

Title of Meeting:	Governing Body	Agenda Item:8.2									
Date of Meeting:	4 October, 2018	<table border="1"> <tr> <th colspan="2">Session (Tick)</th> </tr> <tr> <td>Public</td> <td style="text-align: center;">X</td> </tr> <tr> <td>Private</td> <td></td> </tr> <tr> <td>Workshop</td> <td></td> </tr> </table>		Session (Tick)		Public	X	Private		Workshop	
Session (Tick)											
Public	X										
Private											
Workshop											
Paper Title:	Capability and Capacity Review Report and Management Response - Update										
Responsible Governing Body Member Lead Amanda Bloor, Chief Officer	Report Author and Job Title Amanda Bloor, Chief Officer										
This Paper is for:	<table border="1"> <tr> <th>To Approve</th> <th>To Accept</th> <th>To Assure</th> <th>To Note</th> </tr> <tr> <td style="text-align: center;">X</td> <td></td> <td></td> <td></td> </tr> </table>			To Approve	To Accept	To Assure	To Note	X			
To Approve	To Accept	To Assure	To Note								
X											
<p>Has the report (or variation of it) been presented to another Committee / Meeting? If yes, state the Committee / Meeting: No</p>											
<p>Executive Summary In March 2018, NHS England requested that the CCG undertake a 'Capacity and Capability Review' of the organisation. The review was undertaken as a consequence of the CCG's financial deterioration and was completed by PricewaterhouseCoopers (PWC).</p> <p>The review provided recommendations in relation to finance, QIPP, leadership and governance. A copy of the report and the management response was developed and reported to the Governing Body in June 2018.</p> <p>The latest update is provided in Appendix A. The majority of the actions have now been completed or, in the case of new working practices, are established and in place.</p>											
<p>Recommendations Governing Body is asked to</p> <ul style="list-style-type: none"> • Note the progress which has been made. • Approve the October update • Approve the proposal to move the monitoring of Green RAG-rated items to existing governance boards as indicated in the update report. 											
<p>Monitoring The Governing Body will receive updates against the action plan at the bi-monthly and the action plan will be monitored at the Senior Management Team meeting.</p>											

CCG Strategic Objective		X
1	Quality, Safety and Continuous Improvement	X
2	Better Value Healthcare	X
3	Well Governed and Adaptable Organisation	X
4	Health and Wellbeing	X
5	Active and Meaningful Engagement	X

CCGs Strategic Objectives supported by this paper

CCG Values		X
1	Respect and Dignity	X
2	Commitment to Quality of Care	X
3	Compassion	X
4	Improving Lives	X
5	Working Together for Patients	X
6	Everyone Counts	X

CCG Values underpinned in this paper

Does this paper provide evidence of assurance against the Governing Body Assurance Framework?

YES	X	NO	
------------	---	-----------	--

If yes, please indicate which principle risk and outline

Principle Risk No	Principle Risk Outline
2:1	The changing financial position impacts the ability of the CCG to develop and implement an achievable QIPP programme that can deliver the requirements set out in the financial recovery plan.

Any statutory / regulatory / legal / NHS Constitution implications	NHS England requested that the CCG undertake a 'Capacity and Capability Review' of the organisation.
Management of Conflicts of Interest	No conflicts of interest have been identified prior to the meeting.
Communication / Public and Patient Engagement	The report is available to view on the CCG website.
Financial / resource implications	None identified.
Outcome of Equality Impact Assessment	Not applicable.

For further information please contact:
Amanda Bloor, Chief Officer
01423 799318



Harrogate and Rural District
Clinical Commissioning Group

HaRD CCG

Action Plan in response to PWC capacity and capability report
Update October 2018

CCG Status: Green = Recommendation has been implemented and is either complete or is now being monitored through established CCG governance arrangements.

CCG Status: Amber = Recommendation is still being implemented. Progress will continue to be reported to Governing Body.

