


Item Number: 6									
Name of Presenter: Rachel Potts									
Meeting of the Governing Body 2 June 2016	 NHS Vale of York Clinical Commissioning Group								
Governing Body Risk Report									
Purpose of Report To Receive									
Rationale <p>To present the current risk position for the NHS Vale of York CCG. The CCG is in the process of assessing identified risks to the new Assessment and Improvement regime, following publication of the detailed and technical guidance on the 23rd May, to identify significant risks against the CCG required functions. The mitigation actions for these risks will form part of the recovery plan for the CCG.</p> <p>The Corporate red risks report provides a summary of the risks identified through the departmental risk registers and action note summarising the actions to address the risk. The detailed risk report and associated actions are reported monthly to the Quality and Finance Committee.</p>									
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Recommendations

The Governing Body is requested to:

- a) Receive the Risk Register report and note the burden of risk in specific areas
- b) Review the level of assurance it receives on the areas of significant risk through the forward plan.
- c) Consider whether controls need to be strengthened or further mitigating action(s) needs to be planned/implemented.
- d) Review the CCG Board Assurance Framework in line with new national Improvement and Assessment Framework at a Governing Body workshop

Responsible Chief Officer and Title	Report Author and Title
Rachel Potts, Chief Operating Officer	Lynette Smith, Head of Corporate Assurance and Strategy

Annexes

Annex A: Corporate Heat Map and Red Risks Report

NHS Vale of York CCG Governing Body

2 June 2016

Governing Body Risk Report

1.0 Background

- 1.1 The NHS Vale of York CCG reviews all reported risks on a monthly basis in line with the CCG's Risk Management Strategy, with ongoing identification and management of risks within departments and programme teams. This paper presents the reported corporate risks as of May 2016.
- 1.2 The CCG assesses risk against impact and likelihood of a risk occurring. These are reviewed against a 5x5 matrix (1 is low and 5 is high) and risk score applied. A significant risk is classed as a risk scoring 15 or over. These risks are reported to each Governing Body. The detail reporting of all risks and action planning is presented each month to the Quality and Finance Committee.

2.0 Events this Period

- 2.1 Events are risks that have materialised. Events have been reported in respect of the failure to submit an agreed Better Care Fund plan within the national timescales with City of York and North Yorkshire County Council. The performance report for 2015-16 confirms that the 95% target for the 4 hour wait target for Accident and Emergency services was not achieved in 2015-16. Risks remain around these areas and actions are on-going in 2016/17 to proactively manage these risks.
- 2.2 A new event has materialised in respect of fast track Continuing Health Care packages as the CCG has been alerted to a number of unfulfilled packages of care. This has an impact on patients and the Partnership Commissioning Unit working to ensure the required care is delivered.
- 2.3 Two events remain active from 2015/16 both relating to delivery of mental health services arising from the closure of Bootham Hospital and implementation of inpatient facilities within the York area.

3.0 Strategic Risks

- 3.1 The CCG is in the process of annual refresh of the Assurance Framework, which will be reported to the next Governing Body meeting. The CCG has identified a series of strategic risks, which are identified as risks to the national CCG Improvement and Assessment regime domains. This is the new assurance framework from NHS England to hold CCGs to account for delivering their statutory requirements against four defined domains; 'Better Health, Better Care, Sustainability and Leadership'.

3.2 The risk mapping has identified that there are significant risks to the organisation across the four domains, with a greater collection of significant risks against 'Better Care' and 'Sustainability' domains. The CCG plans to return to a robust organisational position, and is in the process of developing the short term 'Turnaround Plan' to a comprehensive recovery plan against the Improvement and Assessment Framework, bringing together the commitments in the operating and finance plans, risk mitigations and organisational development.

4.0 Corporate Risks

4.1 Corporate risks are risks against the organisation's critical success factors, defined in the internal Assurance Framework. These are identified in the current Assurance Framework as:

- Well led organisation with the skills and capacity to deliver statutory functions
- Effective Clinical and quality assurance improving the quality and safety of commissioned services
- Resilient health care system, improving health outcomes for the local population
- Financial sustainability supported by effective financial management
- Transforming local healthcare services

A risk heat map of all corporate risks is provided at Annex A, with the summary of all significant corporate risks identified across the departmental risk registers.

4.2 There are a high number of significant risks identified at the start of 2016-17, with 19 significant risk reports for May, this compares to 8 reported significant risks at the start for 2015-16. This is a reflection of more detailed risk reporting on financial risks and the organisational 'turnaround' position. Given the high level of risk, it is advised that the Governing Body reviews the level of assurance it receives on the areas of significant risk through the forward plan.

