

Governing Body

22 March 2017

Details	Part 1	✓	Part 2		Agenda Item No.	12a
Title of Paper:	Governing Body Assurance Framework					
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Please indicate:	For Decision		For Information		For Discussion	X

Executive Summary

Summary	<p>More than ever before and in context of a culture of decentralisation, increased local autonomy and accountability, the CCG's Governing Body needs to be confident in the systems, policies and people it has in place to efficiently and effectively drive the delivery of its objectives by focusing on the minimising of risk.</p> <p>This Governing Body Assurance Framework (GBAF) for 2016-17 is presented to advise on the current levels of risk and continued actions to enable the delivery of the Strategic Objectives.</p> <p>Since last presentation of the GBAF to the Governing Body in January 2017, all risks included in the GBAF have been reviewed.</p> <p>This review has focussed predominantly on the level of assurance provided by the controls in place for each of those risks and was presented for consideration by the Audit Committee at its meeting held on 3 March 2017.</p> <p>The GBAF presented has been updated with the support of the Audit Committee and is recommended to the Governing Body.</p> <p>In summary, the GBAF presents the following risk profile:</p> <ul style="list-style-type: none"> • 9 risks present a significant level of risk (level 15 or above) to delivery of the CCG's strategic objectives; and • 8 present a high level of risk (level 8-12) to delivery of the CCG's strategic objectives. <p>In summary of the assurance profile:</p> <ul style="list-style-type: none"> • 14 presenting a significant level of assurance; and • 3 presenting a limited level of assurance. 					
Risk	High		Medium		X	Low
	Failing to monitor progress of risks captured on the Governing Body Assurance Framework and their associated controls and assurance could adversely impact on the CCG's Head of Internal Opinion and End of Year External Auditor opinion.					
Recommendations	<p>The Governing Body is asked to:</p> <ul style="list-style-type: none"> • receive the GBAF on the recommendation of the Audit Committee; and • consider the assurance provided with the report and also the Audit Chairs Update (agenda item 12); and • discuss the risks as necessary. 					

Strategic themes			
To deliver improved outcomes and reduce health inequalities for patients through better preventative strategies			
To deliver service re-design in priority areas through innovation			
To develop primary care to become excellent and high performing commissioners			
To develop the CCG leadership to work with the Local Authority to be excellent integrated commissioners			
To develop robust and effective working relationships with all stakeholders and partners to drive integrated commissioning			
To deliver long term financial sustainability through effective commissioning and innovative investment across the wider system			
To develop and influence the provider landscape through development of a Locality Care Organisation (LCO)			
Equality Impact Assessed?		Supports NHS Bury CCG Governance arrangements	X

Governing Body Assurance Framework

1.0 Introduction

- 1.1. This paper is presented to provide an overview of the strategic risks which may threaten the achievement of the Clinical Commissioning Group's Strategic Objectives.
- 1.2. More than ever before and in context of a culture of decentralisation, increased local autonomy and accountability, the CCG Governing Body needs to be confident in the systems, policies and people it has in place to efficiently and effectively drive the delivery of its objectives by focusing on the minimising of risk.
- 1.3. As part of the signing of the Annual Governance Statement (AGS) by the Accountable Officer and approval of the Annual Accounts and Annual Report, the need for the Governing Body to demonstrate they have been properly informed of the totality of their risks is paramount.
- 1.4. The Governing Body needs to be able to evidence that it has systematically identified its objectives and managed the principal risks to achieving them over the course of the year.
- 1.5. The Governing Body Assurance Framework (GBAF) formalises the process of securing assurance and scrutinising risks to the delivery of the CCG's strategic Objectives and is a key piece of evidence to support and demonstrate the effectiveness of the CCG's system of internal control.

2.0 Background

- 2.1. All NHS organisations are required to develop and maintain an Assurance Framework in accordance with governance regulations applied to the NHS.
- 2.2. Developed from and aligned to the 5 year strategy and 2016-17 operational plan, the GBAF should reflect the strategic objectives of the CCG and provide a simple but comprehensive method for ensuring that the CCG's objectives are delivered and that the principal risks to meeting those objectives are effectively managed.
- 2.3. It also provides a structure for providing the evidence to support the Annual Governance Statement.

3.0 The Assurance Framework

- 3.1. Whilst there is no formally prescribed template for presenting the GBAF, there are specific areas that should be included to provide a comprehensive 'snap shot' to tell the story in relation to each risk identified, as detailed in *italics* below.
- 3.2. The risks that threaten the achievement of the organisations strategic objectives are defined as *principal risks*. The Governing Body should proactively manage potential principal risks, rather than reacting to the consequences of risk exposure.
- 3.3. These risks are assessed against and an *original* level of risk is determined on the basis of no controls being in place.
- 3.4. Consideration is then given to the *key controls* that are in place to manage the principal risks. These risks and the controls should be documented and subject to scrutiny by independent reviewers where possible.

