

**Agenda Item 07**

Report to: (Board/Sub-Committee): Partnership Board

Date of Meeting: 8 March 2018

Subject: **Board Assurance Framework**

Presented by: Chief Finance Officer

**STATUS OF THE REPORT *(auto check relevant box****)*

For Information

For Discussion

For Approval / Ratification

Report Exempt from Public Disclosure  No  Yes

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| --- | --- |
| **PURPOSE OF REPORT:** | The North East Lincolnshire CCG Board Assurance Framework (hereafter CCG BAF) acts as a high-level risk identification system with regard to compliance with the CCG’s strategic objectives. The Board Assurance Framework highlights gaps in control, gaps in assurance processes and details of necessary action to be taken. The CCG BAF demonstrates positive assurance received to date and any outstanding gaps in control or assurance.  To support the Partnership Board in carrying out its duties effectively the Integrated Governance & Audit Committee monitors the BAF on a quarterly basis, which ensures robust and adequate progression of the risks are kept live and relevant. This is an on-going process and Integrated Governance & Audit Committee informs the Partnership Board of the development of BAF for the CCG.  Please refer to summary report below for full activity during 2017/18 and appendices/attachments section of this report for full copy Board Assurance Framework. |
| **Recommendations:** | The Partnership Board asked to note-   * The update provided and; * The level of assurance received by the CCG, in relation to its strategic risks and comment where appropriate. |
| **Sub Committee Process and Assurance:** | The Integrated Governance & Audit Committee |
| ***Implications:*** |  |
| **Risk Assurance Framework Implications:** | The Board Assurance Framework is a key component of the CCG’s system of internal control. |
| **Legal Implications:** | Not applicable for this report |
| **Equality Impact Assessment implications:** | An Equality Impact Analysis/Assessment is not required for this report  An Equality Impact Analysis/Assessment has been completed and approved by the EIA  Panel. As a result of performing the analysis/assessment there are no actions arising  from the analysis/assessment  An Equality Impact Analysis/Assessment has been completed and there are actions arising  from the analysis/assessment and these are included in section \_\_\_\_ of the enclosed report |
| **Finance Implications:** | The Board Assurance Framework contains key financial risks to the organisation |
| **Quality Implications:** | The Board Assurance Framework contains key risks linked to quality/patient safety |
| **Procurement Decisions/Implications *(Care Contracting Committee):*** | The Board Assurance Framework contains key risks linked to Contract Management |
| **Engagement Implications:** | The Board Assurance Framework contains key risks linked to communications and engagement |
|  |  |
| **Conflicts of Interest** | Any interests which are declared at a meeting will be included on the CCG’s Declaration of interest Register.  *all current conflicts and potential conflicts of interest been appropriately declared and entered in registers which are publicly available?*  Yes  No |
| **Links to CCG’s Strategic Objectives** | Sustainable services  Empowering people  Supporting communities  Delivering a fit for purpose organisation |
| **NHS Constitution:** | <https://www.gov.uk/government/publications/the-nhs-constitution-for-england> |
| **Appendices / attachments** |  |

**Board Assurance Framework**

**March 2018**

**Introduction**

The CCG Partnership Board monitors the achievement of its strategic and business objectives; the Board Assurance Framework captures how assurance has been received by the CCG and whether it militates against the risks that the CCGs objectives might not be achieved.

The CCG Partnership Board should have the opportunity during the financial year to monitor the assurance it has received and identify any gaps that should be addressed in order to be assured.

The Board Assurance Framework domains are set out as per NHS England’s CCG improvement and assessment framework for 2016-17. The four key ‘domains are set our below:

**Better Health**: this section looks at how the CCG is contributing towards improving the health and wellbeing of its population;

**Better Care**: this principally focuses on care redesign, performance of constitutional standards, and outcomes, including in important clinical areas;

**Sustainability**: this section looks at how the CCG is remaining in financial balance, and is securing good value for patients and the public from the money it spends;

**Leadership:** this domain assesses the quality of the CCG’s leadership, the quality of its plans, how the CCG works with its partners, and the governance arrangements, for example in managing conflicts of interest.

