

CCG
Assurance
Framework
2015/16



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Contents

Introduction	1
Background	1
Principles.....	2
Components of the new assurance framework	3
The assurance process	6
Key sources of information.....	7
National Insight	7
Local insight.....	7
Outputs of assurance.....	8
Special Measures	10
Governance of the CCG assurance process.....	11
Annex: Assurance Categories.....	12

Introduction

1. This document describes NHS England's approach to Clinical Commissioning Group (CCG) assurance for 2015/16. It provides an overview of:
 - the principles and behaviours which will underpin the approach to assurance;
 - the contents of the assurance framework;
 - how the assurance process will operate; and,
 - NHS England's potential responses to the assurance process.
2. The framework will be supported by an operational manual which will set out further details of the assurance process and its alignment with *The Forward View into Action: Planning for 2015/16*.¹ This manual will be issued in late spring following further engagement with CCGs.

Background

3. The Health and Social Care Act 2012 created CCGs as membership organisations of GP practices, to promote clinical leadership and local ownership of the way health services are delivered. Under the provisions of s.14Z16 of the NHS Act 2006 (as amended), NHS England has a statutory duty to conduct a performance assessment of each CCG and it does this through the assurance process. Underpinning CCG assurance are the statutory duties that each CCG has to meet and the need for NHS England to comply with guidance issued by the Secretary of State for Health under s.14Z16 or s.14Z8 of the 2006 Act.
4. NHS England's first assurance framework was based on the CCG authorisation process and was structured around six domains:
 - i. are patients receiving clinically commissioned, high quality services?
 - ii. are patients and the public actively engaged and involved?
 - iii. are CCG plans delivering better outcomes for patients?
 - iv. does the CCG have robust governance arrangements?
 - v. are CCGs working in partnership with others?
 - vi. does the CCG have strong and robust leadership?
5. This process successfully provided assurance about CCG capability (CCGs not fully ready were subject to conditions) but also added significant value to CCGs as part of their development. However, the process was inevitably limited to an assessment of capability and potential to deliver, recognising that CCGs had no record of performance on which to draw. They have now been in existence for almost two years, and their record of performance and improvements for patients is really material.
6. Much has changed since the authorisation process was undertaken, giving rise to the need for a refreshed approach to assurance. The NHS has had to respond to more challenging performance and financial positions, as well as changes within

¹ <http://www.england.nhs.uk/wp-content/uploads/2014/12/forward-view-plning.pdf>

the commissioning landscape. The publication of the *NHS Five Year Forward View*² in October 2014 set out a new strategic direction, describing how the health service needs to change and, linked to that, NHS England has worked with Monitor and the NHS Trust Development Authority to develop a more joined up approach to planning and supporting local health economies.

7. The National Information Board framework for action *Personalised Health and Care 2020*³, published alongside the *Forward View*, outlined the increasing importance of technology and information in the delivery of safe, efficient and effective care. As commissioners of secondary care, and with responsibility for the GP IT budget, CCGs are uniquely placed to achieve safe, digital record keeping and the digital transfer of patient information across care settings within their health economies. They will need to understand and can fulfil their obligations for digital interoperability.
8. CCGs are already responsible for commissioning out-of-hours Primary Medical Care Services in accordance with the direction from NHS England to do so on its behalf. Another change in the scope of commissioning responsibilities is that NHS England has determined that CCGs should have a much greater role in commissioning some of the services for which NHS England has statutory responsibility. Specific additional assurance will be required for such delegated functions which, from April 2015, will include primary care.
9. A new assurance framework is therefore required to address these changes. This will strengthen the focus on a CCG's track record and ongoing performance in delivering improvements for patients. It will continue to assess a CCG's capability as well as ensuring its fitness to take on additional roles and responsibilities.
10. This new framework also acknowledges that CCGs have different starting positions, with different populations and challenges, requiring different leadership responses. Some are operating in an extremely difficult environment, within challenged health economies or with legacy financial issues. Assurance covers the overall delivery of a CCG, and will take place continuously throughout the year, rather than as a one-off inspection.
11. This framework describes a continuous assurance process that aims to provide confidence to internal and external stakeholders and the wider public that CCGs are operating effectively to commission safe, high-quality and sustainable services within their resources, delivering on their statutory duties and driving continuous improvement in the quality of services and outcomes achieved for patients.

