

Advisory

Brighton and Hove CCG

Review of Governance, Capability and Capacity

*Strictly Private
and Confidential*

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Dear Sirs

Governance Review - CCG level report

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Yours sincerely

Yvonne Mowlds

PricewaterhouseCoopers LLP

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Introduction

In 2016/17 the CCG was placed under legal directions after being rated “inadequate” by NHS England. There was a strong governance element in the actions required by NHS England.

The CCG has had a strong focus on improving governance, which has enabled it to successfully come out of NHSE Legal Directions.

NHSE Legal Directions

In 2016/17 Brighton & Hove CCG (B&H CCG) was placed under legal directions from NHS England (NHSE) following a rating of “inadequate” against the “Performance”, “Planning” and “Well Led” elements of NHSE’s quarterly assurance process. The legal directions were effective from 1 September 2016.

The directions set out five areas where the CCG needed to deliver improvement actions, including:

- improving the leadership of the organisation;
- developing a capacity and capability action plan;
- undertaking a review of the governance of the organisation;
- developing a credible commissioning plan;
- developing a plan to improve waiting times for treatment and A&E.

The CCG’s response

The CCG’s Accountable Officer and Chief Executive, with the support of the executive team, instigated an Improvement & Assurance Plan to address the actions set out in the legal directions. The plan was implemented over a 17 month period between November 2016 and March 2018. The Improvement & Assurance Plan was updated for the recommendations made by Capsticks Solicitors LLP in their February 2017 report on governance at the CCG.

Capsticks review of governance

Capsticks’ report included 40 recommendations, 27 considered to be high priority. The recommendations were split between the following areas of governance:

- **Governing Body** - including sub-committee reporting; agenda structure and prioritisation; conflict of interest processes; member roles and responsibilities; etc.
- **Governing Body Committees** - including revisions to the sub-committee structure; review of the Scheme of Delegation; etc.
- **Governing Body Development** - including running development sessions for members, and training on NHS finances.
- **Governance Support** - including review of roles and responsibilities of members; review of GP locality lead roles; appointment of a Director of Corporate Affairs.

Most of the recommendations have been implemented although work continues to ensure the changes become embedded in business as usual.

Introduction

PwC view

There is a strong cultural awareness of strengths and development areas at the CCG, and a commitment to the ongoing need to evolve its governance arrangements to address new and changing circumstances.

An ongoing journey

At the March 2018 Audit & Risk Committee a paper was presented entitled *An Evolving Governance Framework for Brighton and Hove CCG for Q4 and 2018/19*. The paper notes the significant change the organisation has undergone since the Capsticks report, for example, ‘*only nine of the seventeen members of the Governing Body that approved the recommendations of the externally commissioned review in February 2017 remain in post.*’ The paper sets out areas of governance that require further development.

The CCG has had a strong governance focus over the past two years, and there is an awareness of the continued need for development which is indicative of a good culture at the organisation. The progress made in implementing the action plan led to NHSE lifting the legal directions in August 2017.

Context of our report

Our review was undertaken in March and April 2018. Brighton and Hove CCG joined the Central Sussex Commissioning Alliance on 1 January 2018 and our work took place while the CCG’s governance arrangements were evolving to reflect the transition into the Alliance.

One feature of the Alliance is a shared Executive team across the Alliance CCGs: this management team was still forming at the time of our review.

The transition into the Alliance meant that we were reviewing an organisation and a leadership team at a time of change and uncertainty. Our findings and conclusions should be read in this context.

At a glance

PwC view

There has been a strong focus on governance to address historic issues highlighted by NHSE and a Governance Review undertaken by Capsticks in February 2017.

The CCG recognises that the progress made is part of its governance journey, and further development opportunities exist.

The CCG has demonstrated strong financial governance during 2017/18.

1 The CCG delivered a rapid and significant change programme leading to NHS England’s Legal Directions being lifted.

Brighton & Hove CCG (B&H CCG) has focused heavily on improving governance arrangements as part of a change programme to address the issues that led to the CCG being placed under legal directions by NHS England (NHSE) from 1 September 2016.

The significant progress made by the CCG led to the legal directions being lifted in August 2017, after NHSE rated the CCG as “good” in July 2017. This represents a rapid turnaround indicating strong leadership, good engagement with stakeholders and a culture of embracing change.

2 Improving governance has been prioritised by the Governing Body but time is needed to embed the change.

Capsticks Solicitors LLP conducted a review of governance required to comply with the CCG’s Legal Directions. Capsticks’ report, in February 2017, identified 40 recommendations, 27 of which were “high priority” and considered to be critical to the CCGs progress.

In response the CCG developed an improvement action plan; a report to the Audit & Risk Committee in March 2018 outlined the status of the recommendations were; two amber; and 38 green. However, in reviewing these recommendations we note that some of these actions should be revisited by the CCG as they have not yet become embedded into business as usual - for example the effective scrutiny of the assurance framework and corporate risk register.

3 The CCG is focused on the ongoing governance journey and this strength will be brought to the Alliance.

At the March 2018 Audit & Risk Committee a paper entitled “*An Evolving Governance Framework for Brighton and Hove CCG for Q4 and 2018/19*” was presented noting the significant development the CCG has undergone since 2017. It sets out the areas of governance that are considered to be working well and those that require further development, for example; reporting to Governing Body; adhering to timelines for actions; and quality and size of papers.

This governance self-assessment is evidence that the CCG has an ongoing focus on the evolution of its governance. There is a strong culture for reflecting on potential development areas. Overall, of the Alliance CCGs, we consider that the governance arrangements to be strongest at B&H CCG.

4 The CCG must retain a strong financial focus in 2018/19.

At M10 the CCG was forecasting to achieving its control total of £1.3m surplus for 2017/18. This indicates effective financial governance and management of the financial risks during 2017/18. We observed good understanding of finance issues among management and lay members at the Governing Body and sub committees.

The focus on managing financial risks must continue in 2018/19, as this will be an even more challenging financial year.

At a glance

PwC view

The governance improvement actions from this and previous reviews should be refreshed and amalgamated into a single document with accompanying detailed action plan.

There is potential to improve the effectiveness of the key governance meetings, including increasing challenge, as well as more discussion on the BAF and CRR.

The CCG needs to increase the engagement of members with the Alliance.

5 A single refreshed governance action plan should be developed.

The CCG has received or produced numerous reports on governance at the organisation. We recommend a process of triangulating all of the different reports to produce a single thematic governance action plan. This should be accompanied by a detailed delivery plan that includes timescales for implementation, actions assigned to responsible individuals, status update, etc. This action plan should also be aligned to the development of the governance of the Alliance.

6 Governing Body meetings should be made more focused and shorter to reduce pressure on management time.

Governing Body meetings are attended by a large number of people and are often lengthy. The March 2018 meeting we observed was attended by 19 individuals and lasted nearly five hours. The meetings included clinical presentations that would be more appropriate at a clinically-focused sub committee of the Governing Body. This resulted in some members becoming disengaged in the discussions.

Significant management time could be saved by reducing the number of attendees at Governing Body meetings, and ensuring meetings have more focused agendas. There would be further opportunity to save management time via Governing Body meetings in common with other Alliance CCGs.

7 The CCG should improve its use of the Board Assurance Framework and Corporate Risk Register.

We note that the CCG’s management of its risks has been strong in the year, but we observed a lack of detailed discussion of the Governing Body Assurance Framework and the Corporate Risk Register at the March 2018 Governing Body and Audit & Risk Committee meetings. We noted that “increased scrutiny and oversight of the Corporate Risk Register” was a Capsticks recommendation which has been reported as completed since July 2017.