4.3 The portfolio of significant risk reported this month can be broadly summarised as:

- Risk to the financial recovery of the CCG
- Risk to deliver an agreed Better Care Fund with City of York and North Yorkshire County Council
- Risks on delivery of services provided by the Partnership Commissioning Unit (Continuing Health Care and spend).
- Risks to required performance standards and quality assurance
- Reputational risk as a result of the above and Turnaround position.

4.4 The Governing Body agenda and supporting papers provide a detailed update on the following risk areas and actions in place to address these:

1. Financial recovery: Financial Performance Report
2. BCF position: Accountable Officers report
3. Performance standards and quality assurance: Quality and Performance Report

Members are asked to consider these reports in light of the reported risks and recommend any further mitigation actions, prioritisation of work to respond to these risks or further controls to be implemented.

- 4.5 The Communications Plan is in development in support of the reputational risks for the CCG.
- 4.6 The CCG and Partnership Commissioning Unit (PCU) continue to work on the timely reporting of risks and mitigating actions relating to Partnership Commissioning Unit service areas into the CCG risk reporting cycle. The CCG has, in partnership with the other North Yorkshire CCGs, commissioned internal audit reports during 2015/16 on financial processes within the PCU and has agreed a number of actions to be put in place to reduce the risks on financial spend. Further internal audits are planned for 2016/17. In addition the CCG has provided senior financial capacity to work with the finance team in the PCU to establish specific finance related actions and recommendations, including QIPP schemes, within a short timescale. The PCU have reported actions to the Senior Management Team to improve the position on fast track Continuing Health Care packages through close working with agencies to identify appropriate packages of care.
- 4.7 Each risk is required to be supported by detailed action plans to manage risks identified. These are documented through the Covalent system and monitored by identified risk owner. These are reviewed corporately through the governance team. The governance team will work closely with Chief Officers to improve actions and reporting during 2016-17.

5.0 Next Steps

- 5.1 The CCG recognises the need to improve responsiveness and action to address risk and prevent events from materialising. A risk session is planned with Chief Officers to review the supporting actions and capacity to manage the level of risk across the CCG.
- 5.2 Risk training is being sourced for quarter 1 for all staff, particularly to focus on risk response, effective assessment of proximity of risks (i.e. when might the risk materialise) and risk management within projects.
- 5.3 Review of risk reporting from supporting services, including the PCU and the new Commissioning Support Services; eMBED and North East Commissioning Support to ensure Governing Body receives a comprehensive risk profile.
- 5.4 The internal Assurance Framework is under review to ensure it aligns to the new Improvement and Assessment regime and effectively identifies the risks

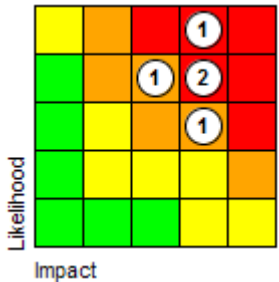

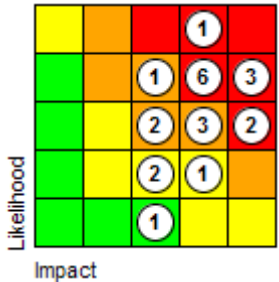

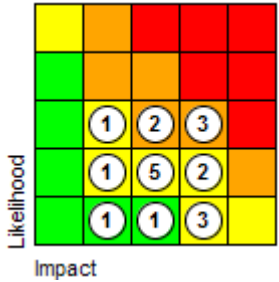

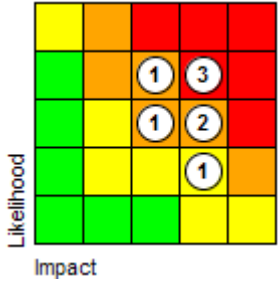

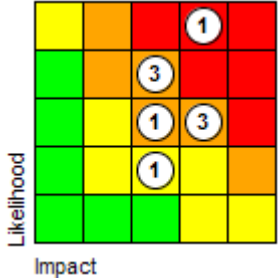

to the organisation in a timely manner to support effective action. This will include a review of reporting and presentation.

6.0 Recommendations

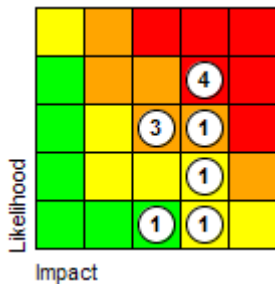
It is recommended the Governing Body:

- 6.1 Note the Risk Register report and the burden of risk in specific areas.
- 6.2 Review the level of assurance it receives on the areas of significant risk through the forward plan.
- 6.3 Consider whether controls need to be strengthened or further mitigating action(s) needs to be planned/implemented.
- 6.4 Review the CCG Board Assurance Framework in line with new national Improvement and Assessment Framework at a future workshop.

