

Date:	13 th October 2016
Meeting:	Governing Body
Item Number:	8.3
Public/Private:	Public <input type="checkbox"/>

Author: <i>(Name, Title)</i>	John Pougher, Assistant Senior Officer Quality
GB Lead: <i>(Name, Title)</i>	Catherine Wylie, Director of Risk & Quality Assurance

Report Title:
Governing Body Assurance Framework
Decisions to be made:
To note and approve

Continue to improve the quality of services	<input checked="" type="checkbox"/>	Improve patient experience	<input type="checkbox"/>
Reduced unwarranted variations in services	<input type="checkbox"/>	Reduce the inequalities gap in North Lincolnshire	<input type="checkbox"/>
Deliver the best outcomes for every patient	<input type="checkbox"/>	Statutory/Regulatory	<input checked="" type="checkbox"/>

Executive Summary (Question, Options, Recommendations):
<p>To inform the Governing Body of the risks to the delivery of North Lincolnshire CCG (NL CCG) strategic objectives and risks.</p> <p>The Assurance Framework provides a structure and process that enables the organisation to focus on those risks that might compromise achieving its most important (principal) objectives; and to map out both the key controls that should be in place to manage those objectives and confirm the Governing Body has gained sufficient assurance about the effectiveness of these controls.</p> <p>In line with NL Risk Management Strategy all other identified risks are held on the Directorate Risk Registers. Work is on-going to ensure that risks, including partnership risks, continue to be captured and managed at the appropriate level.</p> <p>The risks are presented in a format that includes a risk tolerance score and a tracker chart. The format will be developed in light of feedback, requirements of the CCG and best practice guidance. In addition the scoring matrix and severity guide taken from the CCGs Risk Management Strategy have been attached to help inform the Quality Groups review of the identified risks.</p> <p>The AF is reviewed by the Audit Group.</p>

Equality Impact	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Sustainability	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Risk	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	The AF is a key element of the organisations corporate governance framework.
Legal	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	The organisation needs to demonstrate that it has an effective system to identify and manage risks
Finance	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	

Patient, Public, Clinical and Stakeholder Engagement to date									
	N/A	Y	N	Date		N/A	Y	N	Date
Patient:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Clinical:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Public:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		Other:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Summary of NL CCG Board Assurance Framework Risks

Risk AO1: Breakdown in productive relationship with key partners would compromise the delivery of all CCG objectives: Risk Rating **12**

Risk F1: 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: Risk Rating **20**

Risk MD1: Lack of accurate data on out of hospital mortality may result in areas of high risk not being identified or addressed: Risk Rating **12**

Risk MD2 Inability to recruit sufficient GPs and nurses could lead to difficulty maintaining current level of service and quality outcomes for patients: Risk Rating **20**

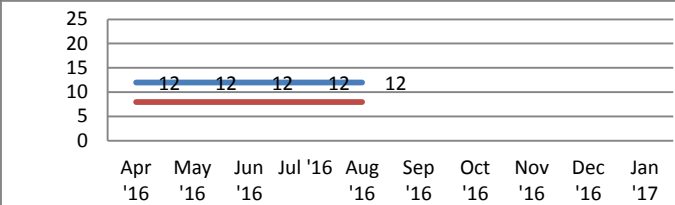
Risk Q4: Risk to CCG regarding delayed delivery of retrospective claims: Risk Rating **16**

