NHS
Surrey Downs
Clinical Commissioning Group

Governing Body Assurance Framework 2016/17

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Audience(delete those that do not apply / add as necessary):	Audit Committee Governing Body

EXECUTIVE SUMMARY

Background

This is the final presentation of the Assurance Framework for 2016-17 and is in effect a closing report for the year. The majority of the risks will need to continue in 2017/18 with some variation. It is also probable that the work of aligning Surrey Downs with other commissioners and providers within Surrey Heartlands may require a review of the assurance framework by mid-year.

Summary position

The summary position for the principal objectives is that by year end all risks have been bought within tolerance levels as determined by the CCG's risk appetite.

Principal Objectives

The Governing Body set four principal (P) objectives for 2016-17

P1) Deliver the Financial Recovery Plan, based largely on a successful transformational QIPP programme

There were three risks under this heading, two of which (failure to deliver QIPP target and acute overspends) materialised; however in both cases there were sufficient mitigations in place to reduce the score to target appetite levels by the end of the year.

The third risk, around possible changes to central allocations, was not realised and was therefore mitigated.

Proposals for 2017-18.

Keep this objective and refresh risks. A fourth risk in this area should be considered which would relate to the difficulties in setting a balanced budget.

P2) Take responsibility, with other partners in the footprint, for the Surrey Heartlands STP and ensure that this contributes significantly to the creation of a sustainable health economy with improved outcomes and quality

The four risks in this area have all been stable and relate to complexity, clinical case for change, workforce and difficulties with identifying investment funds.

Proposals for 2017-18.

It is proposed to continue these risks in to 2017/18 as they stand, but to add in the impact of devolution.

P3) Prepare the CCG to take on its responsibilities for the commissioning of primary care in 2017-18, ensuring that this is consistent with broader commissioning development

There were three risks in this area relating to lack of investment, workforce / primary care capacity, and taking on delegated commissioning. The last of these has been terminated as no longer relevant. The GP Forward view has partly but not wholly mitigated the risk around investment and this score has been reduced, however there remain significant issues with primary care capacity and workforce.

Proposals for 2017-18.

P3a and P3c to be maintained. P3b (delegated commissioning) to be reviewed in light of plans for delegated commissioning.

P4) Ensure that the CCG's Organisational Development programmes for the Governing Body and Heads of Service create a radically different culture for the delivery of both objectives and Business As Usual.

The two risks relate to the separate programmes for Heads of Service and Governing Body respectively. Both have been very successful and the risks bought within risk appetite. However the changes to the Governing Body at the end of the year, with significant changes to the Executive and one change in the GP membership, do mean that some of the effectiveness of the programme will inevitably need to be kept under review.

Proposals for 2017-18.

It is recommended that a new principal objective is established that sets organisational development in the context of three CCGs working more closely within the Surrey Heartlands footprint under a single Accountable Officer. This will need to be framed for Quarter 2 given the recruitment to the joint AO position.

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GOVERNANCE SUMMARY

Compliance:	**Finance:** Significant in relation to STP and financial recovery
	Engagement : Significant in relation to changes for service proposals and STP.
	Formal impact assessments: N/A – will be within more detailed individual schemes
	Risk: Subject of paper
	Legal: None at this stage
CCG principal objectives relevant to this paper (delete those that do not apply):	P1) Deliver the Financial Recovery Plan, based largely on a successful transformational QIPP programme P2) Take responsibility, with other partners in the footprint, for the Surrey Heartlands STP and ensure that this contributes significantly to the creation of a sustainable health economy with improved outcomes and quality P3) Prepare the CCG to take on its responsibilities for the commissioning of primary care, ensuring that this is consistent with broader commissioning development P4) Ensure that the CCG's Organisational Development programmes support the delivery of both strategic objectives and business as usual.

