

## Manchester Health and Care Commissioning Board

A partnership between Manchester

City Council and NHS Manchester Clinical Commissioning Group

<b>Agenda Item:</b>	4.1	<b>Date:</b>	24 May 2017
<b>Report Title:</b>	Governance and Assurance Report		
<b>Prepared by:</b>	Director of Corporate Affairs		
<b>Presented by:</b>	Director of Corporate Affairs		
<b>Summary of Report:</b>	This report updates the Board on a number of Governance issues, namely: <ul style="list-style-type: none"> <li>▪ Board Risk Assurance Framework</li> <li>▪ Partnership Agreement</li> <li>▪ Governance Committee discussions</li> </ul>		
<b>Strategic Objective:</b>	<ul style="list-style-type: none"> <li>• To improve the health and wellbeing of people in Manchester</li> <li>• To strengthen the social determinants of health and promote healthy lifestyles</li> <li>• To ensure services are safe, equitable and of a high standard with less variation</li> <li>• To enable people and communities to be active partners in their health and wellbeing</li> <li>• To achieve a sustainable system</li> </ul>		
<b>Board Assurance Framework Risk:</b>	N/A		
<b>Outcome of Impact Assessments completed (e.g. Quality IA or Equality IA):</b>	N/A		
<b>Outline public engagement – clinical, stakeholder and public/patient:</b>	N/A		

# ITEM 4.1

<p><b>Recommendation:</b></p>	<p>The MHCC Board is asked to:</p> <ul style="list-style-type: none"><li>▪ Discuss and agree the Strategic risks which should comprise the Board Risk Assurance Framework</li><li>▪ Note the update on the MHCC Partnership Agreement.</li><li>▪ Note the discussions and actions from April's Governance Committee</li></ul>
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## 1.0 Introduction

1.1 The following report informs the Manchester Health and Care Commissioning (MHCC) Board of:

- Progress in developing MHCC's Board risk assurance Framework
- The MHCC Partnership Agreement
- Governance Committee discussions

## 2.0 MHCC Board Risk Assurance Framework

2.1 At their last meeting, the Board received a paper proposing how risk will be managed and reported within MHCC. This was developed into a draft Risk Management Framework (RMF) which was discussed in detail at April Governance Committee and will be agreed at May's meeting.

2.2 The RMF explains how risks will be segmented in three categories as follows

- Strategic risks – the small number of high level risks identified by the Board as those which present the most significant risk to achieving MHCC's strategic objectives
- Corporate risks – all risks with the potential to affect achievement of MHCC's strategic objectives
- Programme risks – risks with the potential to affect achievement of a particular programme of work

2.3 Risks can be escalated or de-escalated between categories. Corporate risks will be reported through MHCC's Committee Structure with each risk being attached to a single committee for scrutiny and review. Programme Risks will be reported through Programme Management structures. Strategic risks will be the key feature of the Board Assurance Framework and will be scrutinised by the Board at each meeting.

2.4 Members of the Governance Committee, including the Lay Board members for Governance and Finance, the Chief Finance Officer and the Director of Planning and Operations have considered what risks should comprise the Board's Strategic Risk Register i.e. those risks which have the greatest potential to impact on delivery of MHCC's strategic objectives. These risks have been identified and mapped to the relevant strategic objective as follows:

Objective 1: To improve the health and wellbeing of the people of Manchester.

## ITEM 4.1

- *Service capacity*

Current capacity of health and care services in Manchester may not meet demand due to the health needs of local people and the structure of current services.

- *Care Pathways*

Care pathways in Manchester may not facilitate right care, right place at right time.

Objective 2: To strengthen the social determinants of health and promote health lifestyles.

- *Strategic Partnerships*

Work on social determinants of health (employment, housing, leisure etc.) and early interventions in the community may not be effectively linked to the objectives and ambition as stated in the Locality Plan.

Objective 3: To ensure services are safe, equitable, of a high standard with less variation.

