

WOLVERHAMPTON CCG

GOVERNING BODY
14 MAY 2019

Agenda item 8

TITLE OF REPORT:	Governing Body Assurance Framework and Risk Register
AUTHOR(s) OF REPORT:	Peter McKenzie, Corporate Operations Manager
MANAGEMENT LEAD:	Mike Hastings, Director of Operations
PURPOSE OF REPORT:	To provide assurance to the Committee on the CCG's Risk Management arrangements, including the latest updated Governing Body Assurance Framework (GBAF) and Corporate Risk Register.
ACTION REQUIRED:	<input type="checkbox"/> Decision <input checked="" type="checkbox"/> Assurance
PUBLIC OR PRIVATE:	This Report is intended for the public domain. Any confidential information relating to any risks has been redacted.
KEY POINTS:	<ul style="list-style-type: none"> • This report introduces the latest updated version of the GBAF and Strategic risk register, which has been reviewed by the Audit and Governance Committee is appended • The report also outlines the current work underway to support risk management across the CCG, including the work of the Governing Body Committees and an update on the latest risk deep dive by the Senior Management Team. • Following approval of the CCG's Operational Plan for 2019-2020, the Governing Body are also asked to consider whether to review the structure of the GBAF.
RECOMMENDATION:	<p>That the Governing Body</p> <ul style="list-style-type: none"> • Considers the report and updated risk profile for the CCG. • Considers the proposed approach to reviewing the structure of the Governing Body Assurance Framework. • Comments on any other matters relating to risk management.
LINK TO BOARD ASSURANCE FRAMEWORK AIMS & OBJECTIVES:	This report details progress with developing the overall Board Assurance Framework and is therefore relevant to all of the aims and objectives.



1. BACKGROUND AND CURRENT SITUATION

- 1.1. The Audit and Governance Committee is responsible for maintaining an overview of the CCG's arrangements for managing risk and providing assurance to the Governing Body that they are operating effectively. The Committee agreed an updated version of the Risk Management Strategy in February 2018.
- 1.2. The CCG's risk management arrangements are designed to provide assurance to the Governing Body that risks to the CCG achieving its objectives are identified and effectively managed. A key element of this is the CCG's Governing Body Assurance Framework (GBAF) which outlines the overall risk to the CCG achieving each of its Corporate Objectives. This is supported by a Corporate level and Committee level risk register as well as regular risk assessment and review by teams throughout the CCG.

2. ASSURANCE FRAMEWORK UPDATE

- 2.1. The latest updated version of the GBAF, which was considered by the Audit and Governance Committee at its meeting in April 2019 following review by the Executive and Senior Management Teams, is appended. The GBAF gives an update on the risk profile against each of the defined Corporate Objectives and the Governing Body should use it to make an assessment for each objective based on the overall risk of it not being achieved.
- 2.2. To support the Governing Body, an indicative score from the management team is given based on the updated risk profile, including the identified Corporate Risks which impact on the achievement of each objective. The Governing Body is asked to note that the recommended score for each domain remains the same since the last review of the GBAF in February 2019.
- 2.3. A key support for the development of the GBAF is the CCG's Strategic Risk Register, which includes an update on each of the identified risks, including those reviewed by the Governing Body Committees, which take place at each meeting. The Governing will note that a new risk has been identified in relation to the impact of leaving the European Union on the services commissioned by the CCG and that it is recommended that the corporate risks relating to maternity services and Governing Body leadership are closed.

3. COMMITTEE RISK REVIEWS

- 3.1. In addition to supporting the Governing Body with their review of the Strategic Risk Register, Committees have also continued to review their own assigned risk registers at each meeting. These discussions are supported by work in CCG teams to identify operational risks and discussion at team meetings to escalate risks as appropriate to committees.
- 3.2. The current number of risks on each Committee Risk Register is as follows (Previous numbers in brackets):-

Committee	Number of Risks				
	Red	Amber	Yellow	Green	TOTAL
Commissioning Committee	1 (0)	2 (3)	0 (0)	0 (0)	3 (3)
Finance and Performance Committee	0 (0)	1 (2)	8 (7)	0 (0)	9 (9)
Primary Care Commissioning Committee	0 (0)	6 (3)	0 (0)	0 (0)	6 (3)
Quality and Safety Committee	1 (1)	2 (3)	1 (2)	0 (0)	4 (6)
TOTAL	2 (1)	11 (11)	9 (9)	0 (0)	22 (20)

- 3.3. Work continues to ensure that discussions of the risk profile at committees is an embedded part of the committees operation. This includes not just discussing the risks outlined on the committee's risk register, but also considering whether risks are identified as a result of issues discussed throughout the meeting.