- 3.5. The Governing Body needs to assure itself that the controls identified not only manage the principal risks but are also provided at the right level. These are captured as sources of **assurance**, and where possible, independent assurance sources should be used.
- 3.6. Having identified the current level of controls and assurance the **current risk** level is determined and the **level of assurance** that the risk is managed is also agreed. There are four levels of assurance: full, significant, limited and none.
- 3.7. Where assurance mechanisms show that controls are not sufficient to manage the principal risks, or the assurance is not at a sufficient level, then **gaps in controls** and **gaps in assurance** should be recorded.
- 3.8. Mitigation **actions** to address the gaps and further control or assure against the risk are identified, the **target risk**, which should be achieved once actions are complete and gaps reduced is also reflected.
- 3.9. It is essential that the Governing Body receive an update on the effectiveness of the GBAF on a regular basis so that it has assurance that principal risks are being effectively controlled and managed. This can then be reflected in the AGS at the end of the year.
- 3.10. The Governing Body has delegated authority to the Audit Committee to advise on the establishment and maintenance of the effective system of integrated governance across the whole of the CCG's activity, which includes receiving, scrutinising, challenging and providing the necessary assurance to the Governing Body on the GBAF.

4.0 Quarter 4 Governing Body Assurance Framework Review

- 4.1. The Governing Body Assurance Framework was last presented to the Governing Body at its meeting on 23 January following review by the Audit Committee on 18th January under Chair's Action.
- 4.2. As we approach the end of the 2016-17 reporting, a mid-quarter review has been undertaken to further reflect on the level of risk remaining, but also to focus on the level of assurance provided by existing controls to prevent the risks from adversely impacting on delivery of the CCG's strategic objectives.
- 4.3. The GBAF presented at Appendix 1 reflects the reviews that have been undertaken with the Risk Owners. Changes to the document are reflected in **bold** for ease of reference.
- 4.4. The GBAF remains a dynamic document and will be further updated to ensure the end-of-year position, to inform the Annual Governance Statement and Annual Report, is consolidated.

5.0 A Summary Assessment

- 5.1. As outlined above, the GBAF presented at Appendix 1 reflects the current position as reported at 15 March 2017.
- 5.2. Twenty (20) risks were originally identified across the seven (7) strategic objectives, however as reflected in the last report, the following risks were removed due to the level of similarities:
 - **GBAF 1.1 because of differing priorities, drivers and cultures, there is a risk that the Local Authority does not buy into our preventative strategies leading to an inability to deliver improvements at the pace and scale required;**

- **GBAF 4.1 Because of a lack of agreed vision and shared goals between the CCG and the Local Authority, there is a risk that the integrated commissioning will not achieve value for money or improved outcomes; and**
- **GBAF 5.1 Because of the current position, there is a risk that the senior leadership teams do not have sufficient trust to take forward the integrated commissioning agenda leading to a lack of commitment and continued levels of silo working.**

5.3 These have been replaced with the following single risk which has been incorporated into GBAF 4.2 and approved by the risk owner (Chief Officer):

- **GBAF 4.2 Because the CCG and Local Authority have different cultures, priorities and drivers, there is a risk that integrated commissioning does not progress at pace to achieve value for money or improved outcomes for the population.**

5.4 In addition, following the outcome of the CQC review of Pennine Care Foundation Trust (PCFT), a new risk has also been added to the GBAF:

- **GBAF 7.3 Because of a recent CQC report at PCFT, there is a risk that current quality and performance at the local provider does not meet anticipated improvements for the population of Bury**

5.5 Taking these amendments into consideration, there are now seventeen risks (17) on the GBAF and the current risk profile of these is summarised as :

- 8 presenting a significant level of risk (level 15 or above) to delivery of the CCG's strategic objectives; and
- 9 presenting a high level of risk (level 8-12) to delivery of the CCG's strategic objectives.

5.6 The risks have been assessed in respect to their current risk levels and two risks have reduced in score, with all other risks remaining at the same level. This was anticipated as the risks reflect more medium to long-term mitigations.

5.7 This review has focussed on the level of assurance provided by the controls in preventing the risk from adversely impacting on delivery of the CCG's objectives. The assurance profile of the risks is summarised as:

- 14 presenting a significant level of assurance; and
- 3 presenting a limited level of assurance

5.8 Since the last report, the following risks have been reviewed:

Risks that have an increased level of assurance

- **GBAF 2.4 Because of a lack of maturity in planning processes there is a risk that resource requirements are not fully understood to deliver re-design in all areas**

5.9 The risk remains at a level 12, however the controls in place are effective and have supported the development of the CCG over the last 12 months.

5.10 Further development as the CCG heads into one commissioning will be required to ensure wider organisational development arrangements across stakeholders and partners.

5.11 The risk owner is assured that the *controls are significant* and the CCG has developed its maturity in planning which places it in good position for the next financial year.

