NHS VALE OF YORK CLINICAL COMMISSIONING GROUP

GOVERNING BODY MEETING

NHS
Vale of York
Clinical Commissioning Group

Meeting Date: 6 June 2013

Report Sponsor:	**Report Author:**
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1.   Title of Paper: NHS Vale of York Clinical Commissioning Group Assurance Framework 2013-14

2.   Strategic Objectives supported by this paper

1.   Improve healthcare outcomes
2.   Reduce health inequalities
3.   Improve the quality and safety of commissioned services
4.   Improve efficiency
5.   Achieve financial balance

3.   Executive Summary

To provide an overview to the Governing Body of the strategic risks which may threaten the achievement of the NHS Vale of York Clinical Commissioning Group's (CCG) strategic objectives, the associated controls and gaps in assurance to manage and mitigate these risks.

4.   Evidence Base

The Assurance Framework is based on the objectives set out in the Integrated Operational Plan 2013-14. The risk assessment has been provided by the NHS Vale of York CCG Senior Management Team, based upon the Risk Management Framework.

5.   Risks relating to proposals in this paper

Failure to implement the controls within the Assurance Framework will impact on the organisation's ability to manage risk.

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6.   Summary of any finance / resource implications

N/a

7.   Any statutory / regulatory / legal / NHS Constitution implications

All NHS organisations are required to develop and maintain an Assurance Framework in accordance with the government regulations applied to the NHS.

8.   Equality Impact Assessment

N/a

9.   Any related work with stakeholders or communications plan

The Assurance Framework has been developed following a workshop with Governing Body members and alongside Commissioning Support Unit Assurance and Risk colleagues and the NHS Vale of York CCG Senior Management Team. The approved Assurance Framework will be shared with relevant stakeholders.

10.   Recommendations / Action Required

It is recommended that the Governing Body

1.   Review and approve the proposed Assurance Framework and Schedule of Reporting, subject to any amends agreed at the meeting.

2.   Endorse the proposal for forward plans for the Governing Body and relevant Committees to incorporate reporting on significant risks

3.   Endorse the proposed next steps as outlined in 5.1-5.3

4.   Discuss the principal risks with existing high risk scores (15 or above) to ensure that it is satisfied that the action plans will address the identified gaps.

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11. Assurance

- The Audit Committee will provide oversight of the implementation of the assurance controls, in line with the Terms of Reference.

- Significant risks will be escalated to the Governing Body and monitored through the forward plan

- It is proposed that the Governing Body receive bi-annual reports on the Assurance Framework as a minimum.

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NHS Vale of York Clinical Commissioning Group (CCG) Assurance Framework 2013-14

1.   Background

1.1   All NHS organisations are required to develop and maintain an Assurance Framework in accordance with the government regulations applied to the NHS. The Assurance Framework allows the Governing Body to consider the risks that may prevent the NHS Vale of York CCG from delivering its statutory duties and functions.

1.2   The NHS Vale of York CCG agreed to refresh the existing Assurance Framework following authorisation to ensure alignment to the strategic objectives set out in the Integrated Operational Plan 2013-14. This report presents the revised Assurance Framework for 2013-14.

2.   Development of the Assurance Framework

2.1   The 2013-14 Assurance Framework is based upon the 'critical success factors' for NHS Vale of York CCG. These success factors have been taken from the themes within the Integrated Operational Plan (IOP) 2013-14:

Critical Success Factors:

- Improving health outcomes for the local population
- Improve the quality and safety of commissioned services
- Achieving financial balance
- Working collaboratively with all stakeholders in service development and decision making
- Ensuring the CCG has the capacity and processes to deliver its statutory duties

2.2   To achieve these, the IOP 2013-14 sets out strategic objectives and associated work programmes. The Assurance Framework process considers the principal risks to delivering on those objectives and outlines the existing and proposed control mechanisms to manage those risks.

2.3   The draft Assurance Framework has been developed on the basis of feedback from the April 2013 Governing Body risk management workshop and alongside governance colleagues in the Commissioning Support Unit (CSU). The Senior Management Team has reviewed the principal risks and considered each associated risk assessment, based on the current position.

