
Report To: Inverclyde Integration Joint Board - Audit Committee **Date:** 24 January 2017

Report By: Brian Moore, Corporate Director (Chief Officer)
Inverclyde Health & Social Care Partnership **Report No:** IJBA/03/2017/LA

Contact Officer: Lesley Aird **Contact No:** 01475 715381

Subject: STRATEGIC RISK REGISTER

1.0 PURPOSE

1.1 The purpose of this report is to seek Audit Committee approval of the Integration Joint Board (IJB) Strategic Risk Register.

2.0 SUMMARY

2.1 The IJB approved the Risk Management Policy and Strategy at its meeting of 18 August 2016. The risks and risk scores detailed in the Strategic Risk Register attached as Appendix A were then developed during a facilitated IJB session held on 16 September 2016.

2.2 The enclosed register relates to IJB strategic risks only, separate risk registers are held for all operational activities within the Council and Health Board.

3.0 RECOMMENDATIONS

3.1 It is recommended that the Integration Joint Board Audit Committee:-

- (1) notes the contents of this report;
- (2) discusses and agrees a final version of the Integration Joint Board Strategic Risk Register; and
- (3) remits the final version of the Strategic Risk Register to the next meeting of the Integration Joint Board for final consideration and approval.

Brian Moore
Corporate Director (Chief Officer)

Lesley Aird
Chief Financial Officer

4.0 BACKGROUND

4.1 It is essential that a robust risk monitoring framework is in place to identify, assess and prioritise risks related to the delivery of services under integration functions, particularly any which are likely to affect the delivery of the Strategic Plan.

5.0 STRATEGIC RISK REGISTER

5.1 The proposed initial IJB Strategic Risk Register enclosed at Appendix A sets out an assessment of the likelihood and potential impact of a range of different risks that may directly affect the IJB at a strategic level.

5.2 The risks were developed, discussed and initially scored by IJB members at a session facilitated by Zurich Municipal on 16 September 2016.

5.3 Risk scores were based on the following risk matrix, agreed as part of the IJB Risk Management Policy and Strategy. Further information on the definition of each of the following is enclosed at Appendix B.

Risk Impact	Likelihood
1 – Insignificant	1 – Rare
2 – Minor	2 – Unlikely
3 – Moderate	3 – Possible
4 – Major	4 – Probable
5 – Catastrophic	5 – Almost Certain

5.4 This Strategic Risk Register aims to:

- Identify risks that pose a threat to the business objectives of the IJB
- Identify the potential consequences of each risk
- Recognise the control measures that already exist to address these risks
- Propose new controls to further mitigate each risk

5.5 The Strategic Risk Register is a live document that should be regularly reviewed and updated. As such the Strategic Risk Register, once agreed will be placed as a standing agenda item on the IJB Audit Committee Agenda.

5.6 PROPOSED CHANGES TO THE STRATEGIC RISK REGISTER

Following the IJB session in September, officers updated and reviewed the resultant draft register and recommend the following changes:

Risk 4 – Financial Sustainability/Constraints/Resource Allocation

The current residual risk level is a 16, Red/Unacceptable, based on a likelihood of 4 and impact of 4.

Officers believe that with the mitigations in place the likelihood is now 3 but the impact still remains at 4. This would reduce the score to an Amber/Issue 12.

Risk 6 – Understanding the Needs of the Community

The current residual risk level for this (ie the residual risk after all control mechanisms are applied) is still 12 which is an Amber/Issue level risk based on a likelihood of 3 and impact of 4.

Officers believe that with the mitigations in place the likelihood is now 2 but the impact still remains at 4. This would reduce the score to a Yellow/Adequate 8.

Risk 8 - Strategic Capacity

The current residual risk level is a 16, Red/Unacceptable, based on a likelihood of 4 and impact of 4.

Officers believe that with the mitigations in place the likelihood is now 2 but the impact still remains at 4. This would reduce the score to a Yellow/Adequate 8.

Risk 9 – Legislative/Policy Developments

The current residual risk level is a 16, Red/Unacceptable, based on a likelihood of 4 and impact of 4.

Officers believe that with the mitigations in place the likelihood is now 2 but the impact still remains at 4. This would reduce the score to a Yellow/Adequate 8.

Risk 10 - Partner Organisations

In addition there was some discussion on the day about Risk 10 - Partner Organisations and their ability to meet needs. The discussion was around whether this should be combined with Risk 8 Strategic Capacity which covers the same area and also talks about Partner Organisations.