Corporate Risk Heat Map

Area	Current Risk Matrix	Trend	Latest Note
Communications 2016/17			<p>Increased local and national media interest continues in relation to the CCG's work. The current pressures to react and to complete planned work during periods of high media interest remain an issue.</p>
Finance and Contracting 2016/17			<p>The key risks continue to relate to the financial position and outlook for the CCG over the short and medium-term, particularly in 2016/17. The CCG is still awaiting assurance of the current financial plan from NHS England and has agreed immediate and on-going reporting and monitoring processes which will be in place from 1st June. Due to the plan having unmitigated risk, the CCG must work with NHS England to identify further mitigations to close this gap.</p>
Corporate Governance 2016/17			<p>The CCG is reviewing its committee structure and constitution during Q1 as part of the annual cycle to take account of changes and recommendations from 2015-16. The CCG is operating under a new interim Accountable Officer. The focus for improvements in 2016-17 is risk reporting and pro-active management, return to performance against national assessment domains and organisational development.</p>
Innovation and Improvement 2016/17			<p>The risks concerning both QIPP and BCF delivery are significant. For BCF it is proving equally difficult to derive a plan which delivers true transformation.</p>
Partner Organisation-PCU 2016/17			<p>Further work is required on the risks captured and reported by the Partnerships Commissioning Unit. Although regular updates are taking place, additional reporting on risks has been requested as well as further assurance during the regular meetings.</p>


Quality & Performance Register 2016/17







Two key constitutional targets are not being met on an on-going basis. The implication of failing to deliver constitutional targets over the longer term is that there may be increased risk to patient safety, reduced quality of service, poor patient experience and poor patient satisfaction. The CCG may not receive the total quality premium payment if its providers do not meet the NHS Constitution rights or pledges for patients. Due to the timing of the monthly NHSE data publication, the constitutional target data for data is not available until after papers have been submitted and will be updated when available.

Corporate Red Risks Profile Report





Communications 2016/17

Risk Summary	Operational Lead	Lead Director	Current Risk Rating	Trend	Last Reviewed Date	Action Note
Proactively managing reputation	Sharron Hegarty	Rachel Potts	20		11-Apr-2016	Plan is complete - requires SMT agreement / approval. Once approved the plan will be embedded to the CCG's daily activities and monitored on a monthly basis.

Financial Risks 2016/17-Operational

Risk Summary	Operational Lead	Lead Director	Current Risk Rating	Trend	Last Reviewed Date	Action Note
Acute (Incl. NCAs, AQP and YAS) overtrades	Michael Ash-McMahon; Neil Lester	Tracey Preece	16		11-May-2016	This assessment is based upon historic trends. It is too early to be certain of future positions and ongoing review and assessment will take place to monitor the position.
Failure to deliver the required QIPP savings	Michael Ash-McMahon; Fiona Bell; Neil Lester	Tracey Preece	16		11-May-2016	QIPP Plans are challenging and require delivery from the outset of the financial year. Historic achievement suggests that delivery will be difficult and focus on development of further mitigations is required. Improved actual programme management reporting and monitoring being implemented through SMT, PDSG and QaF.
Failure to deliver Better Care Fund requirements	Michael Ash-McMahon; Fiona Bell; Neil Lester	Tracey Preece	16		11-May-2016	Discussions regarding BCF plans are ongoing and modelling of the impact will provide more assurance of delivery. However it is now considered that delivery will have serious rather than catastrophic impact.
Failure to manage Partnership Commissioning Unit areas of spend	Michael Ash-McMahon; Neil Lester	Tracey Preece	16		11-May-2016	Work is being undertaken in conjunction with PCU colleagues to review all PCU areas of expenditure in order to strengthen reporting, communication and early warning. In addition the aim of the review is to reduce financial risks and expenditure in their areas through benchmarking and review.

Financial Risks 2016/17 -Organisational

Risk Summary	Operational Lead	Lead Director	Current Risk Rating	Trend	Last Reviewed Date	Action Note
Failure to deliver a 1% surplus	Michael Ash-McMahon; Neil Lester	Tracey Preece	20		11-May-2016	The current financial plan is still awaiting assurance from NHS England. It is still almost certain that VOYCCG will fail to achieve a 1% surplus in 2016/17, but plans assume that this will be delivered over the medium to long-term. Work is ongoing to refine and update QIPP and mitigations to close the gap.
Failure to deliver planned financial position	Michael Ash-McMahon; Neil Lester	Tracey Preece	16		11-May-2016	VOY CCG is facing a difficult financial position and QIPP scheme delivery will be difficult and may not ensure delivery of the planned financial position. Work is ongoing to identify additional mitigations to manage any further variation beyond the current plan in order to close the gap.
Failure maintain expenditure within allocation	Michael Ash-McMahon; Neil Lester	Tracey Preece	20		11-May-2016	VOY CCG is facing a difficult financial position and QIPP scheme delivery will be difficult and may not ensure delivery of the planned financial position. Work is ongoing to identify additional mitigations to manage any further variation beyond the current plan and QIPP in order to close the gap.
The CCG receives a qualified external audit opinion	Michael Ash-McMahon;	Tracey Preece	16		11-May-2016	Given that the assessment is that the CCG will fail to manage expenditure within current