- **GBAF 2.5 Because of limited capacity within Business Intelligence and accessibility to data, there is a risk that we do not capture all relevant data and therefore are unable to evaluate change**
- 5.12 Resource within the Business intelligence function has been increased during 2017/18 with appointments now becoming embedded in supporting the CCGs day-to-day activity.
- 5.13 Additional external resources have been introduced to provide support on specific projects to enable progression at pace.
- 5.14 The risk has remained at the target level of 8, and the controls are effective in ensuring the CCG can fulfil its business needs to support effective decision making through the provision of up-to-date and timely data and intelligence.
- 5.15 The *level of assurance* on the controls is assessed as *significant*.
- **GBAF 3.1 Because of limited capacity and skills as commissioners, there is a risk that Primary care do not play their full part in being able to shape and participate in the new landscape**
- 5.16 The risk continues to be reported as a level 15 risk with a *limited level of assurance*, however there are a range of controls in place which are reasonably robust and are supporting continued management of the risk, though until the Locality Plan is signed off, the view is that the assurance levels or risk score will not change.
- 5.17 It is accepted that the risk is relative to the current developments and once further understanding of the structures required to deliver the Locality Plan is known, the risk will diminish proportionately.
- **GBAF 4.2 Because the CCG and Local Authority have different cultures, priorities and drivers, there is a risk that integrated commissioning does not progress at pace to achieve value for money or improved outcomes for the population.**
- 5.18 This risk has been re-worded by the Risk Owner to reflect a more accurate risk description as reflected at 5.2 above.
- 5.19 Work is progressing at pace to develop a refreshed Locality Plan which brings together the CCG, Local Authority and other stakeholders to enable and support the integrated commissioning agenda, however whilst existing controls are managing the risk there are a number of dependant actions which rely on the completion of this to support reduction of the risk.
- 5.20 The controls are however robust and working effectively and therefore the *level of assurance* is assessed as *significant*.
- **GBAF 4.3 because of the need to work as one commissioner, there is a risk that the balance of clinical input will be overshadowed leading to dis-engagement from clinicians**
- 5.21 The risk continues to be assessed at level 15. Some progress has been made on addressing the gaps in both controls and assurance, and whilst this puts the CCG in a better position there has been no material change.
- 5.22 The controls identified have been re-assessed and are considered to provide *a significant level of assurance* in ensuring clinical input remains central and the one commissioner develops further.
- 5.23 The CCG is also involved in the commissioning review being undertaken across Greater Manchester which will provide some additional assurance.

- **GBAF 5.2 Because of the continued change across the wider health economy, there is a risk that progress and delivery of local priorities may not be achieved within required timeframes**
- 5.24 A range of controls are in place. The CCG is actively involved in the Greater Manchester Health and Social Care agenda, with representatives on the Partnership Board, AGG and Joint Commissioning Board. Through these mechanisms, the CCG is regularly appraised of developments and direction of travel.
- 5.25 Whilst it is acknowledged that there is a level of uncertainty as GM Devolution and the arrangements under which localities will operate continue to be firmed up, these do not impact of the effectiveness of the controls.
- 5.26 The *level of assurance* is therefore assessed as *significant*.
- **GBAF 5.3 Because of the complexities of the Bury Locality Plan, there is a risk that the vision of a seamless health and social care economy focussed on prevention and enablement may not meet the necessary impact required.**
- 5.27 Whilst there is no reported change in the level of risk, and this is expected to be the case until such time that the Locality plan is completed or funding is secured from the Transformation Bid, it is considered that the controls are effective and provide a *significant level of assurance*.
- **GBAF 6.1 Because of a lack of internal resource, the CCG is unable to develop effective and innovative commissioning plans resulting in failure to deliver effective change in healthcare.**
- 5.28 There has been a programme of expansion and recruitment undertaken throughout 2017/18 across the Commissioning Directorate to increase capacity to develop effective and innovative commissioning and meet the business needs of the organisation.
- 5.29 Posts have been recruited to and the new structure is becoming more embedded.
- 5.30 Recognising that there will always be a level of natural turn-over, and Bury's position is below the regional and national average, there is an increased level of assurance that the CCG has the commissioning capacity and the controls in place are effective. The new *level of assurance* is assessed as *significant*.
- 5.31 The risk remains at a level 8, as the systematic approach to setting, monitoring and prioritising objective is not yet routine.
- **GBAF 6.3 Because NHSE business rules target short term balance and the CCG is poorly funded, there is a risk that the CCG may not have the flexibility to invest for the long term meaning that it cannot make the necessary changes required for financial sustainability and optimal service provision**
- 5.32 As the year is progressing, more controls are emerging, however the level of risk associated with receiving the funding to invest remains and until this is confirmed, it would be difficult to justify a reduction in the likelihood score associated with this risk. The risk remains at the previously reported position of 15.
- 5.33 There is however a *significant level of assurance* in the controls that are in place.
- 5.34 The Locality Plan and Transformation Fund are now more tangible and very much in the process of development, rather than being aspirational solutions. The change in deadline for submission of these documents from February to March offers a more realistic timeframe and whilst maintaining focus allows the CCG to work with partners to develop meaningful plans that have a greater level of detail and richness than would otherwise have been possible.

- 5.35 The 5-Year plan allows oversight of the overall position and highlights where issues may arise, allowing focus and re-direction as necessary.
- 5.36 Short-term mitigations have support the CCG in meeting business rules without jeopardising the long-term ability to invest. Short-term risk is under control.
- 5.37 Appropriate risk sharing arrangements are in place and have been demonstrated successfully across Greater Manchester (GM) and North East Sector (NES) to support cross organisational risk. These arrangements will continue going forward and provide a good level of assurance that Bury's risks could be partly mitigated by local and regional partners if required.
- 5.38 The 2-year plan has been assured by Greater Manchester Health and Social Care Partnership (GMHSCP) and rated with the 2nd highest of five rating levels. The only real concern is the level of unidentified QIPP which is covered this year through short-term mitigations.
- 5.39 Work progressing on the Locality Plan and Transformation Fund gives assurance that there will be a clear Long Term investment and planning strategy in place by the start of 2017/18. Whilst there is no assurance that the funding will be forthcoming, it does provide significant assurance that the need and supporting strategies required will be clearly articulated across the whole economy.
- **GBAF 7.2 Because of a recent CQC report at Pennine Acute Hospital Trust, there is a risk that the current quality and performance of the local provider does not make anticipated improvements for the population of Bury.**
- 5.40 Whilst there is no reported change to the level of risk (20), formulation of governance structure underneath the Improvement Board to include 4 sub-groups with a focus on quality improvement has provided an additional level of control and assurance.
- 5.41 Meetings of the four groups include Maternity & Paediatric Board, Urgent & emergency care Board, Quality Review Board and an overarching Governance Board, are planned to commence from the end of February.
- 5.42 Additional assurance is taken from the recent CQC meeting which took place in December to ensure progress in being made on the implementation plan. A further meeting is planned at the end of February with a CQC re-assessment due in Quarter 1 2017/18.
- 5.43 An additional £30m funding to support PAHT has been agreed through a variety of stakeholders, including NHS Improvement, Greater Manchester Health and Social Care Partnership and CCGs.
- 5.44 The Audit Committee is advised that the controls are sufficient and provide *significant assurance*, however the challenges faced by the Trust in respect to recruitment do not allow for a reduction of risk at this stage.
- **GBAF 7.3 Because of a recent CQC report at PCFT, there is a risk that current quality and performance at the local provider does not meet anticipated improvements for the population of Bury**
- 5.45 Added as a new risk to the GBAF in February and assessed at a level 15 with a proposed target level of 5, there are a number of controls and assurances in place.
- 5.46 It should be noted that the local services for Bury fared far better than the overall rating of PCFT from the CQC of 'requires improvement'.
- 5.47 The current *level of assurance* is assessed at *significant*.