Principles

12. A set of broad principles has been identified, which should underpin how CCG assurance is undertaken.

² <http://www.england.nhs.uk/wp-content/uploads/2014/10/5yfv-web.pdf>

³ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/384650/NIB_Report.pdf

- Assurance should be transparent and demonstrate to internal and external stakeholders and the wider public the effective use of public funds to commission safe and sustainable services.
- Assurance is primarily about providing confidence.
- Assurance should build on what CCGs are already doing to hold themselves accountable locally to their communities, members and stakeholders, for both statutory requirements and for national and local priorities.
- Assurance should minimise bureaucracy and additional reporting requirements by drawing on available data and aligning with other regulatory and planning processes – there should be minimal additional paperwork.
- Assurance should be proportionate and respect the time and priorities of CCGs and NHS England teams.
- Assurance should be summative and take place over the year as on-going conversations.
- The tone, process and outcomes need to focus on development as well as performance.
- Accountability, learning and development between CCGs and NHS England will be integral to the process.
- The framework will be based on a nationally consistent methodology and format whilst allowing room for local context and variation.
- Whilst uncompromising on the facts which describe the quality of services patients are receiving, we will be open minded in understanding the reasons for variation and, where a problem is found, clear on the consequences and actions which the CCG and NHS England will need to take.

Components of the new assurance framework

13. The new assurance framework recognises that assurance is a continuous process that considers the breadth of a CCG's responsibilities. It will consist of the following components:

- i. **Well-led organisation:** this will assess the extent to which a CCG:
 - has strong and robust leadership;
 - has robust governance arrangements;
 - involves and engages patients and the public actively;
 - works in partnership with others, including other CCGs;
 - secures the range of skills and capabilities it requires to deliver all of its commissioning functions, using support functions effectively, and getting the best value for money; and
 - has effective systems in place to ensure compliance with its statutory functions.

This element of the framework builds on several of the domains of the original assurance framework. Given the level of organisational maturity that CCGs have now attained, NHS England will need to re-assess this element in details when there has been a significant organisational change, such as to the leadership arrangements, or where particular problems have arisen.

From February 2015, CCGs have been able to take advantage of the commissioning support Lead Provider Framework.⁴ Those using the framework will be offered the choice of the best and most affordable support services that will deliver efficiencies and improve the quality of services and patient outcomes.

In light of this development, NHS England will assess the extent to which CCGs have the right range of support services in place to enable them to improve patient services and achieve financial balance, and the extent to which these services are sustainable, are able to adapt to future challenges and are of high quality and represent good value for money.

NHS England will also assess whether a CCG's decision-making processes about the configuration of commissioning support arrangements are transparent and robust. This assessment will take place only when material changes occur or there is cause to question the effectiveness of current arrangements.

The systems that a CCG has set up to ensure that it can effectively meet all statutory requirements placed on it will be reviewed periodically in response to any questions around their effectiveness or as part of the more detailed focus on those statutory functions that require dedicated discussion.

These include key statutory responsibilities for CCGs to reduce health inequalities as set out in the Health and Social Care Act 2012, and to meet the Public Sector Equality Duty of the Equality Act 2010. These will continue to be critical components of the assurance conversations with a CCG.

- ii. **Performance: delivery of commitments and improved outcomes:** a key focus of assurance will be how well CCGs deliver improved services, maintain and improve quality, and ensure better outcomes for patients. This includes their progress in delivering key Mandate requirements and NHS Constitution standards, and ensuring that they are meeting standards for all aspects of quality, including safeguarding, and digital record keeping and transfers of care. This focus on quality, performance and outcomes will be continuous throughout the year, and will be underpinned by a set of delivery metrics which will constitute the CCG scorecard, which is also intended for publication as part of *MyNHS* on the NHS Choices website.
- iii. **Financial management:** the monitoring of a CCG's financial management capability and performance will be continuous throughout the year, including an assessment of data quality and contractual enforcement. Immediate remedial action will be required when financial problems become evident. Such action could include the use of special measures and NHS England's statutory powers of direction, described later in the framework.
- iv. **Planning:** the assurance of a CCG's plans will be a continuous process, covering not only annual operational plans, and related plans such as those relating to System Resilience Groups and the Better Care Fund, but also longer term strategic plans, including progress with the implementation of the

