

Governing Body							
Date of Meeting				Paper Number			
Title				Assurance Framework			
Sponsoring Director (name and job title)				Nigel Foster, Chief Finance Officer			
Sponsoring Clinical / Lay Lead (name and job title)							
Author(s)				Tianne Thompson (Interim Head of Corporate Affairs) and risk owners			
Purpose				<p>The Assurance Framework highlights the major risks to the successful achievement of the CCGs' strategic objectives.</p> <p>The Assurance Framework has been extensively revised for 2015/16 to simplify and increase the usefulness of the Framework going forward. This is the second time the revised Framework has been presented to Governing Bodies, and incorporates a review of all risk scenarios by the Senior Leadership Team in December 2015.</p>			
The Governing Body is required to (please tick)							
Approve	<input checked="" type="checkbox"/>	Receive	<input type="checkbox"/>	Discuss	<input checked="" type="checkbox"/>	Note	<input type="checkbox"/>
Risk and Assurance <i>(outline the key risks / where to find mitigation plan in the attached paper and any assurances obtained)</i>				The Assurance Framework provides details of each of the risk scenarios, the risk owner, the risk rating and the controls and assurance that are in place; along with a risk mitigation plan.			
Legal implications/regulatory requirements				Depending on the nature of the risk, a particular risk may have legal implications and or regulatory requirements - the risks have been evaluated against these requirements and the implications of any breaches.			
Public Sector Equality Duty				Evaluation of risks will include CCGs' compliance with the Equality, Diversity and Human Rights agendas			
Links to the NHS Constitution (relevant patient/staff rights)				All risks are evaluated with the NHS Constitution standards and other statutory and regulatory obligations in mind.			
Strategic Fit				Managing the risks outlined in the Assurance Framework is essential to delivery of the CCG's strategic objectives.			

<p>Commercial and Financial Implications <i>(Identify how the proposal impacts on existing contract arrangements and have these been incorporated?</i></p> <p><i>Include date Deputy CFO has signed off the affordability and has this been incorporated within the financial plan. Include details of funding source(s)</i></p>	<p>The financial implications associated with specific risk scenarios are taken into consideration in evaluation of the “rating”. In addition, the Assurance Framework is supported by a Finance Risk Register</p>
<p>Quality Focus <i>(Identify how this proposal impacts on the quality of services received by patients and/or the achievement of key performance targets</i></p> <p><i>Include date the Director of Nursing has signed off the quality implications)</i></p>	<p>The quality implications associated with specific risk scenarios are taken into consideration in evaluation of the “rating”. In addition, the Assurance Framework is supported by a Quality Risk Register</p>
<p>Clinical Engagement <i>Outline the clinical engagement that has been undertaken</i></p>	<p>Clinicians are involved in a number of areas where risks have been identified and particularly through consideration of risks at Quality Committee and in Operational Leadership Teams.</p>
<p>Consultation, public engagement & partnership working implications/impact</p>	
<p>NHS Outcomes <i>Please indicate (highlight) which Domain this paper sits within by highlighting or ticking below: Please note there may be more than one Domain.</i></p>	<p>Domain 1 Preventing people from dying prematurely; ✓</p> <p>Domain 2 Enhancing quality of life for people with long-term conditions; ✓</p> <p>Domain 3 Helping people to recover from episodes of ill health or following injury; ✓</p> <p>Domain 4 Ensuring that people have a positive experience of care; and ✓</p> <p>Domain 5 Treating and caring for people in a safe environment; and protecting them from avoidable harm. ✓</p>

Executive Summary

1. Background

The Assurance Framework provides the CCG with a mechanism of identifying, assessing and managing risks with significant impact on the delivery of our strategic objectives. The Leadership Team and the Operational Leadership Teams include designated ‘Risk Owners’ responsible for reviewing and monitoring these risks. The Assurance Framework has been extensively revised for 2015/16 to simplify and increase the usefulness of the Framework going forward. This is the second time the revised Framework has been presented to Governing Bodies, and incorporates a review of all risk scenarios by the Senior Leadership Team in December 2015.

Information included in the report identifies:

- Controls that have been put in place to manage the risks;
- Assurances that have been received to demonstrate if the controls are having the desired impact;
- Details of any gaps in the assurance; and
- Comments and further actions required.

2. Assurance Framework December 2015/16

Of the fourteen risk scenarios on the Assurance Framework ten have remained unchanged in terms of the net risk exposure rating.

For three risks the rating has improved:

- RS04 (*IF we do not have effective performance and quality governance structures in place THEN we will be unable to assure ourselves of the quality of commissioned services and that any emerging quality are identified and appropriately mitigated*)
- RS09 (*IF we do not have the right information to be assured we are meeting the NHS constitutional standards, statutory standards and other key performance targets THEN this will impact on the CCGs quality premium and the quality of the services we commission for our citizens and on our reputation*)
- RS14 (*IF the CCG partnership working arrangements fail to identify and uncover any threats to the financial sustainability of our local NHS providers and local authorities, THEN we may not be able to commission the right services in the right settings with the right outcomes for our patients, at an affordable price.*)

The improvement for RS04 and RS09 reflects the increasing grip the CCG teams have on service quality and performance data, and the improvements seen in our commissioned services. RS14 relates to system wide planning. Although there is much more work to be in this area (we need to develop system-wide Sustainability and Transformation Plans by Summer 2016), the improved rating reflects our increased visibility of providers' financial positions and the joint working through System Leaders, Better Care Funds, Frimley Health Transformation Board and the New Vision of Care project.

One risk has deteriorated:

- RS08. (*IF we do not achieve our QIPP savings and service transformation plans THEN we will be unable to meet our financial challenges and the rising demand for services*)

Although we are still forecasting that we will deliver our required surpluses in 2015/16, QIPP savings have either not been achieved, or have been absorbed by growth in other areas. The PMO function within the CCGs is being reviewed by Internal Audit, and this may help in addressing some of the gaps in controls and assurances, but we anticipate that this will remain an "extreme" risk for the foreseeable future given the demographic and financial pressures across the system.

It should also be noted that although RS11 (*IF we do not anticipate and respond to future individual health needs THEN we may not commission the right services to meet those needs reduce health gaps and prevent ill health*) has not seen an overall deterioration in its risk rating, there is a significant concern that CCGs are reliant upon public health intelligence to underpin the planning process. The planned budget cuts to Public Health threaten this. In

addition potential cuts to preventative services commissioned by local authorities will impact on the health and wellbeing of the population in the longer term

The Assurance Framework will also be taken to the Audit Committee in February

Recommendations

The Governing Body is asked to:

- Review the risks, controls, assurances and any gaps and actions on the Assurance Framework
- Note the risk movement on the Assurance Framework