

WOLVERHAMPTON CCG

Governing Body
11 JULY 2017

Agenda item 9

TITLE OF REPORT:	Quarter 1 Board Assurance Framework, Position at end of Quarter 4 and Progress of Risk Register Refresh
AUTHOR(S) OF REPORT:	Dawn Bowden, Quality Assurance Coordinator & Peter McKenzie, Corporate Operations Manager
MANAGEMENT LEAD:	Manjeet Garcha, Director of Nursing and Quality
PURPOSE OF REPORT:	To outline the continued progress in the development of the Board Assurance Framework (BAF) at Quarter 1 and to present the refreshed Corporate Risk Register for the Governing Body's consideration
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"> • Following an internal audit of the CCG's Risk Management arrangements, an action plan has been developed to improve the organisations' approach to managing risk. • The Governing Body has agreed clear strategic objectives and risks are being mapped against these to provide assurance to the Governing Body that strategic risks are being effectively managed. • A thorough review of the organisation's risk profile has taken place to identify Corporate/ organisational risks for Governing Body consideration.
RECOMMENDATION:	<p>That the Governing Body</p> <ul style="list-style-type: none"> • Notes progress with the Risk Register and Board Assurance Framework • Notes movement/progression of high level risks • Endorses the next steps of the Action Plan
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. Improving the quality and	



safety of the services we commission	
2. Reducing Health Inequalities in Wolverhampton	
3. System effectiveness delivered within our financial envelope	

1. BACKGROUND AND CURRENT SITUATION

- 1.1. The Board Assurance Framework BAF and Risk Register were refreshed following an audit by Price Waterhouse Cooper in November/December 2016.
- 1.2 As part of this work, strategic objectives were updated at the Governing Body development session in March 2017. Risks to the organisation and the overall BAF are now aligned to these objectives, which are set out at **Appendix 1**.

2. QUARTER 1 UPDATE

- 2.1. The Risk Register remains a ‘live’ system, and continues to be monitored and managed by executives and risk owners in line with the Risk Management Strategy. This is an ongoing process and there is still work to do to ensure that the CCG is capturing and effectively managing risk across its portfolio of operations.
- 2.2. The Corporate Operations Manager has been tasked with reviewing the risk register to ensure that ‘Corporate’ risks for the Governing Body to consider and own (those which are relevant to the BAF) are identified. This exercise involved assessing the scope of risks to determine whether those risks captured on the risk register were risks to the organisation achieving overall objectives or risks to the delivery of individual programmes of work.
- 2.3. 62 risks on the CCG’s Datix system were reviewed and eight were initially identified as ‘Corporate Risks’. The remaining programme level risks have been assessed to identify themes, from which a further four composite corporate risks have been identified. These risks are summarised in **Appendix 2**.



- 2.4. As part of the response to the internal audit report on risk management arrangements, the CCG has revised the structure of the BAF. Previously, the BAF was aligned to the four domains set out by NHSE in April 2016 as part of their Improvement and Assessment Framework for CCGs. The new structure, based on the Corporate objectives agreed by the Governing Body allows risks to be aligned to and an assessment made of the likelihood of objectives not being met.
- 2.5. The review of the Risk Register has allowed both the corporate level risks and identified programme risks to be aligned against the BAF. This is set out at **Appendix 3**. The review has identified that a number of existing risks have yet to be aligned to the BAF objectives and thus there are gaps in the overall risk profile of the BAF. This means that a full assessment of the risk to objectives being achieved and the adequacy of controls in place is still difficult to achieve.
- 2.6. The CCG's Senior Management Team are actively working to ensure that all risks on the Datix system are aligned against the agreed corporate objectives through on-going reviews. They are also conducting an exercise to support the Governing Body in assessing the overall risk to individual objectives being achieved to ensure that a fully populated BAF is available for the next Governing Body review.

3. INTERNAL AUDIT ACTION PLAN - UPDATE

- 3.1. The Governing Body has previously received updates on the action plan developed to address the other issues identified in the Internal Audit report into risk management. In particular the issues to address lack of risk ownership and to provide evidence of scrutiny throughout the risk management process.
- 3.2. Work continues to ensure that effective and appropriate reports are available to support the process, including the development of summary dashboard information. Discussions continue with the supplier to determine whether the Datix system is able to support this process, either through the existing configuration or with additional functionality.
- 3.3. As highlighted above, the Senior Management Team continue to actively work to ensure risks are captured and reviewed at the appropriate level within the organisation, including those assigned to Governing Body committees. Risks within the system has been allocated to committees and there has been some discussion during the most recent cycle of meetings. Once the work outlined above has been completed, it will be possible for the committees to have a complete overview of



their risk profile and to effectively take ownership of managing the risks allocated to them.

