



Council Building  
2 High Street  
Perth  
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22/11/2022

A hybrid meeting of the **Audit and Performance Committee of the Perth and Kinross Integration Joint Board** will be held in the **Council Chamber** on **Monday, 28 November 2022** at **09:30**.

If you have any queries please contact Committee Services - [Committee@pkc.gov.uk](mailto:Committee@pkc.gov.uk).

**Jacquie Pepper**  
Chief Officer – Health and Social Care Partnership

***Please note that the meeting will be streamed live via Microsoft Teams, a link to the Broadcast can be found via the Perth and Kinross Council website. A recording will also be made publicly available on the Integration Joint Board pages of the Perth and Kinross Council website following the meeting.***

### **Members**

Beth Hamilton, Tayside NHS Board (Chair)  
Councillor David Illingworth, Perth and Kinross Council  
Councillor Sheila McCole, Perth and Kinross Council  
Bernie Campbell, Carer Public Partner  
Sandy Watts, Third Sector Forum



**Audit and Performance Committee of the Perth and Kinross Integration Joint  
Board**  
**Monday, 28 November 2022**

**AGENDA**

- 1 WELCOME AND APOLOGIES**
  
- 2 DECLARATIONS OF INTEREST**  
Members are reminded of their obligation to declare any financial or non-financial interest which they may have in any item on this agenda in accordance with the [Perth and Kinross Integration Joint Board Code of Conduct](#).
  
- 3 MINUTE OF PREVIOUS MEETING**
  - 3.1 MINUTE OF MEETING OF IJB AUDIT AND PERFORMANCE COMMITTEE OF 28 SEPTEMBER 2022 FOR APPROVAL** **5 - 12**  
(copy herewith)
  
  - 3.2 ACTION POINTS UPDATE** **13 - 14**  
(copy herewith G/22/165)
  
  - 3.3 MATTERS ARISING**
  
- 4 PERFORMANCE**
  - 4.1 2022/23 FINANCIAL POSITION - MONTH 6** **15 - 28**  
Report by Head of Finance & Corporate Services (copy herewith G/22/166)
  
  - 4.2 PROGRESS REPORT - KEY NATIONAL INDICATOR SET** **29 - 36**  
Report by Chief Officer (copy herewith G/22/167)
  
- 5 GOVERNANCE AND ASSURANCE**
  - 5.1 STRATEGIC RISK MANAGEMENT UPDATE** **37 - 62**  
Report by Chief Officer (copy herewith G/22/168)
  
  - 5.2 INTERNAL AUDIT REPORT - PRIMARY CARE** **63 - 94**  
Report by Chief Internal Auditor (copy herewith G/22/170)
  
  - 5.3 INTERNAL AUDIT PROGRESS REPORT** **95 - 98**  
Report by Chief Internal Auditor (copy herewith G/22/169)

**6 CLINICAL CARE GOVERNANCE**

- 6.1 CLINICAL AND CARE GOVERNANCE ASSURANCE** **99 - 108**  
Report by Chief Officer (copy herewith G/22/171)

**7 FOR INFORMATION**

- 7.1 P&K IJB AUDIT AND PERFORMANCE COMMITTEE WORK** **109 - 110**  
**PLAN 2022/23**  
(copy herewith G/22/172)

- 7.2 P&K IJB AUDIT AND PERFORMANCE COMMITTEE RECORD** **111 - 112**  
**OF ATTENDANCE 2022/23**  
(copy herewith G/22/173)

**8 PRIVATE DISCUSSION**

- 9 DATE OF NEXT MEETING**  
Monday 13 March 2023

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## **AUDIT AND PERFORMANCE COMMITTEE OF THE PERTH AND KINROSS INTEGRATION JOINT BOARD**

Minute of hybrid meeting of the Audit and Performance Committee of the Perth and Kinross Integration Joint Board (IJB) held in the Council Chambers on Monday 26 September 2022 at 9.30am.

**Present:** B Hamilton (Chair) and D McPherson (both Tayside NHS Board), Councillors D Illingworth and S McCole (both Perth and Kinross Council), B Campbell (Carer Public Partner) (from Item 4.1 until Item 5.4) and S Watts (Third Sector Forum).

**In Attendance:** B Benson, S Hope and L Glover (from Item 4.1 onwards) (all IJB Members); J Smith, Head of Finance and Corporate Services, C Jolly, M Grant, Z Robertson, Amanda Taylor, M Dickson, K Sharp and P Jerrard (all Perth and Kinross Health and Social Care Partnership); J Clark, Chief Internal Auditor; and S Hendry, Adam Taylor, M Pasternak and A Brown, Corporate and Democratic Services (Perth and Kinross Council); and M Wilkie and C Batchelor (both KPMG – External Auditors).

**Apologies:** J Pepper, Chief Officer – Health and Social Care Partnership.

B Hamilton, Chair.

### **1. WELCOME AND APOLOGIES**

B Hamilton welcomed all those present to the meeting and an apology was submitted and noted as above.

### **2. DECLARATIONS OF INTEREST**

There were no Declarations of Interest made in terms of the Perth and Kinross Integration Joint Board Code of Conduct.

### **3. MINUTE OF PREVIOUS MEETING**

#### **3.1 MINUTE OF MEETING OF THE AUDIT AND PERFORMANCE COMMITTEE OF 7 MARCH 2022**

The minute of meeting of the Audit and Performance Committee of the Perth and Kinross Integration Joint Board of 7 March 2022 was submitted and approved as a correct record.

#### **3.2 ACTION POINTS UPDATE**

The Action Points Update (Report G/22/139) were submitted, and updates provided thereon.

### **3.3 MATTERS ARISING**

There were no matters arising.

## **4. PERFORMANCE**

### **4.1 2022/23 FINANCIAL POSITION**

There was submitted a report by the Head of Finance and Corporate Services (G/22/140) providing an update on the 2022/23 projected year-end out-turn based on financial performance for the four months to 31 July 2022.

The Committee were advised that an overall underspend of £0.5m is projected. J Smith stated that there was previously a requirement for the use of reserves but this is now no longer required. This is mainly due to the improving prescribing position. However, this prescribing slippage has mostly been offset by unachieved savings and 2c practice costs in Dundee and Angus IJBs.

Significant Covid spending is forecast which is due to be offset in full by Covid reserves. However, discussions are ongoing with the Scottish Government on the potential return of reserves not required in this financial year to meet Covid spending.

#### **Resolved:**

- (i) The overall projected out-turn of £0.5m underspend with no requirement for the use of reserves to deliver financial balance, be noted.
- (ii) The forecasted £5.7m Covid-19 costs funded in full by the IJB Covid-19 Reserve, be noted.
- (iii) The financial risks that may still impact on the financial forecast, be noted.

### **4.2 ANNUAL PERFORMANCE REPORT 2021/22**

There was submitted a report by the Chief Officer (G/22/141) presenting the Perth and Kinross IJB Annual Performance Report for 2021/22.

The Committee heard that the report is presented in a changed format which is intended to meet the needs of a broader audience, is also more outcome focussed and encompasses good practice across Scotland. The report strives to reflect the scale of activities and improvements undertaken throughout the year and to show the progress achieved.

A number of Members provided positive feedback on the content and structure of the annual performance report whilst some other members noted the level of detail of some of the information contained and the complexity of some of the services being delivered. However, it was noted that the report would now be used to produce communication at different levels and increase accessibility to support different needs including the community as well as staff members. A communications and engagement plan is being formulated to facilitate this.

#### **Resolved:**

The Annual Performance Report for 2021/22 as detailed in Appendix 1 of Report G/22/141, be approved.

## **5. GOVERNANCE AND ASSURANCE**

### **5.1 STRATEGIC RISK MANAGEMENT UPDATE**

There was submitted a report by the Chief Officer (G/22/142) providing updates on (1) the Integration Joint Board Strategic Risk Register; (2) the progress of the improvement actions being taken to improve the overall control environment to further mitigate risk; and (3) on new or emerging risks and any material changes to existing risks.

Ongoing review of strategic risks have led to a number of positive changes to the level of the risks since the last report to the Committee in March 2022. However, a number of high priority red risks remain though including Financial Resources, Workforce, Capacity and Flow and External Providers. The report sets out a range of actions which are being taken across our governance frameworks to address the level of risk in these areas.

Councillor Illingworth welcomed the report as a new Committee member and found it enlightening to see the current risks to the IJB's strategic objectives, especially the high level risks.

#### **Resolved:**

- (i) The IJB's Strategic Risk Register and Strategic Risk Improvement Plan as detailed in Report G/22/142, be noted.
- (ii) The current position of the IJB's strategic risk exposure scores as detailed at Section 2 of Report G/22/142, be noted.

### **5.2 PARTNERSHIP IMPROVEMENT PLAN / AUDIT RECOMMENDATIONS UPDATE**

There was submitted a report by the Chief Officer (G/22/143) providing an update on progress made against the actions within the Partnership Improvement Plan.

The Committee heard that the Partnership Improvement Plan (PIP) and Audit Recommendations report has now been amalgamated into one report for the first time as it was recognised that there was an overlap between the 2 reports previously. New actions have been identified for inclusion in the plan through the annual review of governance and now incorporated into the PIP. Positive progress has been made in many of the actions with further work scheduled for the remainder of the financial year.

#### **Resolved:**

- (i) It be noted that the Audit Recommendations have now been amalgamated into the Partnership Improvement Plan.
- (ii) The progress towards the achievement of actions within the Partnership Improvement Plan, be noted.

### **5.3 INTERNAL AUDIT PROGRESS REPORT**

There was submitted a report by the Chief Internal Auditor (G/22/144) providing an update on progress in relation to Internal Audit's planned activity.

**Resolved:**

The progress made with the delivery of the 2020/21 and 2021/22 plans as detailed in Appendix 1 of Report G/22/144, be noted.

#### **5.3.1 INTERNAL AUDIT REPORT – CORPORATE SUPPORT**

There was submitted a report by the Chief Internal Auditor (G/22/145) reviewing the adequacy of arrangement in place for the delivery of corporate support functions for the Partnership and the IJB.

**Resolved:**

The contents of Report G/22/145, be noted.

### **5.4 INTERNAL AUDIT STRATEGY AND PLAN 2022/23**

There was submitted a report by the Chief Internal Auditor (G/22/146) seeking approval of the Annual Internal Audit Plan for Perth and Kinross Integration Joint Board for 2022/23.

J Clark advised the Committee that the Leadership Capacity Review internal audit assignment has been impacted by the change in Chief Officer. Therefore, a proposal for a revised scope for this report has been included within the Internal Audit Plan for 2022/23. The scope is now proposed to be for a consultancy review of Leadership Capacity and J Clark advised that this is consistent with the role of Internal Audit within the Public Sector Internal Audit Standards. In line with the approach in Perth & Kinross Council, where Internal Audit is undertaking a 'critical friend' role, detailed outcomes will not be communicated to the Audit & Performance Committee in a separate report. J Clark advised that the Audit & Performance Committee will, however, be informed of the work undertaken and of any high-level outcomes as appropriate.

B Hamilton queried what the Committee would receive in relation to the Leadership assignment to be assured of achievements and of the value in the work undertaken. The Chief Internal Auditor advised she would provide a summary of the work and activity as part of the routine internal audit summary report. A detailed report will not be provided to allow for an open and dynamic review to take place and to be the 'critical friend'.

D McPherson stated that this was previously in the audit plan to come to the Committee in full and that he was struggling to understand the rationale behind this and also expressed concern that the Committee might lose insight into this. J Clark stated that the audit from the previous internal audit plan prepared at a specific point in time from a previous Chief Officer to ensure the capacity review was effective then. A new Chief Officer has now been appointed and discussions have since taken



place about what would provide the required value to the organisation. The Committee were informed that recommendations may be made as part of this work but that it would be for the Chief Officer to bring these forward to the Committee. B Hamilton enquired if an indication of the percentage of time allocated to this assignment could be provided. J Clark advised that there is a total of 40 days and that she anticipates this work would involve an allocation of between 10 and 12 days.

D McPherson asked if there was an opportunity to bring the outcomes of the Leadership Capacity work forward as it has a target date of June 2023. The Chief Internal Auditor stated that this is something which she will consider in conjunction with the Chief Officer and an update provided on this at the next meeting.

**Resolved:**

The Internal Audit Strategy and Plan for 2022/23 as detailed in Appendix 1 to Report G/22/146, be approved.

THERE FOLLOWED A SHORT RECESS AND THE MEETING RECONVENED AT 11.02AM.

B CAMPBELL LEFT THE MEETING AT THIS POINT.

IT WAS AGREED TO VARY THE ORDER OF BUSINESS AND CONSIDER ITEMS 6.1 AND 6.2 AT THIS POINT.

## **6. AUDITED ANNUAL ACCOUNTS 2021/22**

### **6.1 ASSURANCES RECEIVED FROM PARTNERS**

There was submitted a report by the Head of Finance and Corporate Services (G/22/147b) providing assurance on the effectiveness of the governance arrangements within Perth and Kinross Council, NHS Tayside and the two Tayside IJB's during 2021/22.

D McPherson queried the absence of assurance at the moment from Dundee IJB and that this has been referenced in the Annual Accounts as being received. M Wilkie advised that he would be content for a revision to be made to the financial statements in the Annual Accounts making the position clear regarding Dundee IJB and the extent to which the IJB is aware of any governance issues in Dundee IJB.

**Resolved:**

- (i) It be noted that assurance had been received from NHS Tayside, Perth and Kinross Council and Angus IJB.
- (ii) It be noted that assurance of effective governance arrangements in Dundee IJB is expected to be received by the end of October 2022.

### **6.2 AUDITED ANNUAL ACCOUNTS 2021/22**

There was submitted a report by the Head of Finance and Corporate Services (G/22/148) presenting the Integration Joint Board's (IJB) Audited Annual Accounts for the financial year 2021/22 in accordance with the 2021 CIPFA Code of Practice

on Local Authority Accounting. The accounts also comply with the Local Authority Accounts (Scotland) Regulations 2014.

M Wilkie provided the Committee with a summary of the external audit report and advised that KPMG intend to issue an unqualified opinion on the financial statements following approval by the Board.

The external audit contained 2 recommendations. One recommendation concerned the risk sharing arrangements and a proposed wording change in the revised integration scheme. The other recommendation related to the potential return of unused Covid reserves and of the Board taking appropriate consideration of the governance route should this arise.

B Hamilton and J Smith expressed gratitude on behalf of the IJB to Michael Wilkie and his team at KPMG for their work with the IJB over the last six years.

Councillor Illingworth expressed thanks to the Finance Team for their dedication and hard work in preparing the accounts.

**Resolved:**

- (i) The contents of KPMG's Annual Audit Report to Members of Perth & Kinross IJB and the Controller of Audit on the 2021/22 Audit, be noted.
- (ii) The Audited Annual Accounts for 2021/22 as detailed in Appendix 2 to Report (G/22/148), be approved.
- (iii) The Letter of Representation be approved for signature by the Head of Finance and Corporate Services.

## **5.5 APPOINTMENT OF EXTERNAL AUDIT 2022/23-2026/27**

There was submitted a report by the Head of Finance and Corporate Services (G/22/147a) providing an update on the appointment of Perth and Kinross Integration Joint Board's External Auditors for 2022/23 to 2026/27.

Following a tender process by the Auditor General and Accounts Commission the Audit and Performance Committee were advised that Audit Scotland have been appointed as the IJB's auditor for the audits of 2022/23 to 2026/27.