When used effectively these tools should represent the CCGs primary risk management and assurance mechanisms, ensuring responsible risk owners are held to account for limiting the risk exposure of the organisation. We recommend that the CCG increases the profile of these tools at key governance meetings, and that the Governing Body sub committees invite risk owners to present on implementation progress on a regular basis.

8 There is a need for improved clinical engagement, particularly with the development of the Alliance.

The CCG’s 360 survey scores highlight a deterioration in the quality of engagement with its member practices between 2015 and 2017. The CCG recognises the need to improve engagement with the membership, and that there is an “us and them” mentality.

We understand there has been a struggle to recruit for roles with some remaining vacant for long periods. In addition, our survey and discussions indicated that

At a glance

PwC view

Governance arrangements should be streamlined to reduce the time commitments of Governing Body and committee members.

There is a need for the constitutions of all of the Alliance CCGs to be aligned to make closer working more easy and Alliance-wide decision making more streamlined.

We recommend the CCG refreshed its Patient & Public Engagement strategy in the context of the Alliance.

some members of the Governing Body do not feel engaged with the Alliance.

We recommend the CCG refreshes its Patient & Public Engagement strategy in the context of the Alliance. The CCG must work with all its members to engage them in the CCG's interaction with the Alliance. Ensuring the membership is part of the journey towards closer working will be vital to the achievement of the CCG's key objectives and realisation of the potential benefits of the Alliance.

9 The governance processes put in place since 2016/17 to address the NHSE legal directions should now be streamlined to expedite decision making and reduce management time spent at meetings.

The CCG values cross-attendance at committees in order to facilitate an understanding of the linkages between the areas covered and to strengthen engagement. We recognise this has been one of the actions implemented as part of the governance improvement plan since 2016. This has improved both member engagement and understanding of the different committee roles.

As the CCG moves towards Alliance ways of working, it should take the opportunity to streamline its own arrangements to reduce the time commitments of Governing Body and committee members. For example reducing the overall number of committees by merging groups, reducing the number of committee members and releasing management time. We understand the Governing Body recognises this and action has been delayed in order to align with the development of the Alliance.

10 The CCG should ensure that the Alliance strategy represents the CCG's local objectives.

The four Sussex CCGs in the Alliance have a shared Operating Plan for 2018/19. The Operating Plan sets out that the CCGs will implement the national priorities and initiatives through streamlined practices and working at scale across the Alliance.

Whilst the Alliance has plans to develop a shared strategy, it will be important for the CCG to ensure local implementation is maintained.

11 The CCG constitutions across the Alliance should be aligned.

There is a need for the constitutions of all of the Alliance CCGs to be aligned to make closer working more easy and Alliance-wide decision making more streamlined.

We recommend that a process of aligning the CCG constitutions is undertaken, and that this formalises consistent committee structures and reporting lines across the Alliance.

Recommendations

Definitions of keys used in the report

Priority

The actions have been given a ‘Priority’ rating, from high to low. This reflects the degree of urgency with which we believe the actions should be addressed.

High	This is critical to the CCG’s improvement and recovery
Medium	This is important to the CCG’s improvement and recovery
Low	This may not have a significant impact on the CCG’s improvement and recovery but should still be taken forward

Implementation Risk

The ‘Implementation Risk’ rating in the final column indicates the extent to which we believe the CCG will be capable of achieving the recommended action in the recommended timeframe, taking into account any work the CCG has already undertaken.

High	Significant concerns and/or the action is difficult to implement. Little progress has been made to date. The CCG is unlikely to implement the recommendations effectively within the necessary timeframe without external support or additional resource.
Medium	Some progress has been made. The CCG should consider seeking advice or support to ensure recommendation is implemented effectively.
Low	Low level of concern. Plans are already well advanced, or the action will be straightforward to implement.

Recommendations
Actions to be taken by the CCG.

- We anticipate the Governing Body will want overall visibility of progress against the action plan, to help assure itself that the CCG is taking and measuring the achievement of the actions.
- We have not allocated owners to actions but this is an essential first task for the CCGs in order to ensure delivery of the actions.

Ref	Area	Action	Priority	By when	Implementation risk
1	QIPP governance	The CCG needs robust QIPP plans in place to ensure its ability to deliver the target of 4% QIPP cost reduction.	High	May 2018	High
2	CCG member engagement	Some members of the Governing Body do not feel engaged with the Alliance as they concerned the Alliance will dilute or detract from the improvement processes it has implemented. The CCG must increase engagement with its members and maintain momentum to ensure the CCG's strategic plan, including the work with the Alliance, is supported and driven by the organisation's membership.	High	June 2018	High
3	Governance reporting and action plan	The external reports on governance received by the CCG should be triangulated with the most recent status report of the governance action plan; the result should be a summary of the current governance issues as well as a detailed action plan. We recommend that this process involves revisiting the Capsticks recommendations to consider whether the actions implemented have become business as usual or whether further work is required.	High	June 2018	Medium
4	Leadership capacity and capability	The CCG Governing Body should regularly review the capacity and capabilities of the CCGs senior management team during the period of transition caused by the development of the Alliance in order to identify whether there are any emerging skills gaps in leadership of the CCG.	High	June 2018 onwards	Medium
5	Patient and Public engagement	The CCG should refresh its Patient and Public Engagement Strategy in the context of the Alliance. It will be important to engage with the membership as part of this exercise.	Medium	June 2018	Medium

Recommendations

Actions to be taken by the CCG.

Ref	Area	Action	Priority	By when	Implementation risk
6	CSU support	Given concerns over CSU performance, we recommend that the CCG joins an Alliance-wide effectiveness review of current CSU support. This review should include an options appraisal of alternative models for the provision of the services.	Medium	July 2018	Medium
7	Governing body meetings	Governing Body meetings are attended by too many people and are too long. Significant management time could be saved by reducing numbers of attendees at Governing Body meetings, and ensuring meetings have more focused agendas. There is a further opportunity to save time via Governing Body meetings in common with other Alliance CCGs.	Medium	July 2018	Medium
8	CCG constitution	The constitution should be aligned to the constitutions of the other Alliance CCGs. This should be done in a way to make closer working simple and timely, and to streamline Alliance-wide decision making.	Medium	July 2018	Medium
9	CCG strategy	The CCG should contribute to the development of the Alliance strategy, and ensure that representation of the CCG's local priorities is appropriately reflected.	Medium	July 2018	Medium
10	Clinical leadership	The CCG should provide training to clinicians involved in governance meetings in relation to their roles and responsibilities, and, together with the clinicians, evaluate whether one day a week is adequate to discharge their responsibilities effectively.	Medium	July 2018	Medium
11	PMO governance	Processes should be put in place to ensure that there are no gaps in project management controls or processes during the transition to the PMO arrangements of the Alliance. It is important that any changes in project management processes are communicated to staff to avoid the risk of lack of oversight and accountability and subsequent slippage in project outcomes.	Medium	June 2018	Medium

Recommendations

Actions to be taken by the CCG.