Risks that have reduced level of assurance

5.48 During the reporting period, no risks have been assessed as having a reduced level of assurance from that previously reported.

Risks that have a static level of assurance

- **GBAF 1.2 Because of a lack of effective engagement with communities, there is a risk that the public will not access preventative services or accept responsibility for their own health**

5.49 Assessed as showing no change in the level of risk (20), the controls in place are effective and working in practice.

5.50 The refresh of the Locality Plan places a significant focus on this with a high level proposal emerging on positioning system wide self-care by default at the core of the programmes of work.

5.51 This along with the on-going and routine engagement activity associated with commissioning provides **significant assurance**.

- **GBAF 2.2 Because of a lack of engagement with partners and other key stakeholders at the right time in service re-design processes, there is a risk that innovative and new approaches across sector may not be developed.**

5.52 The risk remains assessed at a level 12, with a target risk of 8.

5.53 The refresh of the Locality Plan, once completed, will provide additional assurance that resources will be directed to the appropriate initiatives and that the CCG is reaching out at scale to include stakeholders in all our activities.

5.54 Whilst there is stronger evidence of engagement with statutory partners, the need to develop this with all stakeholders is a key action and a key enabler within the Locality Plan through a communications, engagement and consultation programme.

5.55 The **level of assurance** remains assessed as **limited** as at this time there is little evidence of innovation in the current approach.

- **GBAF 2.3 Because of out of date and lack of clarity in governance arrangements there is a risk that the CCG does not meet its statutory duties leading to a legal challenge to decisions or financial penalties**

5.56 There is no reported change in the previously reported level of risk (8) and **significant level of assurance**.

5.57 The outstanding gap in control will be addressed through the complete review of the CCG's Constitution which is scheduled for March 2017.

5.58 Additional assurance will also be provided through the end of year Internal and External Auditor review processes.

- **GBAF 3.2 Because of a lack of clarity in relation to the new landscape there is a risk that primary care are unable to take a proactive approach to commissioning**

5.59 Previously reporting a risk level of 15, the re-assessment during this review no places the risk at a level 10. The risk has now achieved its target level and is also reporting a **significant level of assurance** in the controls.

5.60 The reduction to the likelihood of the risk materialising is based on the continued development of the new landscape, greater engagement of other primary care contractors within the primary care commissioning agenda and the development of groupings amongst practices to share information and good practice.

- **GBAF 6.2 Because of the inability to identify sufficient QIPP programmes there is a risk that we will not achieve the required quality, innovation, productivity or prevention improvements required.**

5.61 Whilst there are controls in place, a number of the outstanding actions and subsequent gaps relate to the refresh of these controls and the identification of a 5-year QIPP programme.

5.62 Significant work has been progressed to review the RightCare information to promulgate the QIPP plan with initial opportunities where pathways could be reviewed to improve outcomes and delivery increased productivity.

5.63 Five high priority areas have been identified, 40% of RightCare opportunities are being explored and a commitment to identifying schemes that deliver at scale has been agreed by the Governing Body.

5.64 The lack of a robust QIPP plan to support delivery of the financial gap has been addressed in year through alternative mitigations.

5.65 Sources of assurance are limited to internal reporting and an Internal Audit undertaken by Mersey Internal Audit Agency, and whilst progress has been made in addressing the recommendations, the view within the CCG is that the *level of assurance* on this risk remains as *limited*.

- **GBAF 7.1 Because of a lack of clarity on the form of the provider, there is a risk that any associated contractual options progress may be impeded.**

5.66 Whilst clarity has now been provided on the organisational form of the provider, as reported in the last update, it continues to be noted that under an alliance model there are still residual risks associated with the contractual arrangements.

5.67 It should also be noted that the form of the provider organisation may change as development continues to ensure sustainability for the long-term.

5.68 The *level of assurance* remains as *limited* with no change in the assessed level of risk.

6.0 Recommendations

6.1 Following review and scrutiny through the Audit Committee, the report is recommended to the Governing Body.

6.2 The Governing Body is asked to:

- receive the GBAF on the recommendation of the Audit Committee; and
- consider the assurance provided with the report and also the Audit Chairs Update (agenda item 12); and
- discuss the risks as necessary.