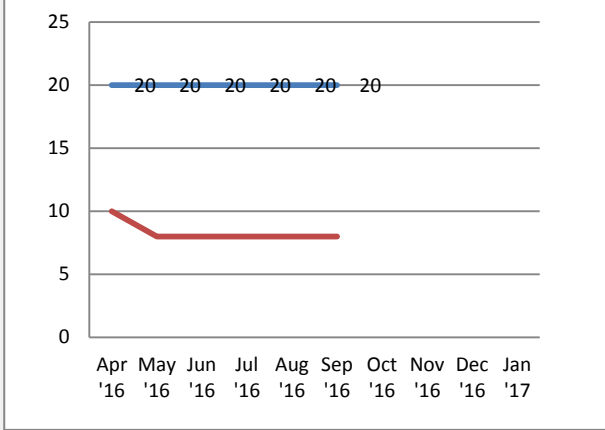
NL CCG Strategic Objectives

- 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

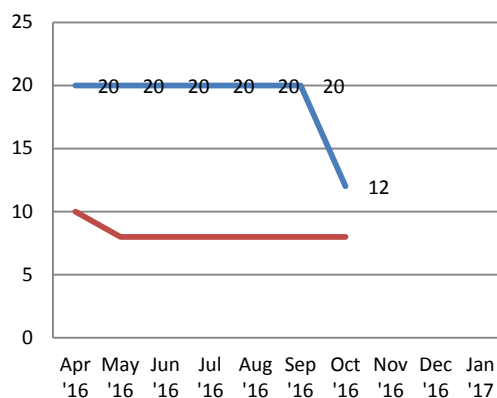


North Lincolnshire
Clinical Commissioning Group

Risk AO1: Breakdown in productive relationship with key partners would compromise the delivery of all CCG objectives				Lead Director/risk owner: Accountable Officer																																			
Strategic Objective – links to all strategic objectives				Date of last review: 5.7.16																																			
Controls (what mitigating actions are being taken): Review of CCG structures and committees to ensure their effective utilisation Review of Council of Members Working with Chair of Health and Wellbeing Board and support team to agree productive partnerships Review of shared governance arrangements and integrated working with N Lincs LA Review structure and processes and partnership working with Health Lives Healthy Futures (HLHF) including independent chair Through HLHF the CCG has a community finance approach and Memorandum of Understanding Established agreed set of principles to support partnership working Established AO to Chief Exec regular 1:1s with key providers and LA			Actions 1. Work with Health Wellbeing Board to agree provider partnership strategy for the year 2. Develop more integrated problem solving approach		Owner AO AO	Due date Sept 2016 Sept 2016																																	
Gaps in Controls - None																																							
Assurances (how do we know if the things we are doing are having an impact?): Community finance plan. HLHF MoU and ToR Either NLCCG AO or NLC Chief Exec can represent each other in AT SCALE work					Gaps in assurances (what additional assurances should we seek?):																																		
Risk Rating Impact 4 Likelihood 3 Current Score: 4 x 3 = 12 Risk tolerance: 4x 2 = 8 Source of Risk: Stress due to financial challenges across the system. Pace of change & competing priorities		 <table><caption>Risk Rating Data</caption><thead><tr><th>Month</th><th>Current score</th><th>Risk tolerance</th></tr></thead><tbody><tr><td>Apr '16</td><td>12</td><td>8</td></tr><tr><td>May '16</td><td>12</td><td>8</td></tr><tr><td>Jun '16</td><td>12</td><td>8</td></tr><tr><td>Jul '16</td><td>12</td><td>8</td></tr><tr><td>Aug '16</td><td>12</td><td>8</td></tr><tr><td>Sep '16</td><td>12</td><td>8</td></tr><tr><td>Oct '16</td><td>12</td><td>8</td></tr><tr><td>Nov '16</td><td>12</td><td>8</td></tr><tr><td>Dec '16</td><td>12</td><td>8</td></tr><tr><td>Jan '17</td><td>12</td><td>8</td></tr></tbody></table>		Month	Current score	Risk tolerance	Apr '16	12	8	May '16	12	8	Jun '16	12	8	Jul '16	12	8	Aug '16	12	8	Sep '16	12	8	Oct '16	12	8	Nov '16	12	8	Dec '16	12	8	Jan '17	12	8	Reasons for current risk score: Impact score 4 as without these productive relationships the CCG will be unable to achieve financial stability. Likelihood score 3 due to instability as a result of recent changes		
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Jan '17	12	8																																					
Rational for risk tolerance score: Score 8 (consequence 4 likelihood 2) Consequence will continue to be 4 but a likely score of 2 reflects the challenges inherent in this risk																																							
Additional comments Significant amount of work undertaken over the past few months has resulted in the anticipated trajectory to move in a positive direction																																							