Officers' view is that these should be combined and Risk number 10 removed.

- 5.7 For the next iteration of the Risk Register, where appropriate officers will develop a list of additional control mitigation actions aimed at further minimising these risks with a note of a responsible officer and deadline for each action. A template for this is enclosed at Appendix C. This appendix also shows the risks and scores as updated per the above proposals. This format of risk register/risk map will be used for the IJB going forward.

6.0 IMPLICATIONS

6.1 FINANCE

There are no financial implications arising from this report.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
N/A					

Annually Recurring Costs / (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From	Other Comments
N/A					

LEGAL

- 6.2 There are no specific legal implications arising from this report.

HUMAN RESOURCES

- 6.3 There are no specific human resources implications arising from this report.

EQUALITIES

- 6.4 There are no equality issues within this report.

Has an Equality Impact Assessment been carried out?

	YES (see attached appendix)
√	NO – This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.

6.5 How does this report address our Equality Outcomes

There are no Equalities Outcomes implications within this report.

Equalities Outcome	Implications
People, including individuals from the above protected characteristic groups, can access HSCP services.	None
Discrimination faced by people covered by the protected characteristics across HSCP services is reduced if not eliminated.	None
People with protected characteristics feel safe within their communities.	None
People with protected characteristics feel included in the planning and developing of services.	None
HSCP staff understand the needs of people with different protected characteristic and promote diversity in the work that they do.	None
Opportunities to support Learning Disability service users experiencing gender based violence are maximised.	None
Positive attitudes towards the resettled refugee community in Inverclyde are promoted.	None

6.6 **CLINICAL OR CARE GOVERNANCE IMPLICATIONS**

There are no clinical or care governance issues within this report.

6.7 **NATIONAL WELLBEING OUTCOMES**

How does this report support delivery of the National Wellbeing Outcomes

There are no National Wellbeing Outcomes implications within this report.

National Wellbeing Outcome	Implications
People are able to look after and improve their own health and wellbeing and live in good health for longer.	None
People, including those with disabilities or long term conditions or who are frail are able to live, as far as reasonably practicable, independently and at home or in a homely setting in their community	None
People who use health and social care services have positive experiences of those services, and have their dignity respected.	None
Health and social care services are centred on helping to maintain or improve the quality of life of people who use those services.	None

Health and social care services contribute to reducing health inequalities.	None
People who provide unpaid care are supported to look after their own health and wellbeing, including reducing any negative impact of their caring role on their own health and wellbeing.	None
People using health and social care services are safe from harm.	None
People who work in health and social care services feel engaged with the work they do and are supported to continuously improve the information, support, care and treatment they provide.	None
Resources are used effectively in the provision of health and social care services.	None

7.0 CONSULTATION

7.1 This report has been prepared by the IJB Chief Financial Officer. The Chief Officer, the Council's Chief Financial Officer and Director of Finance NHSGGC have been consulted.