Ref	Area	Action	Priority	By when	Implementation risk
12	Papers	<p>Papers are long and we noted that people had not always read them in advance of the meetings we observed. We recommend:</p> <ul style="list-style-type: none"> • Paper formats should be reviewed and only concise and relevant information included; • Papers should be circulated on a timely basis in advance of meetings; and • Cover sheets should be improved further such that they are an executive summary that could serve effectively as a stand alone document. They should include the key points, conclusions and actions to be taken of each paper. 	Medium	August 2018	Low
13	Risk management	<p>At the March 2018 Governing Body meeting and the Audit & Risk Committee there was very limited discussion on the BAF or CRR. We recommend that the CCG increases the profile of these tools at key governance meetings, and the Governing Body sub committees invite risk owners to present on implementation progress on a regular basis.</p> <p>In addition, further recommended improvements to the format and content of the BAF and CRR have been identified:</p> <ul style="list-style-type: none"> • Providing a brief rationale of the assessment of each risk and the current risk rating; • Inclusion of a “summary of risks” table to highlight the movement trend in the risk score for each risk; • Clear linkage of the risk to the overall CCG objectives; • Identification of mitigating actions, with defined impacts, assigned responsible officers and target dates for implementation; and • Revising target dates for actions and including the reasons for slippage. 	Medium	June 2018	Low

Main findings

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Function and role

Appropriate structure and clearly defined roles provide a foundation for effective working.

PwC view

The CCG has a strong governance culture which reflects the efforts it has made to exit legal directions.

Some of the governance structures put in place to focus the team during this time should now be streamlined as the CCG moves to Alliance working.

Overview

Through our work we have considered the strength of the governance and reporting processes in place at the CCG.

The diagram below sets out the current governance structure of the CCG which was introduced in May 2017 following findings from an the Capsticks governance review in February 2017.

A clear reporting and escalation route into the Governing Body is provided by Committee Chair Reports which are concise, include significant issues of interest to the Governing Body and indicate the other committees/meetings which have considered the reports.

We have noted a high level of cross-attendance at committees meetings. For example, the membership of the Quality & Safety committee includes the Chair of the Finance & Performance Committee and vice versa. This facilitates an understanding of the linkages between the areas covered and strengthens engagement. We recognise this has been one of the actions implemented as part of the governance improvement plan since 2016.

This has improved both member engagement and understanding of the different committee roles. Our survey results showed that respondents believed there was no overlap between the work of the various sub-committees.

As the CCG moves towards Alliance ways of working, it should take the opportunity to streamline its governance arrangements to reduce the time commitments of Governing Body and committee members. We understand the Governing Body recognises this and action has been delayed to permit alignment with the Alliance-wide governance arrangements as these are developed.

There is evidence of a strong governance culture and sense of purpose.

Bi-monthly meetings with Local Member Groups are the key mechanism for engaging with the wider GP membership.



Function and role

PwC view

The current Governing Body membership is a sizeable team which means the effectiveness of meeting time should be a high priority for the CCG.

We found the dynamics of the team to be good with a good level of challenge and debate amongst members.

We received feedback that Governing Body papers are too lengthy to read and digest. The CCG should make papers more concise.

Governing Body

Membership and Skill Mix

The Governing Body comprises 17 members of whom two are non-voting and eight are clinicians, thus creating a majority of clinicians.

The eight clinicians comprise the clinical Chair, two independent members (one registered nurse, one secondary care clinician), three local GP representatives, a Chief of Clinical Leadership and Engagement and a Chief Nurse (from the Alliance leadership team).

There are three lay members (lay member for Finance, lay member for Governance and lay member for patient and public participation).

The Accountable Officer is shared with other CCGs in the Alliance and the Chief Finance Officer is shared with High Weald Lewes Havens CCG.

Other members include a Director of Performance, Planning and Informatics, Director of Commissioning, Director of Adult Social Care (non-voting), Acting Director of Public Health (non-voting).

In addition, four members from the Alliance Executive Team are invited to attend (Managing Director for South Place, Director of Corporate Affairs, Strategic Director of Finance and Programme Director of Commissioning Reform).

This is a sizeable team (17 members plus attendees) with a good mix of finance, clinical, governance, commissioning and engagement roles.

Meetings

The Governing Body meets formally and in public every other month. It also meets informally in the intervening months for development sessions.

Effectiveness

Through our survey we received positive feedback on the following statements:

- members are able to say openly what they are thinking and feeling and express doubts, uncertainty or lack of understanding (100% agreed);
- the information received is accurate (100% agreed); and
- the information received allows members to effectively hold management to account (over 80% agreed).

This positive feedback was supported by our observations of the Governing Body meeting on 27 March 2018. The board dynamics were generally good with inter Executive challenge and discussion between Executives and Lay Members. In the private meeting in Part Two, the CFO, Lay Member for Finance and Lay Member for Governance worked together to explain a contracting issue, demonstrating a good understanding from working on other committees and joint working across the team.

However, we also received feedback that papers are too large for everyone to read and digest and the CCG should aim to reduce the volume. At the March 2018 meeting the papers were not available on the CCG website in advance; the CCG's process is for papers to be made available at least three days before the meetings.

Function and role

PwC view

Governing Body meetings should be more focused and action centred to maximise the use of membership time.

The Audit & Risk Committee meeting we observed covered appropriate topics in sufficient depth, with good contributions from most members. The meeting was driven by a strong chair.

However, a large volume of papers not distributed early enough discouraged some members from contributing. Also, executive summary front sheets should be considered.

Governing Body (continued)

The March 2018 Governing Body agenda was long at a planned three hours 50 minutes for the public meeting followed by a private meeting. This meant that most of the 19 attendees were present for approaching five hours.

It was often difficult to determine the purpose of the items on the agenda. At times discussion was allowed to drift. For example, the item on IMT Digital Update became a half hour GP-to-GP discussion during which other members disengaged. Such clinical presentation would be more appropriate at a clinically-focused sub committee or reference group of the Governing Body.

For the few items that were for approval, there was limited discussion or challenge. There was little discussion on the Board Assurance Framework and very few actions arose from the meeting. While certain items received due attention, others were dealt with at a high level, reflecting the fact that many papers had been discussed in other, previous meetings at which Governing Body members were present. Significant time could be saved by having Governing Body meetings in common with other Alliance CCGs, reducing numbers of attendees, and ensuring meetings are more focused.

Audit & Risk Committee

Purpose

The committee provides assurance to the Governing Body on the CCG's system of internal control by means of an independent and objective review of financial and corporate governance and risk management arrangements, including compliance with law, guidance, and regulations governing the NHS.

Membership

The committee of three members is chaired by the Lay Member for Governance and the two other members are the Lay Member for Patient and Public Participation and the Lay Member for Finance. The Interim Director of Corporate Affairs acts as the lead Director for the committee. The CFO generally attends and representatives of internal and external auditors and others are invited to attend as appropriate.

Effectiveness

Meetings are held four times a year. We observed the March 2018 meeting which was attended by the Chair, the two lay members and supporting attendees for certain items. The agenda was effectively structured, focusing on the main sources of assurance, including Internal Audit, External Audit, and Counter Fraud and Local Security Management. A section for *Committee Specific Matters* formed a catch all for other sources of assurance and items for approval. There was also deep dive on cyber security. An Actions Log was appropriately reviewed.

Despite a full agenda, all items were covered and items were not rushed. There was a good level of challenge although much of this coming from the Chair himself; care should be taken to ensure challenge is shared among members.

It was a relatively long meeting (just over three hours) and papers were lengthy (488 pages) and although these had been circulated on the Thursday before the Tuesday meeting, those relying on paper copies did not receive them until the day before the meeting. At the end of the

Function and role

PwC view

Ideally the timing of the Finance & Performance Committee and speed with which data can be made available would be such that data for the preceding month could be reviewed, rather than data that is over a month old.