Councillor McCole queried if rates were fixed for the duration of the contract. J Smith advised that there has been no discussion of the proposed fee at this point. The fee is set as per a national fee framework with very limited flexibility to vary this. However, a paper will be brought to the Audit and Performance Committee to agree the fee later in the year.

**Resolved:**

The appointment of Audit Scotland as the IJB's External Auditors for the period 2022/23 to 2026/27, be noted.

## **7. CLINICAL CARE GOVERNANCE**

### **7.1 CLINICAL CARE GOVERNANCE RISK ESCALATION REPORT**

There was submitted a report by the Chief Officer (G/22/149) providing assurance to the IJB that a robust Clinical and Care Governance system is in place within NHS Tayside and Perth and Kinross Council and that there is an appropriate escalation process for operational risks which may impact on the ability of the IJB to deliver its strategic objectives.

B Hamilton advised that she was keen that the information included in the report was more manageable and that it was able to provide the assurance that the Committee requires. D McPherson advised that an IJB member development session would be a good way forward as this is a complex issue that has tested officer and members over a long period. The importance of the Co-Chairs of the Clinical, Care and Professional Governance Forum attending the Audit and Performance Committee was stressed. This would allow questions to be answered and they could provide wider assurance.

**Resolved:**

- (i) The review and consideration of operational risks and the impact on the IJB's Strategic Risk Profile, be noted.
- (ii) The assurance provided on the Clinical and Care Governance systems in place within NHS Tayside and Perth and Kinross Council, be noted.

**8. FOR INFORMATION**

There were submitted and noted the following reports for information:

**8.1 AUDIT & PERFORMANCE COMMITTEE WORK PLAN 2022/23 (G/22/150)**

**8.2 AUDIT & PERFORMANCE COMMITTEE RECORD OF ATTENDANCE 2021/22 (G/22/151)**

**9. PRIVATE DISCUSSION**

There was no private discussion between members of the Committee and the Chief Internal Auditor or External Auditor.

**10. DATE OF NEXT MEETINGS**

Monday 28 November 2022 at 9.30am.

Monday 13 March 2023 at 9.30am.





## Action Points Update – 28 November 2022

### Perth & Kinross IJB – Audit and Performance Committee

(Report G/22/165)

Ref.	Min. Ref.	Meeting	Action	Responsibility	Timescale	Revised Timescale	Update/Comments
50	-	15/02/21	IJB Risk Workshop/Development Session to be scheduled to consider risk tolerance and acceptability	Chief Officer/ Head of Finance & Corporate Services	31/11/22	25/1/23	Due to competing IJB development session priorities the deadline for completion of this action has been revised. This is now provisionally proposed for January 2023.
51	5.1	26/09/22	IJB Development Session on Clinical Care Governance to be held.	Chief Officer	25/1/23	-	This is provisionally proposed for January 2023.
52	6.1	26/09/22	Assurance of effective governance arrangements to be provided by Dundee IJB	Head of Finance & Corporate Services	28/11/22	-	Assurance is expected to be received following consideration of Dundee IJB's Annual Accounts at their Performance and Audit Committee meeting of 23 <sup>rd</sup> November 2022.





## PERTH & KINROSS INTEGRATION JOINT BOARD

### AUDIT & PERFORMANCE COMMITTEE

28<sup>th</sup> November 2022

### 2022/23 FINANCIAL POSITION – MONTH 6

**Report by the Head of Finance & Corporate Services**  
(Report No. G/22/166) (Revised Version)

#### PURPOSE OF REPORT

The purpose of this report is to advise the Audit & Performance Committee of the 2022/23 projected year end out-turn based on financial performance for the 6 months to 30 September 2022.

## 1. RECOMMENDATIONS

It is recommended that the Audit & Performance Committee:

- i. Note that the overall projected out-turn is a £0.4m overspend with a requirement for use of General Reserves to deliver financial balance;
- ii. Notes forecast £4.8m Covid-19 costs which are funded in full by the IJB Covid-19 Reserve;
- iii. Note the update regarding the IJB reserves position for 2022/23;
- iv. Note the extent of the financial risks that may still impact on the financial out-turn in 2022/23.

## 2. OVERVIEW

- 2.1 The 2022/23 Financial Plan, approved by the Integration Joint Board (IJB) in March 2022 (Report G/22/56) forecast a core £1m overspend across Health & Social Care. The main driver of this forecast overspend was Prescribing (£0.8m). The use of General Reserves was approved to deliver break even.
- 2.2 The latest financial position for 2022/23 based on the 6 months to 30<sup>th</sup> September 2022 forecasts an overspend of £0.4m. Table 1 below sets out forecast movement from plan.

Table 1 - Summary Month Forecast

	Financial Plan Over/(Under) £m			Projection September (Month 6) Over/(Under) £m			Variance
	Health	Social Care	Total	Health	Social Care	Total	
Core Position	0.8	0.2	1.0	(0.6)	(0.3)	(0.9)	(1.9)
Savings	0.7	1.3	2.0	0.7	1.3	2.0	-
COVID-19 Expenditure	2.1	2.3	4.4	2.3	2.5	4.8	0.4
<b>Sub-Total</b>	<b>3.6</b>	<b>3.8</b>	<b>7.4</b>	<b>2.4</b>	<b>3.5</b>	<b>5.9</b>	<b>(1.5)</b>
COVID-19 Reserves	(2.8)	(2.9)	(5.7)	(2.3)	(2.5)	(4.8)	0.9
General Reserves	(0.8)	(0.2)	(1.0)	(0.1)	(0.3)	(0.4)	0.6
PKC Contribution	-	(0.7)	(0.7)	-	(0.7)	(0.7)	-
<b>Sub-Total Funding</b>	<b>(3.6)</b>	<b>(3.8)</b>	<b>(7.4)</b>	<b>(2.4)</b>	<b>(3.2)</b>	<b>(5.9)</b>	<b>1.5</b>
<b>Total Position</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

- 2.3 Overall, there has been a positive movement in the Core Position with an under spend of £0.9m forecast compared to the £1m overspend anticipated. Section 3 below sets out the key drivers of this £1.9m movement.
- 2.4 The forecast £2.0m slippage on delivery of approved savings is consistent with the approved plan which assumed that £1.3m of this slippage could be offset by Covid-19 Earmarked Reserves, with the remaining £0.7m offset by non-recurring PKC Funding. However, a change in the treatment by the Scottish Government means this is no longer allowable and slippage now must be absorbed against the Core Position. The positive swing in the core position ensures this change in treatment can be absorbed. Section 4 below sets out further detail of the key areas of slippage.
- 2.5 Following a full review in line with most recent Scottish Government guidance, Covid costs forecast for the year have reduced from £5.7m at Month 4 to £4.8m. Section 5 sets out further details.
- 2.6 In order to deliver a break even position at Month 6, it is now necessary to utilise General Reserves of £0.4m (£0.1m in Health and £0.3m in Social Care) in comparison to planned utilisation of reserves of £1m. This is reflected within the above table. Further details on the reserves position is provided at Section 6.



### 3. MOVEMENT IN CORE POSITION

3.1 As noted within Section 2, the Core Position shows a £1.9m positive movement in comparison to the 2022/23 Financial Plan. Table 2 below sets out the areas driving this net improvement.

Table 2 – Core Position Key Movements

	Financial Plan (£m)		Month 6 Projected Financial Position (£m)		Variance to Plan (£m)
	Health Over/(Under)	Social Care Over/(Under)	Health Over/(under)	Social Care Over/(Under)	Total Over/(Under)
Older People	0	0	0.6	(0.9)	(0.3)
Adult Services	0	0	(0.5)	0.3	(0.2)
Slippage on Investment	0	0	(1.1)	(1.0)	(2.0)
Other Pay/Price Pressures	0	0.2	0	1.3	1.1
Hosted Services	0	0	(0.1)	0	(0.1)
General Medical Services	0	0	0.4	0	0.4
Prescribing	0.8	0	0	0	(0.8)
<b>TOTAL CORE OVER/(UNDER)</b>	<b>0.8</b>	<b>0.2</b>	<b>(0.6)</b>	<b>(0.3)</b>	<b>(1.9)</b>

#### 3.2 Older People

There is a core projected under spend within Older People Services across both Health & Social Care of £0.3m.

There is a £0.6m projected overspend within Health Older People Services. This is driven by overspends within Inpatient services in Medicine for the Elderly of £0.1m relating to the use of supplementary staffing and increased bed base currently in Tay and Stroke Wards to support capacity and flow. In addition, there is a projected £0.5m overspend projected on Psychiatry of Old Age services due to the level of agency and bank staffing in inpatient wards and additional of locum consultants due to difficulty in recruitment. This overspend is over and above £1.4m additional costs being charge to the Covid reserve for increased rehabilitation bed capacity to support capacity and flow and additional staffing for POA wards to support increased acuity.

This is offset by an £0.9m under spend within Social Care Older People services. Residential Placements is reporting a projected (£0.6m) under spend with demand significantly below budgeted levels. Day Care and External Transport Services is projecting an under spend of (£0.2m) mainly due to vacancies within New Rannoch Day Care Centre which have remained unfilled as demand struggles to return to pre-Covid levels. Although Care at Home is reporting an overspend position of £0.2m, there remains a significant level of unmet need with providers being unable to pick up hours due to ongoing recruitment issues across the sector. To mitigate this and to meet this need, the use of agency staff has been approved to 31<sup>st</sup> March 2023, the cost of which is projected at £1.2m and this is offsetting a significant core under spend in the Care at Home position at Month 6. Finally, the Joint Equipment & Loans Service and Community Alarm Service are reporting an under spend of £0.1m driven by slippage in recruitment.

### **3.3 Adult Services**

There is a projected under spend projected at Month 6 within Adult Services of £0.2m across Health & Social Care.

Of this, there is a £0.6m under spend projected on Health General Adult Psychiatry and Community Mental Health Services driven by vacancies within core services and slippage in recruitment to new service provision outlined in the Community Mental Health Strategy. This is offset by a projected £0.3m deficit in funding from Scottish Government for Mental Health in Primary Care. In addition, there is slippage reported at Month 6 on Health Complex Care Packages of £0.2m due to a delay in the commencement of planned care packages and a reduction in the number of client packages supported.

Within Social Care, there is a £0.3m projected overspend driven by increased demand and complexity of care packages within Mental Health and Learning Disabilities.

### **3.4 Slippage on Investment**

Overall slippage on the approved IJB investment of £2.0m is now forecast. Of this, £1.8m relates to Older People and £0.2m to Primary Care. The slippage on Older People investment relates to Hospital at Home (£0.5m), Urgent Care (£0.2m), Living Well Care at Home Team (£0.5m) and Phase 3 of the Older People Strategic Plan (£0.6m). Slippage is mainly due to delays in recruitment.

Further there has been significant challenge in recruitment to the Primary Care Resilience Team, a new team prioritized for investment by the IJB to support GP Practice sustainability. This is driving an under spend of £0.2m.

### 3.5 Other Pay/Price Pressures

The 2022-23 Financial Plan included a projected overspend of £0.2m which was driven by one off costs and was proposed to be funded by General Reserves. However, an over spend of £1.3m is now forecast. This movement from plan results from additional forecast costs arising from the Local Authority 2022/23 pay settlement (£0.8m) and provision for a potential in year increase to the national care home contract (£0.5m). With regard to Local Authority pay, 3% uplift in pay for local authority employed staff was provided for in the approved 2022/23 budget however the pay award has now been agreed at a higher level. The Scottish Government have confirmed funding to Local Authorities (recurring and non-recurring) towards this increased cost and there is an expectation that a fair share will be passed to HSCP's for Social Work and Social Care staff. PKC have agreed in principle to the transfer of funding to PKHSCP and we await notification of the fair share of funding. Until confirmed, this additional funding cannot be included in the forecast.

### 3.6 General Medical Services

There is a projected overspend on General Medical Services in comparison to the financial plan of £0.4m. This is driven by the cost of 2C practices in Dundee and Angus, a share of which continues to be allocated to PKHSCP based on a 'custom and practice' agreement that pre-dates the inception of IJB's. Discussions are ongoing with Chief Officers in Dundee and Angus to consider how they might use their reserves locally to absorb this local cost.

### 3.7 Prescribing

The 2022-23 Financial Plan outlined a recurring shortfall of £0.8m within Health Services. This related entirely to a brought forward deficit in Prescribing. As at Month 6 there is no overspend projected against Prescribing meaning the overall movement from financial plan is benefit of £0.8m. This is due to actual price and volume growth within prescribing services being lower than planned.

## 4. SAVINGS

- 4.1 Of £2.5m approved savings for 2022/23, £0.5m has now been delivered. Table 3 below sets out the detail of savings slippage anticipated in 2022/23.

Table 3

<b>Description</b>	<b>Approved Savings still to be delivered £m</b>	<b>Amount Projected to be delivered in 2022/23 £m</b>	<b>Shortfall £m</b>
Transformation of Complex Care	1.0	0.5	0.5
Prepaid Card Scheme	0.1	0	0.1
Contributions Policy	0.7	0	0.7
<b>Sub-Total Social Care</b>	<b>1.8</b>	<b>0.5</b>	<b>1.2</b>
Redesign of Rehabilitation Beds	0.7	0	0.7
<b>Sub-Total Health</b>	<b>0.7</b>	<b>0</b>	<b>0.7</b>
<b>Total Health &amp; Social Care</b>	<b>2.5</b>	<b>0.5</b>	<b>2.0</b>

- 4.2 The above slippage was fully anticipated as part of the 2022/23 Financial Plan and results from the impact of Covid on management capacity.
- 4.3 The delay in delivery of complex care savings is reflective of a rephasing in future years due to delays in implementation of the programme due to Covid.
- 4.4 The implementation of a pre-paid card system to introduce an online, real-time payment system, was delayed by the pandemic. Whilst this project has been delayed, there are now other opportunities to deliver upon this saving in 2023/24.
- 4.5 Perth & Kinross Council initiated a review of their non-residential services contributions policy in 2020/21. The pandemic impacted on PKC's ability to consult effectively with stakeholders around the proposed changes. In parallel, the Scottish Government, as part of early proposals related to the establishment of the National Care Service, has indicated that non-residential charges will cease from 1st April 2023. All HSCP's have been asked to submit detailed financial information forecasting the income that will be lost at that point. The PKHSCP return includes the increased income no longer achievable from the implementation of the review. It is likely that should this 'lost' income not be remedied as part of the SG review, then PKHSCP will require to identify other savings to address the budget deficit that will arise.
- 4.6 The savings anticipated from the review of rehabilitation beds were originally expected to be delivered in 2020/21. The pandemic has delayed the review. The current level of pressure on inpatient beds indicates the risk now attached to realisation of this saving in the medium term.

## **5. COVID-19 RESPONSE AND REMOBILISATION**

- 5.1 A total of £4.8m Covid costs are forecast to be incurred in 2022/23 and these are assumed to be funded from the Covid Reserve. This is an increase from the £4.4m forecast at the start of the year but is a reduction from the £5.7m costs forecast at Month 4.
- 5.2 The forecast has been updated to include the recent extension of the Scottish Government Social Care Support Fund to 31<sup>st</sup> March 2023 and the increase in claims from providers. At the same time however, every effort has been made to ensure that forecast costs are minimised and, where appropriate, costs are met from the Winter Resilience Reserve. This is in line with Scottish Government guidance which encourages HSCP's to minimise the use of Covid reserves and identify all other sources of funding in order to maximize the pass back of Covid reserves to Scottish Government- see Section 5 below.