8.0 BACKGROUND PAPERS

8.1 None.

Inverclyde Health & Social Care Partnership Risk Register

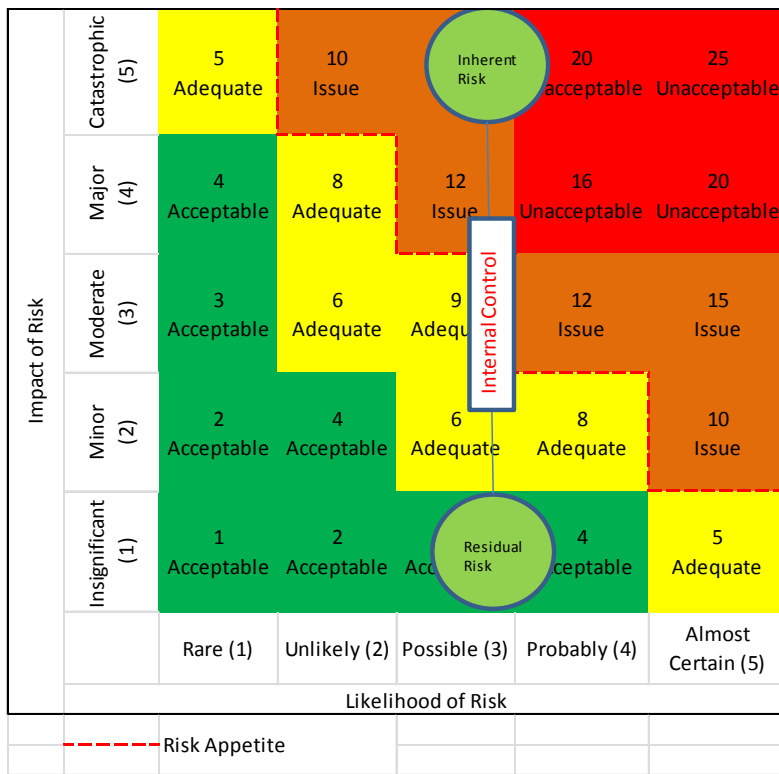
APPENDIX A

Date Prepared: 16 Sept 2016												
Version No: Draft 0.1												
Risk No	Date Identified	Risk Description	Initial Risk Level				Control Measures	Current Risk Level				Risk Owner
			Likelihood	Impact	Risk Score	Risk Category		Likelihood	Impact	Risk Score	Risk Category	
1	Sep-16	<p>Workforce Sustainability</p> <p>Risk due to changing workforce demographics & the type of skills required to deliver services in the future the workforce may not have the skill, experience or capacity to deliver the type & quality of services the community needs. This could be compounded by lack of resources available to invest in training our people.</p> <p>Potential Consequences: Don't attract or retain the right people, don't have an engaged & resilient workforce, service user needs not met, strategic plan not delivered, & reputational damage.</p>	4	4	16	Unacceptable	<p>1. Strategic Plan</p> <p>2. Workforce Planning</p> <p>3. People Plan</p> <p>4. Individual development plans</p> <p>5. Training budgets</p>	3	4	12	Issue	B Moore, Chief Officer
2	Sep-16	<p>Performance Management Information</p> <p>Risk due to lack of quality, timeous performance information systems to inform strategic & operational planning & decision making.</p> <p>Potential Consequences: Misallocate resources to non-priority areas, lack of focus, decisions based on anecdotal thinking or biased perspectives, & community needs not met.</p>	5	4	20	Unacceptable	<p>1. Performance management infrastructure and reporting cycle</p> <p>2. Regular financial monitoring reports showing performance against budget and projected outturns</p> <p>3. Locality planning arrangements</p> <p>4. Robust budget planning processes</p> <p>5. Quarterly Performance Reviews</p> <p>6. Data repository regularly updated</p> <p>7. Quality strategy and self evaluation processes</p>	2	3	6	Adequate	B Moore, Chief Officer
3	Sep-16	<p>Complaints Process</p> <p>Risk of ineffective complaints process due to process complexity & the need to put complaints in writing.</p> <p>Potential Consequences: Missed opportunities to learn from perceived & real errors or mistakes, missed opportunity to address perceived or real problems at earliest opportunity & possibly leading to more serious complaints & litigation later, services do not respond as they should to service user needs, & reputational damage.</p>	5	4	20	Unacceptable	<p>1. Complaints process</p> <p>2. Complaints reporting - including the Annual Complaints report which goes to the Health & Social Care Cttee and IJB</p> <p>3. Performance management</p> <p>4. Service user engagement & feedback processes</p> <p>5. Complaints handling training</p>	2	3	6	Adequate	B Moore, Chief Officer