Lisa Featherstone
Deputy Director of Business Delivery
March 2017

Appendix 1 : Governing Body Assurance Framework

Strategic Objective 1 - To deliver improved outcomes and reduce health inequalities for patients through better preventative strategies

Risk Description	Risk Owner	C	L	Score	Controls	Assurance	C	L	Risk	Level of Assurance	Gaps in Controls/Assurance	Action	Progress	C	L	Risk
1.2 - Because of a lack of effective engagement with communities there is a risk that the public will not access preventative services or accept responsibility for own healthcare	Margaret O'Dwyer	5	4	20	<ul style="list-style-type: none"> 1. Close working with Public Health to co-ordinate joint working and messages 2. Communications and Engagement Strategy for CCG activity 3. Public engagement on urgent care re-design will promote self-care 4. Patient Cabinet in place to promote active engagement and public voice 5. Self-care will have an increased focus in refresh locality plan 2017 	<ul style="list-style-type: none"> 1. Patient Cabinet reports to the Governing Body 2. Lay Member for PPI voting member on the Governing Body and Primary Care Commissioning Committee 3. Healthwatch attend PCCC 4. Patient Feedback reports to PCCC 5. Quarterly assurance reviews with GM IAF 	5	4	20	Significant	<p>Gap(s) in controls:</p> <ul style="list-style-type: none"> 1. Patient engagement specific to schemes but could be more proactive or wide-reaching 2. Engagement Strategy for locality plan 3. Locality Plan not yet refreshed <p>Gap(s) in assurances:</p> <ul style="list-style-type: none"> 1. Assurance is only internal at this time, external sources of assurance to be identified 2. 360 Stakeholder Survey 	<ul style="list-style-type: none"> Communications and Engagement strategy to be refreshed to include OCO and Locality Care Organisation Patient Engagement Toolkit to be re-introduced CCG Engagement Programme to be developed 	10%	5	2	10

Strategic Objective 2 - To deliver service re-design in priority areas through innovation

Risk Description	Risk Owner	C	L	Score	Controls	Assurance	C	L	Risk	Level of Assurance	Gaps in Controls/Assurance	Action	Progress	C	L	Risk
2.2 - Because of a lack of engagement with partners and other key stakeholders at the right time in service re-design processes there is a risk that innovative and new approaches across sector may not be considered	Margaret O'Dwyer	4	3	12	1. Key partners engaged through CCG Clinical Cabinet 2. Internal governance supports engagement and involvement with stakeholders 3. Communications and Engagement Strategy in place 4. Terms of Reference for Clinical Cabinet and Patient Cabinet 5. Individual Engagement Strategies when significant service redesign is anticipated e.g. urgent care	1. NES governance architecture across health and social care supports alignment where appropriate across sectors 2. Contract and Quality Monitoring arrangements	4	3	12	Limited	Gap(s) in controls: 1. Communications and Engagement Strategy not reflective of the changing landscape 2. Effectiveness of Patient Cabinet Gap(s) in assurances: 1. Commissioning Internal Audit to be completed	Current Communications and Engagement strategy to be refreshed Ensuring Clinical Cabinet and Patient Cabinet ways of working supports engagement in its wider sense and will promulgate engagement	100% 50%	4	2	8
2.3 - Because of out of date and lack of clarity in governance arrangements there is a risk that the CCG does not meet its statutory duties leading to legal challenge to decisions or financial penalties	Margaret O'Dwyer	4	3	12	1. CCG constituted in accordance with statute 2. Governance structure refreshed 3. Terms of Reference for all committees refreshed 4. Scheme of Reservation and Delegation and SFI's in place. 5. Conflicts of Interest Policy approved by the GB 6. Corporate Registers in place 7. Annual schedule of business for each Committee 8. COI/Business Conduct and Hospitality Policy reviewed and approved in line with NHSE guidance 9. Governing Body Assurance Framework	1. Constitution approved by NHS England 2. Terms of Reference approved by the CCG membership 3. CCG Improvement and Assessment Framework outcome 4. Conflicts of Interest quarterly self-assessment 5. Quarterly assurance review 6. MIAA Conflict of Interest Review 7. MIAA Governance Review 8. Head of Audit Opinion 9. Annual Governance Statement	4	2	8	Significant	Gap(s) in controls: 1. Constitution is silent on a number of areas and does not reflect the changing landscape Gap(s) in assurances: 1. MIAA Conflicts of Interest Review yet to be completed 2. MIAA Governance Review not yet complete 3. Head of IA opinion not due to be issued until February 2017 4. Annual Governance Statement not yet due	CCG Constitution to be reviewed to ensure it is fit for purpose and future proof Scheme of Reservation, delegation and SFIs to be reviewed alongside constitution Conflicts of Interest Policy and arrangements to be refreshed and re-approved Annual Governance Statement to be drafted	25% 50% 100% 0%	4	1	4
2.4 - Because of lack of maturity in planning processes there is a risk that resource requirements are not fully understood to deliver re-design in all areas	Margaret O'Dwyer	4	3	12	1. Operational Plan 2017/19 completed 2. Strategic Objectives in place 3. Directorate Objectives agreed 4. Appraisal process in place to support delivery of objectives 5. Training Needs Analysis completed 6. Organisational Development offer for staff to support delivery of objectives and enhancement of skill set.	1. Strategic Objectives approved by the Governing Body 2. Directorate Objectives approved by SMT 3. PDR and OD arrangements reviewed by SMT	4	3	12	Significant	Gap(s) in controls: 1. Organisational Development Policy to be refreshed Gap(s) in assurances: 1. Monitoring against objective delivery not routinely undertaken 2. Embedding regular appraisals and review	Business Planning process to be undertaken in good time for financial year Business planning to be aligned to locality plan and operational plan processes Monitoring of objectives to be undertaken to assess progress OD Policy to include wider organisational need	75% 75% 50% 50%	4	1	4
2.5 - Because of a limited capacity within	Margaret O'Dwyer	4	3	12	1. Business Intelligence capacity strengthened to	1. Business cases to support increased technological	4	2	8	Significant	Gap(s) in controls:	Qlikview pilot to be progressed with practices and rolled out	30%	4	2	8