Given that there will be no specific non-recurring funds to support Covid costs in 2023/24 and beyond, a clear exit strategy must be determined for all current costs. The development of the 2023/24 Financial Plan will consider the need to provide ongoing recurring budget for the following Covid costs which are expected to continue in the longer term:-

- Increased Rehabilitation Beds across Perth & Kinross to support system wide capacity and flow (£1.0m)
  - Increased staffing requirement within POA Wards to respond to increased acuity of admissions (£0.5m)
  - Mental Health and Wellbeing Nurses within Primary Care (£0.1m)
  - Enhanced Care Home Team (£0.2m)
- 5.3 Any other remaining costs are expected to be minimal and will require to be absorbed within normal budgetary expenditure.
- 5.4 Appendix 1 provides a breakdown of forecast 2022/23 Covid Costs in line with the Month 6 Scottish Government Forecast submission.

## **6. RESERVES**

- 6.1 Table 4 shows the breakdown of in year commitments against earmarked and unearmarked 2022/23 reserves balances.

Table 4

	2022/23 Budget (£m)	Forecast Expenditure (£m)	Planned SG pull back	Closing Budget 31st March 2023
<b><u>Earmarked Reserves</u></b>				
SG Restricted Reserves	26.4	10.8	13.6	2.0
Shifting the Balance (NHST)	1.4	1.4	-	-
	<b>27.8</b>	<b>12.2</b>	<b>13.6</b>	<b>2.0</b>
<b><u>Unearmarked Reserves</u></b>				
Unearmarked General Reserve – Social Care	3.7	0.3	-	3.4
Unearmarked General Reserve - Health	1.8	0.1	-	1.7
	<b>5.5</b>	<b>0.4</b>	-	<b>5.1</b>
<b>TOTAL HSCP RESERVES</b>	<b>33.3</b>	<b>12.6</b>	<b>13.6</b>	<b>7.1</b>

- 6.2 Taking account of planned expenditure and SG pull back of reserves, a balance of £2.0m earmarked reserves is anticipated as remaining at the year end. Over and above this, £5.1m unearmarked reserves are anticipated to be carried forward after offsetting the forecast year end overspend outlined in this report. This equates to 2.2% of total budget.
- 6.3 The IJB Reserves policy sets out the need for a minimum of 2% unearmarked reserves to meet unplanned costs. The 2023/24 Draft Budget includes a number of non-recurring costs that if approved by the IJB, will reduce the £5.1m balance by up to £1m. The 2023/24 Budget Update to the IJB in December will outline the significant budget gap facing the IJB over the next 3 years, the level of risk and the need to maintain a level of unearmarked reserves to respond to huge uncertainty. There will be limited scope to use unearmarked reserves to formally support financial balance. Further, any scope to support costs across the wider system e.g. unscheduled care, is extremely limited and will be at cost of meeting the IJB's own obligations to deliver financial sustainability as set out in the Integration Scheme.
- 6.4 The Scottish Government has formally indicated their intention to pull back specific earmarked reserves in 2022-23 to fund either mainstream recurring HSCP policy commitments or to fund wider pressures across NHS Boards. At present this equates to a proposed £13.6m which can be broken down as follows:-

- Covid-19 Earmarked Reserve - £10.6m
- Primary Care Investment Fund - £2.6m
- Alcohol & Drug Partnership Reserve - £0.4m

- 6.5 A letter has been received in relation to the Scottish Government 2022/23 policy commitment to fund increased capacity in HSCP Multidisciplinary Teams. The impact of this further claw back is currently being established. Further, HSCP's have been advised to pause recruitment against committed SG additional funding for Mental Health in Primary Care.
- 6.6 Following last week's budget announcement the Scottish Government has indicated potential further funding adjustments may be necessary to support the additional costs of the NHS pay uplift above 3%.
- 6.7 The SG pull back of ADP and Primary Care reserves impacts on existing plans for utilization of reserves across these programmes.
- 6.8 A detailed summary of the P&K HSCP Reserves at Month 6 is included at Appendix 2.

## 7. KEY FINANCIAL RISKS

- 7.1 There are a number of significant financial risks which must be considered alongside this expenditure forecast as set out below:

Risk	Potential extent of Financial Exposure	Comments
Tayside IJB's require to absorb the £4.4m forecast overspend on Inpatient Mental Health Services managed by NHS Tayside.	£1.5m	Discussions ongoing with the Chief Officers, Chief Financial Officers and NHS Tayside Director of Finance.
Further Scottish Government withdrawal of committed recurring funding.	£0.8m	Failure to receive funding for Mental Health Action 15 additional posts and Additional Band 2-4 posts, would present a further in year and recurring pressure.
Agenda for Change Pay Awards 2022-23 above 3%	£1.5m	It is assumed that further NHS pay uplift beyond 2% will be fully funded in 2022-23 by SG, however that should not be the case then there will be a significant detrimental impact on the year end forecast.
Potential Legal Claims	£0.4m	Being managed and supported by PKC Legal Service.

## 8. CONCLUSION

- 8.1 The overall projected out-turn is a £0.4m overspend requiring use of reserves to break even. Whilst this is better than plan, it is deterioration from the £0.5m under spend forecast at Month 4. However, a key driver of this is the inclusion in the forecast of the increased costs associated with the Local Authority Pay Settlement. The agreement reached with PKC that PKHSCP will receive a far share of additional SG funding will improve future forecasts.
- 8.2 However, there are significant financial risks that remain. In particular the financial challenge facing Scottish Government and the cost of the outcome of pay negotiations may significantly impact on the financial position of the IJB in future months.

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### Appendices

Appendix 1 – Covid-19 Costs

Appendix 2 - IJB Reserves



Covid-19 Expenditure as per Month 6 (September) 2022/23 SG return

Appendix 1

<b>Health</b>	
	<b>2022-23 Revenue Total £'000</b>
Additional Community Hospital Bed Capacity	1,510
Additional Staff Costs (Contracted staff)	134
Additional Staff Costs (Non-contracted staff)	0
Additional Equipment and Maintenance	40
Additional PPE	0
Reducing Delayed Discharge	0
Additional FHS Contractor Costs	182
Primary Care	399
Other	35
<b>Total Health</b>	<b>2,300</b>

<b>Social Care</b>	
	<b>2022-23 Revenue Total £'000</b>
Additional Staff Costs (Contracted staff)	0
Additional PPE	0
Additional Capacity in Community	66
Reducing Delayed Discharge	92
Covid-19 Financial Support for Adult Social Care Providers	1,593
Loss of Income	715
<b>Total Social Care (IJB &amp; Non-IJB)</b>	<b>2,466</b>

<b>Total Health &amp; Social Care</b>	<b>4,766</b>
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## Appendix 2 - Reserves

	2022/23 Opening Balance (£m)	Planned Expenditure 2022/23 (£m)	Planned SG Clawback (£m)	Closing Budget 31st March 2023 (£m)
<b><u>Earmarked Reserves</u></b>				
<b><u>SG Restricted Reserves</u></b>				
Alcohol and Drug Partnership	1.3	0.7	0.4	0.2
Community Living Change Fund	0.5	0.2	0.0	0.3
COVID Reserve	15.4	4.8	10.6	0.0
Mental Health Recovery & Renewal	0.3	0.3	0.0	0.0
Mental Health : Facilities Upgrade	0.4	0.4	0.0	0.0
Mental Health Action 15	0.4	0.4	0.0	0.0
Primary Care	3.1	0.2	2.6	0.3
Winter Resilience Reserve	3.4	2.6	0.0	0.8
Service Specific Reserve	1.6	1.2	0.0	0.4
	<b>26.4</b>	<b>10.8</b>	<b>13.6</b>	<b>2.0</b>
Shifting the Balance NHST	1.4	1.4	0.0	0.0
	<b>27.8</b>	<b>12.2</b>	<b>13.6</b>	<b>2.0</b>
<b><u>Unearmarked Reserves</u></b>				
Unearmarked General Reserve - Social Care	3.7	0.3	0.0	3.4
Unearmarked General Reserve - Health	1.8	0.1	0.0	1.7
	<b>5.5</b>	<b>0.4</b>	<b>0.0</b>	<b>5.1</b>
<b>Total HSCP Reserves</b>	<b>33.3</b>	<b>12.6</b>	<b>13.6</b>	<b>7.1</b>





## PERTH AND KINROSS INTEGRATION JOINT BOARD

### AUDIT & PERFORMANCE COMMITTEE

28 November 2022

### PROGRESS REPORT - KEY NATIONAL INDICATOR SET

Report by Chief Officer  
(Report No G/22/167)

#### PURPOSE OF REPORT

This report provides the Audit & Performance Committee with an update on performance against the core set of integration indicators for the latest period available.

#### 1. RECOMMENDATION(S)

- 1.1 The Audit and Performance Committee is asked to:
- (i) Note the Health and Social Care Partnership's performance to date against key strategic indicators.

#### 2. BACKGROUND

- 2.1 This report provides the Committee with an overview of performance in 2022/23 when compared to last year, our peer group of similar HSCPs (listed in Appendix 2) and Scotland overall.

These measures are determined by the Scottish Government and are required to be used for performance reporting annually. They are provided routinely to the Committee for consideration. This report continues our approach of regular reporting and follows the publication of our Annual Performance Report for 2021/22.

- 2.2 Appendix 1 provides a detailed data table setting out performance against each indicator for which data is available and sets this against previously agreed comparators.

In interpreting this data, it is important to recognise that it is provided at an early stage and ahead of Public Health Scotland publication. In this respect the data is useful for management purposes but may be incomplete and will be subject to change throughout future validation processes. Our practice nonetheless is to provide the Committee with the best and most up to date data available.

### 3. OVERVIEW

- 3.1 Compared to 2021/22 our performance is mixed with 2 indicators within the target range, 3 indicators greater than 3% from the target and 1 greater than 6% from the target.

Compared to Scotland overall, in-year performance is also mixed with 3 indicators within the target range, 1 indicator greater than 3% from the target and 3 indicators greater than 6% from the target.

Performance against the peer group does not compare favourably with 2 indicators within the target range and 5 indicators greater than 6% beyond the target range.

Performance has varied from target most in respect to indicators relating to emergency admissions, the rate of emergency bed days, the rate of falls and delayed discharges. In contrast the rate of accident and emergency attendances compares favourably, and the rate of readmissions has improved from 2021/22. As outlined within previous reports, the readmissions indicator cannot meaningfully be compared to other areas, as recording practices in Tayside vary from those elsewhere.

- 3.3 Analysis of performance must also be understood within the context of the extraordinary pressures experienced as services continue to cope with pressures arising from the impact of the COVID-19 pandemic. These post pandemic pressures are exacerbated by the **population demography**. Perth and Kinross has a growing elderly population and this demographic shift is expected to continue at a rate above the national average in the coming years.

To address these challenges, we have invested significantly in community-based services, and we continue to develop and implement Strategic Delivery Plans to drive improvements across our Care Groups.

As we continue to develop our performance management and reporting approach we will bring forward a proposal on how best we capture these broader elements of performance reporting. In the first instance **the IJB will receive an update on Community Mental Health and Wellbeing** at its next meeting and this report will contain a broader set of indicators contained within a robust outcome focussed performance management framework.

### 4. CONCLUSION

- 4.1 Performance at this early stage of the reporting year is mixed when compared to the previous reporting year and against Scotland overall, and does not compare favourably to the peer group.

We recognise that there are a number of significant factors which are impacting performance including the Perth and Kinross demography and how this is affected by post pandemic pressures.

As we make progress with the implementation of approved Strategic Delivery Plans we will bring forward a proposal on how best we report performance more broadly and in particular in relation to the achievement of identified outcomes.

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**Appendices**

Appendix 1 – Key Strategic Performance Indicator Table. Six Month Update

Appendix 2 – Perth and Kinross Health and Social Care Partnership Peer Gro





## Perth and Kinross Health and Social Care Partnership, Key Strategic Performance Indicator Table. Six Month Update

ID	Indicator	measure	2021/22			Latest Update (Unpublished Data)			In-Year Comparisons	
			Perth and Kinross	Scotland Overall	Peer	Perth and Kinross (Latest)	P&K % movement from 2021	Period	P&K compared to Scotland to date	P&K compared to Peer to date
NI-11	Premature Mortality Rate per 100,000	Rolling 12 month rate	357	466	487	na	na	na	na	na
NI-12	Rate of emergency admissions per 100,000 population for adults (18+ all specialities)	Rolling 12 month rate	11,129	11,656	10,190	11,685	4.99%	Jul-22	5.77%	20.96%
NI-13	Rate of emergency bed day per 100,000 population for adults (18+)	Rolling 12 month rate	107,914	110,718	93,018	111,178	3.02%	Jun-22	0.32%	16.19%
NI-14	Readmissions to hospital within 28 days of discharge per 1,000 discharges (18+)	Rolling 12 month rate	130	110	120	120	-7.20%	Jun-22	18.55%	17.97%
NI-15	Proportion of last 6 months of life spent at home or in a community setting	Rolling 12 month rate	90.85%	89.90%	91.15%	90.00%	0.85%	Jul-22	0.39%	-0.33%
NI-16	Falls rate per 1,000 population (65+)	Rolling 12 month rate	23.54	23.09	18.68	24.56	4.33%	Jul-22	11.10%	21.06%
NI-17	Proportion of Care Services rated good or better in Care Inspectorate inspections	Rolling 12 month rate	76.54%	75.80%	78.96%	na	na	na	na	na
NI-18	Percentage of 18+ with intensive social care needs receiving Care at Home	Rolling 12 month rate	62.57%	64.92%	na	na	na	na	na	na

### Perth and Kinross Health and Social Care Partnership, Key Strategic Performance Indicators

ID	Indicator	measure	2021/22			Latest Update (Unpublished Data)			In-Year Comparisons	
			Perth and Kinross	Scotland Overall	Peer	Perth and Kinross (Latest)	P&K % movement from 2021	Period	P&K compared to Scotland to date	P&K compared to Peer to date
NI-19	Number of days people aged 75+ spend in hospital when they are ready to be discharged per 1,000 population	Rolling 12 month rate	609	761	634	2,542	317.07%	Aug-22	23.34%	69.29%
NI-20	Percentage of health and care resource spent on hospital stays where the patient was admitted as an emergency	Rolling 12 month rate	25.70%	24.23%	na	na	na	na	na	na
MSG 3	A&E attendances per 100,000 population	Rolling 12 month rate	17,649	25,835	19,205	18,641	5.62%	Jul-22	-39.22%	-4.87%

Please note that all indicators are based on a 12 month rolling rate

The data used for this update is unpublished data for Management Information purposes only. It is subject to change and validation as more information becomes available over time.

Analysis of provisional data indicates we are within 3%, meeting or exceeding our target.	Analysis of provisional data indicates we are between 3% and 6% away from meeting our target.	Analysis of provisional data indicates we are more than 6% away from meeting our target.
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**Appendix 2****Perth and Kinross Health and Social Care Partnership Peer Group**

Aberdeenshire,

Angus,

Argyll & Bute,

Dumfries & Galloway,

East

Ayrshire,

East Lothian,

Highland,

Moray,

Perth & Kinross,

Scottish Borders

Stirling

Source: Public Health Scotland

Rationale: Urban/Rural mix, overall size, Scottish Index of Multiple Deprivation





## PERTH AND KINROSS INTEGRATION JOINT BOARD

### AUDIT & PERFORMANCE COMMITTEE

28 November 2022

### STRATEGIC RISK MANAGEMENT UPDATE

Report by Chief Officer  
(Report No G/22/168)

#### PURPOSE OF REPORT

The purpose of this report is to:

- Provide an update on the Integration Joint Board (IJB) Strategic Risk Register;
- Provide an update on the progress of the improvement actions being taken to improve the overall control environment and further mitigate risks; and
- To update on new or emerging risks and material changes to existing risks.