Risk No	Date Identified	Risk Description	Initial Risk Level				Control Measures	Current Risk Level				Risk Owner
			Likelihood	Impact	Risk Score	Risk Category		Likelihood	Impact	Risk Score	Risk Category	
4	Sep-16	<p>Financial Sustainability / Constraints / Resource Allocation Risk due to increased demand for services, potentially not aligning budget to priorities, or anticipated future budget cuts to our funding partners which means that the level of funding provided by the funding partners to the IJB becomes insufficient to meet national & local outcomes & to deliver Strategic Plan Objectives</p> <p>Potential Consequences: IJB unable to deliver Strategic Plan objectives, reputational damage, dispute with Partners, needs not met, risk of overspend on Integrated Budget</p>	4	5	20	Unacceptable	<ol style="list-style-type: none"> 1. Strategic Plan 2. Due Diligence work 3. Close working with Council & Health when preparing budget plans 4. Regular budget monitoring reporting to the IJB 5. Regular budget reports and meetings with budget holders 6. Regular Heads of Service Finance meetings 7. Close working with other HSCPs to deliver a whole system approach to financial planning and delivery 	4	4	16	Unacceptable	B Moore, Chief Officer
5	Sep-16	<p>Effective Governance Risk through partner organisational restructures causing additional governance complexity, not having the right skills mix on the IJB, lack of clarity of role & ability to make decisions, lack of effective horizon scanning, inability to review the performance of Board, poor communications, or perceived lack of accountability by the public.</p> <p>Potential Consequences: Poor decision making, lack of critical skills lead to 'blind spots' or unanticipated risks, partners disengage from the IJB, dysfunctional behaviours, fail to deliver the strategic plan.</p>	4	4	16	Unacceptable	<ol style="list-style-type: none"> 1. IJB themed development sessions carried out throughout the year to update members on key issues 2. Code of Conduct for members 3. Standards Officer appointed 4. Chief Officer is a member of both Partner CMT's & has the opportunity to influence any further governance mechanism changes 5. Regularly planning/liasion meetings between Chief Officer and Chair/Vice Chair 6. Internal and External Audit reviews of governance arrangements 	2	4	8	Adequate	B Moore, Chief Officer
6	Sep-16	<p>Understanding Needs of the Community Risk due to lack of quality data about the needs of service users in order to inform decision making & allocation of resources to deliver the Strategic Plan</p> <p>Possible consequences: Poor quality decision making, don't address health inequalities or understand root causes of why they persist, lack of understanding about future needs & service demands, unable to allocate resources appropriately to deliver the strategic plan, high levels of disease, drug & alcohol misuse consume ever more resources.</p>	5	5	25	Unacceptable	<ol style="list-style-type: none"> 1. Community Engagement 2. Health Education Programmes 3. Locality planning to enhance local targeting of services 4. Strategic Planning Group 5. Equalities Outcomes as part of the Strategic Plan 6. Strategic Needs Assessment Work which is advanced at a community and care group level 7. The above informs work across care groups and partnership working 	3	4	12	Issue	B Moore, Chief Officer

Risk No	Date Identified	Risk Description	Initial Risk Level				Control Measures	Current Risk Level				Risk Owner
			Likelihood	Impact	Risk Score	Risk Category		Likelihood	Impact	Risk Score	Risk Category	
7	Sep-16	<p>Relationship with Acute Partners Risk due to partnership breakdown caused by different priorities & pressures from external stakeholders, lack of trust or effective communication.</p> <p>Potential Consequences: relationship breakdown, dysfunctional working relationships, cannot affect or influence change or priorities, resources skewed towards acute care away from preventative, unable to deliver strategic plan.</p>	4	4	16	Unacceptable	<p>1. HSCP/Acute joint working groups</p> <p>2. CO on HB CMT along with Acute Colleagues</p> <p>3. Developing commissioning plans in partnership with Acute colleagues</p> <p>4. Workstreams have been developed within the commissioning framework</p>	3	4	12	Issue	B Moore, Chief Officer
8	Sep-16	<p>Strategic Capacity Risk due to constrained resources within partner organisations, loss of key people, or lack of commitment to IJB priorities</p> <p>Potential Consequences: partners do not engage or consult with IJB, short term pressures mean long term strategic thinking & planning is neglected, poorer health outcomes for the community, do not address long term entrenched health problems, or deliver the strategic plan</p>	4	4	16	Unacceptable	<p>1. Strategic Planning Process</p> <p>2. Performance Monitoring</p> <p>3. Workforce development plan</p> <p>4. Close working of CO and SMT with Senior Officers of HB and Council</p> <p>5. Staff Partnership Forum</p> <p>6. IJB Oversight of performance</p> <p>7. Planning framework</p>	4	4	16	Unacceptable	B Moore, Chief Officer
9	Sep-16	<p>Legislative/Policy Developments A risk of further legislative or policy development or change which impacts the IJBs ability to deliver its strategic plan</p> <p>Potential Consequences: IJB unable to deliver Strategic Plan, additional unfunded cost pressures, reputational damage</p>	4	4	16	Unacceptable	<p>1. Ongoing work of the Strategic Planning Group</p> <p>2. Close working of the CO and SMT with Senior Officers of HB and Council</p> <p>3. Horizon scanning through SMT network groups</p> <p>4. Regular liaison of senior officers with Scottish Government</p>	4	4	16	Unacceptable	B Moore, Chief Officer
10	Sep-16	<p>Partner Organisations (merge with no. 8?) Risk due to potential lack of ability to innovate in how services are delivered to meet the needs of service users</p> <p>Potential Consequences: burden falls on NHS or Council to support service users & deliver services directly.</p>	3	4	12	Issue	<p>1. Strategic Planning Process</p> <p>2. Performance Monitoring</p> <p>3. Workforce development plan</p> <p>4. Close working of CO and SMT with Senior Officers of HB and Council</p> <p>5. Staff Partnership Forum</p> <p>6. IJB Oversight of performance</p>	2	4	8	Adequate	B Moore, Chief Officer