Risk Description	Risk Owner	C	L	Score	Controls	Assurance	C	L	Risk	Level of Assurance	Gaps in Controls/Assurance	Action	Progress	C	L	Risk
Business Intelligence and accessibility of data there is a risk that we do not capture all relevant data and therefore are unable to evaluate change					support CCG business plan 2. Additional investment in technological solutions to support increased coordination of data capture and extraction 3. Data Warehouse in place 4. Primary Care dashboards 5. Workstream dashboards developed 6. External additional resources commissioned	solutions approved through SMT 2. IAF assessment of data aligned to internal reflections					1. Qlikview not yet rolled out to practices 2. Outcomes Manager not yet in place Gap(s) in assurances: 1. External sources of assurance to be identified	Outcomes manager to be implemented Internal resilience to be increased through development Increased automation and data extraction to be agreed	80% 50% 25%			

Strategic Objective 3 - To develop Primary Care to become excellent and high performing commissioners

Risk Description	Risk Owner	C	L	Score	Controls	Assurance	C	L	Risk	Level of Assurance	Gaps in Controls/Assurance	Action	Progress	C	L	Risk
3.1 - Because of limited capacity and skills as commissioners there is a risk that primary care do not play their full part in being able to shape and participate in the new landscape	Kiran Patel	5	4	20	1. CCG primary care capacity increased to provide additional support 2. Wider primary care team developed to increase expertise and offer to general practice 3. Primary Care Strategy approved 4. Monthly sector meetings update on developments 5. Additional support commissioned for Primary Care 6. GP Fed key partner in LCO. 7. Primary Care Committee has increased membership which includes all facets of primary care (dental, optometry and pharmacy). 8. Engagement with LMC for primary care with GPs as providers.	1. Monitoring through PCCC 2. Sector leadership and sector meetings on monthly basis provide updates	5	3	15	Significant	Gap(s) in controls: 1. OD Strategy to be refreshed to reflect primary care commissioning skill set 2. Locality Plan not yet approved (importance of Primary Care to LCO and delivery form that develops) 3. GP Forward View to be implemented Gap(s) in assurances: 1. Assurance on LCO development still required - legal opinion awaited from Hempsons on governance arrangements	Primary Care Strategy to be approved through governance arrangements following engagement and development	100%	5	2	10
												Locality Plan - Engagement with Primary Care in Development	50%			
												Approval of the Locality Plan	0%			
3.2 - Because of a lack of clarity in relation to the new landscape there is a risk that primary care are unable to take a proactive approach to commissioning	Kiran Patel	5	4	20	1. LCO and OCO arrangements more clearly defined 2. Key LCO partners identified 3. Updates provided through CCG Governance arrangements, including sector meetings 4. Operating Plan outlines delivery requirements for Primary Care in 2016/17 5. Future of Primary Care, including Commissioning principles, facilitated discussion with all practices 6. Primary Care Strategy approved.	1. Memorandum of Understanding between all partners which outlined purpose and provides clarity for all 2. CCG and Primary Care Plans aligned to GP Five Year Forward View 3. LCO Steering Group in place 4. LCO development considered through quarterly assurance visits 5. Commissioning Principles approved through engagement event	5	2	10	Significant	Gap(s) in controls: 1. Primary Care at scale Gap(s) in assurances: 1. GP Five Year Forward View yet to be implemented 2. Additional external sources of assurance to be identified	Engagement events with primary care to help shape LCO	75%	5	2	10
												Primary Care Strategy to be approved through governance arrangements following engagement and development	100%			

Strategic Objective 4 - To develop the CCG leadership to work with the Local Authority to be excellent integrated commissioners