#### 1. RECOMMENDATIONS

The Audit and Performance Committee is asked to:

- i) Approve the IJB's Strategic Risk Register and Strategic Risk Improvement Plan; and
- ii) Note the current position of the IJB's strategic risk exposure scores as at section 3.

#### 2. BACKGROUND

- 2.1 As a key part of its governance process, the Strategic Risk Register examines the risks that impact on the IJB's ability to deliver its Strategic Commissioning Plan. The Audit and Performance Committee has delegated responsibility from the IJB for reviewing the adequacy and effectiveness of the systems and process in place to manage strategic risk.

- 2.2 The Strategic Risk Register is supported by a Strategic Risk Improvement Plan. This has been developed to improve either the range of controls in place or to improve the effectiveness of existing controls.
- 2.3 Perth & Kinross Health and Social Care Partnership's Executive Management Team (EMT) routinely monitors, reviews and provides a balanced assessment of the nature and extent of the strategic risks to which the IJB is exposed in pursuit of its strategic objectives. As part of this, EMT regularly review Operational Risks across Perth and Kinross Health and Social Partnership (PKHSCP) to determine whether escalation is required to Strategic Risk level. This includes Clinical and Care Risks.

### **3. ASSESSMENT**

- 3.1 Having reviewed progress against the implementation of improvement actions, considered our partner's operational risks and any impact on the IJB's Strategic Objectives and following consultation with risk owners, the risk score for SR01 Financial Resources has been increased as well as the re-escalation of a strategic risk as detailed below:

#### **Re-Escalation of Corporate Support Risk**

- 3.1.1 The strategic risk concerning Corporate Support was archived by EMT in August 2022. This longstanding risk was first added to the strategic risk register in October 2020 following the outcome of the joint inspection and a number of internal and external audit recommendations.
  - 3.1.2 EMT were informed in their strategic risk report in August 2022 that increased corporate capacity to support performance, business improvement and workforce planning was either in place, or being actively recruited to, and it was felt this no longer presented a risk to the strategic aims of the IJB.
  - 3.1.3 However, there are indications from our parent bodies and Scottish Government that funding to the IJB is likely to be significantly reduced as a result of the significant budget challenges they are facing. This is outlined in SR01 Financial Resources. It is important that the HSCP reconsiders the financial implications of continuing to recruit to new and additional posts within the partnership that are not associated with front line delivery. This includes corporate support functions and there has been a decision to pause recruitment while there is further consideration of how the roles can be fulfilled in a different way while the budget settlement for the IJB from 2023/4 is finalised.
- 3.2 Table 1 below sets out current risk scores and provides the justification for the no change having been made since they were last reported. A summary of the full strategic risk register is attached at Appendix 1.

**Table 1**

Table Ref.	Risk Reference	Impact	Probability	Previous Score	Justification	Impact	Probability	Current Score	Change
1	SR01 Financial Resources	5	4	20	<p>The scale of budget pressures forecast for 2023/24 for pay and prices is well in excess of the indicative plan and difficult decisions lie ahead around potential contraction of existing strategic plans.</p> <p>Both partner bodies are facing significant financial challenges. Further the Scottish Government itself has indicated significant financial pressures and a number of actions are already being taken by them to reduce funding to HSCPs in 2022/23 including the proposed claw back of COVID Reserves; reductions in Primary Care Improvement Funding, the Alcohol and Drug Partnership, and a clear indication of funding cuts to Mental Health Services.</p> <p>The risk exposure therefore has increased to the maximum level of 25.</p>	5	4	25	↗
2	SR02 Workforce	5	5	25	<p>P&amp;K HSCP's 3-year workforce plan was approved by PKIJB on 27<sup>th</sup> June 2022 and was subsequently submitted to the Scottish Government. The implementation of the actions in the plan are underway but will take some time to have the significant impact expected.</p> <p>No change to the risk score which remains at the highest level.</p>	5	5	25	→
3	SR04 Sustainable Capacity and Flow	5	5	25	<p>The Strategic Delivery Plan for Older People is now being implemented. This will, in time, address issues that demographic growth presents and ensure capacity across the system is sufficiently robust in a sustainable manner.</p> <p>Care at Home capacity has a direct impact on capacity and flow. The review of the Care at Home delivery model is a key action on the Older People Strategic Delivery Plan and the key improvement action to mitigate this risk. This improvement action is anticipated to begin to have an impact on capacity and flow by the end of November when new teams are implemented and anticipated to be able to absorb some of the unmet need currently being experienced.</p>	5	5	25	→

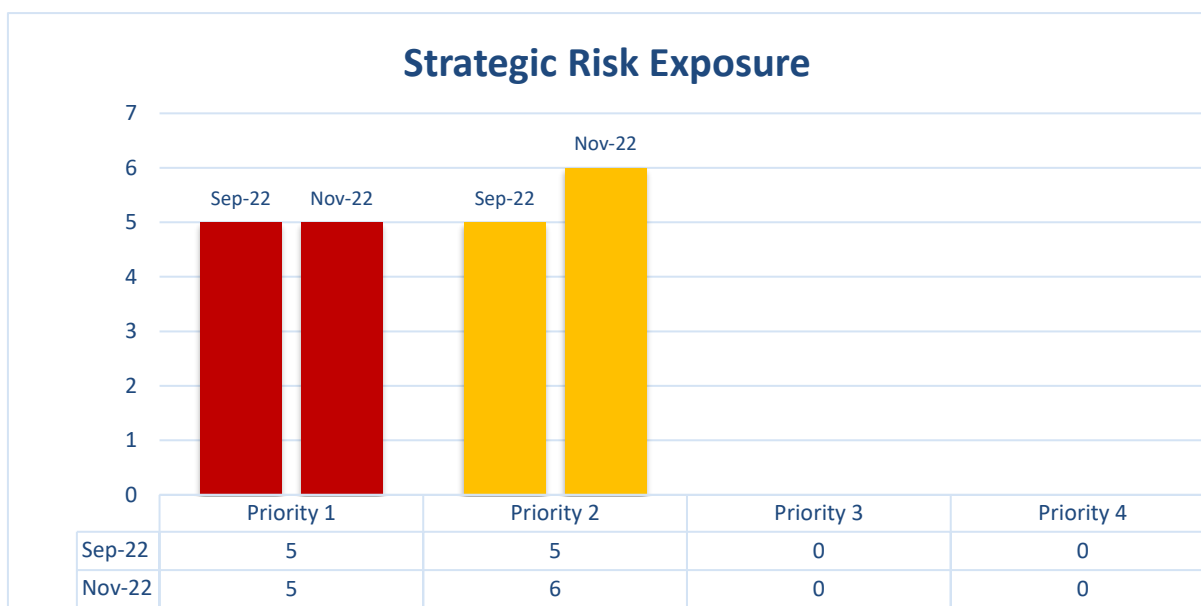
Table Ref.	Risk Reference	Impact	Probability	Previous Score	Justification	Impact	Probability	Current Score	Change
					There is no change to risk exposure at this time.				
4	SR05 Sustainable Digital Solutions	4	3	12	The Steering Group and Strategy Group are meeting regularly and directing the need for change as expected. Regular quarterly reporting from the Digital/TEC Steering Group to EMT is planned with the forward plan for strategies, including Digital/TEC, under development. Two of the improvement actions planned to mitigate this risk concern engagement with service users and staff. This has been progressed however no change has been made to risk score at present whilst these improvement actions are incomplete.	4	3	12	→
5	SR06 Viability of External Providers	4	5	20	The review and delivery of the new Care at Home model remains in progress. The cost of living crisis is now the biggest risk to the viability of our external providers with large increases in expenditure on utilities and a reduction in Scottish Government funding. Temporary measures are being considered to try to minimise this but many influencing factors are outwith our control. There is no change to the risk score.	4	5	20	→
6	SR08 Widening Health Inequalities	3	4	12	This risk and associated improvement actions is scheduled to be updated so as to address our legal obligations under the Equality Act (2010). As such there has been no change to this risk whilst this work is progresses. However an EMT workshop is planned to reconsider the risk and the actions required.	3	4	12	→
7	SR09 Leadership Team Capacity	4	3	12	The position on this risk has not changed.	4	3	12	→
8	SR10 Corporate Support	-	-	-	Re-escalation of this risk, archived in August 2022, as detailed above in section 3.	4	3	12	-
9	SR11 Primary Care	4	4	16	The 'Sustainability of Primary Care Services' Fife, Tayside and Forth Valley Internal Audit report, jointly commissioned by Angus IJB, P&K IJB and NHST, is expected to be considered by P&K's Audit and Performance Committee in November 2022. The draft report states that ' <i>...there is a requirement to ensure consistency and eliminate duplication of effort in the management of the risk</i> '. Further work on the strategic risk is anticipated following this audit outcome. The key improvement action to mitigate this risk is the production of a Primary Care Strategic Delivery Plan 2023-26. A draft version of this was considered at the IJB meeting held on 26 October 2022.	4	4	16	→



Table Ref.	Risk Reference	Impact	Probability	Previous Score	Justification	Impact	Probability	Current Score	Change
					There is no change to this risk meantime				
10	SR13 Inpatient Mental Health Services	4	3	12	PKHSCP hosted a Tayside wide workshop in relation to the collective management of Mental Health risks. The work from this is ongoing and it is anticipated that this will inform a reframing of this strategic risk.	4	3	12	→
11	SR14 Partnership Premises	4	3	12	The position on this risk has not changed.	4	3	12	→
		→ No change in risk exposure			↑ Increase in risk exposure		↓ Decrease in risk exposure		

### 3.3 Escalation of Operational Risks

- 3.4.1 Operational risks concerning are managed by NHS Tayside and Perth & Kinross Council as the employing bodies delivering services. However, a robust process requires to be in place for systematic review and appropriate escalation of such risks insofar as they may impact on delivery of the IJB's strategic objectives.
- 3.4.2 This process is achieved through EMT's regular review of PKHSCP's Clinical and Care Governance assurance reports which are submitted to our partner bodies. These reports identify significant operational risks and any mitigating actions being taken by partner bodies.
- 3.4.3 Since the last Audit and Performance Committee meeting held on 26th September 2022, one formal report from PKHSCP to NHS Tayside's Care Governance Committee has been reviewed by EMT. This was an exception report considered by NHS Tayside on 6th October 2022 and presented an emerging issue in relation to the Prison Healthcare Service being adversely affected by ongoing IT issues affecting Pharmacy services. The report concluded by recommending that this issue is captured as a service risk. This risk will be considered for any strategic significance in future strategic risk reports to the Audit and Performance Committee. There is therefore no further consideration required of risk scores from the review of operational risk.
- 3.5 Table 2 below shows the Strategic Risk Exposure at the last Committee meeting and today's meeting. The movement relates to the re-escalation of the Corporate Support risk.

**Table 2**

3.6 The full current strategic risk register is attached at Appendix 1.

#### 4 STRATEGIC RISK IMPROVEMENT ACTION PLAN

4.1 The Strategic Risk Improvement Plan sets out the actions being taken to improve the overall control environment and where possible reduce current levels of risk exposure. This is updated regularly by EMT and is attached at Appendix 2.

4.2 Since the Improvement Plan was last presented to the Audit and Performance Committee, the following significant changes have been made:

**Table 3**

Table Ref	Risk Reference	Improvement Action Number	Improvement Action Description	Narrative
1	SR01 Financial Resources	1f	Development of 3 Year Strategic Delivery and Financial Plan for 2022/23:2024/25 for Primary Care and Prescribing.	Action removed.
2	SR01 Financial Resources	1g	Development of options for contraction of Strategic Commissioning Plan that may be required to support recurring financial balance over 2023: 2026	New action.
3	SR01 Financial Resources	1h	Development of refreshed Quality Safety and Efficiency in Prescribing (QSEP) Programme to ensure future	New action.

Table Ref	Risk Reference	Improvement Action Number	Improvement Action Description	Narrative
			growth can be offset by increased efficiency.	
4	SR04 Sustainable Capacity and Flow	4b	Produce and implement a revised preferred model of delivery for Care at Home services.	Target date amended from 31/10/22 to 30/11/22. Recruitment challenges means the target date for completion has slipped.
5	SR06 Viability of External Providers	6a	Produce and implement a revised preferred model of delivery for Care at Home services.	Target date amended from 31/10/22 to 30/11/22. Recruitment challenges means the target date for completion has slipped.
6	SR11 Primary Care	11b	Development of 3 Year Strategic Delivery Plan for 2022/23:2024/25 for Primary Care. This will also address the further implementation of wider services in support of the GMS contract.	Action narrative changed to: Development of 3 Year Strategic Delivery Plan for 2023-26 for Primary Care. This will also address the further implementation of wider services in support of the GMS contract.” Target date amended to 31/3/23.
7	SR14 Partnership Premises	14d	Production of the P&K Primary Care Strategic Delivery Plan. This has a key priority action in outcome 3 of the provision of suitable accommodation for an effective CCATS.	New action.

## 5. CONCLUSION

- 5.1 The position with the IJB’s strategic risk register remains static with the exception of the re-escalation of the Corporate Support risk and the increase in risk exposure score for the Financial Resources risk since last reported to the Audit and Performance Committee on 26th September 2022. The September report however demonstrated a significant improvement across strategic risks risk exposure scores reduced accordingly.
- 5.2 The Executive Management Team continues to work towards reducing the risk scores of the remaining red risks with the improvement plan being progressed and new actions identified when required.
- 5.3 Risk management continues to be a part of our efforts to improve and deliver on our strategic objectives.