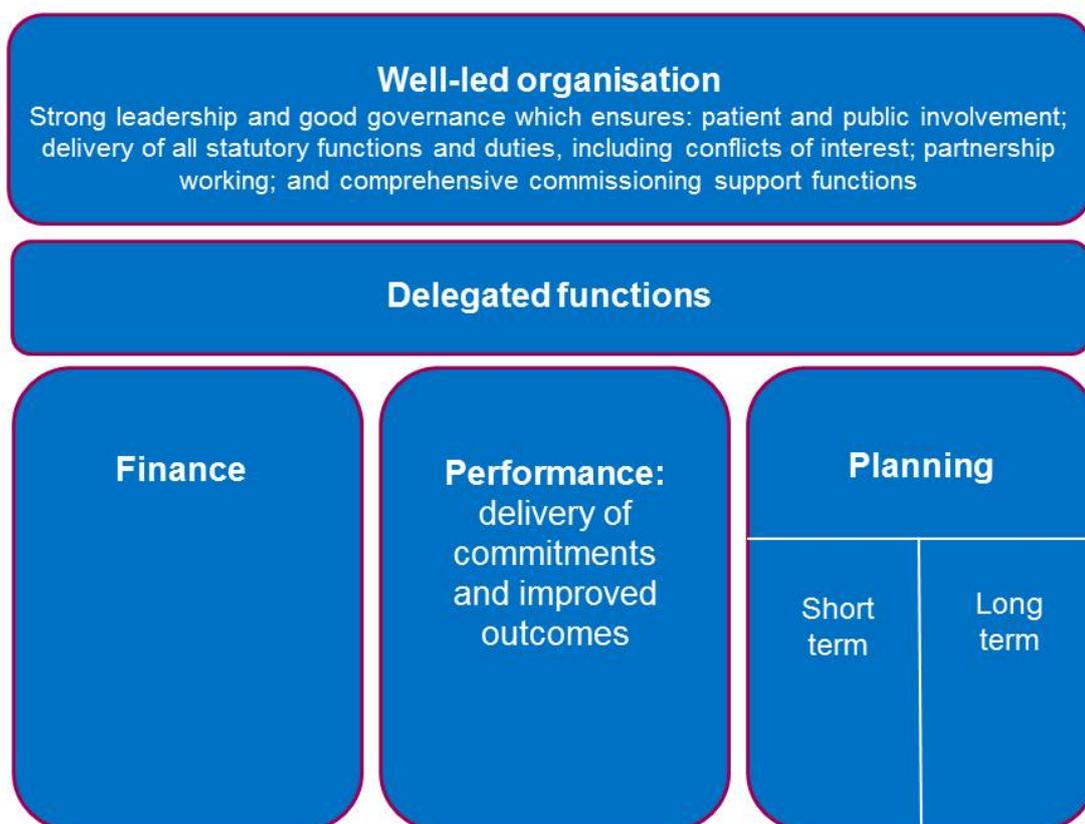
⁴ <http://www.england.nhs.uk/lpf/>

Forward View. Progress towards moving secondary care providers from paper-based to digital processes and the extent to which NHS Number and discharge summaries are being transferred digitally across care settings will be specific measures during 2015/16, towards the ambition for a paperless NHS.

- v. **Delegated functions:** specific additional assurances will be required from CCGs which have taken responsibility for delegated functions. From April 2015 it will include primary care and may, in time, include other services. An annual review of the assurance of delegated functions will be required prior to the NHS England business planning process for 2016/17. This is in addition to the assurances needed for out-of-hours Primary Medical Services, given this is a directed rather than delegated function.

14. In addition, there are particular statutory functions for which NHS England will require more detailed focus as part of the assurance process in a particular year. They will be a small number of areas that, because of their complexity or profile, require particular attention. In 2015/16 these will include safeguarding of vulnerable patients and NHS Continuing Healthcare.

15. The figure below illustrates the components of the assurance framework.



16. It is our intention to publish the CCG scorecard which will inform several of these components on *MyNHS*, through the NHS Choices website. Our performance and delivery commitments will be described in relation to five population groups: the generally well, people with long term conditions, people with mental health problems or learning disabilities, children and young people, and the frail elderly,

with an additional focus on planning. The outcome measures in the scorecard will be derived from, and assessed in line with, the NHS Outcomes Framework.