Sharing a meeting of the Financial Sustainability Group with the other South Place CCG could benefit both CCGs by sharing ideas to meet their control totals.

meeting, two attendees noted that they had been unable to contribute to the discussions, in part due to the lengthy papers received with insufficient time to review before the meeting. We recommend that the format, content and length of papers is reduced and that papers are circulated to committee members a week in advance.

Finance & Performance Committee

Purpose

The purpose of the committee is to provide advice and support the Governing Body in scrutinising and tracking delivery of key financial and service priorities, outcomes and targets as specified in the CCG's Strategic and Operational Plans.

Membership

The committee of 11 members is chaired by the Lay Member for Finance and includes the Lay Member for Governance and the Independent Clinical Member - Registered Nurse (Chair of Quality & Safety committee). Other members include the Clinical Chair, the Local Member Group GPs (for Central and West), Director of Performance, Planning and Informatics, Accountable Officer, Chief Finance Officer, Chief Operating Officer and Lead Nurse.

Effectiveness

Meetings are held monthly. While we did not observe a Finance & Performance meeting, attendance records show that meetings are well attended. The meetings review the Integrated Performance Report, Finance Report, QIPP Report and Corporate Risk Register. Because the meetings tend to

be held early in the month it is too soon to review the results for the previous month and so the results for the month before that are reviewed. This means the committee is reviewing data which is more than a month old. Consideration should be given to the timing of this meeting to enable more timely data to be reviewed.

Quality & Safety Committee

The committee's remit incorporates patient and public involvement and it meets monthly. Membership includes the Chair of the Finance & Performance Committee. We have reviewed the terms of reference and reports to Governing Body which are in line with what we would expect. We have not observed this committee as part of our work.

Financial Sustainability Group

The minutes of the 4 April 2018 South Place Management Team refer to the Financial Sustainability Group acting as a working group to find achievable savings plans to feed into the Turnaround Board. An action was taken to invite High Weald Lewes Havens representatives to join this group with view to making it a shared meeting and supporting closer joint working between the two CCGs.

Function and role

PwC view

Cover sheets have been introduced and help Governing Body and committee members to focus on key areas. However further work should be done to improve the summaries to make them a more stand alone document that can be efficiently used by members.

The monthly Finance and Performance reports to Governing Body are well presented.

Reporting of sub committees to Governing Body

As part of an effort to increase the quality of papers the CCG has introduced cover sheets for its committee papers. For the Finance & Audit Committee we found that although each item had a summary sheet, these were more introductory in nature rather than being Executive Summaries that could work as stand alone documents. Executive summary should play a role in steering the discussion around risks.

Finance Report to Governing Body

The report has a cover sheet which includes a short summary of the key issues. The report itself includes a summary of the forecast in relation to the Control Total and details of the applicable risks and mitigations. It contains a Summary Operating Cost Statement showing the actual v budget position which clearly shows the year to date position and full year forecast outturn, with some explanatory notes plus sections on reserves, QIPP and a number of other items. This is one of the clearer presentations compared to other CCGs.

Appendices provide further detail e.g. an analysis of commissioning service cost, analysis of corporate costs etc. Reports refer to a separate paper on QIPP but this was not included in the Governing Body papers.

Integrated Performance & Quality Report to Governing Body

This report has a cover sheet which summarises the key metrics that are rated as “compliant”, “improving”, “unstable” or “not showing improvement”. The cover sheet in the January 2018 Governing Body papers also included a section for any areas of concern in relation to provider performance. More detailed explanation is

provided in the body of the report as well as including a clear Performance Scorecard and Activity Scorecard showing year-on-year variance for the month under review and variance against plan.

Purpose and outcome

The Alliance has developed a shared Operating Plan and there are further plans for a shared strategy.

PwC view

The Alliance Operating Plan has been developed and there will be work to ensure this becomes embedded within each of the individual CCGs. As the strategic priorities are overlaid it will be important to ensure local delivery is retained.

We recommend that committee structures and reporting lines be included within an alignment review of the CCG constitutions across the Alliance.

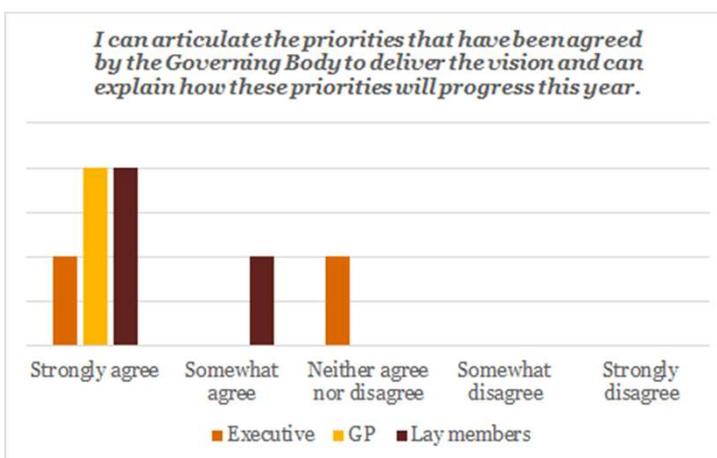
CCG Strategy

The four Sussex CCGs in the Alliance have a shared Operating Plan for 2018/19. The focus has been on developing this shared Operating Plan, with individual CCGs then seeking approval from each Governing Body.

The Operating Plan version reviewed was as at 27 February 2018. The Operating Plan sets out that the CCGs will implement the national priorities and initiatives through streamlined practices and working at scale across the Alliance.

The March 2018 Governing Body meeting was informed that the 2018/19 Operating Plan has been reviewed by NHSE and the CCGs and is currently being revised for the comments made.

Whilst the Alliance has plans to develop a shared strategy, the survey indicates that at the moment B&H participants currently feel they can articulate the priorities agreed by the Governing Body. This reflects the strength of current communication within this team.



Constitution

The constitution provided for our review is a tracked changes version of a constitution adopted for effect from 1 April 2016. There are plans for a new version to be developed as part of a larger alignment exercise across the Alliance CCGs.

This version of the constitution details the expected committees for a CCG. We note there are two fewer committees than before (without the Participation & Communication Committee and the Clinical Strategy Group) and we understand that such adjustments have been part of the CCG's work focusing on improving governance arrangements in the last 18 months.

We recommend that a process of aligning the CCG constitutions is undertaken across the Alliance and that this formalises consistent committee structures and reporting lines. Some of the constitutional arrangements within other Alliance CCG could be adopted as part of this process - for example East Surrey CCG using a memorandum of understanding for its joint arrangement rather than requiring ad hoc constitutional change.

Joint working arrangements

The constitution sets out joint arrangements with Brighton & Hove City Council with regard to wellbeing and safeguarding.

There are currently no other joint working arrangements articulated and we note there are no restrictions to such further joint working arrangements being added.

Values and behaviours

There is a clear understanding of objectives and an open, transparent culture which provide a foundation for tackling difficult issues.

PwC view

The improvement in role clarity is a credit to the work the organisation has undertaken in the last 18 months to improve governance structures.

We received mixed feedback about the level of informal and formal support for governing body members. Development should be considered at an Alliance wide level.

Clarity of leadership roles

We have heard in interviews that there is a feeling that the CCG has a good culture and that clarity of roles has improved in the last 18 month. This was supported in survey results where all participants agreed that:

- the roles of the Governing Body were clearly defined and there is no confusion about accountability; and
- the Governing Body understands exactly what it is accountable for.

We were told that both clinical lead and lay member capability has been strengthened.

Organisational development

An Organisational Development plan was approved by Governing Body in May 2017 and there are quarterly updates. It is recognised that the plan needs refreshing in the context of the Alliance and governance changes in the last 18 months, including a consideration of the current and future skill mix needs.