**Author(s)**

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**Appendices**

Appendix 1 – Perth & Kinross IJB Strategic Risk Register

Appendix 2 – Strategic Risk Improvement Action Plan



# Perth & Kinross Health and Social Care Partnership Strategic Risk Register

No.	Risk Ref.	Risk	Risk Owner	Priority	Status
1	<a href="#">SR01</a>	<b>FINANCIAL RESOURCES:</b> There are insufficient financial resources to deliver the objectives of the Strategic Plan.	Head of Finance and Corporate Services	1 Very High	↔
2	<a href="#">SR02</a>	<b>WORKFORCE:</b> As a result of our ageing workforce, difficulties in recruiting suitably skilled and experienced staff in some areas, and the impact of COVID-19, there is a risk that the Partnership will be unable to maintain its workforce appropriately leading to unsustainable services.	Acting Head of Service ASWSC Operations	1 Very High	↔
3	<a href="#">SR04</a>	<b>SUSTAINABLE CAPACITY AND FLOW:</b> As a result of the demographics of the people who use our services in Perth and Kinross and the impact of COVID-19 on our population there is a risk of 'capacity and flow' within our services being unsustainable.	Head of Health	1 Very High	↔
4	<a href="#">SR05</a>	<b>SUSTAINABLE DIGITAL SOLUTIONS:</b> As a result of being insufficiently digitally enabled or integrated there is a risk that the Partnership will not be able to adapt effectively and efficiently to deliver new models of working.	Acting Head of Service ASWSC Operations	2 High	↔
5	<a href="#">SR06</a>	<b>VIABILITY OF EXTERNAL PROVIDERS:</b> As a result of social care market conditions, availability of services, and COVID-19, there is a risk that external providers of care will not be able to meet people's assessed needs in the most appropriate way.	Interim Head of Adult Social Care (Commissioning)	1 Very High	↔
6	<a href="#">SR08</a>	<b>WIDENING HEALTH INEQUALITIES:</b> As a consequence of COVID-19 there is a risk that health inequalities widen significantly.	Chief Officer	2 High	↔
7	<a href="#">SR09</a>	<b>LEADERSHIP TEAM CAPACITY:</b> As a result of insufficient capacity in the Leadership Team there is a risk that the clear direction and leadership required to achieve the vision for integration is not achieved.	Chief Officer	2 High	↔
8	<a href="#">SR10</a>	<b>CORPORATE SUPPORT:</b> As a result of insufficient Corporate staff resource there is a risk that functions such as improvement and project support, robust administration as well as core corporate duties such as performance, risk management, strategic planning, governance and audit, will reduce and impede the delivery of strategic objectives.	Head of Finance and Corporate Services	2 High	↔
9	<a href="#">SR11</a>	<b>PRIMARY CARE:</b> As a result of insufficient suitable and sustainable premises, and a lack of available national and cross-system flow of financial support, there is a risk that we will not be able to provide, within the legislative timeframe, the necessary services as defined within the 2018 General Medical Services Contract.	Clinical / Associate Medical Director	1 Very High	↔
10	<a href="#">SR13</a>	<b>INPATIENT MENTAL HEALTH SERVICES:</b> There is a risk that due to the complexity of the governance arrangements for Inpatient Mental Health Services Perth and Kinross IJB will not be able to meet its Strategic Planning responsibilities.	Chief Officer	2 High	↔
11	<a href="#">SR14</a>	<b>PARTNERSHIP PREMISES:</b> As a result of a lack of sustainable and suitable premises within which Health and Social Care Services can be delivered, there is a risk that safe, consistent and effective care to patients will not be able to be delivered which could result in a reduction in service capacity, reduced outcomes for people and a reduction in staff wellbeing.	Chief Officer	2 High	↔

<> No change in risk exposure

↑ Increase in risk exposure

↓ Decrease in risk exposure

# Perth & Kinross Health and Social Care Partnership

## SR01: FINANCIAL RESOURCES

**Risk Owner:** Head of Finance and Corporate Services

**Date Added to Register:** 22 Oct 2020  
**Review Date:** 27 Oct 2022

**Description of Risk:** There are insufficient financial resources to deliver the objectives of the Strategic Plan

**Risk Related to Achievement of Strategic Aim:** 5. Making best use of available facilities, people and other resources

**Current Risk Rating:** (priority 1, 2, 3 or 4)

**Risk Movement:** (↑, ↔, ↓)

**PRIORITY 1**

↑ INCREASE IN RISK EXPOSURE

**Risk Exposure Rating Priority 1:** Risk remains extreme even after all identified controls and treatments have been applied. There are significant risks, which may have a serious impact on the Partnership and the achievement of its objectives if not managed. Immediate management action needs to be taken to reduce the level of net risk.

Inherent Impact (1-5)	Inherent Probability (1-5)	Residual Impact (1-5)	Residual Probability (1-5)
5	5	5	5
<b>Inherent Score: 25</b>		<b>Residual Score: 25</b>	

Impact	Probability				
	Very Low	Low	Medium	High	Very High
Critical	5	10	15	20	25
Major	4	8	12	16	20
Moderate	3	6	9	12	15
Minor	2	4	6	8	10
Insignificant	1	2	3	4	5

### Existing Controls:

- A Financial Plan is approved annually as part of a 3 Year Financial Plan. This includes an efficiency savings and service redesign programme to support long term sustainability.
- Annual Budget Negotiation Process (PKC & NHST) is supported by robust budget review/due diligence process
- Effective member and officer working on development of the Budget through IJB BRG Process
- Financial Position is reported to each meeting of the IJB and is a standard item on the agenda.
- An IJB Reserves Strategy is in place.
- Regular informal meetings with NHS Tayside Director of Finance and PKC Head of Finance
- 3 year strategic delivery plans in place with financial frameworks ensuring an effective link between strategic and financial planning.
- Risk Sharing arrangements between statutory partners have been agreed via the approval of the PKIJB Integration Scheme.

### Risk Overview:

The scale of budget pressures forecast for 2023/24 for pay and prices is well in excess of the indicative plan and difficult decisions lie ahead around potential contraction of existing strategic plans. Both partner bodies are facing significant financial challenges. Further the Scottish Government itself has indicated significant financial pressures and a number of actions are already being taken by them to reduce funding to HSCPs in 2022/23 including the proposed claw back of COVID Reserves; reductions in Primary Care Improvement Funding, the Alcohol and Drug Partnership, and a clear indication of funding cuts to Mental Health Services. The risk exposure therefore remains extreme.

**Existing control rating:** A – Controls are working effectively.

# Perth & Kinross Health and Social Care Partnership

## SR02: WORKFORCE

Risk Owner: Acting Head of Service ASWSC Operations

Date Added to Register: 22 Oct 2020  
Review Date: 27 Oct 2022

**Description of Risk:** As a result of our ageing workforce, difficulties in recruiting suitably skilled and experienced staff in some areas, and the impact of COVID-19, there is a risk that the Partnership will be unable to maintain its workforce appropriately leading to unsustainable services

**Risk Related to Achievement of Strategic Aim:** 5. Making best use of available facilities, people and other resources

Current Risk Rating: (priority 1, 2, 3 or 4)

**PRIORITY 1**

Risk Movement: (↑, ↔, ↓)

↔ NO CHANGE IN RISK EXPOSURE

**Risk Exposure Rating Priority 1:** Risk remains extreme even after all identified controls and treatments have been applied. There are significant risks, which may have a serious impact on the Partnership and the achievement of its objectives if not managed. Immediate management action needs to be taken to reduce the level of net risk.

Inherent Impact (1-5)	Inherent Probability (1-5)	Residual Impact (1-5)	Residual Probability (1-5)	Impact	Critical	5	10	15	20	25
5	5	5	5		Major	4	8	12	16	20
					Moderate	3	6	9	12	15
					Minor	2	4	6	8	10
					Insignificant	1	2	3	4	5
						Very Low	Low	Medium	High	Very High
Inherent Score: 25		Residual Score: 25		Probability						

### Existing Controls:

- Established, robust recruitment processes in place within statutory partner organisations
- HSCP 3 year workforce plan in place and being implemented.
- Production and implementation of Older People's Strategic Delivery Plan 2022:2025 which sets out significant investment in additional staff to respond to increases in demand.

### Risk Overview:

Shortages in the available workforce is recognised nationally in respect to Health and Care Services generally and this is particularly the case in some specific sectors. Although the current controls seek to reduce our exposure, their effect is limited by the acute nature of this risk when considering, for example, rising demands for services and the age profile of our workforce.

The completion of our 3 year workforce plan has demonstrated the challenge the Partnership faces. The increasing age of our workforce and demanding demographic issues shows that significant work is required to mitigate the risk. The implementation of the actions in the plan are underway but will take some time to have the significant impact expected.

As the impact of Covid 19 recedes the risk due to the pandemic has reduced. However, there are still significant numbers of vacancies, especially in nursing so the residual risk remains extreme. Potential contractions of budgets may increase this risk further, especially if it impacts on the number of frontline posts.



## SR04: SUSTAINABLE CAPACITY AND FLOW

**Risk Owner:** Head of Health

**Date Added to Register:** 22 Oct 2020  
**Review Date:** 27 Oct 2022

**Description of Risk:** As a result of the demographics of the people who use our services in Perth and Kinross and the impact of COVID-19 on our population there is a risk of 'capacity and flow' within our services being unsustainable.

**Risk Related to Achievement of Strategic Aim:**

1. Working together with Communities
2. Prevention and Early Intervention
3. Person-centred health, care and support
4. Reducing Inequalities and unequal health outcomes and promoting healthy living

**Current Risk Rating:** (priority 1, 2, 3 or 4)

**Risk Movement:** (↑, ↔, ↓)

**PRIORITY 1**

**↔ NO CHANGE IN RISK EXPOSURE**

**Risk Exposure Rating Priority 1:** Risk remains extreme even after all identified controls and treatments have been applied. There are significant risks, which may have a serious impact on the Partnership and the achievement of its objectives if not managed. Immediate management action needs to be taken to reduce the level of net risk.

Inherent Impact (1-5)	Inherent Probability (1-5)	Residual Impact (1-5)	Residual Probability (1-5)	Impact	Critical	5	10	15	20	25
5	5	5	5		Major	4	8	12	16	20
					Moderate	3	6	9	12	15
					Minor	2	4	6	8	10
					Insignificant	1	2	3	4	5
						Very Low	Low	Medium	High	Very High
<b>Inherent Score: 25</b>		<b>Residual Score: 25</b>		<b>Probability</b>						

**Existing Controls:**

- HSCP Capacity and Flow strategic portfolio provides local management, ownership and control of the whole system that supports capacity and flow through our services
- NHS Tayside Unscheduled Care Board supports the wider development of strategic direction.
- HSCP Performance Framework details the key performance measures which relate to Capacity and Flow. These are reviewed routinely across the organisation
- Winter Planning Group oversees the Winter Plan and ensures that services are fit for purpose.
- 3 Year Strategic Delivery Plan for Older People's Services

**Risk Overview:**

The Strategic Delivery Plan for Older People is now being implemented. This will, in time, address issues that demographic growth presents and ensure capacity across the system is sufficiently robust in a sustainable manner.

Care at Home capacity has a direct impact on capacity and flow. The review of the Care at Home delivery model is a key action on the Older People Strategic Delivery Plan and the key improvement action to mitigate this risk. This improvement action is anticipated to begin to have an impact on capacity and flow by the end of November when new teams are implemented and anticipated to be able to absorb some of the unmet need currently being experienced.

**Existing control rating:** **C** - Significant Controls not operating effectively

## SR05: SUSTAINABLE DIGITAL SOLUTIONS

**Risk Owner:** Acting Head of Service ASWSC Operations

**Date Added to Register:** 22 Oct 2020  
**Review Date:** 27 Oct 2022

**Description of Risk:** As a result of being insufficiently digitally enabled or integrated there is a risk that the Partnership will not to be able to adapt effectively and efficiently to deliver new models of working.

**Risk Related to Achievement of Strategic Aim:**

1. Working together with Communities
2. Prevention and Early Intervention
3. Person-centred health, care and support
4. Reducing Inequalities and unequal health outcomes and promoting healthy living

**Current Risk Rating:** (priority 1, 2, 3 or 4)

**PRIORITY 2**

**Risk Movement:** (↑, ↔, ↓)

↔ **NO CHANGE IN RISK EXPOSURE**

**Risk Exposure Rating Priority 2:** These are significant risks, which may have a serious impact on the Partnership or Service Delivery and the achievement of its objectives if not managed. Immediate management action needs to be taken to reduce the level of net risk.

Inherent Impact (1-5)	Inherent Probability (1-5)	Residual Impact (1-5)	Residual Probability (1-5)	Impact	Critical	5	10	15	20	25
5	4	4	3		Major	4	8	12	16	20
				Moderate	3	6	9	12	15	
				Minor	2	4	6	8	10	
				Insignificant	1	2	3	4	5	
					Very Low	Low	Medium	High	Very High	
<b>Inherent Score: 20</b>		<b>Residual Score: 12</b>		<b>Probability</b>						

**Existing Controls:**

- PKHSCP Technology Enabled Care Digital Strategy Group develops and directs strategy.
- PKHSCP TEC/Digital Portfolio Strategic Action Plan is a scheduled agenda item on EMT, EOT, PKC Digital Board.
- Members of the TEC Digital Strategy Group are members of the NHST/LA Tayside Digital Transformation Partnership (TDTP).
- PKC Information Governance has oversight and supplies guidance.
- PKHSCP TEC Digital Steering Group Scrutinises and escalates to Strategy group as required.
- Signed Data Sharing Agreements are in place between NHST/PKC/PKHSCP/ISD and between PKC/NHS NSS/Scottish Government.
- Governance framework for the delivery of the digital strategy across the Partnership in place.
- Digital strategies of the IJB's Statutory Partners.

**Risk Overview:**

The inherent risk of insufficient digital enablement is extreme; however the effectiveness of existing controls has reduced our risk exposure from the inherent score.

Improvement actions have been identified with a governance framework for the delivery of the digital strategy across the Partnership now completed. The Steering Group and Strategy Group are meeting regularly and directing the need for change as expected.

Regular quarterly reporting from the Digital/TEC Steering Group to EMT is planned with the forward plan for strategies, including Digital/TEC, under development.

NHST and PKC have both developed digital strategies which, together with their ongoing implementation, have reduced the residual risk.

**Existing control rating:** **B** - Not all controls are fully effective

# Perth & Kinross Health and Social Care Partnership

## SR06: VIABILITY OF EXTERNAL PROVIDERS

Risk Owner: Interim Head of Adult Social Care (Commissioning)

Date Added to Register: 22 Oct 2020  
Review Date: 27 Oct 2022

**Description of Risk:** As a result of social care market conditions, availability of services, and COVID-19, there is a risk that external providers of care will not be able to meet people's assessed needs in the most appropriate way.

**Risk Related to Achievement of Strategic Aim:**

1. Working together with Communities
2. Prevention and Early Intervention
3. Person-centred health, care and support
4. Reducing Inequalities and unequal health outcomes and promoting healthy living
5. Making best use of available facilities, people and other resources

**Current Risk Rating:** (priority 1, 2, 3 or 4)

**PRIORITY 1**

**Risk Movement:** (↑, ↔, ↓)

↔ **NO CHANGE IN RISK EXPOSURE**

**Risk Exposure Rating Priority 2:** These are significant risks, which may have a serious impact on the Partnership or Service Delivery and the achievement of its objectives if not managed. Immediate management action needs to be taken to reduce the level of net risk.

Inherent Impact (1-5)	Inherent Probability (1-5)	Residual Impact (1-5)	Residual Probability (1-5)	Impact	Critical	5	10	15	20	25
5	5	4	5		Major	4	8	12	16	20
					Moderate	3	6	9	12	15
					Minor	2	4	6	8	10
					Insignificant	1	2	3	4	5
					Very Low	Low	Medium	High	Very High	
<b>Inherent Score: 25</b>		<b>Residual Score: 20</b>		<b>Probability</b>						

### Existing Controls:

- Local and national contractual arrangements provide a recognised framework for commissioned services
- Maintenance of strong and supportive relationships with providers create routine and regular opportunities to highlight issues of concern
- Care Home oversight group which provides routine and regular monitoring service provision
- Commissioned Services Board provides strategic oversight of commissioned services
- Strategic Planning Group remit ensures connectivity to activity within communities with a wide range of stakeholders from each locality are represented in each meeting and that actions coming from this group are in sync with our Strategic Commissioning Plan intentions and are meaningful and related to improved outcomes for those living in Perth and Kinross.
- 3 Year Strategic Delivery Plan for Older People's Services in place with a range of improvements and investments which seeks to enhance the viability of external providers.

### Risk Overview:

The review and delivery of the new Care at Home model remains in progress. The cost of living crisis is now the biggest risk to the viability of our external providers with large increases in expenditure on utilities and a reduction in Scottish Government funding. Temporary measures are being considered to try to minimise this but many influencing factors are not controllable.

