/>CLINICAL COMMISSIONING GROUP<br/>GOVERNING BODY</b> |
| <b>AGENDA ITEM NUMBER:</b>              | Item 7.1   |   |
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| <b>JOB TITLE:</b><br><b>DEPARTMENT:</b> | Assistant Senior Officer Quality<br>and Assurance<br>CCG |   |

## ASSURANCE FRAMEWORK REPORT

|   |   |
|---|---|
| <b>PURPOSE/ACTION REQUIRED:</b>                 | Decisions for Approval  |
| <b>CONSULTATION AND/OR INVOLVEMENT PROCESS:</b> | The Governing Body Assurance Framework is reviewed by the Audit Group and Quality Group |
| <b>FREEDOM OF INFORMATION:</b>                  | <b>Public</b>   |

### 1. PURPOSE OF THE REPORT:

To inform the Governing Body of the risks identified for North Lincolnshire CCG (NL CCG) on the Governing Body Assurance Framework (AF).

The AF identifies key strategic risks in line with NL Risk Management Strategy. All other identified risks are held on the NL CCG Risk Register. With the impending transfer of a number of functions from Y&HCS it is planned to establish directorate risk registers and a separate Corporate Risk Register to 'sit below' the AF.

To make the AF easier to read all risks have been re-numbered and grouped by risk 'owner'. An additional column has been added 'source of risk' following recommendations from an internal audit review. An attached commentary report has been developed to make it easier to track risk movement and provide an audit trail. It is planned to develop this commentary report to include an evaluation of the risk controls and assurance sections for each risk thus providing the Governing Body with more contextual information to evaluate the overall effectiveness of the CCG's approach to risk mitigation.

The AF is reviewed on a regular basis by Director leads - each risk has a nominated 'senior owner'. The AF is reviewed by the Audit Group. The AF and CCG Risk Register are also reviewed regularly by the Quality Group.

Public bodies must provide assurance that they appropriately manage and control resources that they are responsible for. HM Treasurer requires all public bodies to produce an annual governance statement that demonstrates how they manage their resources – the assurance framework and risk register are key element of this document.

**2. STRATEGIC OBJECTIVES SUPPORTED BY THIS REPORT:**

|   |   |
|---|---|
| Continue to improve the quality of services       | X |
| Reduce unwarranted variations in services         | X |
| Deliver the best outcomes for every patient       | X |
| Improve patient experience                        | X |
| Reduce the inequalities gap in North Lincolnshire |   |

**3. IMPACT ON RISK ASSURANCE FRAMEWORK:**

|     |   |    |  |
|-----|---|----|--|
| Yes | X | No |  |
|-----|---|----|--|

The AF is a key element of the organisations corporate governance framework.

**4. IMPACT ON THE ENVIRONMENT – SUSTAINABILITY:**

|     |  |    |   |
|-----|--|----|---|
| Yes |  | No | X |
|-----|--|----|---|

**5. LEGAL IMPLICATIONS:**

|     |   |    |  |
|-----|---|----|--|
| Yes | X | No |  |
|-----|---|----|--|

The organisation needs to demonstrate that it has an effective system to identify and manage risks.

**6. RESOURCE IMPLICATIONS:**

|     |  |    |   |
|-----|--|----|---|
| Yes |  | No | X |
|-----|--|----|---|

**7. EQUALITY IMPACT ASSESSMENT:**

|     |  |    |   |
|-----|--|----|---|
| Yes |  | No | X |
|-----|--|----|---|

**8. PROPOSED PUBLIC & PATIENT INVOLVEMENT AND COMMUNICATIONS:**

|     |  |    |   |
|-----|--|----|---|
| Yes |  | No | X |
|-----|--|----|---|

Public concern/comments are incorporated where appropriate, however the assurance framework is not developed in conjunction with either the public or patients

**9. RECOMMENDATIONS:**

The Governing Body is asked to: -

- Approve the attached AF and provide assurance that it gives sufficient evidence that key risks are being managed effectively