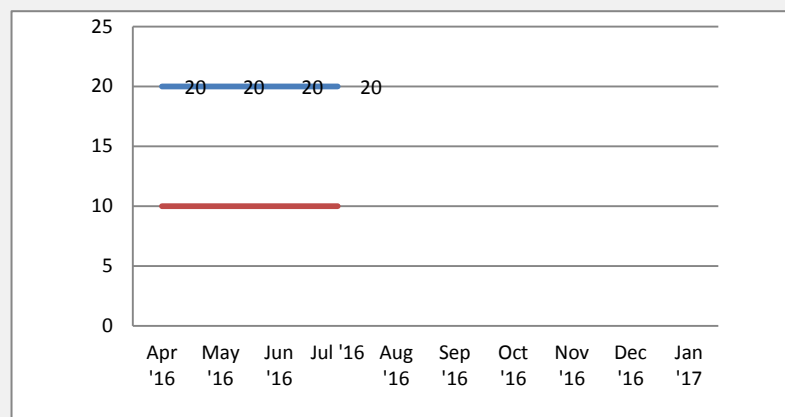
Risk F1 If the CCG fails to deliver a balanced budget there will be no resources to support investment and the CCG could lose ability to self-direct from NHS England.		Lead Director/risk owner: CFO																																		
Strategic Objective A		Date of last review: 30.9.16																																		
Controls (what mitigating actions are being taken): Financial controls, regular meetings with budget holders. QIPP monitoring, Contract monitoring. Finance & Performance Group. Financial Control Environmental Assessment.	Actions New operational group in place including, Transformation Group, Planning and Oversight, Contract Management Group Exec chaired sub-teams include: Demand Management, Prescribing, Urgent Care, Technical Contract/Finance Recovery Plan to NHSE, NHSE Review of Forecast, NHSE involved in some review meetings, Internal audit review in second half of year, Engine Room engagement	Owner CFO	Due date On-going to April 2017																																	
Gaps in Controls Resulting from the move to a more formal PBR contract with NLaG (as opposed to the MoU based contract in 2015/16) implementation of first months formal reporting																																				
Assurances (how do we know if the things we are doing are having an impact?): CCG Engine Room and Governing Body monitor. Monitoring information is also added to BIZ. Audit Group monitors adequacy of controls. Standard Checklist for Budget Holder meetings. The BCF metrics and finances are also reported to joint meetings with the Council & to NHS England, at least quarterly. External Audit Value for Money Reports. Deloitte assurance report available to CCG and their auditors. NHSE QIPP review process, Regional QIPP monitoring reports to CCG. Independent review on CHC spend. 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 16/17.		Gaps in assurances (what additional assurances should we seek?): QIPP plan being reviewed. From period 3 16/17 the CCG will be reporting an underlying deficit to NHS England																																		
Risk Rating likelihood 4 impact 5 Current Score: 20 Risk tolerance: 4 x 2 = 8 Source of Risk: Finance and performance data	 <table><caption>Risk Rating Data</caption><thead><tr><th>Month</th><th>Current score</th><th>Risk tolerance</th></tr></thead><tbody><tr><td>Apr '16</td><td>20</td><td>10</td></tr><tr><td>May '16</td><td>20</td><td>8</td></tr><tr><td>Jun '16</td><td>20</td><td>8</td></tr><tr><td>Jul '16</td><td>20</td><td>8</td></tr><tr><td>Aug '16</td><td>20</td><td>8</td></tr><tr><td>Sep '16</td><td>20</td><td>8</td></tr><tr><td>Oct '16</td><td>20</td><td>8</td></tr><tr><td>Nov '16</td><td>20</td><td>8</td></tr><tr><td>Dec '16</td><td>20</td><td>8</td></tr><tr><td>Jan '17</td><td>20</td><td>8</td></tr></tbody></table>		Month	Current score	Risk tolerance	Apr '16	20	10	May '16	20	8	Jun '16	20	8	Jul '16	20	8	Aug '16	20	8	Sep '16	20	8	Oct '16	20	8	Nov '16	20	8	Dec '16	20	8	Jan '17	20	8	Reasons for current risk score: Impact – risk to corporate autonomy Likelihood – underlying financial position deficit at P5 (£3m) Rational for risk tolerance score: A likelihood score of 2 would demonstrate that the underlying financial position needs to be strong and financial performance targets will be met as a priority. Additional comments Corrective actions have already been identified. The position has been notified to NHS England office and formalised in this month’s return.
Month	Current score	Risk tolerance																																		
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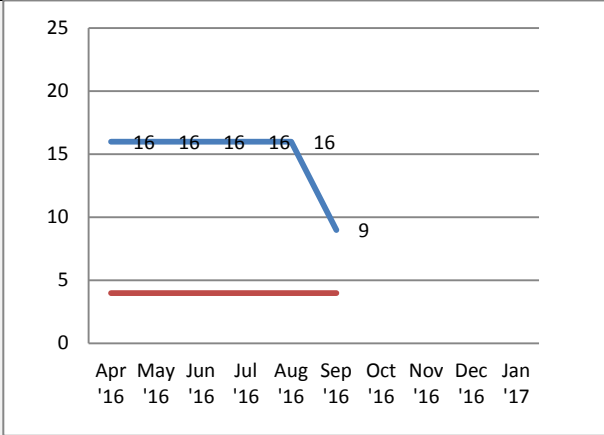
Risk PC1: Lack of accurate data on out of hospital mortality may result in areas of high risk not being identified or addressed		Lead Director/risk owner: Director of Primary Care	
Strategic Objective - All objectives		Date of last review: 30.9.16	
Controls (what mitigating actions are being taken): Community mortality action plan. Roll out of end of life gold standard framework. Meetings with care homes and multi-disciplinary providers via care networks.	Actions Access Dr Foster mortality data for individual practices Analysis of Dr Foster data	Owner D of PC D of PC	Due date August 2016- completed November 2016
Gaps in Controls - None			
Assurances (how do we know if the things we are doing are having an impact?): Multi agency meetings CCG Quality Group		Gaps in assurances (what additional assurances should we seek?): None	
Risk Rating likelihood 3 impact 4 Current Score: 12 Risk tolerance: 4 x 2 = 8 Source of Risk: Ability of NLaG to share in-depth mortality data with community		Reasons for current risk score: Impact (4) for risk of not learning from or incorporating actions to develop care networks. Likelihood (3) access to Dr Foster data not yet achieved. Rational for risk tolerance score: Likelihood Score of 2 demonstrates information has been accessed with subsequent actions in place Additional comments Subject to accessing Dr Foster data for individual practices it is anticipated that the risk score will be reduced and removed from the assurance framework	