**Key Progress 2017/18**

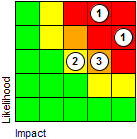
Individual risk assignees are responsible for updating, reviewing and managing their risks. Risk management reviews have taken place with risk managers and assignees. The purpose of these sessions are to provide the opportunity for Managers/Assignees to work together to review their risks paying particular attention to the risk ratings/internal controls and look at ways of improving our risk registers. This is also an opportunity to undertake an internal confirm & challenge and monitor static risks, for example if the risk rating of a risk hasn’t changed within the last 12 months, to evaluate whether the risk remains relevant and if so what actions will be taken.

A Board Risk Awareness/Assurance workshop took place in January 2018, giving the board the opportunity to review Board Assurance Framework to ensure includes the key strategic risks the organisation currently faces and that the risk scores reflective the level of mitigated risk. Following the workshop the board recommended that the CCG reviews the current escalation process and produces an escalation process map. This has been considered and shared with the CCG Operational Leadership Team. A deep dive session is to be arranged in early 2018.

**Current Position**

At the time of writing this report, there are currently 7 risk on the Board Assurance Framework, of these, 2 have a current risk rating of high (15 or above), please refer to table below.

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| --- | --- |
|  | March 2017 |
| Total number of risks | 7 |
| High level risks (rated at 15+) | 2 |
| Medium to high level risks (rated at 12+) | 3 |
| Low to medium level risks (rated at 9+), | 2 |
| Low level risks (rated at 3+) | 0 |



The table below demonstrates the principal risks (that is a risk rating of 15 and above) as at March 2017

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Risk Code** | **Risk Summary** | **Initial Risk Rating** | **Current Risk rating** | **Current Risk Trend Icon** | **Last reviewed date** | **Control** | |
| CCG-BAF.2002 | Risks in delivery of key annual performance indicators and standards including constitutional standards | 12 | 20 |  | 15 Feb 2018 | **Assurance on controls** | Regular reporting in to Partnership Board, Delivery Assurance Committee, CoM and the operational leadership team. |
| **Positive Assurances** | July 2017 NHS E have acknowledged the CCG is taking an active leadership role to address the issues in relation to NLaG.  Further assessment of six clinical areas in the CCG Improvement and Assessment Framework demonstrate that NEL are in the top five CCGs in the country, although improvement is required in three.  NHSE's overall assessment of the CCG in the improvement and assessment framework was ‘Good’.  In particular A&E four hour wait performance saw significant improvement in quarter 3 of 2017-18 and met the national expectation of 90%. This is a measure that has not met this level of performance for over a year. Q4 performance has dipped again but the Trust are still performing better than the average.  2016/17 Year end position of ASC targets was positive and the Local Account was positive.  The CCG also recently received the best available ratings for diabetes services (Outstanding) and Patient & Community Engagement (Green Star) |
| **Gaps in controls** | None |
| **Gaps in assurances** | We recognise that there is significantly increased oversight and assurance mechanisms in place to oversee NLaG performance however gaps will remain until we start to see improvements feeding through. Some improvements have been noted around A&E and Cancer Waiting Times performance but this needs to be delivered consistently to gain greater assurances. |

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| --- | --- | --- | --- | --- | --- | --- | --- |
| **Risk Code** | **Risk Summary** | **Initial Risk Rating** | **Current Risk rating** | **Current Risk Trend Icon** | **Last reviewed date** | **Control** | |
| CCG-BAF.2003 | NLaG Service Sustainability | 20 | 20 |  | 1 Mar 2018 | **Assurance on controls** | Chief Executive representation from NL & NEL CCGs and NLaG on the System Improvement Board (SIB)  The CCG's Chief Finance Officer represents the CCG on the aligned incentive contract group |
| **Positive Assurances** | System Improvement Board whose membership includes NHS England and NHS Improvement.  NEL CCG received positive feedback in the second quarter of 2017 at its assurance meeting with NHS England  The STP In-hospital Working Group is starting to work more effectively and is addressing issues across providers  The ACP is getting more involved and starting to come up with proposals to divert activity and release pressures |
| **Gaps in controls** | All of the controls listed have only been established very recently and need time to bed in before their full effectiveness can be evaluated. All of the groups have now been operating for a number of months, and improvements in quality and performance are starting to be seen |
| **Gaps in assurances** | All of the assurances listed have only been established very recently and need time to bed in before their full effectiveness can be evaluated  Lack of consistent leadership presence from NLaG due to a number of time limited interims in place |

**Recommendations**

* Board members are asked to note:
* The update provided and;
* The level of assurance received by the CCG, in relation to its strategic risks and comment where appropriate