17. We will also publish a more detailed operational manual as well as technical guidance on the metrics used in the scorecard. Key sources of information for assurance will be thoroughly scrutinised so that everyone has full confidence in the facts.

The assurance process

18. CCGs are statutory organisations responsible to their governing body for the delivery of both their statutory and constitutional duties, and improvements in the health outcomes of their population. NHS England will therefore approach assurance from the assumption that CCGs will deliver against these requirements. This will underpin the approach to assurance, and the agreed improvement plan and support that is made available.
19. The information and metrics used as the basis for the assurance process will be subject to discussion between the CCG and NHS England. It will be important to take into account the variety of circumstances which may explain the reasons for variation between CCGs.
20. The new assurance process introduces a more risk-based approach which differentiates high performing CCGs, those whose performance gives cause for concern, and those in between. It will provide a robust, supportive and structured framework for those in more challenged circumstances, with a lighter touch approach for the best performers. A continuous assurance approach will help to identify emerging patterns of poor performance or any areas of potential risk, with less reliance on fixed points. The process will use information derived from a variety of sources including, where necessary, face-to-face visits. The nature of the oversight, including the expected frequency of assurance meetings, will be agreed between NHS England and individual CCGs, depending on their circumstances, the range of risks identified, and on the leadership response.
21. We will work with CCGs to identify how peer review can be incorporated into this process.
22. CCGs operating within a distressed health economy, in challenged circumstances, or with performance issues, will have more frequent assessments including of those areas described above that will be continuously reviewed.
23. At the end of the year all information will be consolidated into a statutory assurance report by NHS England.
24. For co-commissioning functions and for out-of-hours services, CCGs will be required to prepare a quarterly self-certification of compliance against five key areas: governance and the management of potential conflicts of interest, procurement, expiry of contracts, availability of services, and outcomes. For delegated arrangements and out-of-hours services, the self-certification will be required to be signed off by the CCG governing body. For joint commissioning arrangements the self-certification will be signed off by the joint committee of the

CCGs or of the CCG and NHS England. The process will reflect the flexibility of NHS England to respond differently in different circumstances.

25. A national moderation process will take place to provide confidence that the framework has been applied consistently across all CCGs, and that issues are being handled and escalated using the same approach.
26. At the end of the year all this information will be consolidated into a statutory assurance report to be published by NHS England. CCGs will also be expected to publish their individual assurance reports.

Key sources of information

National Insight

27. A number of sources of evidence will inform the assurance process. The new CCG scorecard, which is intended for publication as part of *MyNHS*, will provide a clear, common information source, including indicators covering core performance standards, finance, digital maturity and quality and outcomes.
28. In addition to the scorecard, NHS England will consider other information on a continuous basis to provide ongoing assurance that CCGs are delivering their statutory duties. This will include information on financial performance. Consideration will also be given to the adequacy of operational and longer term strategic plans, including the *Forward View*, to respond to performance pressures.
29. NHS England will continue to conduct the nationally commissioned 360 degree stakeholder survey on an annual basis to enable CCGs to continue to improve quality and outcomes for patients, while building stronger relationships with their stakeholders. The scope and content of the survey is shaped to track year-on-year progress.
30. The overarching principles of the survey will provide broad comparisons of the relative maturity of the relationships built with CCGs in England; provide assurance of continuing organisational development; provide triangulation of evidence of stakeholder and partnership working across the health economy through the assurance process, and provide value to NHS England and CCGs as a national insight tool.
31. CCGs will publish the results of their survey to share with their local health economy to aid decision making and support public and patient engagement. NHS England is committed to publishing an overall summary of the results.

Local insight

32. 'Areas for discussion' will also be agreed based on performance against the areas of assurance. They can also be generated from the information which CCGs produce and make available locally to patients and the public such as CCG board papers and the CCG constitution - including internal and external

audits and financial and strategic plans. Each of these documents demonstrates CCG accountability and contains additional supporting information which provides insight into CCG governance.