Inverclyde Integration Joint Board Risk Scoring Guide



Risk Impact	1	2	3	4	5
	Insignificant	Minor	Moderate	Major	Catastrophic
Financial	<£100k	£100k-£250k	£250k-£500k	£500k-£1,000k	£1,000k>
Reputation	Individual negative perception	Local negative perception	Intra industry or regional negative perception	National negative perception	Sustained national negative perception
Legal and Regulatory	Minor regulatory or contractual breach resulting in no compensation or loss	Breach of legislation or code resulting in a compensation award	Regulatory censure or action, significant contractual breach	Breach of regulation or legislation with severe costs/fine	Public fines and censure, regulatory veto on projects/ withdrawal of funding. Major adverse corporate litigation
Operational/ Continuity	An individual service or process failure	Minor problems in specific areas of service delivery	Impact on specific customer group or process	Widespread problems in business operations	Major service of process failure impacting majority or major customer groups
Likelihood	1	2	3	4	5
	Rare	Unlikely	Possible	Probable	Almost Certain
Definition	Not likely to happen in the next 3 years	Unlikely to happen in the next 3 years	Possible to occur in the next 3 years	Likely to occur in the next year	Very likely to occur in the next 6 months

DRAFT IJB RISK REGISTER/RISK MAP FORMAT							APPENDIX C	
Organisation					Inverclyde Integration Joint Board			
Date:					01/11/2016			
Risk No	Description of RISK Concern (x,y,z)	IMPACT Rating (A)	L'HOOD Rating (B)	Quartile	Risk Score (A*B)	Current Controls	Who is Responsible? (name or title)	Additional Controls/Mitigating Actions & Time Frames with End Dates
1	<p>Workforce Sustainability</p> <p>Risk due to changing workforce demographics & the type of skills required to deliver services in the future the workforce may not have the skill, experience or capacity to deliver the type & quality of services the community needs. This could be compounded by lack of resources available to invest in training our people.</p> <p>Potential Consequences: Don't attract or retain the right people, don't have an engaged & resilient workforce, service user needs not met, strategic plan not delivered, & reputational damage.</p>	4	3		12	<ol style="list-style-type: none"> 1. Strategic Plan 2. Workforce Planning 3. People Plan 4. Individual development plans 5. Training budgets 		
2	<p>Performance Management Information</p> <p>Risk due to lack of quality, timeous performance information systems to inform strategic & operational planning & decision making.</p> <p>Potential Consequences: Misallocate resources to non-priority areas, lack of focus, decisions based on anecdotal thinking or biased perspectives, & community needs not met.</p>	3	2		6	<ol style="list-style-type: none"> 1. Performance management infrastructure and reporting cycle 2. Regular financial monitoring reports showing performance against budget and projected outturns 3. Locality planning arrangements 4. Robust budget planning processes 5. Quarterly Performance Reviews 6. Data repository regularly updated 7. Quality strategy and self evaluation processes 		
3	<p>Complaints Process</p> <p>Risk of ineffective complaints process due to process complexity & the need to put complaints in writing.</p> <p>Potential Consequences: Missed opportunities to learn from perceived & real errors or mistakes, missed opportunity to address perceived or real problems at earliest opportunity & possibly leading to more serious complaints & litigation later, services do not respond as they should to service user needs, & reputational damage.</p>	3	2		6	<ol style="list-style-type: none"> 1. Complaints process 2. Complaints reporting - including the Annual Complaints report which goes to the Health & Social Care Cttee and IJB 3. Performance management 4. Service user engagement & feedback processes 5. Complaints handling training 		
4	<p>Financial Sustainability / Constraints / Resource Allocation</p> <p>Risk due to increased demand for services, potentially not aligning budget to priorities, or anticipated future budget cuts to our funding partners which means that the level of funding provided by the funding partners to the IJB becomes insufficient to meet national & local outcomes & to deliver Strategic Plan Objectives</p> <p>Potential Consequences: IJB unable to deliver Strategic Plan objectives, reputational damage, dispute with Partners, needs not met, risk of overspend on Integrated Budget</p>	4	3		12	<ol style="list-style-type: none"> 1. Strategic Plan 2. Due Diligence work 3. Close working with Council & Health when preparing budget plans 4. Regular budget monitoring reporting to the IJB 5. Regular budget reports and meetings with budget holders 6. Regular Heads of Service Finance meetings 7. Close working with other HSCPs to deliver a whole system approach to financial planning and delivery 		