4. ASSURANCE FRAMEWORK REVIEW

- 4.1. As highlighted above, the GBAF provides an outline of the overall risk to the CCG of it achieving it's strategic objectives. The current objectives are broadly drawn from the CCG's 2017-19 Operating Plan aligned to three strategic aims as follows:-

Strategic Aims	Strategic Objectives
1. Improving the quality and safety of the services we commission	a. Ensure on-going safety and performance in the system
2. Reducing health inequalities in Wolverhampton	a. Improve and develop primary care in Wolverhampton b. Deliver new models of care that support care closer to home and improve management of Long Term Conditions
3. System effectiveness delivered within our financial envelope	a. Proactively drive our contribution to the Black Country STP b. Greater integration of health and social care services across Wolverhampton

Strategic Aims	Strategic Objectives
	c. Continue to meet our Statutory Duties and responsibilities d. Deliver improvements in the infrastructure for health and care across Wolverhampton

4.2. The Governing Body agreed the CCG's Operating Plan for 2019/20 on 26 March 2019. This sets out five priorities for the year as follows:

- Continue to commission high quality, safe healthcare services within our budget;
- Focus on prevention and early treatment;
- Ensure our services are cost effective and sustainable;
- Align our clinical priorities, as appropriate, to the Black Country and West Birmingham STP/ICS;
- Build on our Primary Care Networks (PCNs), wrapping community, social care and mental health services around them.

4.3. Whilst these agreed objectives broadly overlap with the Strategic objectives that have been used to establish the domains in the current GBAF, there are areas some where it does not align. The Governing Body are therefore asked to consider whether they wish to re-align the GBAF strategic objectives to reflect the new operational priorities.

4.4. The Operational Plan was developed to reflect the CCG's established strategic vision and priorities so one option for restructuring the GBAF would be to align the operational priorities it articulates to the strategic priorities as follows:-

Strategic Aims	Operational Priorities
1. Improving the quality and safety of the services we commission	a. Continue to commission high quality, safe services within our budget
2. Reducing health inequalities in Wolverhampton	a. Focus on prevention and early treatment b. Build on our Primary Care Networks, wrapping community, social care and mental health services around them
3. System effectiveness delivered within our financial envelope	a. Ensure our Services are cost effective and sustainable b. Align our Clinical Priorities, as appropriate, to the Black Country and West Birmingham STP/ ICS



- 4.5. Whilst this approach would provide a clear and direct linkage to the CCG’s key planning documents, the Governing Body may wish to consider whether the operational priorities for the year provide a sufficient framework to assess the CCG’s strategic aims and objectives. In particular whether the priorities in relation to Primary Care Networks and ensuring cost effective and sustainable services fully describes the strategic objectives in relation to developing integrated services in Wolverhampton and meeting the CCG’s statutory responsibilities and development of infrastructure currently articulated in the GBAF.
- 4.6. An alternative approach would be to re-assess the strategic objectives in the current GBAF in relation to the operational priorities for 2019-20. This also provides an opportunity to review areas where the current objectives may overlap – for example in relation to developing new care models and integrating services – and where they can be refined to reflect developments since they were agreed in 2018. The Governing Body may wish to devote time at a development session to discuss this but one potential option for a new GBAF structure based on this approach would be as follows:-

Strategic Aims	Strategic Objectives
1. Improving the quality and safety of the services we commission	<p>a. <u>Continue to commission high quality, safe healthcare services</u> Continually check, monitor and encourage providers to improve the quality and safety of patient services ensuring that patients are always at the centre of all our commissioning decisions</p> <p>b. <u>Ensure that services perform effectively so that the CCG can continue to meet our Statutory Duties and responsibilities</u> Providing assurance that we are delivering our core purpose of commissioning high quality physical and mental health and care services for our patients that meet the duties of the NHS Constitution, the Mandate to the NHS and the CCG Improvement and Assessment Framework</p>
2. Reducing health inequalities in Wolverhampton	<p>a. <u>Deliver the Integrated Care Alliance for Wolverhampton to support preventative care closer to home and improve management of Long Term Conditions</u> Work with partners across the City to support the development and delivery of the emerging vision for transformation towards services wrapped around the patient that will lead to improved outcomes.</p>



Strategic Aims	Strategic Objectives
	<p>b. <u>Build on our Primary Care Networks (PCNs), wrapping community, social care and mental health services around them</u> Working with our members and other key partners to ensure that primary care and the developing PCNs are at the heart of improving how local healthcare services are delivered, including encouraging innovation in the use of technology, effective utilisation of the estate across the public sector and the development of a modern up skilled workforce across Wolverhampton.</p>
<p>3. System effectiveness delivered within our financial envelope</p>	<p>a. <u>Proactively drive our contribution to the Black Country STP</u> Aligning our Clinical Priorities, as appropriate, to STP/ ICS plans to ensure resources are used to deliver material improvement in health and wellbeing for both Wolverhampton residents and the wider Black Country footprint.</p> <p>b. <u>Ensuring our services are cost effective and sustainable</u> Working across all of the services we commission to ensure that the CCG meets its financial duties and responsibilities and achieves the best possible value for the money it spends.</p>

4.7 This structure reflects on the progress made with the existing Strategic Objectives and highlights the areas identified as operational priorities for 2019-20. Pending Governing Body discussion, a newly structured GBAF could be produced for the Audit and Governance Committee to consider in July 2019.