Existing control rating: **C** – Significant controls not operating effectively

## SR08: WIDENING HEALTH INEQUALITIES

**Risk Owner:** Chief Officer **Date Added to Register:** 22 Oct 2020  
**Review Date:** 27 Oct 2022

**Description of Risk:** As a consequence of COVID-19 there is a risk that health inequalities widen significantly.

**Risk Related to Achievement of Strategic Aim:** 4. Reducing inequalities and unequal health outcomes and promoting healthy living

**Current Risk Rating:** (priority 1, 2, 3 or 4)

**PRIORITY 2**

**Risk Movement:** (↑, ↔, ↓)

↔ **NO CHANGE IN RISK EXPOSURE**

**Risk Exposure Rating Priority 2:** These are significant risks, which may have a serious impact on the Partnership or Service Delivery and the achievement of its objectives if not managed. Immediate management action needs to be taken to reduce the level of net risk.

Inherent Impact (1-5)	Inherent Probability (1-5)	Residual Impact (1-5)	Residual Probability (1-5)	Impact	Critical	5	10	15	20	25
4	5	3	4		Impact	Major	4	8	12	16
				Moderate		3	6	9	12	15
				Minor		2	4	6	8	10
				Insignificant		1	2	3	4	5
						Very Low	Low	Medium	High	Very High
<b>Inherent Score: 20</b>		<b>Residual Score: 12</b>		<b>Probability</b>						

**Existing Controls:**

- Strategic Commissioning Plan 2019 documents the strategic ambitions of the IJB including those which relate to health inequalities.
- The Equalities Strategic Forum provides a platform to ensure that local equality protected groups are represented effectively. This forum contains broad representation across the Community Planning Partnership including from statutory and third sector partners.
- Perth and Kinross Equalities, Empowerment and Fairness workstream (within the Recovery and Renewal agenda) focuses efforts across Council Services in respect to Equalities.

**Risk Overview:**

Some progress made in planning for improved working with Community Planning Partners on how we can determine how best to reduce inequalities.

This risk and associated improvement actions is scheduled to be updated so as to address our legal obligations under the Equality Act (2010).

**Existing control rating:** B - Not all controls are fully effective

## SR09: LEADERSHIP TEAM CAPACITY

Risk Owner: Chief Officer

Date Added to Register: 22 Oct 2020  
Review Date: 27 Oct 2022

**Description of Risk:** : As a result of insufficient capacity in the Leadership Team there is a risk that the clear direction and leadership required to achieve the vision for integration is not achieved.

**Risk Related to Achievement of Strategic Aim:** 5. Making best use of available facilities, people and other resources

Current Risk Rating: (priority 1, 2, 3 or 4)

**PRIORITY 2**

Risk Movement: (↑, ↔, ↓)

↔ NO CHANGE IN RISK EXPOSURE

**Risk Exposure Rating Priority 2:** These are significant risks, which may have a serious impact on the Partnership or Service Delivery and the achievement of its objectives if not managed. Immediate management action needs to be taken to reduce the level of net risk.

Inherent Impact (1-5)	Inherent Probability (1-5)	Residual Impact (1-5)	Residual Probability (1-5)	Impact	Critical	5	10	15	20	25
5	4	4	3		Major	4	8	12	16	20
				Moderate	3	6	9	12	15	
				Minor	2	4	6	8	10	
				Insignificant	1	2	3	4	5	
					Very Low	Low	Medium	High	Very High	
<b>Inherent Score: 20</b>		<b>Residual Score: 12</b>		<b>Probability</b>						

### Existing Controls:

- HSCP Senior Leadership Team in place in the form of the Executive Management Team
- Chief Officer meets regularly with Chief Executive of both PKC and NHS Tayside including discussion on leadership resources
- Regular reporting on Partnership Improvement Plan to IJB Audit & Performance Committee including key actions to increase leadership capacity

### Risk Overview:

The IJB approved proposals and the funding solution to establish posts within Head of Service teams on a substantive basis from 2022. This is ongoing and the risk score remains above appetite whilst this remains the case.

Existing control rating: **B** - Not all controls are fully effective

## SR10: CORPORATE SUPPORT

**Risk Owner:** Head of Finance and Corporate Services

**Date Added to Register:** 9 Oct 2022  
**Review Date:** 9 Oct 2022

**Description of Risk:** As a result of insufficient Corporate staff resource there is a risk that functions such as improvement and project support, robust administration as well as core corporate duties such as performance, risk management, strategic planning, governance and audit, will reduce and impede the delivery of strategic objectives.

**Risk Related to Achievement of Strategic Aim:** 5. Making best use of available facilities, people and other resources

**Current Risk Rating:** (priority 1, 2, 3 or 4)

**PRIORITY 2**

**Risk Movement:** (↑, ↔, ↓)

↔ **NO CHANGE IN RISK EXPOSURE**

**Risk Exposure Rating Priority 2:** These are significant risks, which may have a serious impact on the Partnership or Service Delivery and the achievement of its objectives if not managed. Immediate management action needs to be taken to reduce the level of net risk.

Inherent Impact (1-5)	Inherent Probability (1-5)	Residual Impact (1-5)	Residual Probability (1-5)	Impact	Critical	5	10	15	20	25
5	4	4	3		Major	4	8	12	16	20
				Moderate	3	6	9	12	15	
				Minor	2	4	6	8	10	
				Insignificant	1	2	3	4	5	
					Very Low	Low	Medium	High	Very High	
<b>Inherent Score: 20</b>		<b>Residual Score: 12</b>		<b>Probability</b>						

### Existing Controls:

- PKC and NHST have delegated a level of corporate support for local management by PKHSCP
- Corporate Support Agreement in place between PKIJB and NHST/PKC
- Chief Officer meets regularly with Chief Executive of both PKC and NHS Tayside including discussion on leadership and supporting resources
- Corporate Management Team oversee regular review and reporting to Executive Management Team on Corporate Support and prioritisation of existing resources
- Regular reporting on Partnership Improvement Plan to IJB Audit & Performance Committee
- The Annual Budget Setting Process captures all essential pressures/ investments including essential corporate support needs.
- Approval of the IJB for additional investment in senior capacity across Corporate Support and Service Management.

### Risk Overview:

This strategic risk, added to the risk register in October 2020, was archived in August 2022 after EMT were informed that increased corporate support capacity was either in place, or being actively recruited to, and this no longer therefore presented a risk to the strategic aims of the IJB.

However, there are indications from our parent bodies and Scottish Government that funding to the IJB is likely to be significantly reduced as a result of the significant budget challenges they are facing. This is outlined in SR01 Financial Resources. It is important that the HSCP reconsiders the financial implications of continuing to recruit to new and additional posts within the partnership that are not associated with front line delivery. This includes corporate support functions and there has been a decision to pause recruitment while there is further consideration of how the roles can be fulfilled in a different way while the budget settlement for the IJB from 2023/4 is finalised.

## SR11: PRIMARY CARE

**Risk Owner:** Clinical / Associate Medical Director

**Date Added to Register:** 22 Oct 2020

**Review Date:** 27 Oct 2022

**Description of Risk:** As a result of insufficient suitable and sustainable premises, and a lack of available national and cross-system flow of financial support, there is a risk that we will not be able to provide, within the legislative timeframe, the necessary services as defined within the 2018 General Medical Services Contract.

**Risk Related to Achievement of Strategic Aim:**

1. Working together with our communities
2. Prevention and early intervention
3. Person-centred health, care and support
4. Reducing inequalities and unequal health outcomes and promoting healthy living
5. Making the best use of available facilities, people and other resources

**Current Risk Rating:** (priority 1, 2, 3 or 4)

**Risk Movement:** (↑, ↔, ↓)

**PRIORITY 1**

**↔ NO CHANGE IN RISK EXPOSURE**

**Risk Exposure Rating Priority 1:** Risk remains extreme even after all identified controls and treatments have been applied. There are significant risks, which may have a serious impact on the Partnership and the achievement of its objectives if not managed. Immediate management action needs to be taken to reduce the level of net risk.

Inherent Impact (1-5)	Inherent Probability (1-5)	Residual Impact (1-5)	Residual Probability (1-5)	Impact	Critical	5	10	15	20	25
4	4	4	4		Major	4	8	12	16	20
					Moderate	3	6	9	12	15
					Minor	2	4	6	8	10
					Insignificant	1	2	3	4	5
						Very Low	Low	Medium	High	Very High
<b>Inherent Score: 16</b>		<b>Residual Score: 16</b>		<b>Probability</b>						

### Existing Controls:

- Perth and Kinross HSCP Primary Care Board fulfils the responsibility of a Programme Board overseeing the Implementation of the Primary Care Improvement Plan, including 2018 General Medical Services Contract
- Regular engagement with Local Medical Committee which jointly approves the development and implementation of new services in support of the 2018 General Medical Services contract
- The Pan-Tayside 2018 General Medical Services Contract Implementation Group assists in the management and delivery of Tayside/HSCP Programmes
- NHS Tayside Primary Care Board considers highlight reports from each HSCP including escalation of risks
- Integration Joint Board - annual report on Primary Care Implementation Plan details progress and issues/risks affecting delivery
- Scottish Government – 6 monthly report on Primary Care Implementation Plan details progress and issues/risks affecting
- Locality Management Team meet regularly to resolve/highlight operational delivery issues
- NHS Tayside governance structure for premises and asset management provides the mechanism for submission of Primary Care premises strategic Plan
- NHS Tayside – over time improving sustainability of GP practice premises by replacing GPs as premises lease holders

### Risk Overview:

The risk to primary care services relates to a number of issues with no single cause or solution. The complex and broad nature of this requires a manifold response internally within statutory partners, and externally at a national level. Control measures are in place but they are not fully effective and so improvement actions have been identified. The risk remains extreme.

## SR13: INPATIENT MENTAL HEALTH SERVICES

<b>Risk Owner:</b> Chief Officer	<b>Date Added to Register:</b> 22 Oct 2020 <b>Review Date:</b> 27 Oct 2022
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**Description of Risk:** There is a risk that due to the complexity of the governance arrangements for Inpatient Mental Health Services Perth and Kinross IJB will not be able to meet its Strategic Planning responsibilities.

**Risk Related to Achievement of Strategic Aim:**

1. Working together with our communities
2. Prevention and Early Intervention
3. Person-centred health, care and support
4. Reducing inequalities and unequal health outcomes and promoting healthy living

<b>Current Risk Rating:</b> (priority 1, 2, 3 or 4)	<b>Risk Movement:</b> (↑, ↔, ↓)
<b>PRIORITY 2</b>	<b>↔ NO CHANGE IN RISK EXPOSURE</b>

**Risk Exposure Rating Priority 3:** Risk is manageable after controls have been applied. Although usually accepted, these risks may require some additional mitigating to reduce probability if this can be done cost effectively. Reassess to ensure conditions remain the same and existing actions are operating effectively.

Inherent Impact (1-5)	Inherent Probability (1-5)	Residual Impact (1-5)	Residual Probability (1-5)	Impact	Critical	5	10	15	20	25
4	4	4	3		Impact	Major	4	8	12	16
				Moderate		3	6	9	12	15
				Minor		2	4	6	8	10
				Insignificant		1	2	3	4	5
						Very Low	Low	Medium	High	Very High
<b>Inherent Score: 16</b>		<b>Residual Score: 12</b>		<b>Probability</b>						

**Existing Controls:**

- The IJB has in place an Integration Scheme agreed by both NHS Tayside and Perth & Kinross Council
- Tayside Mental Health Oversight Group includes membership from NHS Tayside, 3 Local Authorities and 3 IJB's
- PKHSCP Head of Health is a member of the Inpatient Mental Health Leadership Team
- Revised Perth and Kinross Integration Scheme approved by statutory partners.

**Risk Overview:**

The complex governance arrangements concerning Inpatient Mental Health Services meant that the inherent risk exposure was extreme. There has been a significant review of the Integration Scheme, and this provides clarity on roles and responsibilities for mental health and learning disabilities services in Tayside. It is now clear that Perth and Kinross Integration Joint Board has the lead coordinating role for strategic planning and commissioning of the delivery on inpatient mental and learning disability services. Dundee and Angus IJBs are also clear that they hold a duty to plan and commission for this delegated function and that they must collaborate with P&K IJB along with NHS Tayside to achieve this effectively. Further plans to bring together NHST and the 3 IJBs together in a workshop to determine how this will be operationalised will take place in 2023. Actions from a PKHSCP hosted Tayside-wide workshop in relation to the collective management of Mental Health risks is ongoing. It is anticipated that this will inform a reframing of this strategic risk.

**Existing control rating:** A - Controls are working effectively



## SR14: PARTNERSHIP PREMISES

Risk Owner: Chief Officer

Date Added to Register: 22 Jul 2021  
Review Date 27 Oct 2022

**Description of Risk:** As a result of a lack of sustainable and suitable premises within which Health and Social Care Services can be delivered, there is a risk that safe, consistent and effective care to patients will not be able to be delivered which could result in a reduction in service capacity, reduced outcomes for people and a reduction in staff wellbeing.

**Risk Related to Achievement of Strategic Aim:**

1. Working together with our communities
2. Prevention and Early Intervention
3. Making best use of available facilities, people and other resources

**Current Risk Rating:** (priority 1, 2, 3 or 4)

**PRIORITY 2**

**Risk Movement:** (↑, ↔, ↓)

↓ **DECREASE IN RISK EXPOSURE**

**Risk Exposure Rating Priority 2:** There are significant risks, which may have a serious impact on the Partnership or Service Delivery and the achievement of its objectives if not managed. Immediate management action needs to be taken to reduce the level of net risk.

Inherent Impact (1-5)	Inherent Probability (1-5)	Residual Impact (1-5)	Residual Probability (1-5)	Impact	Critical	5	10	15	20	25
4	5	4	3		Major	4	8	12	16	20
					Moderate	3	6	9	12	15
					Minor	2	4	6	8	10
					Insignificant	1	2	3	4	5
						Very Low	Low	Medium	High	Very High
<b>Inherent Score: 20</b>		<b>Residual Score: 12</b>		<b>Probability</b>						

### Existing Controls:

- Corporate support arrangements provided by HSCP Statutory Partners who support the delivery of accommodation needs.
- HSCP membership of Statutory Partner Capital Asset Groups.
- HSCP representation on PKC office/accommodation group.
- Formal and informal lease agreements/arrangements for current Partnership premises in place
- HSCP involvement in One Public Estate forum.

### Risk Overview:

There are a range of accommodation issues in respect to HSCP services which taken together combine to create this strategic risk. The issues affect a range of services and relate to the following:

- Services at risk of displacement from their current location.
- Services operating from premises which are sub-optimal in design or size.
- Services located inconveniently for patients and service users.

A partnership approach to addressing public sector accommodation needs is now being progressed across P&K. This will involve public sector bodies coming together to seek a more holistic solution via the One Public Estate forum. The current and future needs of the HSCP are now articulated and understood with property services in NHST and PKC. There is appropriate representation on the Strategic Asset Management Groups of our statutory partners.