3. Risk Management

3.1 The Assurance Framework identifies twenty-three principal risks to the strategic objectives of NHS Vale of York CCG. It outlines the controls and where controls are not currently in place, they are identified in the relevant action plan.

3.2 The principal risks under 'Achieving Financial Balance' are being reviewed at the Finance and Contracting Committee on the 6th June, and the Assurance Framework will be updated as appropriate.

3.3 Each risk has been considered in terms of the impact on the overall objective should the event occur, and the likelihood of that event occurring. This follows the NHS Vale of York CCG Risk Management Strategy assessment matrix:

Almost certain	5	10	15	20	25
Likely	4	8	12	16	20
Possible	3	6	9	12	15
Unlikely	2	4	6	8	10
Rare	1	2	3	4	5
Probability / **Severity**	Negligible	Minor	Moderate	Serious	Catastrophic

3.4 A risk category of 15 or above is considered to be a significant risk, warranting proactive and regular monitoring of actions to reduce or manage the risk. The CCG has determined that those risks identified as low or moderate (1-6) in accordance with the risk matrix can be regarded as acceptable risks.

3.5 The Assurance Framework will be underpinned by departmental risk registers (Finance & Contracting, Quality & Performance, QIPP Programme Delivery and Corporate), which provide more detail on the specific programme or delivery risks and are pro-actively managed by the responsible senior manager and regularly reported to the appropriate Committee.

3.6 The departmental risk registers will include those risks, both clinical and non-clinical, identified as being significant and those where a manager cannot immediately introduce control measures to reduce the level of risk to an acceptable level.

3.7 The departmental risk registers feed into the Assurance Framework to inform the risk assessments on the principal risks. It is proposed, in addition, that any significant risks within those risk registers that impact upon a strategic objective are escalated for reporting to Governing Body as part of the Assurance Framework.

4. Schedule of Reporting

4.1 The Assurance Framework is a live process as risks are dynamic. New risks can emerge and circumstances can change affecting the impact and likelihood of existing risks. Due to the nature of risk, it is recommended that the Governing Body and relevant Committees embed a regular cycle of reporting for the work relating to significant risks.

4.2 Forward plans should be based upon the principal significant risks, to ensure the Governing Body and relevant Committees receive reports covering positive assurance, gaps and controls. This will enable the Governing Body and Committees to be fully informed of strategic risks and therefore to direct work and resources appropriately.

4.3 The Assurance Framework and associated risk registers will also be subject to regular review to ensure the ratings and controls are accurate. It is proposed that departmental risk registers are reviewed monthly in line with Committee reporting, with the overall Assurance Framework reviewed quarterly as a minimum.

4.4 Outside of regular reporting cycles, it is recommended that where an existing risk is escalated a score to 15 or above, or a new significant risk is identified, that the responsible Senior Manager informs the Head of Governance to update the Assurance Framework, and the risk is reported to the next scheduled Governing Body and relevant Committee.

4.5 It is recommended that the Audit Committee oversees the effectiveness of the Assurance Framework, reporting cycle and processes for independent assurance.

5. Next Steps

5.1 Subject to any amends from the Governing Body, the Assurance Framework action plan will be developed to ensure all identified gaps in assurance are addressed and confirm the cycle of independent assurance. This will inform the anticipated future risk score at the end columns on the assurance framework.

5.2 The departmental risk registers will be updated and processes embedded for monthly monitoring and reporting.

5.3 In conjunction with the relevant Chairs, a forward planning cycle of reporting for the Governing Body and Committees will be developed on the basis of the significant risks.

6.   Recommendations

It is recommended that the Governing Body:

6.1   Review and approve the proposed Assurance Framework and Schedule of Reporting, subject to any amends agreed at the meeting.

6.2   Endorse the proposal for forward plans for the Governing Body and relevant Committees to incorporate reporting on significant risks

6.3   Endorse the proposed next steps as outlined in 5.1-5.3

6.4   Discuss the principal risks with existing high risk scores (15 or above) to ensure that it is satisfied that the action plans will address the identified gaps.