SURREY DOWNS CCG - GOVERNING BODY ASSURANCE FRAMEWORK 2016/17

Principal Objective	Risks to delivery of this objective	Source of risk (where does this come from)	Potential effect of the risk (what might happen)	Pre-mitigation likelihood Score	Pre-mitigation impact Score	Net initial Score	Date of latest scoring	Mitigations and Comments	Revised Likelihood Score	Revised Impact Score	Revised Net Score	Risk Appetite range for this category of risk	T Value (Treat, Tolerate, Terminate or Transfer)
P1) Deliver the Financial Recovery Plan, based largely on a successful transformational QIPP programme	P1(a): Failure to achieve QIPP target	Scale and complexity of QIPP programme	QIPP shortfall would add pressure to find non-recurrent savings in year and add to subsequent years QIPP targets	4	5	20	01/09/2016	Although the overall QIPP target will not be achieved the proportion of target realised will be so significant as to effectively mitigate the risk	5	1	5	Minimal 1-5	Tolerate
P1) Deliver the Financial Recovery Plan, based largely on a successful transformational QIPP programme	P1(b) Failure to control contracts with suppliers	Historical volatility of contracts, particularly acute and non-local contracts	Actual cost pressure generating requirements for additional Non Recurrent Savings and potentially further QIPP schemes	4	5	20	01/09/2016	Contracts for 2016-17 have been arranged to reduce risk. Continued management in final quarter.	5	1	5	Low 6-8	Tolerate
P1) Deliver the Financial Recovery Plan, based largely on a successful transformational QIPP programme	P1(c) Unplanned adjustments to central allocations or additional commitments	Historical examples of central changes that cannot be planned for	Actual cost pressure generating requirements for additional Non Recurrent Savings and potentially further QIPP schemes	3	4	12	01/09/2016	No scope to mitigate central actions - some impact from overseas visitors adjustments recently	1	4	4	Medium 9-12	Tolerate
P2) Take responsibility, with other partners in the footprint, for the Surrey Heartlands STP and ensure that this contributes significantly to the creation of a sustainable health economy with improved outcomes and quality	P2(a) Failure to agree collaborative arrangements with key partner organisations in the STP	Complexity of STP arrangements - large number of commissioner and provider organisations working together	STP effectiveness will be severely limited	4	5	20	01/09/2016	Collaborative arrangements under discussion - terms of reference for joint committee being drafted	3	4	12	Low 6-8	Tolerate
P2) Take responsibility, with other partners in the footprint, for the Surrey Heartlands STP and ensure that this contributes significantly to the creation of a sustainable health economy with improved outcomes and quality	P2(b) Failure to engage with / make the case for change to the public on required transformation	Known issues with making the clinical case for change where service delivery is complex and public perceptions associate change with service reduction	Change will be delayed or even abandoned	3	4	12	01/09/2016	For future consideration - no current plans for engagement. Reconsider when STP plans are clearer and actual service changes proposed.	3	4	12	Medium 9-12	Tolerate
P2) Take responsibility, with other partners in the footprint, for the Surrey Heartlands STP and ensure that this contributes significantly to the creation of a sustainable health economy with improved outcomes and quality	P2(c) Workforce supply issues across the STP cannot be resolved to enable delivery of transformed models of care.	Historical difficulties with recruitment and retention, particularly those sectors of the STP footprint that border London	STP plans will be delayed and here will be an impact on patient care and financial sustainability	3	4	12	01/09/2016	For future consideration when STP plans are clearer and actual service change impact on workforce understood.	3	4	12	Medium 9-12	Tolerate
P2) Take responsibility, with other partners in the footprint, for the Surrey Heartlands STP and ensure that this contributes significantly to the creation of a sustainable health economy with improved outcomes and quality	P2(d) The STP cannot identify or attract sufficient investment to pump prime transformational change, particularly in the areas of estates, digital infrastructure and skills.	Shortages of national and local investment funds	STP plans will be delayed and here will be an impact on patient care and financial sustainability	3	4	12	01/09/2016	For future consideration when STP plans are clearer and requirements for levels of investment understood	3	4	12	Medium 9-12	Tolerate
P3) Prepare the CCG to take on its responsibilities for the commissioning of primary care in 2017-18, ensuring that this is consistent with broader commissioning development	P3(a) Lack of investment to make primary care transformation a reality	Shortages of national and local investment funds	General practice cannot participate in the CCG primary care strategy and associated workstreams	3	4	12	01/09/2016		2	3	6	Medium 9-12	Tolerate
P3) Prepare the CCG to take on its responsibilities for the commissioning of primary care in 2017-18, ensuring that this is consistent with broader commissioning development	P3(b) Overall NHSE assurance position (directions) means the CCG is not able to take on local primary care commissioning responsibilities	NHSE Directions in force since August 2015	CCG is prevented from fully leading primary care locally; CCG lacks capacity to deliver requires of delegated commissioning.	3	4	12	01/09/2016	Propose suspending this objective in light of delegated commissioning vote outcome					Terminate
P3) Prepare the CCG to take on its responsibilities for the commissioning of primary care in 2017-18, ensuring that this is consistent with broader commissioning development	P3(c) Wider strategic context and general pressures in primary care mean that local practices cannot easily engage	Increasing demand on primary care and difficulties with maintaining supply of GPs to local practices	General practice cannot participate in the CCG primary care strategy and associated workstreams	3	4	12	01/09/2016		3	4	12	Medium 9-12	Tolerate
P4) Ensure that the CCG's Organisational Development programmes for the Governing Body and Heads of Service create a radically different culture for the delivery of both objectives and Business As Usual.	P4(a) Turnover and continued use of interims in the senior management group reduces the effectiveness of the HOS development programme	Historical issues with recruitment and retention	Cohesiveness of heads of service as a group and effectiveness of senior management as a whole is reduced	3	4	12	01/09/2016	At the moment turnover is low and the Heads of service programme is proceeding well. Review again in early 2017.	2	3	6	Low 6-8	Tolerate
P4) Ensure that the CCG's Organisational Development programmes for the Governing Body and Heads of Service create a radically different culture for the delivery of both objectives and Business As Usual.	P4(b) Changes in the wider strategic context e.g. STP mean that the Governing Body development programme is overtaken by events	STP and other strategic change	Governing body is limited in scope and influence	3	4	12	01/09/2016	Significant board level development in place and significant influence over STP developments. Review again in early 2017.	2	4	8	Low 6-8	Tolerate