	PWC Area	PWC Recommendation	PWC Priority Rating	By When (PWC)	CCG Response (June 2018 Update)	Status (June 2018)	CCG Response (October 2018 Update)	Status (Oct. 2018)
1	QIPP Reporting	The CCG should develop QIPP reporting to include risk adjusted value reporting based on percentages outlined in the PPM handbook, to allow better understanding of risks to deliver	Red	30/04/18	Agreed. Savings to be risk adjusted and reported at T&D Board initially on 12/06/18 and then on a regular basis. Risk adjustments are based on a range of factors covering complexity of the project, ownership of actions, track record of delivery and performance.	Green	Risk-adjusted values are now embedded as part of the standard reporting for projects and QIPP schemes. These values are monitored at the CCG's Transformation & Delivery Board (T&D) and the Finance, Performance and Commissioning Committee (FPCC).	Green. Monitor through T&D and FPCC.
2	QIPP Pipeline	The schemes in the pipeline are not yet sufficiently quantified to deliver the scale of the QIPP required for FY19 planned position with c.£0.9m unidentified QIPP. The CHC opportunity should progress further analysis of CHC (c.£1.09m currently identified through external benchmarking analysis) . Primary Care, community and mental health opportunities should be progressed to fill the remaining gap. The CCG should also review other areas of spend including revisiting less palatable options.	Red	30/04/18	Agreed. The identification of QIPP has been a priority for the CCG and the savings gap in the forward financial plan has now been closed. Work is ongoing to identify further QIPP schemes that can deliver savings over and above the current plan that will contribute to the ongoing financial recovery (see Action 3 below).	Green	<p>There remains a gap in identified QIPP savings and the CCG is focused on addressing this as a key priority through the T&D board . Regular updates are provided to FPCC.</p> <p>A review of possible difficult decisions was completed at Governing Body on August 2nd and the CCG continues to develop these proposals.</p> <p>The CCG is also working with PWC through the QIPP4 programme to identify new opportunities.</p> <p>The approach to managing growth in primary care demand has been refreshed and will be key to reducing costs in secondary care.</p>	Green. Monitor through T&D and FPCC.
3	QIPP Pipeline	Whilst there were a number of new schemes developed as a result of the CCG reframing its priorities in Autumn 2017, including demand mgt, integrated local care and integrated urgent care, only the demand management work stream has delivered savings in FY18. The pipeline of schemes should continue to be further worked up throughout the year so that there are reserve QIPP schemes available should certain schemes not deliver as expected.	Red	30/04/18	Agreed. The PMO will develop new project proposals to feed into the pipeline with the aim that at any one time there is a pipeline of potential schemes with a savings value (non-risk adjusted) that is 30% above the QIPP target .	Green	<p>New proposals are developed and assessed through the CCG's pipeline process.</p> <p>Planning for 2019/20 has begun and the current pipeline work is also identifying schemes that can be delivered in 2019/20.</p>	Green. Monitor through T&D and FPCC.
4	QIPP Lessons Learnt	The CCG should establish a process for project closure that includes capture of lessons learned and changes needed for future projects	Amber	01/06/18	Agreed. Many of the CCG changes (e.g. Health Optimisation) are subject to post implementation monitoring and assessment to establish that benefits are being delivered. The PMO will also introduce a lessons learned process to capture items on a "log" that will then be referred to at the start of projects to inform planning and risk management.	Green	Projects are formally closed at the Transformation & Delivery Board once actions have been completed and changes have transitioned into business as usual. Capturing lessons learned is part of this process.	Green. Monitor through T&D and FPCC.