33. Another key source of insight will be intelligence received from local partners and other organisations, such as the Care Quality Commission, the NHS Trust Development Authority and Monitor reviews and reports, plus relevant local Joint Strategic Needs Assessments, Joint Health and Wellbeing Strategies and insights from quality surveillance groups. Local HealthWatch organisations also play a crucial role in highlighting issues of local concern and opportunities for improving services. In addition, CCGs can also demonstrate how they have worked in partnership with neighbouring CCGs, including inviting a peer assessment of their ways of working.
34. This intelligence will also give insight into concerns about delivery and outcomes, and an opportunity to provide constructive challenge to ensure that CCGs are meeting their statutory responsibilities. Key local partners, including local authority and Health and Wellbeing Board members, will also be important contributors to the 360 degree stakeholder survey.
35. CCGs have a statutory duty to prepare an annual report for each financial year on how they have discharged their functions. The annual report will be an important source of local insight to inform the annual assessment of CCGs, particularly regarding compliance with statutory duties including the publication of financial information. CCGs are therefore expected to include a section on statutory compliance within their annual report, which makes a self-certification about continued delivery of statutory duties.

Outputs of assurance

36. NHS England will make a periodic assessment under each component of the assurance framework on the basis of the evidence presented. These assessments will take into account any information which NHS England has received as a result of a request for further information or improvement trajectories.
37. CCGs will be assessed as being in one of four assurance categories, which have been named to make them consistent with those used elsewhere in the NHS, such as the Care Quality Commission, and in other sectors, and to make them more meaningful to patients and the public. The categories are:
 - assured as outstanding;
 - assured as good;
 - limited assurance, requires improvement; and,
 - not assured.
38. Clear principles have been developed to underpin these assurance categories, providing consistent 'rules' to be followed by NHS England's teams when making assessments. They will be clear on the trigger points for each category, but will allow for judgements to be made on the basis of local intelligence. We will ensure that CCGs are clear about the consequences of the different levels of

assurance and the subsequent actions. A summary explanation of the categories is attached at annex A.

39. Where NHS England is fully assured by a CCG's performance across all five of the individual areas, the assessment will be 'assured as outstanding'. For CCGs that are 'assured as outstanding', the ongoing assurance process will be relatively light touch. Provided key performance indicators are maintained, NHS England's support would only be at the request of the CCG.
40. Where there are minor concerns with the performance of the CCG, but overall the CCG is well led and demonstrates good organisational capability, or if a CCG has a higher level of risk but it is managing it effectively, the headline assessment will be 'assured as good'. NHS England would expect these CCGs to produce their own improvement plan, and to report to NHS England on their progress. However, support would be at the request of the CCG.
41. A CCG that has more serious performance or financial challenges and a high level of risk will be assessed as 'limited assurance, requires improvement.' These CCGs would be required to develop an improvement plan which will be approved and monitored by NHS England. This plan would also include a clear indication from NHS England as to the consequences at each step if the plan fails to deliver, and NHS England may take action to intervene if delivery is below plan at any point.
42. The improvement plan would also include the additional help and support the CCG should access to ensure delivery, for example support from well-performing CCGs in a 'buddying' arrangement.
43. In some circumstances, as laid out in s.14Z21 of the NHS Act 2006 (as amended), NHS England has the ability to exercise statutory powers of direction where it is satisfied that (a) a CCG is failing or (b) is at risk of failing to discharge its functions.⁵ In these circumstances, the assessment should be that the CCG is 'not assured'.
44. For CCGs that are assessed as 'not assured', NHS England will conduct a thorough assessment, working with the CCG, to identify the underlying causes. NHS England will then specify the remedial actions required in the improvement plan. Where a CCG is 'not assured' due to a lack of confidence in the leadership of the CCG, NHS England will work with the CCG to identify how new leadership can be put in place. Where there is confidence in the leadership, NHS England will define a prescriptive set of parameters within which the CCG will operate, and will maintain direct oversight of the organisation until the 'not assured' status is lifted.
45. NHS England could, of course, take action to intervene with a CCG which has been assessed as being in any of the four assurance categories at any time, should an urgent problem arise, including issuing formal directions. However, it

⁵ NB: NHS England has additional specific powers of direction in relation to the Better Care Fund. S.223GA of the NHS Act 2006 (amended by the Care Act 2014) enables NHS England to direct a CCG as to the use of the designated amount for purposes relating to service integration or for making payment under s.256 of the 2006 Act, where a condition set under s.223G or s.223GA has not been met.

is most likely to take such action in relation to those CCGs in the 'limited assurance' and 'not assured' categories.