5. RISK MANAGEMENT ARRANGEMENTS

5.1. As part of the development of individual committee risk profiles, the Governance and Risk team have been working with each committee to assess the trajectory and risk appetite for their individual risk profiles. This has involved the committees determining whether or not they feel the management of individual risks involves taking action to reduce risk or ‘treating’ the risk or that the identified risk level can be tolerated. Once this work is concluded the team will review the way in which this should be presented on an on-going basis.

5.2. As part of the Senior Management Team’s (SMT) programme of quarterly deep dives into GBAF domains a review of Domain 1 – Ensuring on-going safety and performance in the system took place in March 2019. This involved the Governance and Risk team populating a risk profile for the domain from the relevant risks from the



Corporate Governing Body risk register, Committee risk registers and programme and team registers. SMT then took an overview of the management of risks associated with this domain throughout the organisation and the risk management process to confirm that the correct risks were identified and managed appropriately to assess if the overall risk score for the Domain was appropriate.

- 5.3. SMT recognised that the risks identified with ensuring on-going quality had been identified, in particular discussing the newly identified risk around impact of leaving the European Union and the risks associated with Cancer performance and mortality. The actions being taken to address these areas were highlighted, including an EU Exit planning exercise undertaken by SMT, fortnightly regulator led scrutiny of cancer performance and discussions at Governing Body around both cancer and mortality. SMT was therefore able to conclude that the overall risk score for the domain was appropriate.
- 5.4. As highlighted in the updated GBAF, the CCG's Primary Care strategy is due to be refreshed which will provide an opportunity to test the risks associated with this programme of work and the current plan is for the next SMT Deep Dive to focus in this area.
- 5.5. The outcome of an internal audit review into risk management was reported at the Audit and Governance Committee in April 2019. This review focussed on the way in which the CCG's risk management arrangements were being embedded across the organisation. The Internal Audit team use a points system to risk assess the outcome of their reviews and, as the only findings were advisory, the review scored 0 points. The advisory recommendations related to reminding staff of their responsibilities around risk management and the Governance and Risk Team is already planning to undertake further staff training as part of an on-going programme. Other work includes liaising with Governance leads in the other CCGs to support the development of risk management arrangements to support the CCG's Joint Commissioning Committee and wider system transition agenda.

6. CLINICAL VIEW

- 6.1. A clinical view has not been sought for the purpose of this report; however, if relevant, a clinical view is always sought via the appropriate committee membership.

7. PATIENT AND PUBLIC VIEW

- 7.1. Not applicable for the purpose of this report.

8. KEY RISKS AND MITIGATIONS

- 8.1. The CCG BAF and Risk Register on-going refresh work is critical, as failure to identify and manage risks is a risk to the achievement of the CCG's strategic objectives.

9. IMPACT ASSEFSMENT

Financial and Resource Implications

9.1. There are no financial implications arising from this report at this stage.

Quality and Safety Implications

9.2. Quality is at the heart of all CCG work and whilst no impact assessment has been undertaken for the purpose of this report, all risks have a patient safety and quality impact assessment

Equality Implications

9.3. There are no Equality Implications associated with this report.

Legal and Policy Implications

9.4. There are no legal implications arising from this report.

Other Implications

9.5. There are no other implications arising from this report

Name	Peter McKenzie
Job Title	Corporate Operations Manager
Date:	May 2019

ATTACHED:

GBAF and Risk Register.

REPORT SIGN-OFF CHECKLIST

This section must be completed before the report is submitted to the Admin team. If any of these steps are not applicable please indicate, do not leave blank.

	Details/ Name	Date
Clinical View	Not Applicable	
Public/ Patient View	Not Applicable	
Finance Implications discussed with Finance Team	Not Applicable	
Quality Implications discussed with Quality and Risk Team	Not Applicable	
Equality Implications discussed with CSU Equality and Inclusion Service	Not Applicable	
Information Governance implications discussed with IG Support Officer	Not Applicable	
Legal/ Policy implications discussed with Corporate Operations Manager	Report Owner	May 2019
Other Implications (Medicines management, estates, HR, IM&T etc.)	Not Applicable	
Any relevant data requirements discussed with CSU Business Intelligence	Not Applicable	
Signed off by Report Owner (Must be completed)	Peter McKenzie	02/05/2019