Risk Summary	Operational Lead	Lead Director	Current Risk Rating	Trend	Last Reviewed Date	Action Note
	Neil Lester					allocation, it is likely that a qualified audit opinion will be given in 2016/17 for failure to achieve financial duties. Work is ongoing regarding QIPP and further mitigations to manage this position and ensure that a qualified opinion is not received.

Financial Risks 2016/17-Planning

Risk Summary	Operational Lead	Lead Director	Current Risk Rating	Trend	Last Reviewed Date	Action Note
Inability to create sustainable financial plan	Natalie Fletcher	Tracey Preece	20		11-May-2016	VOYCCG is still awaiting NHS England assurance of the financial plan.
Inability to agree provider contracts	Liza Smithson	Tracey Preece	15		11-May-2016	Main contracts are still to be agreed but the avoidance of arbitration is a positive move to agreement. It is expected that contracts will be finalised and signed in May/June 2016.

Innovation and Improvement 2016/17

Risk Summary	Operational Lead	Lead Director	Current Risk Rating	Trend	Last Reviewed Date	Action Note
QIPP - Transformational changes fail to achieve target savings	Paul Howatson	Rachel Potts	16		12-May-2016	The Finance and Contracting Team are regularly reviewing the activity and financial delivery of the schemes and feeding back regularly to the wider CCG. Finance reporting will be incorporated in the QIPP monitoring reports to QaF.
Failure to reduce non-elective admissions to planned levels	Paul Howatson	Rachel Potts	16		12-May-2016	NEL activity has not reduced at planned trajectories. This information has been factored in for 2016/17 and is being closely monitored by the Finance and Contracting Team.
Delivery of BCF targets is dependent on partners and outside the immediate control of the CCG	Paul Howatson	Rachel Potts	16		12-May-2016	The management of the Better Care Fund will be carefully monitored by the newly established Integrated Transformation Board (ITB) which succeeded the Joint Delivery Group.

Partner Organisation-PCU 2016/17

Risk Summary	Operational Lead	Lead Director	Current Risk Rating	Trend	Last Reviewed Date	Action Note
Failure to fulfil Fast Track CHC packages	Paul Howatson	Michelle Carrington	20		12-May-2016	The CCG has been alerted to a number of unfulfilled CHC packages. Other agencies and organisations have been contacted to help with the immediate demand for packages.

Quality & Performance Register 2016/17

Risk Summary	Operational Lead	Lead Director	Current Risk Rating	Trend	Last Reviewed Date	Action Note
Constitution target – Urgent Care - VoYCCG failure to meet 4 hour A&E target	Fliiss Wood	Michelle Carrington	16		10-May-2016	York Hospitals Foundation Trust provided the CCG with an updated Acute and Emergency Care Recovery Plan in April 2016. This details the improvement trajectory 2016/17 and key enablers as well as how they will influence improvement against Emergency Care Standards (ECS).
Constitution target – Planned Care - VoYCCG failure to meet Cancer targets	Sheena White; Fliiss Wood	Michelle Carrington	16		10-May-2016	Vale of York CCG achieved all 14 day and 31 day targets in March 2016 with the exception of the 62 day screening target. A full update is available in the Quality and Performance Report
YTHFT Serious Incident processes may not be effectively managed	Michelle Carrington	Michelle Carrington	16		10-May-2016	YTHFT have updated their process for reviewing and managing Serious Incidents related to falls and pressure ulcers in conjunction with revised

Risk Summary	Operational Lead	Lead Director	Current Risk Rating	Trend	Last Reviewed Date	Action Note
						care practices. None of the CCGs are assured enough at this time to close the large number of historical Serious Incidents. The CCGs have been invited to the review panel to observe, contribute and gain assurance. This first group attended was on the 6th of April 2016 and will be attended monthly going forward. The Serious Incident review process is also being revised with plans to invite representatives from YTHFT to attend and provide contemporaneous responses to questions.
Lack of assurance on quality and performance monitoring in Primary Care.	Michelle Carrington	Michelle Carrington	16		10-May-2016	Draft of metrics in development with plans for discussion at Council of Representatives Artist Groups after Primary Care Co-commissioning Committee in June.