Risk Description	Risk Owner	C	L	Score	Controls	Assurance	C	L	Risk	Level of Assurance	Gaps in Controls/Assurance	Action	Progress	C	L	Risk		
4.2 Revised - Because the CCG and Local Authority have different cultures, priorities and drivers, there is a risk that integrated commissioning does not progress at pace to achieve value for money, improved outcomes	Stuart North	5	4	20	<ol style="list-style-type: none"> 1. Health and Wellbeing Board in place attended by CCG Chair and Accountable Officer 2. Joint Leadership Team in place across LA and CCG 3. Single vision confirmed by CCG and LA, including common commissioning principles 4. OCO PID approved 5. Open book accounting and pool budgets explored 6. Locality Plan in place (being refreshed) 7. Joint working on Locality Plan refresh 	<ol style="list-style-type: none"> 1. CCG Assurance meetings with GMHSCP 2. Legal advice on OCO development 3. OCO PID approved through respective governance arrangements 4. Common commissioning principles approved through respective governance arrangements 	5	3	15	Significant	<p><u>Gap(s) in controls:</u></p> <ol style="list-style-type: none"> 1. Open book and pooled budgets to be agreed 2. Locality Plan refresh to be completed 3. Quick wins to be identified 4. Understanding of new culture to foster innovation and achieve desired outcomes <p><u>Gap(s) in assurances:</u></p> <ol style="list-style-type: none"> 1. GM Commissioning review to take place (expected to report in May) 2. OCO governance arrangements to be approved 	<p>Quick wins to be identified and progressed</p> <p>Common commissioning principles to be approved through respective governance arrangements</p> <p>Open book accounting and pooled budgets to be approved through respective governance arrangements</p> <p>Locality Plan refresh to be approved through respective governance arrangements</p> <p>Transformation Fund submission to be approved by GMHSCP</p> <p>Organisation development to be undertaken to understand cultures and establish shared principles</p>	0%	5	2	10		
4.3 - Because of the need to work as one commissioner there is a risk that the balance clinical input will be over shadowed leading to dis-engagement from clinicians	Kiran Patel	5	4	20	<ol style="list-style-type: none"> 1. Clinical involvement to shape LCO 2. Clinical input into Health and Wellbeing Board 3. Clinical input into work streams e.g. social prescribing 4. Clinicians involved in joint leadership team 5. Learning from Pathfinder areas 	<ol style="list-style-type: none"> 1. Meeting minutes from LCO steering group 2. Reports to GB on progress and development 	5	4	20	Significant	<p><u>Gap(s) in controls:</u></p> <ol style="list-style-type: none"> 1. Role of clinicians as providers or commissioners in LCO development to be agreed 2. OCO governance yet to be determined. <p><u>Gap(s) in assurances:</u></p> <ol style="list-style-type: none"> 1. External sources of assurance to be identified 2. Awaiting legal advice around governance 3. Awaiting results from 360 Stakeholder Survey 4. GM Commissioning Review 	<p>Continued development, engagement and involvement of primary care</p> <p>Roles and responsibilities of primary care as commissioners and providers to be explored and made explicit</p> <p>Governance of OCO to be determined</p>	50%	40%	25%	5	2	10

Strategic Objective 5 - To develop robust and effective working relationships will all stakeholders and partners to drive integrated commissioning

Risk Description	Risk Owner	C	L	Score	Controls	Assurance	C	L	Risk	Level of Assurance	Gaps in Controls/Assurance	Action	Progress	C	L	Risk
5.2 - Because of the continued change across the wider health economy there is a risk that progress and delivery of local priorities may not be achieved within the required timescales	Stuart North	4	3	12	1. CO on GMHSC Partnership Board 2. CCG Chair also chairs AGG 3. CO identified as Senior Responsible Officer on Delivery Board 4. Senior managers and clinicians on NES Transformation Board 5. Locality Plan 6. Operational Plan 2016/17 7. CCG Chair is joint Chair of Joint Commissioning Board (JCB)	1. Regular updates to Governing Body 2. Quarterly assurance visits review local progress and integrations in the wider system	4	3	12	Significant	Gap(s) in controls: 1. Current stage of development and impact of GM devolution not yet fully understood Gap(s) in assurances: 1. Only one quarterly assurance visit to date	Watching brief to be maintained Priority re-alignment to be undertaken as required	80% 0%	4	2	8
5.3 - Because of the complexities of the Bury Locality Plan, there is a risk that the vision of a seamless health and social care economy focussed on prevention and reablement may not be met impacting on the long term financial sustainability of the local system and ability to achieve a transfer of services from acute to community based care	Stuart North	4	4	16	1. Ongoing scrutiny by designated CCG and LA officers 2. Periodic scrutiny by Committees of the CCG - Finance Committee meets monthly and joint meetings with LA 3. Contract monitoring in place 4. Health and Wellbeing Board has ownership of Locality Plan - CCG represented	1. Joint formal governance structure created to monitor the delivery of the locality plan 2. Internal PMO provides challenge 3. Milestones delivery	4	3	12	Significant	Gap(s) in controls: 1. Assumptions in the plan aren't aligned to those of providers 2. Transformation Funding Bid to be submitted. Gap(s) in assurances: 1. No assurance yet around the deliverability of the 2017/19 financial plan -Signed off by GM	Ensure there is an alignment in assumptions during contract negotiations and 2017-19 planning round Determine how element of locality plan will be monitored through contracts	90% 20%	4	2	8

Strategic Objective 6 - To develop long term financial sustainability through effective commissioning and innovative investment across the wider system