— Current score — Risk tolerance

Risk PC2 Inability to recruit sufficient GPs and nurses could lead to difficulty maintaining current level of service and quality outcomes for patients		Lead Director/risk owner: Director of Primary Care																																		
Strategic Objective: Linked to all strategic objectives.		Date of last review: 30.9.16																																		
Controls (what mitigating actions are being taken): The CCG currently jointed into Humber wide initiate to recruit practice nurses and GPs	Actions Engage with hub and spoke model to develop more spokes in North Lincolnshire relating to care networks. Hub and Spoke Model to be included in Primary Care Development Plan Working with local NHS England to develop the viability of services to existing practice lists.	Owner D of PC	Due date September 2016-completed																																	
		D of PC	November 2016																																	
		D of PC	April 2017																																	
Gaps in Controls - None																																				
Assurances (how do we know if the things we are doing are having an impact?): CQC NHS England Healthwatch Joint Commissioning Group		Gaps in assurances (what additional assurances should we seek?): None																																		
Risk Rating likelihood 4 impact 5		Reasons for current risk score: Impact – Reduction of services to patients Likelihood – High retirement rate amongst GPs and nurses and low recruitment to local area																																		
<div>Current Score: 20</div> <div>Risk tolerance: 5 x 2 = 10</div> <div>Source of Risk: Primary care data</div> <div><div>Current score</div><div>Risk tolerance</div></div> <div><table border="1"><thead><tr><th>Month</th><th>Current score</th><th>Risk tolerance</th></tr></thead><tbody><tr><td>Apr '16</td><td>20</td><td>10</td></tr><tr><td>May '16</td><td>20</td><td>10</td></tr><tr><td>Jun '16</td><td>20</td><td>10</td></tr><tr><td>Jul '16</td><td>20</td><td>10</td></tr><tr><td>Aug '16</td><td>20</td><td>10</td></tr><tr><td>Sep '16</td><td>20</td><td>10</td></tr><tr><td>Oct '16</td><td>20</td><td>10</td></tr><tr><td>Nov '16</td><td>20</td><td>10</td></tr><tr><td>Dec '16</td><td>20</td><td>10</td></tr><tr><td>Jan '17</td><td>20</td><td>10</td></tr></tbody></table></div>		Month	Current score	Risk tolerance	Apr '16	20	10	May '16	20	10	Jun '16	20	10	Jul '16	20	10	Aug '16	20	10	Sep '16	20	10	Oct '16	20	10	Nov '16	20	10	Dec '16	20	10	Jan '17	20	10	<div>Rational for risk tolerance score: Likelihood score of 2 would indicate that recruitment situation is positive for nurses and doctors combined possibly with a low turnover rate</div> <div>Additional comments Actions to reduce this risk are extremely challenging due to the national context as well as the local position.</div>	
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Risk Q4: Risk to CCG regarding delayed delivery of retrospective claims.		Lead Director/risk owner: DRQA																																		
Strategic Objective: Linked to A,B,C,D		Date of last review: 5/10/16																																		
Controls (what mitigating actions are being taken): Collaborative arrangements with Doncaster CCG. MOU in place with governance arrangements and agreed trajectory. Achievement of trajectory monitored. NHSE Returns completed monthly	Actions 1 Monitor the performance of collaborative PUPOC service 2 Review of data accuracy with Doncaster CCG 3 Anticipate further cohort of PUPOC in 2017	Owner DN&Q DN&Q DN&Q	Due date November 2016 October 2016 January 2017																																	
Gaps in Controls - Performance targets yet to be achieved, however are currently on expected trajectory																																				
Assurances (how do we know if the things we are doing are having an impact?): Monthly monitoring of performance data shows progress towards trajectory. Progress in on target for agreed achievement.		Gaps in assurances (what additional assurances should we seek?):																																		
Risk Rating likelihood 3 impact 3 Current Score: 9 Risk tolerance: 4 Source of Risk: CHC performance data from Doncaster CCG.	<div><table><caption>Current score and Risk tolerance data</caption><thead><tr><th>Month</th><th>Current score</th><th>Risk tolerance</th></tr></thead><tbody><tr><td>Apr '16</td><td>16</td><td>4</td></tr><tr><td>May '16</td><td>16</td><td>4</td></tr><tr><td>Jun '16</td><td>16</td><td>4</td></tr><tr><td>Jul '16</td><td>16</td><td>4</td></tr><tr><td>Aug '16</td><td>16</td><td>4</td></tr><tr><td>Sep '16</td><td>9</td><td>4</td></tr><tr><td>Oct '16</td><td></td><td>4</td></tr><tr><td>Nov '16</td><td></td><td>4</td></tr><tr><td>Dec '16</td><td></td><td>4</td></tr><tr><td>Jan '17</td><td></td><td>4</td></tr></tbody></table></div>			Month	Current score	Risk tolerance	Apr '16	16	4	May '16	16	4	Jun '16	16	4	Jul '16	16	4	Aug '16	16	4	Sep '16	9	4	Oct '16		4	Nov '16		4	Dec '16		4	Jan '17		4
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Nov '16		4																																		
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Jan '17		4																																		
Reasons for current risk score: Impact: Significant financial, in addition to quality and service delivery risks Likelihood: Highly unlikely to meet agreed trajectory																																				
Rational for risk tolerance score: Score of 4 with a likelihood of 0 relates to a position when the backlog is down to zero.																																				
Additional comments																																				

Risk Scoring Matrix (NPSA)

$$\text{Probability (Likelihood)} \times \text{Severity (Consequences)} = \text{Risk}$$

All risks need to be rated on 2 scales, probability and severity using the scales below.

Probability

Risks are first judged on the *probability* of events occurring so that the risk is realised.

Enter a number (1-5) indicating the probability of the risk occurring. Please refer to the definition scale below.

		Broad descriptors of frequency	Time framed descriptors of frequency
1	Rare	This will probably never happen/recur	Not expected to occur for years
2	Unlikely	Do not expect it to happen/recur but it is possible it may do so	Expected to occur at least annually
3	Possible	Might happen or recur occasionally	Expected to occur at least monthly
4	Likely	Will probably happen/recur but it is not a persisting issue	Expected to occur at least weekly
5	Almost certain	Will undoubtedly happen/recur, possibly frequently	Expected to occur at least daily

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