**North Lincolnshire**  
Governing Body Assurance Framework

|         |                             | Current Risk Score   |  |                                      |        |            |            |        |                     |          |   |   |  |   |                  |      |
|---------|-----------------------------|--|--|--------------------------------------|--------|------------|------------|--------|---------------------|----------|---|---|--|---|------------------|------|
| Risk ID | Link to Strategic Objective | Risk Description   | Key Controls   | Source of Risk                       | Impact | Likelihood | Risk Score | Status | Previous Risk Score | Movement | Assurance on Controls   | Positive / External Assurance   | Gaps in Control  | Gaps in Assurance   | Last Review Date | Lead |
| Q1      | C                           | If there is a lack of collated or accurate data on out of hospital mortality there is a potential that areas of high risk are not identified and/or addressed.   | Community Mortality Action Plan.   | NLaG Mortality Data                  | 4      | 4          | 16         | H      | 16                  | same     | Dr Foster in place. Results of review to be monitored by Primary Care Development Group/Quality Group   | Joint Co-commissioning Board (NHSE membership) Engine Room. Multi agency meeting.   |  |   | 27/11/2015       | DRQA |
| Q2      | C                           | If patients are not supported they may have limited choice re their end of life care.  | Palliative Care services. Healthy Lives Healthy Futures. Palliative Care and End of Life Strategy Group.   | NLaG and Primary Care Mortality Data | 4      | 3          | 12         | H      | 16                  | lower    | Commissioning Plan for 2015/16. Through the Better Care Fund an increase in ECP capacity has been secured (RATL)  | Multi agency End of Life Group. Two Consultants, Hospice  | Projects not fully developed.  | Need to monitor effectiveness of co-ordinated approach across North Lincolnshire. | 27/11/2015       | DRQA |
| Q3      | A                           | Risk of delayed delivery of Continuing Care services due to workforce capacity which may impact on the ability to conduct timely assessments (including retrospectives) and increased challenges through transition of CSU programme to CCG. | Continuing care action plan. CSU structure now in place and SLA and supporting service specification in place. Governance arrangements in place, there continue to be vacancies across the team. Band 6 returning from secondment. Acting Manager appointed.   | CHC Performance Data                 | 4      | 1          | 4          | L      | 12                  | lower    | Continuing Care Internal Audit undertaken Q4 (Completed, provides limited assurance). Governance arrangements agreed and budget management chaired by HSDA. Regular finance reports to Exec Meetings. Vulnerable Peoples Group set up to monitor progress. CHC high costs panel to review. Interim manager in place.  | Monthly finance reports to Engine Room and regular reports to Audit Group. Additional capacity has been secured from South Yorkshire CS re retrospectives from Aug 14 and new arrangements from Oct 14. | Substantive Manager post to be advertised.   | Leader/manager vacancy. Transition risk.  | 18/09/2015       | DRQA |
| Q4      | A                           | Risk to CCG regarding delayed delivery of retrospective claims.  | SLA and supporting service specification in place. Governance arrangements in place. Commissioned from Doncaster - new provider. NHS trajectory agreed.  | CHC Performance Data                 | 4      | 4          | 16         | H      | new                 |          | Interim manager in place. CHC in-house. Continuing Care Internal Audit undertaken Q4 (Completed, provides limited assurance). Governance arrangements agreed and budget management chaired by HSDA. Regular finance reports to Exec Meetings. Vulnerable Peoples Group set up to monitor progress. CHC high costs panel to review. Interim manager in place. Reports to unplanned care meeting monthly. |   |  |   | 27/11/2015       | DRQA |
| AO1     | E                           | If the CCG fails to engage and work with key partners and stakeholders (including Local Authorities, GPs, Public) the delivery of CCG strategic objectives could be threatened.  | Health & Wellbeing Board established with CCG vice Chair. Engagement with practices - Engine Room, Governing Body, Council of Members, Safer Neighbour Boards, CCG Collaborative established. Focusing work with key strategic partners and building locality based working. Re-focussing of priorities that includes HLHF. Development work ongoing. A presentation on HLHF to the Health and Wellbeing Board 2015 - Care | HLHF programme work                  | 4      | 3          | 12         | M      | 16                  | lower    | Health and Wellbeing Board Reports and minutes. Performance Report. HWB adopts areas as methods to improve health inequalities, health inequalities top priority. Joint Governance Board re Better Care Fund established with LA. Section 75 agreements in place to support BCF. Joint HWB Strategy agreed. Meeting of Governing Body and Council of Members.   | ICP / IWP established as working groups of Health and Wellbeing Board. Better Care Fund signed off by HWBB 15 CCG assurance process - NHSE Q4 assurance received. HWBB peer reviews undertaken.         | Joint Board for Health and social Care reviewed again 2015 with stronger Local Authority representation. | Impacts from peer reviews yet to be worked through.                               | 26/11/2015       | AO   |