Existing control rating: **B** - Not all controls are fully effective

Risk Rating Matrix				Inherent Score	Residual Score																	
Ref.	Risk	Risk Title	Risk Owner	Risk Exposure – no controls	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	Apr 22	May 22	Jun 22	Jul 22	Aug 22	Sep 22	Oct 22	
1	<a href="#">SR01</a>	Financial Resources	Head of Finance and Corporate Services	25 (5x5) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	15 (5x3) AMBER	15 (5x3) AMBER	15 (5x3) AMBER	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	25 (5x5) RED	
2	<a href="#">SR02</a>	Workforce	Heads of Service	25 (5x5) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	25 (5x5) RED	25 (5x5) RED	25 (5x5) RED	25 (5x5) RED	25 (5x5) RED	25 (5x4) RED	25 (5x4) RED	
3	<a href="#">SR04</a>	Sustainable Capacity And Flow	Head of Health	20 (5x5) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	20 (5x4) RED	25 (5x5) RED	25 (5x5) RED	25 (5x5) RED	25 (5x5) RED	25 (5x5) RED	25 (5x5) RED	25 (5x5) RED	
4	<a href="#">SR05</a>	Sustainable Digital Solutions	Acting Head of Service ASWSC Operations	20 (5x4) RED	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	
5	<a href="#">SR06</a>	Viability Of External Providers	Interim Head of Adult Social Care (Commissioning)	25 (5x5) RED	8 (4x2) YELLOW	8 (4x2) YELLOW	8 (4x2) YELLOW	8 (4x2) YELLOW	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	20 (4x5) RED	20 (4x5) RED	20 (4x5) RED	20 (4x5) RED	20 (4x5) RED	20 (4x5) RED	
6	<a href="#">SR08</a>	Widening Health Inequalities	Chief Officer	20 (4x5) RED	12 (3x4) AMBER	12 (3x4) AMBER	12 (3x4) AMBER	12 (3x4) AMBER	12 (3x4) AMBER	12 (3x4) AMBER	12 (3x4) AMBER	12 (3x4) AMBER	12 (3x4) AMBER	12 (3x4) AMBER	12 (3x4) AMBER	12 (3x4) AMBER	12 (3x4) AMBER	12 (3x4) AMBER	12 (3x4) AMBER	12 (3x4) AMBER	12 (3x4) AMBER	
7	<a href="#">SR09</a>	Leadership Team Capacity	Chief Officer	20 (5x4) RED	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	16 (4x4) RED	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	
8	<a href="#">SR10</a>	Corporate Support	Head of Finance and Corporate Services	20 (5x4) RED	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	16 (4x4) RED	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	8 (4x2) YELLOW	8 (4x2) YELLOW	8 (4x2) YELLOW	ARCHIVED			12 (4x3) AMBER
9	<a href="#">SR11</a>	Primary Care	Clinical / Associate Medical Director	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	
10	<a href="#">SR13</a>	Inpatient Mental Health Services	Chief Officer	16 (4x4) RED	9 (3x3) YELLOW	9 (3x3) YELLOW	9 (3x3) YELLOW	9 (3x3) YELLOW	9 (3x3) YELLOW	9 (3x3) YELLOW	9 (3x3) YELLOW	9 (3x3) YELLOW	16 (4x4) RED	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	
11	<a href="#">SR14</a>	Partnership Premises	Chief Officer	20 (4x5) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	16 (4x4) RED	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	12 (4x3) AMBER	

## Background

Risk management is an indispensable element of good management. As such, its implementation is crucial to the Perth and Kinross Health and Social Care Partnership (PKHSCP) and essential to its ability to discharge its responsibilities. It is about improving PKHSCP's ability to deliver outcomes by managing our threats, enhancing our opportunities and creating an environment that adds value and is a key part of corporate governance.

Good risk management will help identify and deal with key risks facing the PKHSCP in the pursuit of its goals and not simply a compliance exercise.

As part of good corporate governance an organisation is required to demonstrate that risk management is an integral part of its activity. This requires risk management to be embedded within the culture of the Partnership.

## Appetite

Perth & Kinross Health and Social Care Partnership's risk appetite in relation to its key areas of strategic risk is set out in table 1 below. Where risks fall in amber or red (priorities 1 & 2), consideration is given to the effectiveness of controls and any actions required.

Table 1.

Risk Scoring Grid						
Impact	Critical	5	10	15	20	25
	Major	4	8	12	16	20
	Moderate	3	6	9	12	15
	Minor	2	4	6	8	10
	Insignificant	1	2	3	4	5
		Very Low / Very remote	Low / Remote	Medium / Possible	High / Probable	Very High / Almost Certain
Probability						

## Risk Exposure Rating

Risks are prioritised as to where they fall on the Risk Scoring Grid:

**Priority 1** Risk remains extreme even after all identified controls and treatments have been applied. There are significant risks, which may have a serious impact on the Partnership and the achievement of its objectives if not managed. Immediate management action needs to be taken to reduce the level of net risk.

**Priority 2** There are significant risks, which may have a serious impact on the Partnership or Service Delivery and the achievement of its objectives if not managed. Immediate management action needs to be taken to reduce the level of net risk.

**Priority 3** Risk is manageable after controls have been applied. Although usually accepted, these risks may require some additional mitigating to reduce probability if this can be done cost effectively. Reassess to ensure conditions remain the same and existing actions are operating effectively.

**Priority 4** Appropriate controls keep the risk low / negligible. These risks are being effectively managed and any further action to reduce the risk would be inefficient in terms of time and resources. Ensure conditions remain the same and existing actions are operating effectively.

## Controls and Actions

Where controls have been put in place to treat a risk, consideration is given on how this will affect the risk:

- Reduces impact of the consequences should the risk materialise
- Reduces the probability of the risk occurring

The effectiveness of the controls are rated to determine any actions required to ensure effectiveness via the scale set out in table 2 below:

Table 2.

Controls	
D	Significant Controls do not exist or have broken down
C	Significant controls not operating effectively
B	Not all controls are fully effective
A	Controls are working effectively



PERTH & KINROSS HEALTH AND SOCIAL CARE PARTNERSHIP  
STRATEGIC RISK IMPROVEMENT ACTION PLAN



Red	Not on track with major issues	Amber	On track with minor issues
Green	On track	Blue	Complete

ACTION	RESPONSIBLE	STATUS	TARGET DATE	IMPROVEMENT TYPE	RAG	REVIEW DATE	MOVEMENT
<b>SR01 - FINANCIAL RESOURCES: There are insufficient financial resources to deliver the objectives of the Strategic Plan.</b>							
1a	Timetable of Joint Engagement meetings with key stakeholders (PKC Head of Finance, NHST Director of Finance, Chief Executives)	Chief Officer/CEs of PKC & NHST	31/10/21	Improve existing control	Red	27/10/22	
1d	In partnership with NHS Tayside and the 3 IJB's, develop an affordable long term financial framework for Mental Health functions across Tayside including a jointly agreed approach to bridging finance.	NHST DoF / 3 IJB CFO's	31/03/23	Improve existing control	Green	27/10/22	
1g	Development of options for contraction of Strategic Commissioning Plan that may be required to support recurring financial balance over 2023: 2026	Chief Officer	31/03/23	New Control	Green	-	-
1h	Development of refreshed Quality Safety and Efficiency in Prescribing ( QSEP) Programme to ensure future growth can be offset by increased efficiency.	Clinical Director	31/03/23	New Control	Green	-	-
<b>SR04 - SUSTAINABLE CAPACITY AND FLOW: As a result of the demographics of the people who use our services in Perth and Kinross and the impact of COVID-19 on our population there is a risk of 'capacity and flow' within our services being unsustainable.</b>							
4b	Produce and implement a revised preferred model of delivery for Care at Home services.	Interim Head of Adult Social Care (Commissioning)	30/11/22	New Control	Green	27/10/22	
<b>SR05 - SUSTAINABLE DIGITAL SOLUTIONS: As a result of being insufficiently digitally enabled or integrated there is a risk that the Partnership will not be able to adapt effectively and efficiently to deliver new models of working.</b>							
5b	Develop engagement strategy to ensure patient and service user needs are addressed in respect to any/all technology based developments.	Acting Head of Service ASWSC Operations	31/05/22	New Control	Red	27/10/22	
5c	Consult and engage with our staff to understand their technological needs so as to maximise efficiency and facilitate effective ways of joint working.	Acting Head of Service ASWSC Operations	31/05/24	New Control	Green	27/10/22	
5d	Develop Business Case and 3 year plan to transition from analogue to digital solutions for telehealth/telecare.	Acting Head of Service ASWSC Operations	31/05/24	New Control	Green	27/10/22	
5e	Regular reporting from Digital Steering Group to EMT to be agreed and implemented.	Acting Head of Service ASWSC Operations	31/05/22	New Control	Red	27/10/22	
<b>SR06 - VIABILITY OF EXTERNAL PROVIDERS: As a result of social care market conditions, availability of services, and COVID-19, there is a risk that external providers of care will not be able to meet people's assessed needs in the most appropriate way.</b>							
6a	Produce and implement a revised preferred model of delivery for Care at Home services.	Interim Head of Adult Social Care (Commissioning)	30/11/22	New Control	Green	27/10/22	
<b>SR08 - WIDENING HEALTH INEQUALITIES: As a consequence of COVID-19 there is a risk that health inequalities widen significantly.</b>							
8b	Develop an Integrated Resource Framework (IRF) to enable us to understand health and social care inequalities across each locality and enable informed strategic decision making.	Head of Finance & Corporate Services	31/03/22	New control	Red	27/10/22	
8c	Review of service management support to ensure sufficient capacity and resilience within Communities Team to ensure Inequalities can be addressed in a targetted needs met manner.	Interim Head of Adult Social Care (Commissioning)	31/10/22	New control	Red	27/10/22	
<b>SR09 - LEADERSHIP TEAM CAPACITY: As a result of insufficient capacity in the Leadership Team there is a risk that the clear direction and leadership required to achieve the vision for integration is not achieved.</b>							
9b	Review of service management support to all Heads of Service to ensure sufficient capacity and protect resilience.	Heads of Service / Head of Finance & Corporate Services	31/03/22	Improve existing controls	Red	27/10/22	
9c	Develop and appropriately resource leadership arrangements to support the development of a Mental Health Strategic Delivery Plan for delegated functions across Tayside that are consistent with the revised Integration Scheme and that effectively mitigate the material risk that emerges from the split of responsibility for strategic planning from operational management.	NHST/PKC CE's / IJB Chairs / IJB CO's	31/03/22	Improve existing controls	Red	27/10/22	

# PERTH & KINROSS HEALTH AND SOCIAL CARE PARTNERSHIP

## STRATEGIC RISK IMPROVEMENT ACTION PLAN



<b>Red</b>	Not on track with major issues	<b>Amber</b>	On track with minor issues
<b>Green</b>	On track	<b>Blue</b>	Complete

ACTION	RESPONSIBLE	STATUS	TARGET DATE	IMPROVEMENT TYPE	RAG	REVIEW DATE	MOVEMENT	
<b>SR11 - PRIMARY CARE: As a result of insufficient suitable and sustainable premises, and a lack of available national and cross-system flow of financial support, there is a risk that we will not be able to provide, within the legislative timeframe, the necessary services as defined within the 2018 General Medical Services Contract.</b>								
11a	Produce a Perth and Kinross Primary Care Premises Strategy which identifies our premises needs for the short, medium and long term.	Clinical Director	In Progress	30/06/22	Improve existing controls	Red	27/10/22	
11b	Development of 3 Year Strategic Delivery Plan for 2023-26 for Primary Care. This will also address the further implementation of wider services in support of the GMS contract.	Heads of Service	In Progress	31/03/23	New Control	Green	27/10/22	
<b>SR13 - INPATIENT MENTAL HEALTH SERVICES: There is a risk that due to the complexity of the governance arrangements for Inpatient Mental Health Services Perth and Kinross IJB will not be able to meet its Strategic Planning responsibilities.</b>								
13b	Following approval in principle of the Tayside Mental Health Strategy by Tayside HSCP's bring forward a Strategic Delivery Plan.	NHST/3 Chief Officers	In Progress	31/03/22	New control	Red	27/10/22	
<b>SR14 - PARTNERSHIP PREMISES: Due to a lack of sustainable and suitable premises within which Health and Social Care Services can be delivered, there is a risk that services will be displaced without appropriate alternative accommodation having been developed or identified, resulting in a reduction in service capacity, reduced outcomes of patients and service users and a reduction in staff wellbeing.</b>								
14b	Ensure PKHSCP's premises needs are clearly identified within a Partnership accommodation schedule.	Chief Officer	In Progress	31/12/22	New Control	Green	27/10/22	
14c	Ensure PKHSCP's premises risk and accommodation needs are appropriately communicated and considered by NHS Tayside and Perth and Kinross Council.	Chief Officer	In Progress	31/12/22	New Control	Green	27/10/22	
14d	Production of the P&K Primary Care Strategic Delivery Plan. This has a key priority action in outcome 3 of the provision of suitable accommodation for an effective CCATS.	Clinical Director	In Progress	31/03/23	New Control	Green	27/10/22	



## AUDIT & PERFORMANCE COMMITTEE

28 November 2022

### INTERNAL AUDIT REPORT – PRIMARY CARE

**Report by Chief Internal Auditor**  
(Report No G/22/170)

#### **PURPOSE OF REPORT**

The purpose of this report is to provide the Audit & Performance Committee with an update on progress with finalising the report relating to Perth & Kinross' Primary Care Improvement Plan.

#### **1. BACKGROUND**

An audit of the Primary Care Improvement Plan was approved as part of the Internal Audit Plan for 2021/22 ([Report G/21/81](#) refers). The scope of this work was to provide assurance to the IJB over the arrangements in place for the implementation of the Primary Care Improvement Plan. Assignments connected with the strategic risks relating to Sustainability of Primary Care Services were also commissioned by NHS Tayside and Angus IJB. Therefore, to ensure that there was no duplication of audit effort and to ensure that a holistic approach was taken, the Internal Audit team in the NHS undertook these assignments as a combined assignment and the report drafted incorporates these wider aspects.

As this report has been long-awaited by this Committee, and as it has been presented to the Audit & Risk Committee of NHS Tayside in its draft final form, the same report is being presented for consideration at this meeting.

#### **2. PROGRESS WITH AGREEING THE REPORT**

The draft report was issued on 19 May 2022 and has been widely circulated to NHS Tayside and IJB colleagues for comment. The Chief Officer of Angus IJB, who is also Co-Chair of the Primary Care Board, has provided management responses to address the recommendations in the report.

However, this is a complex, multifaceted report covering many disparate areas which itself reflects the complexity of the nature of Primary Care Services and its associated risk factors. It is important therefore, that the response has ownership from all key parties and that it fully addresses the issues raised in the report. A meeting was held with representatives from all bodies to consider the report and the wider issues raised and a draft response has been prepared by the lead officer. However, it has not yet been possible to discuss the response and achieve sign-up from all partners and therefore the report is presented as a draft final.

It should be noted by this Committee that reasonable assurance can be placed on the arrangements in place in relation to Perth & Kinross' Primary Care Improvement Plan (page 4 of the report) and that the commentary in Section 3, Detailed Findings and Information on page 26, also highlights some areas of good practice. No specific actions arise from this aspect of the report. It should also be noted that Perth & Kinross Health and Social Care Partnership officers have had limited involvement in agreeing the content of the action plan.

The final report will be circulated to Audit & Performance Committee members once complete. Any significant amendments to this report and the action plan will be reported to the next meeting of the Audit and Performance Committee.