Risk Description	Risk Owner	C	L	Score	Controls	Assurance	C	L	Risk	Level of Assurance	Gaps in Controls/Assurance	Action	Progress	C	L	Risk
6.1 - Because of lack of internal resource the CCG is unable to develop effective and innovative commissioning plans resulting in failure to deliver effective change in healthcare	Margaret O'Dwyer	4	2	8	1. Operating Plan 2016 -17 translated into directorate objectives for 2016/17 2. Locality Plan in place 3. Organisational restructure aligned to 16/17 Operating Plan 4. Objectives and PDRs identify priorities 5. Workstream development session to support delivery 6. Expanded Commissioning Structure	1. Strategic and directorate objectives approved through Governing Body and SMT respectively 2. PMO reporting in place through Clinical Cabinet 3. MIAA Commissioning Audit	4	2	8	Significant	Gap(s) in controls: 1. Performance against objective delivery still to be reported - to be completed following year end 2. Locality Plan refresh not yet approved 3. Vacancies in the structure Gap(s) in assurances: 1. MIAA Commissioning Audit yet to be completed.	Performance framework to be developed which includes objective monitoring and reporting	0%	4	1	4
6.2 - Because of the inability to identify sufficient QIPP programmes there is a risk that we will not achieve required quality, innovation, productivity or prevention improvements	Margaret O'Dwyer	5	4	20	1. QIPP process in place 2. PMO arrangements in place 3. Additional capacity across Commissioning Directorate in place 4. Outsourcing of QIPP related capacity and scheme identification through Right Care and Dr Foster 5. QIPP initiatives and actions in individual workplans to be identified through clinical workstreams 6. Additional short term mitigations identified and approved	1. MIAA QIPP Audit (although limited assurance) 2. QIPP report to Finance Committee and GB	4	5	20	Limited	Gap(s) in controls: 1. Recommendations from MIAA QIPP Audit require implementation 2. Longer term (5 year) QIPP plan to be developed 3. QIPP/PMO process to be overhauled to expedite delivery of priority schemes 4. Long term mitigations yet to be identified Gap(s) in assurances: 1. MIAA QIPP audit report and assurance level to be increased as currently limited assurance	QIPP and Project Assurance Framework to be developed QIPP process to be reviewed QIPP pipeline to be developed Roles and responsibilities to be agreed at an operational level Rightcare to be interrogated as a source of opportunity	50% 75% 20% 50% 50%	5	2	10
6.3 - Because NHSE business rules target short term balance & the CCG is poorly funded there is a risk that the CCG may not have flexibility to invest for the long term meaning that it cannot make the necessary changes required for financial sustainability & optimal service provision	Mike Woodhead	5	4	20	1. 5 year Plan and 2 year Operational Plan 2. Short term mitigations and contingencies 3. Risk Sharing - existing in Greater Manchester and North East Sector 4. Developing Locality Plan 5. Transformation Fund Proposals	1. Monthly Financial Position reported to Finance Committee and Governing Body 2. NHSE/GM returns and ASS 3. NHSE assurance framework and self-assessment 4. Internal and external audit reviews 5. Value for Money Audit 6. GMHSCP Assurance on 2 Year Financial Plan	5	3	15	Significant	Gap(s) in control: 1. Access to Transformation & Sustainability Funds not yet confirmed. 2. Uncertain future - form and function 3. Clarity on long term GM funding 4. Clarity on GM vs Local vs organisational control totals 5. Clarity on OCO/LCO and integration plans Gap(s) in assurances: 1. External Audit review not yet due	Develop robust 5 year financial plans Develop robust locality plan and transformation funding bid Engagement in GM Strategy setting Strengthen risk sharing agreements Exploration of different contracting models Moving to 2-year contracts and operating plans To meet the RightCare requirement to review 40% of opportunities in year one and 80% in year 2	90% 50% 100% 50% 10% 100% 50%	5	2	10

Strategic Objective 7 – To develop and influence the provider landscape through development of a Locality Care Organisation

Risk Description	Risk Owner	C	L	Score	Controls	Assurance	C	L	Risk	Level of Assurance	Gaps in Controls/Assurance	Action	Progress	C	L	Risk
7.1 - Because of a lack of clarity on the form of the provider there is a risk that any associated contractual options progress may be impeded	Stuart North	4	3	12	1. High level objectives for new LCO agreed by CCG and Council 2. Key LCO partners confirmed 3. Contractual arrangements agreed to include flexibility to serve notice and novate accordingly	1. Exec to Exec meetings 2. Stakeholder and LCO meetings	4	3	12	Limited	Gap(s) in controls: 1. Contractual arrangements to be confirmed following issues of 2017/19 planning guidance 2. Scope of delegated budget to be confirmed by LCO Gap(s) in assurances: 1. Authorisation of LCO as legal entity 2. LCO governance structure to developed	Arrangements to be supported to enable LCO to develop form and function, including establishment as a legal entity	50%	4	2	8
7.2 - Because of a recent CQC report at Pennine Acute Hospitals Trust, there is a risk that current quality and performance at the local provider does not make anticipated improvements for the population of Bury	Catherine Jackson	4	4	16	1. New SRFT Leadership Team in place 2. Improvement Plan submitted to CQC and approved 3. GMHSCP Improvement Board established with supporting governance group 4. Additional £30m funding agreed to aid recovery	1. Regular reports to the Governing Body on performance and quality 2. Quality and Performance Committee scrutiny of measures 3. CQC assurance of progress against improvement plan	5	4	20	Significant	Gap(s) in Controls: 1. Improvement plan monitoring to be reported to the GB on a regular basis Gap(s) in assurances: 1. CQC re-assessment not due until Q1 17/18	Reporting mechanism to be considered to provide increased assurance to Governing Body	30%	5	2	10
7.3 - Because of a recent CQC report at PCFT, there is a risk that current quality and performance at the local provider does not make anticipated improvements for the population of Bury	Catherine Jackson	5	3	15	1. CQC Improvement Plan for Mental Health and Community Services 2. Local Level Plans (as part of overall improvement plan) 3. Strategic/Board level focus 4. Local level surveillance through Quality and Performance provider meeting?	1. Regular Reports to CCG Governing Body 2. CCG and PCFT awareness of where service improvement is required	5	3	15	Significant	Gap(s) in Controls: 1. Community Services Workforce Issues Gap(s) in assurances: 1. CQC Action Plan not yet approved (expected in March)	Reporting mechanism to be considered to provide increased assurance to Governing Body	30%	5	1	5