| Risk ID | Link to Strategic Objective | Risk Description   | Key Controls   | Source of Risk                  | Impact | Likelihood | Risk Score | Status | Previous Risk Score | Movement | Assurance on Controls   | Positive / External Assurance   | Gaps in Control   | Gaps in Assurance   | Last Review Date | Lead |
|---------|-----------------------------|--|--|---------------------------------|--------|------------|------------|--------|---------------------|----------|---|---|---|---|------------------|------|
| AO2     | A                           | If Y&HCS fails to maintain sufficient support during transition period the CCG may be unable to deliver its duties.  | Transition Board. Make/Share/Buy options. LPF procurement. TUPE transfers agreed. 1st December 2015 27 out of 30 staff to transfer to CCG. Procurement exercise drawing to a conclusion. Procurement utilising the LPE | Transition Board/programme work | 3      | 2          | 6          | M      | 9                   | lower    | Regular reviews undertaken with Senior CS Managers to assess current position. Agenda item on weekly Executives meeting.  | Transition Board and NHS England. Agenda item on quarterly assurance.   | Number of vacancies - mitigation actions in place include agreeing earlier date for transfer of staff to In-house and increasing risk share agreements..  |   | 26/11/2015       | AO   |
| AO3     | A                           | If the CCG fails to agree an acceptable / affordable option for Healthy Lives Healthy Future in a timely manner there is a risk of system failure.             | HLHF Programme Board. Support Groups operating. Regular reporting into Governing Body.   | HLHF Programme Board data       | 5      | 4          | 20         | H      | 20                  | same     | Programme Board and Governing Body reports. Joint Governing Body Workshop with NEL CCG. PMO Office. Clinical Lead and Programme Director. System Plan for submission by end of December 2015.   | Independent Chair appointed for Assurance Group. Strategic engagement from NLaG. Gateway report received. Joined up plan for Healthy Lives, Healthy Futures. PWC have reviewed financial gap, HLHF Programme Board scrutiny. Monitor & Area Team attendance at Programme Board.   | Revised programme arrangements in place up to April 16 to support phase 2. Programme arrangements for HLHF. Strategic Workforce Group. Underpinning Clinical Working Groups in place and support including finance / BI etc. and links to BI work emerging. | Plan for 16/17 to be developed.   | 1/12/2015        | AO   |
| F1      | A                           | If the CCG fails to deliver a balanced budget there will be no resources to support investment and the CCG could lose ability to self direct from NHS England. | Financial controls, regular meetings with budget holders. QIPP monitoring, Contract monitoring. Finance & Performance Group. Financial Control Environmental Assessment.   | Finance & Performance Data      | 4      | 4          | 16         | H      | 16                  | same     | Position monitored by CCG Engine Room and Governing Body. Reviews of monitoring reports. Added to BIZ. Audit Group monitors adequacy of controls. Standard Checklist for Budget Holder meetings. The Better Care Fund metrics and finances are reported to the Frail and Elderly Joint Board. Finance and Performance Group meets bi monthly. | External Audit Value for Money Reports. Deloitte assurance report available to CCG and their auditors. CSU QIPP review process. QIPP monitoring reports to CCG. Independent review on CHC spend. PWC provided costing support for Better Care Fund plans. Underlying position reported to NHS England and included in Board Report. CCG assurance process includes finance (assured with support). MOU and various risk shares helps to minimise financial risk in 15/16. | HLFL programme not yet identified required savings. QIPP needs to deliver savings recurrently. Opening financial gap 16/17 highlighted in finance report  | Proof that new models will deliver the savings required. Financial Control environment assessment action plan to outline how HLHF and QIPP processes will be reviewed/addressed and role of a more formal F&P Group (on agenda for march's audit group) | 01/12/2015       | CFO  |
|         |                             | A. Continue to improve the quality of services   |  |                                 |        |            |            |        |                     |          |   |   |   |   |                  |      |
|         |                             | B. Reduce unwarranted variations in services   |  |                                 |        |            |            |        |                     |          |   |   |   |   |                  |      |
|         |                             | C. Deliver the best outcomes for every patient   |  |                                 |        |            |            |        |                     |          |   |   |   |   |                  |      |
|         |                             | D. Improve patient experience  |  |                                 |        |            |            |        |                     |          |   |   |   |   |                  |      |
|         |                             | E. Reduce the inequalities gap in North Lincolnshire   |  |                                 |        |            |            |        |                     |          |   |   |   |   |                  |      |