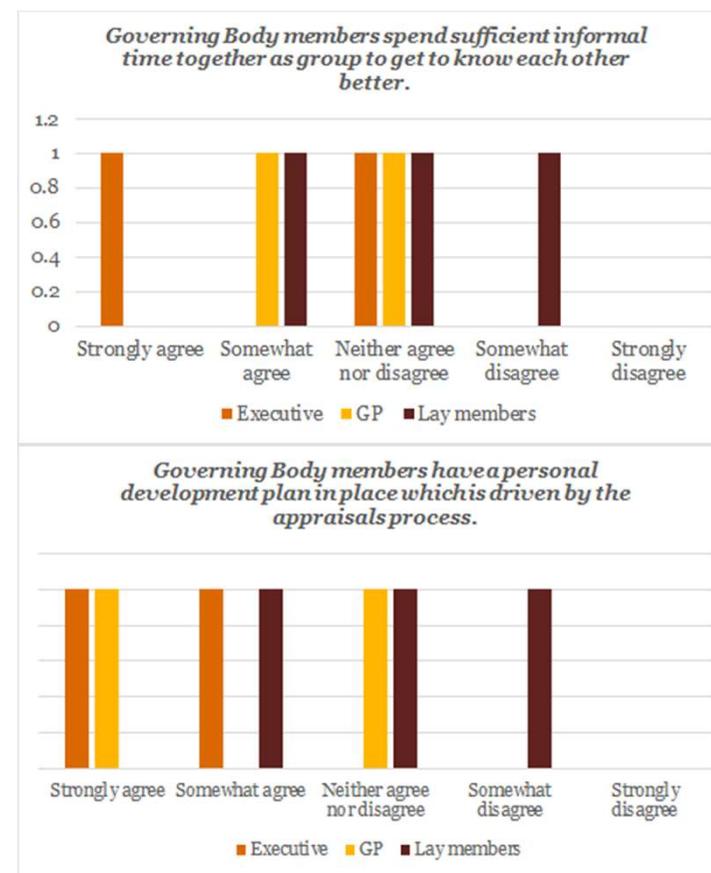
Support for individual GB members

There is a detailed induction process including a pack and attendance at committees and regular one-to-ones, especially early on in their role, for Clinical Leads.

Lay members and clinicians normally pre-meet with the Chair for an hour before Governing Body meetings and there are regular monthly 1:1s. The lay members have sought opportunities to meet with members of the Executive team outside of committees. However, we note that survey respondents had a very mixed view of whether sufficient informal time was spent getting to know each other.

We were given different views in interviews about the level of development support that was provided - in particular in relation to commissioning support and the role of lay members in an Alliance structure. In our view this type of development support should be considered at an Alliance-wide level.

The survey supported this mixed view in relation to the active setting of personal development plans to allow for an appraisal process (formal or informal).



Accountability and engagement

The CCG is outward looking and open to wider community engagement as well fostering loyalty and commitment of staff.

PwC view

The CCG has very strong arrangements with its coterminous local authority. These need to be broadened to the wider health economy.

The Alliance is in its infancy and there will be a period of adjustment balancing executive time across the CCGs. It is important that B&H CCG continues to maintain the appetite and momentum for change it has had for the last 18 months.

Engagement with wider membership

The CCG's 360 survey scores evidence a deterioration in the level of engagement with its member practices over the three years to 2017. We note that 2018 survey reports are expected to be published in the coming months.

360 survey question	2017	2016	2015
To what extent do you feel you have been engaged by the CCG over the last 12 months? [% for a good deal / a fair amount]	76%	81%	94%
How satisfied or dissatisfied are you with the way in which the CCG has engaged with you over the past 12 months? [% for very / fairly satisfied]	57%	66%	90%
Overall, how would you rate your working relations with the CCG [% for very / fairly good]	69%	75%	92%

In interviews the CCG recognised that there needs to be better engagement with the membership. We understand there has been a struggle to recruit to project lead roles with some remaining vacant for long periods. We recommend the CCG refreshes its Patient and Public Engagement Strategy in the context of the Alliance. It will be important to engage with the membership as part of this exercise.

Engagement outside of the CCG

The CCG has five voting members on the Local Authority Health & Wellbeing Board. This is an important part of working towards the NHSE policy of integrated commissioning with the Local Authority by 2020. We were told in interviews that this influence is important in the context of Brighton & Hove City Council being a unitary authority; this is a point of difference between this CCG and other CCGs in the Alliance which are working with two tiers of local government.

In both interviews and survey comments the CCG recognised that the STP is in a formative stage. There is no direct involvement of lay members across the Central Sussex CCGs. There is an opportunity as the CCGs come together as an Alliance to be more visible as a demonstration of working together in the local health economy.

Working as an Alliance

The benefits of greater scale, a better negotiating position with Acute providers and joint commissioning with the local authority by 2020, in accordance with NHSE policy, are well understood. We were told that some members of the Governing Body are concerned that Alliance-wide working might not sufficiently take into account the importance of integration with the local Council, local policy and demographics. In addition, there is a perception that the CCG's involvement in the Alliance will dilute or detract from the improvements in processes that have been made since 2016/17, including the accessibility of the AO. The Governing Body will need to ensure that it balances these concerns with maintaining its momentum and realising the opportunities the Alliance presents.

Leadership capacity and capability

There is a single executive team for the Alliance, which includes a single Accountable Officer for all five CCGs, a North Managing Director and a South Managing Director.

PwC view

The CCG's leadership is a sizeable team but with a good mix of finance, clinical, governance, commissioning and engagement roles.

During the period of transition caused by the development of the Alliance, the CCG Governing Body should regularly review and assure itself in relation to the capacity and capabilities of the CCGs senior management team.

Leadership team overview

As of the 1 January 2018, the CCG entered the Central Sussex Commissioning Alliance, which is a unified management structure now across five Clinical Commissioning Groups (CCGs) of Central Sussex and East Surrey– NHS Brighton and Hove CCG, NHS High Weald Lewes Havens CCG, NHS Horsham and Mid Sussex CCG, NHS Crawley CCG and NHS East Surrey CCG. East Surrey joined on the 1 April 2018, at which point the Alliance became known as Central Sussex and East Surrey Alliance.

The Alliance is organised in two 'places' – the north 'place' covering the area of Crawley, East Surrey, Horsham and Mid Sussex CCGs, and the south 'place' covering the area of Brighton and Hove and High Weald Lewes Havens CCGs.

There is a single executive team for the Alliance, which includes a single Accountable Officer and a Strategic Director of Finance for all five CCGs, a North Managing Director and a South Managing Director.

We note that the Alliance's Accountable Officer was previously the Accountable Officer & Chief Executive of Brighton and Hove CCG, and was a key driver of the Improvement and Assurance Plan to address the NHSE legal directions. There was concern expressed in interviews about the reduced involvement of the AO and other management time as key individuals move into Alliance-wide roles. The CCG Governing Body should regularly review the capacity and capabilities of the CCGs senior management team during the period of transition caused by the development of the Alliance to identify any emerging gaps in skillsets.

Clinical Leadership

Our interviews identified that there are now direct lines of accountability for Clinical Leads into the Chief of Clinical Leadership. There is also a move towards an alignment of Clinical Leads with the Commissioning Leads, which should help to address a concern raised with us in interviews that clinicians need greater commissioning support.

The Commissioning Operations Meeting is attended by the Clinical Leads and Locality GP Leads, along with all Commissioning Leads and Finance. This group meets every two weeks and reports into the Senior Management Team meeting. Our interviews indicated that there is effective clinical scrutiny at these meetings.