- *Local Care Organisation*

The successful commissioning of the LCO may be significantly impaired by financial and legal issues and the complexities of provider alignment.

- *Single Hospital Service*

The improvements in quality of hospital care, and the increased efficiencies, planned for delivery through the Single Hospital Service may be prevented or delayed through complexity of implementation and/or the judgements of external bodies.

- *Inequity*

Local people may have an inequitable health and social care offer due to variation in primary care and a lack of consistency in community-based services across Manchester.

- *Workforce*

Services may not be transformed as promptly or efficiently as planned due to a lack of workforce availability for key clinical/service roles and a lack of capacity across Manchester to deliver the transformation required.

## ITEM 4.1

Objective 4: To enable people and communities to be active partners in their health and wellbeing.

- *Community resources*

Community assets may not develop and flourish as required as a result of difficulties in shifting investment from other health and care settings and a lack of leadership, connection and co-ordination of assets within neighbourhoods.

Objective 5: To achieve a sustainable system.

- *Finance*

There will be challenges to the delivery of MCCG's and MCC's financial duties as a result of increasing demand for services, population changes and increased healthcare costs

- *Governance*

Decision making across organisations and strategic programmes in Manchester and Greater Manchester may lack clarity, co-ordination and public accountability as a result of multiple, and multi-layered, governance structures.

- *Provider Oversight*

MHCC may not identify and act upon safety and quality issues in commissioned services in an effective and appropriate way due to a lack of relevant and timely information.

2.5 Once the risks have been agreed by MHCC Board, a report will come to each future meeting with:

- A Board lead identified for each risk
- A rating for each risk based on likelihood v impact
- Details of the sources of assurance for the Board
- Key actions to mitigate and control the risk

It will be for the Board lead to update the Board at future meetings as to any changes with regard to their risk assessment or mitigations/control.

2.6 The Board is asked to discuss and agree the Strategic risks which should comprise the Board Risk Assurance Framework.

### 3.0 Partnership Agreement

3.1 At the April meeting of the MHCC Board, the Partnership Agreement between Manchester CCG (MCCG) and Manchester City Council (MCC) was discussed and agreed. It has since been signed and sealed by both organisations. It provides for the delegation of the agreed in- scope functions from Manchester City Council to occur by 1 June 2017. It also contains the proviso that MCC can alter this date for delegation if it is necessary to do so.

3.2 One of the reasons for the delay in delegating the functions was that the impact such a move would have on MCC's VAT position was still unclear. This remains the situation despite considerable efforts from MCC to discuss the matter with Her Majesty's Revenue and Customs (HMRC).

3.3 In view of this, the delegation of functions from MCC to MCCG will not take place by 1 June 2017. MHCC board decision making regarding Adult Social Care and Public Health can still take place as, in the meantime, the responsibility for decision making for these areas is delegated to the Director of Adult Social Care and Director of Public Health, both of whom attend the MHCC Board.

### 4.0 Governance Committee

4.1 At the April meeting of the Governance Committee:

- The Terms of Reference were agreed with some small amendments.
- The IG toolkit was discussed along with consideration of the changes and improvements required during 2017/18.
- The Risk Management Framework was discussed in detail. It was agreed that a list of risks, agreed by Governance Committee members, would be presented to the MHCC Board at their May meeting.
- It was agreed that the Manchester Integrated care Gateway should no longer be a standing item on the agenda. Instead, it should be the Executive Committee which receives reports on progress.
- The Mersey Internal Audit reports on the 3 Manchester CCGs' approach to managing Conflicts of Interest were discussed. The Conflicts of Interest policy for MHCC will be discussed and agreed at May's Governance Committee meeting.
- The Mersey Internal Audit report on the 3 Manchester CCGs' Assurance Frameworks were discussed. Suggestions have been fed into the development of MHCC's Risk Management Framework.
- A forward plan for the Committee was presented and agreed.