46. Interventions will be tailored to the circumstances of the individual CCG, but could include:

- requirement to have plans signed off by NHS England;
- NHS England attendance at meetings and joint decision-making;
- placement of an improvement director into the CCG;
- direction over how a CCG conducts its functions;
- removal of functions to NHS England or another CCG;
- removal of the Accountable Officer; and, in extreme cases,
- dissolution of the CCG.

47. At the end of the year the outputs of the assurance process will be consolidated into a statutory assurance report to be published by NHS England. CCGs will also be expected to publish their individual assurance reports.

Special Measures

48. Alongside the four assurance categories NHS England may apply a new special measures regime designed to address persistent and chronic performance challenges, financial challenges and / or governance difficulties due to the CCG's lack of capability and capacity to provide leadership to deliver sustained improvement. The application of special measures will usually result from issues that have persisted over a period of two quarters, unless action is required sooner, such as when financial problems are identified. It is most likely to be applied to those CCGs in the 'limited assurance' and 'not assured' categories.

49. A CCG placed in special measures will be required to agree with NHS England, and to deliver, a sustainable improvement plan, with the assistance of a range of intensive support options. This could include, for example, support from a well-performing CCG, which could act as a 'buddy' for the CCG in special measures. The CCG should have made significant progress in its recovery plan in a maximum of 12 months and, following a review, should exit special measures at this point, if not sooner, even though there may be ongoing deliverables to be achieved as part of the improvement plan.

50. Not all CCGs with the same set of issues are likely to be in special measures, as the trigger is the CCG's grip of its situation. If the CCG has not clearly identified, and is not managing the risks arising from its challenges, a decision will be made on whether special measures should be applied.

51. In exceptional circumstances NHS England may need to exercise its statutory powers of direction immediately, without a CCG having previously been placed in special measures, or during the special measures process, if the CCG's situation deteriorates.

52. For any CCG that is in special measures or under direction, the self-certification process for delegated functions will only be of limited reliance and therefore the discharge of any delegated functions by the CCG in this category will be subject

to continuous assurance. For these CCGs, NHS England will also consider reversing the delegation of functions.

53. *The Forward View into Action: Planning for 2015/16* described how NHS England, Monitor and the NHS Trust Development Authority will, together, develop a new success regime to support challenged local health economies. NHS England is working with Monitor and the NHS Trust Development Authority to ensure this regime is complementary with 'special measures'.

Governance of the CCG assurance process

54. NHS England's Commissioning Committee will oversee this assurance on behalf of the Board. The Committee will need to be assured that the process for CCG assurance is robust, fair and consistent, and will receive the annual report for 2015/16 at the end of the year. This report will outline headline assurance ratings for all CCGs and any areas of interest or concern.

55. The Committee will be underpinned by management's CCG Assurance Oversight Group. This group will undertake an active role in the assurance process throughout the year, taking responsibility for:

- operational oversight of the assurance process, ensuring that it is robustly and consistently delivered;
- approving any changes to the status of any CCG including interventions, taking powers of direction, lifting existing conditions and placing a CCG into special measures; and,
- identifying emerging risks or issues.

Summary

56. In summary, the process is:

- tough on the facts: key sources of information for assurance will be thoroughly scrutinised;
- open-minded on reasons for performance: as a consequence of the different challenges CCGs face; and,
- clear on the consequences for CCGs.

Annex: Assurance Categories

	Assured as outstanding	Assured as good	Limited assurance, requires improvement	Not assured
Explanation of assurance category	CCG can demonstrate that it is continuing to perform well across the five components of assurance. It may have some identified challenges but is proactively managing them.	There are minor concerns with the performance of the CCG, but overall the CCG is well led and in good organisational health, or if a CCG has a higher level of risk but it is managing it effectively.	CCG has serious / persistent / chronic performance or finance challenges and it may not demonstrate the capability or capacity to manage the associated risks to make sustained improvement on its own.	NHS England is satisfied that a CCG is failing or is at risk of failing to discharge its functions
Support level	None	Some support may be required for specific issues	Extensive, from a range of provider options	Formal direction by NHS England
Number / level of issues and unmitigated risks	LOW	MEDIUM	HIGH	VERY HIGH
Action plan – time to recover	None	3-6 months	Up to 12 months	As appropriate
Funding for support and ownership of improvement	n/a	CCG	CCG	CCG / NHS England