There are also twice monthly meetings of the Local Member Groups, which are the key mechanism for engaging with the wider GP membership.

A concern highlighted in our interviews was whether the clinicians are clear about their role and responsibilities: it was described to us that '*GPs struggle to know what hat they are wearing in their roles for the CCG*'. Also, it was suggested that there is insufficient time for clinicians to undertake their roles. We recommend that the CCG provide training to the clinicians on their roles and responsibilities, and, together with the clinicians, evaluate whether one day a week is adequate to discharge their responsibilities effectively.

Financial governance

The CCG is forecasting a £1.3m surplus, achieving its control total for 2017/18.

PwC view

We observed good understanding of finance issues among management and lay members.

Forecasted QIPP savings of £12.1m in 2017/18, represent 83% of plan, with the shortfall largely offset by the agreed fixed outturn payment with BSUH. This represents good QIPP performance in 2017/18.

Financial position

The 2017/18 M10 Finance Report identified that the CCG is forecasting a £1.3m surplus, in line with the plan agreed with NHSE. Delivery of the planned forecast is reliant on:

- the receipt of an additional Specialist Funding allocation from NHSE of £2.0m; and
- a further £450k in relation to the SLA with South East Coast Ambulance Service NHS Foundation Trust (this amount has been agreed with NHSE).

The agreement of a fixed outturn payment with Brighton and Sussex University Hospitals NHS Trust (BSUH) addressed much of the risk to the financial plan. While it has been necessary to utilise £1.8m of the contingency reserves, the forecast position indicates effective management of the financial risks during 2017/18.

Financial performance reporting

The Finance & Performance Committee was created in 2017/18 to provide increased scrutiny of key financial targets. The Committee is responsible for ensuring the organisation is assured in respect of financial issues, including performance against QIPP targets.

The Committee receives the Integrated Performance Report (integrated performance, finance, quality and contracting data). This report triangulates data from the financial ledger, contract monitoring, and QIPP. The Committee is responsible for scrutinising this report which will in turn provide assurance to the Governing Body. The committee is also responsible for scrutinising performance information in relation to the delivery of local and national performance targets.

We observed good understanding of finance issues among management and lay members at the Governing

Body and sub committees. In interviews members noted an improvement in the quality of information received on finances. They also commented that there is a feeling of openness to challenge, as well as accountability for the financial position. We were also informed of sessions held with the Clinical Leads to increase their financial understanding.

The committee also receives and reviews the Corporate Risk Register.

QIPP governance

The M10 QIPP performance reported forecasted QIPP savings of £12.1m, representing 83% of plan, with the impact of the £2.3m shortfall offset by the agreed fixed outturn payment with BSUH.

The Finance & Performance Committee is responsible for scrutinising the delivery of QIPP, and assuring the Governing Body. The significant QIPP savings delivered in 2017/18 indicates strong QIPP governance.

QIPP is also reviewed by the Commissioning Operations Meeting group, albeit our discussions indicated that the review of QIPP is only at a high level. There was also a consistent view in interviews that the process for QIPP Quality Impact Assessments is robust; where a formal assessment is required the CCG engage the Public Health Team, with whom there is a strong relationship.

Our discussions have indicated an improvement in QIPP processes, and an increase in confidence as a result. There was also recognition of the difficulty of the QIPP challenge in 2018/19, where the CCG need to deliver £13.5m of savings. Currently developed plans have been risk adjusted to approximately £7m, hence there is still a lot of work to be done for the organisation to be in a position to deliver the 2018/19 control total and maintain their financial sustainability.

Financial governance

Good financial governance is reliant on timely and accurate reporting of business intelligence and a robust project and contract management processes.

PwC view

Given the work the CCG has undertaken to strengthen the PMO, the Governing Body should ensure there are no gaps in controls or processes during the transition to the PMO arrangements of the Alliance.

Given the concerns over CSU performance, we recommend that the Alliance performs an effectiveness review of CSU support. This review should include an options appraisal of alternative models for the provision of the services.

PMO

The PMO structure consists of a PMO Support Officer role (1 FTE, Band 7) and a Business Support Officer (0.8 FTE, Band 7) role which report into the Deputy Director of Planning, Performance & System Informatics.

We understand that the PMO structure of the Alliance will consist of two separate PMOs, one covering the North, and another for the South which would include B&H CCG and HWLH CCG.

The Governing Body should seek assurance that there are no gaps in controls or processes during the transition to the PMO arrangements of the Alliance. Given the work the CCG has undertaken to strengthen the PMO and its strong QIPP delivery in 2017/18, the Alliance should consider how this can be replicated across other CCGs. It is important that staff are clear on any changes in project management processes, to avoid the risk of lack of oversight and accountability and subsequent slippage in project outcomes.

Reporting of QIPP performance must be robust from the outset, as any lack of transparency on slippages in the QIPP programme will exacerbate the financial challenge facing the organisation in 2018/19. In addition, reporting at CCG level is required of the output from the Turnaround Board.

Business Intelligence

The BI Team structure consists of a Head of Planning & Performance role (Band 8b) supported by three Senior Analyst roles (Band 7s) across the different care streams. The Head of Planning & Performance role reports into the Deputy Director of Planning, Performance & System Informatics.

The CCG also commissions support from two CSU organisations; one provides data on provider performance for commissioned services; the other CSU supports on IT and cyber services. Our discussions have indicated that the CCG has had concerns over the performance of the CSUs in the past, specifically in relation to quality of information received, and their timeliness of delivery on key responsibilities.

Given the concerns over CSU performance, we recommend that the Alliance performs an effectiveness review of CSU support. This review should include an options appraisal of alternative models for the provision of the services.

The Commissioning and Performance teams in the CCG gather data to produce a contract performance section of the monthly Integrated Performance Report which is presented to management, Finance & Performance Committee and Governing Body. This should ensure these groups are informed of key financial and operational metrics for the contracts of significant financial value.

Contracting

The CCG has procured contract management and finance services from the CSU. Since May 2017 the work of the CSU has been overseen by the Strategic Director of Contracting & Performance. Before this there was no dedicated CCG resource to support the oversight of CSU performance.

Financial governance

PwC view

Improvements have been made to increase oversight of the CSU's performance in terms of provider contract management.

The CCGs must continue their focus on improving the CCGs contractual levers with the providers, to improve the CCG's ability to hold the providers to account for poor performance. Closer working with the other Alliance CCGs should strengthen the organisations position with the providers.

Contracting (continued)

In 2017/18 the Audit & Risk Committee requested a briefing on the contract management processes within the CCG due to concerns about the number of contract extensions. The briefing occurred at the March 2018 meeting of the Audit & Risk Committee and included several recommendations on the contract management processes, including:

- the Contracts Register is presented to the Finance & Performance Committee on a quarterly basis; and
- that a contract actions log will be included in the contract performance report to management and Finance & Performance Committee.

The report also outlined that the Contracts Register is managed and maintained by the CCG Finance Directorate, with oversight from the Director of Commissioning; the executive officer responsible for ensuring good practice in monitoring and managing contracts.

As the report was presented in March 2018, to date there has not been a formal action plan developed to meet these recommendation.

The Contracts Register is submitted to the Commissioning Operations Meeting (COM) on a bi-monthly basis. COM is chaired by the Director of Commissioning and attended by the commissioning leads, representatives from the Finance directorate, clinical leads, and locality leads. Our discussions have indicated a feeling that these meetings ensure good clinical scrutiny, as well as ensuring papers are of a sufficient standard to be presented to Finance & Performance Committee.