Risk No	*Description of RISK Concern (x,y,z)	IMPACT Rating (A)	L'HOOD Rating (B)	Quartile	Risk Score (A * B)	Current Controls	Who is Responsible? (name or title)	Additional Controls/Mitigating Actions & Time Frames with End Dates
5	<p>Effective Governance</p> <p>Risk through partner organisational restructures causing additional governance complexity, not having the right skills mix on the IJB, lack of clarity of role & ability to make decisions, lack of effective horizon scanning, inability to review the performance of Board, poor communications, or perceived lack of accountability by the public.</p> <p>Potential Consequences: Poor decision making, lack of critical skills lead to 'blind spots' or unanticipated risks, partners disengage from the IJB, dysfunctional behaviours, fail to deliver the strategic plan.</p>	4	2		8	<ol style="list-style-type: none"> 1. IJB themed development sessions carried out throughout the year to update members on key issues 2. Code of Conduct for members 3. Standards Officer appointed 4. Chief Officer is a member of both Partner CMTs & has the opportunity to influence any further governance mechanism changes 5. Regularly planning/liaison meetings between Chief Officer and Chair/Vice Chair 6. Internal and External Audit reviews of governance arrangements 		
6	<p>Understanding Needs of the Community</p> <p>Risk due to lack of quality data about the needs of service users in order to inform decision making & allocation of resources to deliver the Strategic Plan</p> <p>Possible consequences: Poor quality decision making, don't address health inequalities or understand root causes of why they persist, lack of understanding about future needs & service demands, unable to allocate resources appropriately to deliver the strategic plan, high levels of disease, drug & alcohol misuse consume ever more resources.</p>	4	2		8	<ol style="list-style-type: none"> 1. Community Engagement 2. Health Education Programmes 3. Locality planning to enhance local targeting of services 4. Strategic Planning Group 5. Equalities Outcomes as part of the Strategic Plan 6. Strategic Needs Assessment Work which is advanced at a community and care group level 7. The above informs work across care groups and partnership working 		
7	<p>Relationship with Acute Partners</p> <p>Risk due to partnership breakdown caused by different priorities & pressures from external stakeholders, lack of trust or effective communication.</p> <p>Potential Consequences: relationship breakdown, dysfunctional working relationships, cannot affect or influence change or priorities, resources skewed towards acute care away from preventative, unable to deliver strategic plan.</p>	4	3		12	<ol style="list-style-type: none"> 1. HSCP/Acute joint working groups 2. CO on HB CMT along with Acute Colleagues 3. Developing commissioning plans in partnership with Acute colleagues 4. Workstreams have been developed within the commissioning framework 		
8	<p>Strategic Capacity</p> <p>Risk due to constrained resources within partner organisations, loss of key people, or lack of commitment to IJB priorities</p> <p>Potential Consequences: partners do not engage or consult with IJB, short term pressures mean long term strategic thinking & planning is neglected, poorer health outcomes for the community, do not address long term entrenched health problems, or deliver the strategic plan</p>	4	2		8	<ol style="list-style-type: none"> 1. Strategic Planning Process 2. Performance Monitoring 3. Workforce development plan 4. Close working of CO and SMT with Senior Officers of HB and Council 5. Staff Partnership Forum 6. IJB Oversight of performance 7. Planning framework 		
9	<p>Legislative/Policy Developments</p> <p>A risk of further legislative or policy development or change which impacts the IJBs ability to deliver its strategic plan</p> <p>Potential Consequences: IJB unable to deliver Strategic Plan, additional unfunded cost pressures, reputational damage</p>	4	2		8	<ol style="list-style-type: none"> 1. Ongoing work of the Strategic Planning Group 2. Close working of the CO and SMT with Senior Officers of HB and Council 3. Horizon scanning through SMT network groups 4. Regular liaison of senior officers with Scottish Government 		

Requires active management.	High impact/high likelihood: risk requires active management to manage down and maintain exposure at an acceptable level.	Very High
Contingency plans.	A robust contingency plan may suffice together with early warning mechanisms to detect any deviation from plan.	High
Good Housekeeping.	May require some risk mitigation to reduce likelihood if this can be done cost effectively, but good housekeeping to ensure the impact remains low should be adequate. Reassess frequently to ensure conditions remain the same.	Medium (5-9)
Review periodically.	Risks are unlikely to require mitigating actions but status should be reviewed frequently to ensure conditions have not changed.	Low

