

WOLVERHAMPTON CCG

Governing Body
12 SEPTEMBER 2017

Agenda item 9

TITLE OF REPORT:	Governing Body Assurance Framework and Risk Register Update
AUTHOR(s) OF REPORT:	Peter McKenzie, Corporate Operations Manager
MANAGEMENT LEAD:	Mike Hastings, Director of Operations
PURPOSE OF REPORT:	To outline the continued progress in the development of the Governing Body Assurance Framework (GBAF) and Corporate Risk Register for the Governing Body's consideration following work in response to internal audit recommendations.
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 the update to the Governing Body in July 2017, further work has been undertaken in line with the recommendations from the 2016 Internal Audit Report into the CCG's Risk Management arrangements. • This work has included further discussions with the CCG's Senior Management Team to identify strategic risks to the CCG's objectives. A first draft of a populated framework based on these identified risks has been produced. • Further work to progress the internal audit recommendations has been identified and is being put into place.
RECOMMENDATION:	<p>That the Governing Body</p> <ul style="list-style-type: none"> • Accepts the Governing Body Assurance Framework • Notes movement/progression of high level risks • Endorses the next steps outlined in the paper.
LINK TO BOARD ASSURANCE FRAMEWORK AIMS &	This report details progress with developing the overall Board Assurance Framework and is therefore relevant to all of the aims and objectives.



OBJECTIVES:	
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1. BACKGROUND AND CURRENT SITUATION

- 1.1. The Governing Body have been kept updated on work to revise the CCG's risk management arrangements following an internal audit by Price Waterhouse Cooper in November/December 2016. This included a number of recommendations and an action plan has been put in place to address the weaknesses identified.
- 1.2. In particular, the internal audit report and subsequent work have resulted in a re-alignment of the CCG's Governing Body Assurance Framework (GBAF) to tie in with strategic objectives which were articulated by the Governing Body in March 2017. A populated version of this framework is set out at **Appendix 1**.

2. PROGRESS UPDATE

- 2.1. In July 2017, the Governing Body were updated on work undertaken to review the Corporate risk register to ensure that the GBAF was appropriately aligned and that the Governing Body were appraised of and able to scrutinise the most relevant risks. This resulted in a refreshed risk register comprising 12 Corporate level risks.
- 2.2. Following the Governing Body meeting in July, further work has been undertaken with the CCG's Senior Management Team (SMT) to identify other strategic risks to the CCG's objectives. This involved a discussion at an SMT meeting and work by individual managers to capture the contributions of their team to each of the objectives and headline risks associated with this work.
- 2.3. The results of this work by SMT have been analysed and a number of themes have been identified. As a result, a further five Corporate risks have been added to the Risk Register at **Appendix 2**. This updated risk register also includes further detail on the mitigations in place in respect of the other risks and details of recent action where this is has resulted in a reduction in residual risk.
- 2.4. Following the work to identify risks based on the corporate objectives, the GBAF has been populated in line with the identified risks. Details of existing controls in place have been described and an assessment made of the residual risk of each individual objective being achieved for the Governing Body's consideration. As outlined below, further work is planned to ensure that the presentation of the GBAF is optimised to enable the Governing Body to be fully assured that actions and



mitigations are having the appropriate impact. It will also ensure that any changes in the risk profile for each objective – particularly any new risks or risks that have escalated are clearly described.

3. NEXT STEPS

- 3.1. As highlighted in the previous report to the Governing Body, work continues against an agreed action plan in response to internal audit recommendations. In particular, there has been a focus on ensuring that risks have been effectively captured and recorded so that new arrangements for management of risk at committee level are based on effective use of the right information. A new, high level action plan has been drawn up to support this work.
- 3.2. There are a number of strands to the next stage of this work, firstly as a follow on to the work with SMT over recent months further work will take place to align identified risks to their most appropriate level. Most significantly this will involve developing consistent and clear risk profiles for each of the Governing Body committees to enable them to fulfil the role intended for them in the new risk management arrangements. Secondly, as previously reported, work will continue on the presentation of risk management reports. This includes consideration of how the CCG's current risk management system is operating and whether additional functionality is required.
- 3.3. As this work progresses, the CCG's Risk Management Strategy will be revised and brought forward for endorsement by the Quality and Safety Committee in due course. The updated strategy will reflect the detail of the new arrangements and will be supported by further staff training which will aim to ensure the principles of risk management are effectively embedded throughout the organisation.
- 3.4. As part of broader discussions around the roles and responsibilities of the CCG's Executive Team in preparation for the retirement of the Executive Director for Nursing and Quality, it has been decided that executive responsibility for Risk Management will move to the Director of Operations. Further discussions about the detail of operational support for risk management continue.

4. RISK POSITION – SUMMARY

- 4.1 As highlighted above, the Corporate Risk Register developed for the Governing Body meeting in July 2017 has been updated, with 5 further risks identified and a



number of risk scores being updated. The table below summarises the change in the Corporate Risk Register and full details are available in **Appendix 2**.

Number of Risk Register Entries	End of Q1, 17/18	Current	
		Open Risks	12
		New Risks	5
		Closed Risks	0
Extreme	2	0	↓ 2
High	7	9	↓ 4 ★ 5
Moderate	3	8	
Low	0	0	

Key: ↓ Risks downgraded ↑ Risks upgraded ★ New Risks

- 4.2 As work continues to ensure that risk is effectively managed throughout the organisation, the Governing Body will receive summary details of other risks identified. In particular, future reports will include summaries of the risk position for each Governing Body committee in addition to details of any risks escalated for Governing Body attention.

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 As highlighted above, Executive responsibility for this area has transferred to the Director of Operations. Discussions around the resource implications continue.

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

Name	Peter McKenzie
Job Title	Corporate Operations Manager
Date:	September 2017

ATTACHED:

- Appendix 1 Governing Body Assurance Framework
- Appendix 2 Corporate 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	September 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)	Peter McKenzie	01/09/2017