Our interviews highlighted an increased confidence in the contracting and commissioning functions of the CCG, but that continued focus is needed to improve the CCGs contractual levers with the providers, with the aim of improving provider performance. We understand the CCG has developed new contract models to assist with these negotiations.

At the South Place Management Team meeting on 4 April 2018 it was highlighted that contracts had not yet been signed with the providers, which was the directive from NHSE until the contracts would enable the CCG to meet their control totals. It is important that the CCGs have robust QIPP plans in place to support contract negotiations with the providers.

Closer working with the other Alliance CCGs should enable commissioners to present a united stance and strategy with the providers, therefore strengthening the CCGs' ability to agree contracts with more effective levers to manage provider performance.

Managing risk and decision making

Effective risk management policies, processes and controls are fundamentally important to the achievement of the CCG's objectives.

PwC view

The CCG's management of its risks, e.g. finance, has been strong during the year as evidenced by the year end position.

The CCG's Risk Management Strategy and the Risk Management Policy & Procedures provide the tools for effective risk management at the organisation.

The CCG will need to ensure that staff are informed about any changes resulting from the alignment of risk management policies or tools across the Alliance.

Risk Management Policy

Brighton & Hove CCG has a Risk Management Strategy and a Risk Management Policy & Procedure which was approved by Governing Body and the Audit & Risk Committee in September 2017. A review of these documents is scheduled for September 2018.

The overall aims of the strategy are clearly set out and include to:

- Ensure that risk management is an integral part of organisational culture.
- Improve safety by addressing and effectively prioritising risk treatment plans.
- Identify risks to achieving the CCG's objectives requiring intervention.
- Drive a standardised, strategic and accessible approach to risk management.

The strategy defines the CCGs risk appetite, and specifies the appetite for patient safety risk, fraud and financial risk, regulatory breaches and other risk. There is also a section to clarify accountability and responsibilities.

The policy outlines the CCG's procedures for assessment, reporting, recording and monitoring risks. The appendices to the policy contain the risk scoring template and rating matrix to support officers to identify, rate and record risks in a structured manner.

Overall the risk policy is in line with our expectations.

Risk Management Tools

The Risk Management Strategy identifies the key components of the CCGs Risk Management System as follows:

- **Risk Management Tool** – All officers are responsible for recording risks on the CCG's risk management software. This ensures risks at all levels are held in a central location which is fully auditable.
- **Risk Registers** – These are held on the risk management software at both team and corporate level. The Corporate Risk Register captures risks scoring 12 and above on the team registers. It is reviewed by the CCG Quality & Safety Committee, the Finance & Performance Committee and the Audit & Risk Committee. The Corporate Risk Register is also formally reported to the Governing Body.
- **Board Assurance Framework** – The objective of the BAF is to highlight the strategic risks facing the organisation. The framework incorporates the risks which score 12 and above and therefore may compromise the achievement of the organisation's principal objectives. Reported to every meeting of the Audit & Risk Committee and the Governing Body.

The Chair of the Audit & Risk Committee noted in the March 2018 meeting that the risk registers need to be updated for the 2018/19 Operational Plan. We understand that the Alliance is working towards a single risk policy across all of the five Alliance CCGs.

Managing risk and decision making

PwC view

There continues to be scope to improve the use of the risk management tools at the Governing Body and Audit & Risk Committee, specifically we recommend increased detailed discussion on the BAF and CRR.

We recommend further improvements to the format and content of the BAF and CRR (such as including assessment rationale and clear linkage to the CCG's strategy).

Risk Management Tools (continued)

The results of our survey indicated that members of the Governing Body are confident in the processes and performance of the organisation in relation to risk management. 85% of respondents agreed that audits and external reviews indicate high performance in managing risk. Furthermore, all respondents agreed that they could describe the top 5 risks faced by the CCG and the key actions management are taking to mitigate these risks, as well as describe the escalation process for risks to the Governing Body.

Board Assurance Framework

The Board Assurance Framework for 2017/18 contained 12 risks, which is in line with expectations. BAFs with greater than approximately 15 risks tend to become difficult for Governing Body Members to scrutinise and seek assurance over the risks.

The format of the BAF includes an assessment of the initial risk, current risk with controls applied, and a target risk rating. It includes sources of assurance and gaps in assurance.

The BAF could be improved by providing a brief rationale of the assessment of each risk and the current risk rating. In addition, good practice would be for there to be a summary of risks table to highlight the movement trend in the risk score, as well as a clear link to the overall CCG objectives for each risk.

The BAF does not adequately identify mitigating actions, with defined impacts, assigned responsible officers and target dates for implementation.

Corporate Risk Register

We reviewed the CRR dated 15 January 2018. There were 20 risks recorded, all with an initial or current risk score of 12 or higher.

The format of the CRR was in line with expectations, and included: the consequence of the risk; original, current and target risk scores; a risk owner; the controls and assurances in place; mitigating actions with start, target and completion dates and a description of progress against each action.

For some risks the target dates for actions had elapsed without a revised target date identified or a clear explanation of the slippage. Also, there was no description of the impact the delays have had on the risk rating. For some risks the detail needs to be refreshed in order to provide the user with an up to date narrative, identify the impact on the risk for the organisation, or revised target date.

Managing risk and decision making

PwC view

The agreement of the Alliance CCGs to utilise their Internal Audit resource collectively is a positive move towards closer working; the CCG should consider whether other mechanisms of risk management would operate more efficiently or effectively at the Alliance level.

Use of the BAF and CRR

During 2017/18 the CCG and TIAA (its internal audit provider) ran a training session for the Deputy Directors and Clinical Leads which focused on the approach to optimising the use of the CRR. The training also covered risk appetite, controls and assurance.

Our discussions indicated a perception that the BAF and CRR were being utilised effectively at Governing Body, as this was an area that had been developed following a previous governance review. At the March 2018 Governing Body meeting the BAF and CRR were presented for approval, however there was very limited discussion on the risks, their actions or whether the members were assured.

At the March 2018 meeting of the Audit & Risk Committee the BAF and CRR were towards the end of the agenda with just seven minutes allocated. We understand that this was in part due to the changes to the risks anticipated from the shared Operations Plans – it was expected that the Governing Body and management team would have better sight of the risk early in 2018/19. Given this group meets quarterly, it is important that there is detailed discussion of these tools at each meeting.

Internal Audit

The Internal Audit plan for 2017/18 included audits relating to governance and risk management relevant to the scope of our review.

The *Corporate Records Management* report identified two “Urgent” and four “Important” issues, including; lack of evidence in Committee minutes of the review and approval for three out of 25 policies; and instances

where policies were not published in the right place. The report recommended:

- Improved arrangements for the management of corporate policies and procedures.
- Greater clarity on the role of the Governing Body in reviewing and approving procedures.
- Development of a “policy on policies”.

Internal Audit has undertaken a review entitled *Corporate Governance - Constitution*, however the report for this review was not available at the time of this report.

The 2018/19 Internal Audit Plan is an Alliance-wide plan, where certain reviews will be performed across all of the CCGs, with others remaining locally focused. The agreement of the Alliance CCGs to utilise their Internal Audit resource collectively is a positive move towards closer working; the CCGs should consider whether other mechanisms of their risk management framework would operate more efficiently or effectively at the Alliance level.