- 3.4. This will inevitably be an iterative process as committees (and programme boards where appropriate) review risks and assess whether they can and should be escalated or de escalated. Work continues to ensure terms of reference for committees reflect the new arrangements, that Chairs are aware of their responsibilities and that clear records are kept to highlight the scrutiny of arrangements. The Audit and Governance Committee will play a key role in assuring the Governing Body that appropriate levels of scrutiny are being applied as arrangements are embedded.
- 3.5. The CCG's Risk Management Strategy is currently being revised and will be considered by the Quality and Safety Committee in due course. The updated strategy will be supported by further staff training which will aim to ensure the principles of risk management are effectively embedded throughout the organisation.

4. RISK POSITION – SUMMARY

- 4.1. In light of the detail above, the Governing Body will recognise that the risk position for the CCG remains a work in progress. As has previously been reported, the quantification system used in Datix has been aligned to new guidance from the National Patient Safety Agency using the new scoring system in table 1 below.
- 4.2. The new system was reviewed by Executives in February 2017 and a series of staff briefings took place in March and April 2017 for risk managers and handlers to ensure that they were aware of the revised scoring arrangements.



Old...

Likelihood of recurrence	Consequence				
	Negligible	Minor	Moderate	Major	Catastrophic
Almost certain: (Will undoubtedly happen/recur, possibly frequently)	●	●	●	●	●
Likely: Will probably happen/recur, but it is not a persisting issue	●	●	●	●	●
Possible: Might happen or recur occasionally	●	●	●	●	●
Unlikely: Do not expect this to happen/recur, but it is possible it may do	●	●	●	●	●
Rare: This will probably never happen/occur	●	●	●	●	●

New has 4 tiers, as per below bottom left. Moderate now covers most 'high green risks'

New...

1 - 3	Low risk
4 - 6	Moderate risk
8 - 12	High risk
15 - 25	Extreme risk

Likelihood (initial)	Consequence (initial)				
	Negligible	Minor	Moderate	Major	Catastrophic
Almost certain: (Will undoubtedly happen/recur, possibly frequently)	●	●	●	●	●
Likely: Will probably happen/recur, but it is not a persisting issue	●	●	●	●	●
Possible: Might happen or recur occasionally	●	●	●	●	●
Unlikely: Do not expect this to happen/recur, but it is possible it may do	●	●	●	●	●
Rare: This will probably never happen/occur	●	●	●	●	●

Table 1 – Risk Quantification matrix

- 4.2 As a result of the on-going work including an executive led risk cleanse, there has been a significant reduction in the number of risks on the Risk Register. At the end of Quarter 3 there were 121 open risks, this reduced to 79 at the end of Quarter 4 and now stands at 61 open risks on the risk register at the end of Quarter 1 2017/18.
- 4.3 There were 4 risks rated “Red/Extreme” as of 26th June 2017. Details of these risks can be found in Appendices 2 & 3.

Number of Risk Register Entries	End of Q4, 16/17	End of Q1, 17/18
Open Risks	79	61
Extreme	6	4
High	41	31
Moderate	30	26
Low	2	0

5. CLINICAL VIEW

- 5.1. 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.



6. PATIENT AND PUBLIC VIEW

6.1. Not applicable for the purpose of this report.

7. KEY RISKS AND MITIGATIONS

7.1. 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.

8. IMPACT ASSESSMENT

Financial and Resource Implications

8.1. There is still some on-going work to be carried out to address the risks identified in the review. The executive ownership of this portfolio sits with the Chief Nurse and the administrative tasks are split between 2 x Band 6 Quality Assurance Officers. Their remit includes Datix administration and report compilation. Priority has been given to this work which has resulted in other work streams being delayed and further compounded by staff changes; however, this is being monitored by the Head of Quality and Risk

Quality and Safety Implications

8.2. 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

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

Legal and Policy Implications

8.4. As highlighted above, the Risk Management Strategy is being updated to reflect the emerging arrangements.

Other Implications

8.5. There are no other implications arising from this report

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Job Title	Quality Assurance Coordinator	Corporate Operations Manager
Date:	June 2017	



ATTACHED:

- Appendix 1 Strategic Objectives/Aims
- Appendix 2 Corporate Risk Register
- Appendix 3 Board Assurance Framework Risk Mapping

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	M Garcha	June 2017
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	Peter McKenzie	June 2017
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)		