	PWC Area	Recommendation	PWC Priority Rating	By When (PWC)	CCG Response (June 2018 Update)	Status (June 2018)	CCG Response (October 2018 Update)	Status (Oct. 2018)
5	Aligned Incentive Contract	The CCG signed an AIC with HDFT for £94m on 23 March 2018. The CCG needs to finalise with HDFT the joint governance arrangements to agree scheme delivery oversight and approach to benefits sharing where costs are taken out. The CCG should consider an approach to managing risk of leakage of activity to private sector/out of area providers and approach to driving activity in to HDFT. The CCG should push existing demand management schemes through PMO gateway process as quickly as possible to ensure underlying position does not deteriorate AIC contract.	Red	30/04/18	Agreed. Governance arrangements are developing. The CCG and HDFT will introduce a new, efficient governance approach that will develop from what currently exists rather than creating an additional set of controls. The demand management projects have been taken through the governance process and plans are in place for implementation.	Amber	Additional resource has been made available from PWC through the QIPP4 programme and the opportunities for repatriation of activity is included with this. Governance arrangements are in place and delivery resources are being prioritised to focus on AIC schemes. Closer working now in place across the CCG's demand management programme and the joint AIC programme.	Amber
6	Presentations at Committees	The CCG could consider developing brief guidance for individuals presenting business cases to sub-committees and other meetings, to ensure that the committees receive the information necessary to make an informed decision. Where possible, summary information should be included in the papers for that meeting to allow committee members to be appropriately prepared.	Green	30/06/18	Agreed; There is a business case template that project managers use which includes guidance on what to include in the business case. Guidance on how to present business cases will be added to the PMO Project Management Handbook.	Green	Complete. Business case guidance is available and business cases are submitted to the appropriate governance committees as required.	Green. Monitor through T&D and FPCC.
7	Meeting Preparation	Individuals presenting papers to committees should assume that the paper had been read in advance by the attendees. The presenter should focus on highlighting the risks and what is being asked of the committee. This would allow more time for debate and discussion, and would improve the efficiency of meetings.	Amber	30/04/18	Agreed; attendees to committees have been informed about this recommendation and guidance will be formally documented in the Project Management Handbook as outlined in Action 6 above.	Green	Complete. Those presenting at committees are briefed by the committee chair beforehand and attendees are expected to read all papers prior to the meeting.	Green. Monitor through T&D and FPCC.
8	Financial Reporting	The Finance and Contracting report could be strengthened by the inclusion of more detail on the underlying position and run-rate for the CCG, and by cross-referencing QIPP performance.	Amber	30/04/18	Agreed: This will be factored into the finance report by month 3.	Green	In place and reported to the Finance, Performance and Commissioning Committee (FPCC) on a monthly basis.	Green. Monitor through T&D and FPCC

	PWC Area	Recommendation	PWC Priority Rating	By When (PWC)	CCG Response (June 2018 Update)	Status (June 2018)	CCG Response (October 2018 Update)	Status (Oct. 2018)
9	QIPP Reporting	The Transformation and Delivery Report would benefit from the use RAG ratings to clearly set out when QIPP schemes have not achieved milestones, and the potential financial impact of this.	Amber	30/04/18	Agreed. Milestones for each project are captured on project plans and a milestone log is maintained by the PMO where progress is monitored and RAG rated. This info will be added to the T&D Highlight Report	Green	Complete.	Green. Monitor through T&D and FPCC.
10	Governing Body Development Session	In light of the changes to Governing Body members, we would recommend that the Governing Body use one of its upcoming development sessions to spend time redefining its ways of working, roles and responsibilities and ensuring that new Governing Body members are integrated into a high performing team.	Green	30/06/18	Agreed. A Governing Body development session is now scheduled and will be led by external facilitators.	Amber	Regular development sessions are now held and Governing Body members have regular 1:1s with key CCG staff.	Green. Monitor through Governing Body
11	Business Intelligence	The CCG must further strengthen the business intelligence it commissions, in particular the ability to forecast, prioritise and predict challenges to deliver QIPP more effectively. The CCG has been focused on the Acute contract, not on integration, the impact of referral management and extended access. As such, the BI function hasn't facilitate decision making. The function should also measure the impact of schemes through clearly defined KPIs.	Amber	30/06/18	Agreed. Project plans and milestones will be aligned with delivery of benefits which can be monitored through BI. Embed are actively engaged in developing reports which will track and demonstrate the impact of demand management within the system. The CCG and HDFT have also agreed to produce one set of reports to monitor the impact of AIC work and support joint decision making.	Green	Complete. Embed work from the CCG one day a week to engage with project managers as business cases are developed and projects implemented. This includes identifying and monitoring the appropriate KPIs (key performance indicators). A single AIC dashboard has now been produced and is reviewed by the joint CCG/HDFT executive team at monthly meetings.	Green. Monitor through T&D and FPCC.
12	Collaboration	The CCGs' leadership must urgently meet with NHS England to agree the optimum approach to ensure the right capacity across the North Yorkshire CCGs, and how leadership should evolve to maximise the benefits of collaboration at scale. This should include exploration of the potential for a single leadership team.	Red	30/04/18	This process is already underway. The CCG will work with partners to develop a business case in order to consider all options within an appropriate governance framework for decision making.	Amber	The recruitment of a single accountable officer is in progress and is due for completion in October 2018. The post is ring-fenced to the current three accountable officers and has been subject to the appropriate consultation.	Green. Monitor through Governing Body