Appendices

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Contract

Harriet Aldridge
Director
PricewaterhouseCoopers LLP
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5 March 2018

Dear Harriet,

CROWN COMMERCIAL SERVICES FRAMEWORK AGREEMENT RM3745
INVITATION TO OFFER REF 18.401 DATED 30/1/2018
PROVISION OF AN ALLIANCE WIDE GOVERNANCE REVIEW
ACCEPTANCE OF QUOTATION

The Central Sussex Commissioning Alliance comprises NHS Brighton and Hove CCG, NHS High Weald Lewes Havens CCG, NHS Horsham and Mid Sussex CCG, NHS Crawley CCG, NHS East Surrey CCG.

The contracting authority accepts your quotation submitted on 13 February 2018.

Discussions for the commencement of the service should begin immediately and I am grateful that you have made contact with Terry Willows, our Director of Corporate Affairs already in order to meet with the required timetable for delivery of the service.

This procurement activity was conducted under the Management Consultancy framework RM3745 and the framework Terms and Conditions shall apply.

Our reference for this agreement is **18.401**, please quote this number in all correspondence.

Invoices should be initially submitted to Terry Willows (terry.willows@nhs.net) for processing.

Yours sincerely



Adam Doyle
Chief Accountable Officer
Central Sussex Commissioning Alliance
Brighton and Hove CCG
Crawley CCG
High Weald Lewes Havens CCG
Horsham and Mid Sussex CCG
East Surrey CCG (Designate)

Scope and process**Scope of the review**

The scope for our review, as set out in the letter of engagement, was across the five CCGs in the Alliance. This extract from our full report relates only to B&H CCG.

The scope was as follows:

Financial challenge assessment

- Assess the way in which the financial position of the CCGs is reported, scrutinised and the extent to which effective oversight is provided.

Capability and capacity review

- Review and comment upon the capability and capacity of the CCGs' leadership to deliver its recovery plan; and
- Review and comment upon the current governance and reporting processes in place at the 5 CCGs.

For the avoidance of doubt, our financial review work is not a baseline review or an audit.

Observations conducted

During our review, we observed the following committee meetings:

Meeting	Date of meeting
HWLH CCG Governing Body	28 March 2018
HWLH Audit Committee	20 April 2018
HWLH CCG Finance & Performance Committee	21 March 2018
B&H CCG Governing Body	27 March 2018
B&H CCG Audit & Risk Committee	13 March 2018
CHMS CCGs Governing Body in Common	15 March 2018

Scope and process**Observations conducted (continued)**

Meeting	Date of meeting
CHMS CCGs Finance & Contracting Committee in Common	10 April 2018
CHMS CCGs Audit Committee in Common	5 April 2018
Crawley CCG Clinical Reference Group	27 March 2018
HMS Locality Group Meeting	20 March 2018
ES CCG Governing Body	19 April 2018
ES CCG Quality, Finance & Delivery Committee	5 April 2018
ES CCG Audit & Governance Committee	29 March 2018

Interviews held

During our review, we met with the following groups and individuals:

Name	Position	Date of meeting
Alan Keys	Lay Member for PPE (HWLH CCG)	5 April 2018
Peter Douglas	Lay Member for Governance (HWLH CCG)	6 April 2018
Dr Elizabeth Gill	Clinical Chair (HWLH CCG)	28 March 2018
Dr David Roche	GP Locality Lead (HWLH CCG)	21 March 2018
Dr Sarah Richards	GP Partner (HWLH CCG)	28 March 2018

Scope and process**Interviews held**

During our review, we met with the following groups and individuals:

Name	Position	Date of meeting
Jim Graham	GP Partner (B&H CCG)	4 April 2018
Jonathan Molyneux	Lay Member for Finance (B&H CCG)	20 March 2018
Malcolm Dennett	Lay Member for Governance (B&H CCG)	20 March 2018
Dr Andy Hodson	GP Partner (B&H CCG)	21 March 2018
Dr David Supple	Clinical Chair (B&H CCG)	26 March 2018
Dr Mark Lythgoe	Clinical Director of HMS CCG	4 April 2018
Dr Ketan Kansagra	Clinical Director of Crawley CCG	3 April 2018
John Steele	Lay Member (CHMS CCGs)	3 April 2018
Adrian Brown	Lay Member for Audit for HMS CCG Lay Member for Audit for ES CCG	3 April 2018
Carole Pearson	Lay Member for Audit for Crawley CCG Lay Member for Audit for ES CCG	3 April 2018
Dr Laura Hill	Clinical Chair for Crawley CCG	29 March 2018
Dr David McKenzie	GP Partner (CHMS CCGs)	29 March 2018
Dr Minesh Patel	Clinical Chair for HMS CCG	20 March 2018
Simon Chandler	Lay Member PPE for HMS CCG	6 April 2018
Dr Penny Greer	GP Partner (CHMS CCGs)	5 April 2018
Peter Nicolson	Lay Member PPI for Crawley CCG	27 March 2018

Scope and process**Interviews held (continued)**

Name	Position	Date of meeting
Dr Howard Cohen	GP Partner (ES CCG)	5 April 2018
Dr David Hill	GP Partner (ES CCG)	29 March 2018
Dominic Wright	Accountable Officer (ES CCG)	29 March 2018
Dr Elango Vijaykumar	Clinical Chair (ES CCG)	26 March 2018
Adam Doyle	Chief Accountable Officer for the Alliance	16 March 2018
Mark Baker	Strategic Director for Finance for the Alliance	10 April 2018
Geraldine Hoban	Managing Director for North Place	22 March 2018
Wendy Carberry	Managing Director for South Place	22 March 2018
Terry Willows	Director of Corporate Affairs for the Alliance	22 March 2018
Glynn Dodd	Programme Director of Commissioning Reform for the Alliance	22 March 2018
Allison Cannon	Chief Nurse for the Alliance	22 March 2018
Sarah Valentine	Director of Contracting and Performance for the Alliance	23 March 2018
Antony Collins	Turnaround Director for the Alliance	23 March 2018
Pennie Ford & Felicity Cox	NHS England	23 March 2018
James Thallon	Medical Director at NHS England	14 March 2018
Rob Persey	Executive Director of Health and Adult Social Care at Brighton & Hove City Council	10 April 2018

Glossary

Term	Definition
2013/14	Financial year ending 31 March 2014
2016/17	Financial year ending 31 March 2017
2017/18	Financial year ending 31 March 2018
2018/19	Financial year ending 31 March 2019
AF	Assurance Framework
AO	Accountable Officer
B&H	Brighton & Hove
BAF	Board Assurance Framework
BI	Business Intelligence
BSUH	Brighton and Sussex University Hospitals NHS Trust
C4Y	Connecting 4 You partnership
CCG	Clinical Commissioning Group
CFO	Chief Finance Officer
CHMS	Crawley and Horsham & Mid Sussex
COM	Commissioning Operations Meeting
CRG	Clinical Reference Group
CRR	Corporate Risk Register
CSU	Commissioning Support Unit
ES	East Surrey
FOT	Forecast outturn

Term	Definition
FRP	Financial Recovery Plan
FTE	Full time equivalent
GP	General Practitioner
HMS	Horsham & Mid Sussex
HR	Human Resources
HWLH	High Weald Lewes Haven
IMT	Image & Microscope Technology
IT	Information technology
LLP	Limited Liability Partnership
MD	Managing Director
MSK	Musculoskeletal
NHSE	NHS England
PMO	Programme Management Office
PPG	Patient Participation Group
PPI	Patient Participation Involvement
QFD	Quality, Finance & Delivery Committee
QIPP	Quality Innovation Productivity & Prevention
RAG	Red / Amber / Green Rating
SRR	Strategic Risk Register
STP	Sustainability and Transformation Plan



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