|                |            |       |          |         |              |
|----------------|------------|-------|----------|---------|--------------|
| Almost certain | 5          | 10    | 15       | 20      | 25           |
| Likely         | 4          | 8     | 12       | 16      | 20           |
| Possible       | 3          | 6     | 9        | 12      | 15           |
| Unlikely       | 2          | 4     | 6        | 8       | 10           |
| Rare           | 1          | 2     | 3        | 4       | 5            |
| Probability    |            |       |          |         |              |
| Severity       | Negligible | Minor | Moderate | Serious | Catastrophic |

## **NL CCG Assurance Framework Commentary – Governing Body**

### **December 2015**

Currently there are 8 Risks on the Assurance Framework. The scores for 3 risks remain the same. 4 risk scores have been reduced. One new risk has been added. No risks have been placed in the archive register. It is however anticipated that Risk Q3 will be moved to the archive Register with Governing Body approval. An additional column has been added entitled 'Source of Risk'.

#### **New Risks Identified**

One new risk Q4

#### **Risk Movement**

##### **Q1 (Mortality data)**

Risk controls and assurances have been updated. Whilst this risk is subject to significant scrutiny and on-going actions the risk level remains the same.

##### **Q2 (End of life)**

Risk controls and assurances have been updated. This risk score has been reduced from 16 to 12 as a result of mitigating actions but remains subject to significant scrutiny and on-going work.

##### **Q3 (Continuing Care)**

Risk controls and assurances have been updated. As a result of a work undertaken this risk score has been reduced to 4 and given the very low probability of occurring it is recommended (subject to Governing Body approval) that the risk is removed and placed on the archive register.

##### **Q4 Delayed Delivery of retrospective claims**

Whilst this risk is newly identified as a separate risk it was previously 'wrapped up' in risk Q3.

##### **AO1 (Stakeholder engagement)**

Risk controls and assurances have been updated. Risk score has been reduced from 16 to 12 due to mitigation actions and remains subject to on-going work and scrutiny.

##### **AO2 (YHCS sustainability)**

Controls and assurances have been updated. Risk score has been reduced from 9 to 6. It is anticipated that this risk will over the coming weeks can be removed from the Assurance Framework.

##### **A03 (HLHF options)**

Risk controls and assurances have been updated. Despite significant actions and scrutiny this risk level remains the same.

**F1 (Financial challenge)**

Risk controls and assurances have been updated. Despite significant actions and scrutiny this risk level remains the same.

1/12/15