Ref	PWC Area	Recommendation	PWC Priority Rating	By When (PWC)	CCG Response (June 2018 Update)	Status (June 2018)	CCG Response (October 2018 Update)	Status (Oct. 2018)
13	Collaboration	The CCG should continue to develop its transformation structure with local partners and build on their learning from the new care models programme, sustainable Harrogate and the development of the local integrated response to Your Community, Your Care: Developing Harrogate and Rural District Together.	Red	31/12/18	Agreed. Collaborative working with local partners continues to be developed building on the learning from NCM Vanguard programme, sustainable Harrogate and the response to Your community, your care. This includes a transformation governance structure, programme plan and a full business case setting out details of the model. In addition a joint funded Community Services Development post has been agreed with the CCG and local partners.	Green	Good progress has been made with the local provider collaborative and with the establishment of a Harrogate Integrated Health and Social Care Board. Options for a future hub model are being developed jointly with the CCG, the provider collaborative and other key stakeholders. The programme is expecting to begin a phased go live for the new service from April 2019 onwards.	Green. Monitor through T&D and FPCC
14	Collaboration	It is noted that through the Harrogate PSLB there is a One Public Sector approach to the use of estates which links to the wider NY CCGs and NYCC. This would benefit from being strengthened through the wider One Public Sector Estate Programme across North Yorkshire.	Red	31/12/18	This is aligned to transforming services to move more services from secondary care to community services. Work has begun on reviewing estates and specifically GP premises. It has been agreed that an Estates and Assets group would meet in order to discuss collaboration working across North Yorkshire.	Amber	<p>With the move to one leadership team across North Yorkshire (NY), it will be important to take a strategic view across the wider geography. This is an area where the CCG needs capacity as these functions were originally transferred to NHSE. This will be a priority for the new NY leadership team from October onwards</p> <p>Locally there is a piece of work looking at estates utilisation and planning in Harrogate with links to the one public estate (OPE) programme. There has been a comprehensive review of primary care estates and plans are developing to re-provide some primary care estate.</p> <p>Through the provider alliance there is now a greater understanding of the estates and capital requirements in order to deliver re-specified community based integrated services across the HaRD footprint.</p> <p>Through the local Harrogate public services leadership board, HBC are leading work to align the local plans to the work in NYCC on the NY OPE programme.</p>	Amber

Ref	PWC Area	Recommendation	PWC Priority Rating	By When (PWC)	CCG Response (June 2018 Update)	Status (June 2018)	CCG Response (October 2018 Update)	Status (Oct. 2018)
15	Collaboration	Determine the overall operating model for the provision of health and social care across North Yorkshire and York, allowing enabling services such as business intelligence, digital interventions, app development etc to be commissioned once.	Red	31/12/18	This process is already underway (see recommendation 13).	Amber	See recommendation 13.	Green. Monitor through T&D and FPCC
16	Collaboration	Share QIPP schemes across the patch to facilitate spread and scaling.	Amber	30/06/18	Agreed and completed. This should be done on a regular basis sharing QIPP schemes and pipeline schemes. In addition to the North Yorkshire CCGs the CCG will look to share QIPP plans with STP partners as well.	Green	Complete. Dialogue and sharing of ideas across the North Yorkshire CCGs is in place. The CCG is also in dialogue with other CCGs within the West Yorkshire and Harrogate Health and Care Partnership (formerly the STP).	Green. Monitor through T&D and FPCC