### 3. RECOMMENDATION

The Audit & Performance Committee is asked to note:

1. The contents of the draft final report for the wider review of the strategic risks relating to Primary Care, which incorporates the review of Perth & Kinross' Primary Care Improvement Plan;
2. The final report will be shared with members of this Committee at the earliest opportunity; and
3. Any significant amendments to this report and action plan will be reported to the next meeting of the Audit & Performance Committee.

### 4. CONSULTATION

The Chief Finance Officer has been consulted on the content of this paper.

#### Author(s)

Name	Designation	Contact Details
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### APPENDICES

1. FTF Internal Audit Service's draft final report on Sustainability of Primary Care Services



# FTF Internal Audit Service

## Sustainability of Primary Care Services

### Report No. T15/22, AN05/22 & PKIJB20-02

#### Issued To:

**NHS Tayside:** [G Archibald, Chief Executive]  
S Lyall, Director of Finance  
[M Dunning, Board Secretary]  
[H Walker, Head of Strategic Risk & Resilience Planning]

**Risk:** G Smith, Interim Chief Officer  
D Shaw, Interim AMD Primary Care & Clinical Director/AMD  
Dundee IJB

**Angus:** S Berry, Chief Finance Officer  
A Clement, Clinical Director/AMD Angus IJB  
L Prudom, Primary Care Manager

**Dundee:** V Irons, Chief Officer  
D Berry, Chief Finance Officer  
S Hyman, Senior Manager - Service Development and Primary  
Care.

**Perth  
& Kinross:** J Pepper, Interim Chief Officer  
J Smith, Chief Finance Officer  
H Dougall Clinical Director/AMD  
L Milligan, Service Manager - Primary Care

[NHS Tayside Audit and Risk Committee]  
[IJB Audit and Risk Committees]  
[External Audit for NHST and each IJB]

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Draft Report Issued	19 May 2022
Draft Management Responses Received	3 November 2022
Target NHS Tayside Audit & Risk Committee Date	17 November 2022
Angus IJB Audit Committee	7 December 2022
Dundee IJB Performance & Audit Committee	23 November 2022
Perth & Kinross IJB Audit & Performance Committee	28 November 2022
<b>Draft Final Report Issued</b>	<b>10 November 2022</b>
<b>Final Report Issued</b>	<b>xxxxxx</b>

**CONTEXT AND SCOPE**

1. This audit of the strategic risks relating to Sustainability of Primary Care Services, including review of assurances, controls and scoring was jointly commissioned by Angus IJB, Perth & Kinross IJB and NHS Tayside. The mitigation system has been identified within the strategic audit planning process as High.
2. Strategic risk 353 – Sustainable Primary Care Services is recorded on the NHS Tayside strategic risk register with a current risk exposure of 25 and a planned risk exposure of 9. The risk description is *‘As a result of an increase in GP vacancies due to retirement and difficulties in relation to recruitment and retention, there is a risk that NHS Tayside will be unable to provide GP services. This risk recognises that failure to maintain sustainable Primary Care Services both in each locality across Tayside will result in a failure to achieve the 20/20 Vision, the National Clinical Strategy and local Primary Care Strategy. This would result in patients being unable to access Primary Care Services across the geographical location and in a failure to provide continuity of service. This would lead to adverse publicity, reputational damage and unsatisfactory patient experience. Furthermore there is a risk to the ability to provide an adequate standard of healthcare to the population and the risk of pressures elsewhere in the healthcare system’*.
3. The same risk is also recorded on the Angus IJB strategic risk register as Strategic Risk 01 - Sustainability of Primary Care Services, with a Red risk exposure of ‘Priority 1’ (25) – increased level of risk exposure. The risk is currently owned by the Angus IJB Chief Officer and reported through the Angus IJB Clinical & Care Governance Group. Discussions have been ongoing for some time regarding transferring the alignment of the risk from Angus IJB to the NHS Tayside Care Governance Committee.
4. Several controls are currently identified to mitigate this risk. However, a review of this risk in its entirety is currently under way. We strongly recommend using the methodology previously applied to the Mental Health strategic risk. This method deconstructs the overall risk into its component parts, to allow more granular analysis of each component; this audit will assist this process by ensuring that assurance and risk principles are properly embedded into each stage.
5. A slightly different Primary Care risk is also recorded on the Perth & Kinross IJB Strategic Risk register (SR11): *‘As a result of insufficient suitable and sustainable premises, and a lack of available national and cross-system flow of financial support, there is a risk that we will not be able to provide, within the legislative timeframe, the necessary services as defined within the 2018 General Medical Services Contract.’* This risk is currently rated as a Priority 1 (16).
6. Since commencement of our fieldwork, Dundee IJB has also developed a Primary Care risk, reflecting that several relevant operational risks have been escalated from the operational risk register. As reported to the 20 April 2022 IJB, this new risk is scored as 20 (very high).
7. Therefore, each of the four Tayside partner organisations is managing a strategic Primary Care risk covering broadly the same areas. While each organisation will have a different perspective on this risk and accordingly each is formulated slightly differently, there is a requirement to ensure consistency and eliminate duplication of effort in the management of the risk.
8. The Scottish Government Primary Care Services website states: *“Primary care is the first point of contact with the NHS. This includes contact with community based services*


*provided by general practitioners (GPs), community nurses, dentists, dental nurses, optometrists, dispensing opticians, pharmacists and pharmacy technicians. It can also be with allied health professionals such as physiotherapists and occupational therapists, midwives and pharmacists.”* However, the focus of the Primary Care strategic risks within NHS Tayside and its partners is predominately on services provided through GP surgeries and not on services provided by the other contractor streams.

9. The implementation of the 2018 General Medical Services Contract through Primary Care Improvement plans is a key control for sustainable GP practices.
10. This audit reviewed and provides constructive commentary on the adequacy of proposed risk and performance management mechanisms, and considered whether they will ensure that:
  - There are clear assurance processes both to NHS Tayside and to each of the IJBs, taking account of the lead role of Angus IJB;
  - There is a clear description and scoring of the strategic risk and associated operational risks, and current key controls;
  - There is an effective process for setting the target risk as well as effective planning and monitoring of the actions required to achieve that score;
  - Structures and reporting lines are clear, robust and comprehensive, avoiding unnecessary duplication but ensuring there are no gaps, with authority and accountability aligned appropriately;
  - The impact on other strategic risks is considered and communicated effectively;
  - There are adequate, effective and comprehensive assurance systems for all aspects of the risk, controls and actions including clinical governance/ quality assurance, workforce data, performance information, Premises, Infrastructure, IT and Finance;
  - The risk, controls and actions are informed by, and inform, service planning and prioritisation;
  - Appropriate assurance arrangements are in place for the implementation of the Primary Care Improvement Plan (PCIP).
11. As management have already acknowledged the need for an overhaul of the NHS Tayside/ Angus IJB Strategic risk, we will provide overt assurance on the fully reviewed and updated risk as part of a future internal audit.


## AUDIT OPINION

12. Our review covered both Primary Care risks and assurances, and the PCIP. As our findings differed, we have provided a separate Audit Opinion of the level of assurance for each as follows:

## Primary Care risks and assurances

Level of Assurance		System Adequacy	Controls
Limited Assurance		Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.	Controls are applied but with some significant lapses.

## PCIP

Reasonable Assurance		There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	Controls are applied frequently but with evidence of non-compliance.
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A description of all definitions of assurance and assessment of risks are given in Section 4 of this report.

13. As the challenges with delivery of Primary Care services crystallise, a structured, proactive and strategic approach is needed to ensure effective management of this complex and important area. The complexity of the risk requires a holistic and coordinated approach to ensure effective and efficient management of the risk.
14. Although our audit did identify several areas of good practice, we also found a number of areas for improvement. Our recommendations are summarised below and we would suggest these should form the basis of a project plan aimed at improved risk management in this area, to be progressed in partnership, which may require a joint Project Group with appropriate membership from the four organisations.

**Strategic Risk:**

- The overarching risk should be more clearly defined and the required controls and actions fully articulated, with co-ordinated action plans developed. There is also a requirement for a strategic overview which identifies the combined impact of the disparate elements on organisational objectives.
- While each of the four partner organisations will necessarily have their own perspective on the risk, there is clearly a common element of the fundamental issue of provision of primary medical services. Partners need to work together to streamline the separate Primary Care strategic risks, thereby ensuring a consistent approach to the management of this risk, without duplication of effort. A Tayside wide discussion is needed to review

the operational, support and strategic risk management responsibilities in relation to sustainable primary care services. These arrangements need to be articulated clearly through the review of the risk, with a clear description of the contribution of each organisation's role in managing the risk and the assurance framework in place, rather than relying on the quality of the working relationships.

- Understandably given the current developments in some GP practices across Tayside with reports of practices closing lists, handing back contracts etc, the focus of the Primary Care strategic risks is predominately on primary medical services/ services provided through GP practices and not on services provided by the other contractor streams. We recommend that the primary medical element (GP/Physio/ Mental Health/ ANPs etc) should become a strategic risk in its own right. A granular analysis of the component elements should be undertaken to determine whether the other primary care contractor streams require their own distinct strategic or service level risks, including reduced access to treatment as well as risks posed by the delay of diagnosis and treatment due to the pandemic. The critical components of the GP services risk may require further breakdown including staffing, premises, IT and Finance aspects. All of these elements require their own controls, mitigating actions and assurance processes which are not currently all clearly articulated. A matrix of system wide and service level risks should be considered.
- Issues associated with practices that are in difficulty have not been reflected in the strategic risk and no specific controls have been introduced to provide early warning of issues, and implement immediate remedial action rather than reactive approach currently adopted.
- Although we acknowledge that the risk cannot be fully mitigated, a mechanism for robust performance monitoring and trend analysis is needed to provide early warning of risks to service provision and to allow an opportunity for intervention and planning, for example, where practices are failing.

#### **Governance:**

- Currently, the Primary Care strategic risk is primarily reported through Angus IJB clinical and care governance structures. Although in their totality these flow to the IJB, which in turn provides a briefing to Tayside NHS Board, there is no clear direct reporting either to NHS Tayside or to the other Tayside IJBs.
- The prominence given to this risk within the NHS Tayside governance structure is not proportionate to the significance of this risk and the impact that it has on NHS Tayside directly, through its responsibilities for providing primary medical services to its population, and indirectly through the impact on other risks such as waiting times and prescribing. Reporting is fragmented and structured assurances are not provided. We have been informed that NHS Tayside recently decided to align the risk to the NHS Tayside Care Governance Committee although final agreement across all stakeholders has not yet been reached. This should present an opportunity to remedy this and allow escalation of the risk as required to ensure Board oversight. We would note however that whilst this risk would sit naturally with the agenda of the Care Governance Committee, this is already an extremely busy committee. To allow the risk to receive the focus it deserves, consideration could also even be given to creation of a new committee specifically for Primary Care or by aligning it to the remit of the Public Health Committee (whose remit would then require to be extended).

- The group which brings together representatives for all aspects of the risk as described above is the Primary Care Board. Development of Terms of Reference for the Primary Care Board is still a work in progress. The Terms of Reference should reflect the impact of the overall primary care risk on NHS Tayside as well as the IJBs, and the alignment of the Primary Care risk to the NHS Tayside Care Governance Committee.
- Reporting is piecemeal, especially for NHS Tayside with aspects of the Primary Care risk reported across various fora. There are no clear remits or reporting lines for the strategic and operational fora, and working groups.
- We recommend that a mapping exercise should be carried out to determine how the Primary Care Board and the fora work together to provide a flow of assurance. Accountability, responsibility, control and authority need to be aligned so those who are taking ownership and progressing work that can effect real changes.
- Responsibilities in relation to the Primary Care risk should be clearly articulated in staff objectives as well as remits for groups. Job descriptions may also require to be updated following the overhaul of the primary care risk as recommended above.

#### Good practice:

- Whilst we have commented on the improvements required to improve risk management and governance reporting arrangements to manage the Primary Care risk, our fieldwork confirmed that issues are being addressed and outcomes are being achieved, largely due to the professionalism, commitment and positive engagement of key individuals and the strong working relationships in place. However, strengthening arrangements will lead to more effective and efficient management of Primary Care risks and provide greater resilience as pressures on the system increase.
- P&K HSCP has a GP sustainability team which GPs can approach. In addition, a group of Tayside GPs established in response to Covid has developed good working relationships. These areas should be further explored to ensure good practice can be shared.

15. Detailed findings/information is included at Section 3.

## ACTION

16. The action plan at Section 2 of this report [has been agreed with management] to address the identified weaknesses. A follow-up of implementation of the agreed actions will be undertaken in accordance with the audit reporting protocol.

## ACKNOWLEDGEMENT

17. We would like to thank all members of staff for the help and co-operation received during the course of the audit.

**Jocelyn Lyall BAcc CPFA**  
Regional Audit Manager

## Action Point Reference 1 – Facets of the Primary Care risk

### Finding:

The risk as articulated does not present a holistic and comprehensive picture of all the known risks to primary care services. In particular, the focus on GP services means that significant risks in other Primary Care services are not given the required attention.

In addition, the GP services element of the risk is itself made up of a number of critical components including staffing, premises, IT and Finance aspects, all of which require their own controls, mitigating actions and assurance but are not currently all clearly articulated.

The risk score has remained at the highest possible 5x5 rating since August 2017, with the target score being shown as 3x3, a target last achieved in January 2017. Current arrangements including future mitigating actions are still unlikely to achieve target score.

### Audit Recommendation:

We recommend that the primary medical element (GP/Physio/ Mental Health/ ANPs etc) is developed into a separate strategic risk in its own right and the other primary care contractor streams are reviewed to determine if they require their own distinct risks.

We also recommend that aspects of the Primary Care risk are further broken down into operational (service level) risks, enabling a granular analysis of the component elements. A matrix style could be considered as there does also have to be a strategic overview which shows how all the elements together impact on organisational objectives.

The target risk should be reassessed, taking into account known pressures, the rate of progress in identifying and implementing the necessary actions and any likely resource constraints. As well as effective planning and monitoring of the actions required to achieve that score, there should also be a trajectory for reduction and a target date to go with the revised target score.

### Assessment of Risk:

Significant



Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores.

**Requires action to avoid exposure to significant risks to achieving the objectives for area under review.**

### Management Response/Action:

The recommendations regarding the facets of the primary care audit are generally accepted.

A revised scope for a General Practice and associated MDT strategic risk has been proposed and a revised narrative to articulate the risk has been prepared for submission to and consideration by Primary Care Board target date 8 December 2022.

The PCB will discuss the status of risks associated with other contractor streams. (target: PCB Dec 2022)

**The concept of breaking down the GP Contractor risk is accepted. A second Primary Care**



risk workshop will take place to consider the appropriate methodology and risk elements with respect to this risk during 2022/23. The Chief Officer, Angus IJB will take the outcome of the workshop to Primary Care Board for consideration.

Action by:	Date of expected completion:
Chief Officer, Angus IJB (Co-Chair of Primary Care Board)	31 March 2023.

## Action Point Reference 2 – Owners and impact of the Primary Care risk

### Finding:

Another feature of the complexity of the risk of sustainable primary care services is the impact of the risk on the different organisations involved. The NHS Tayside strategic risk is owned by the Angus IJB Chief Officer, with the risk manager being the NHS Tayside interim Associate Medical Director (AMD) for Primary Care.

Primary Care services are hosted by Angus IJB but impact on all IJBs as well as the Health Board. In addition to the Angus IJB/NHS Tayside Strategic Risk P&K IJB has had a primary care risk since October 2020 and Dundee IJB has recently created a risk on sustainability of primary care. Each of these risks is subtly different, but reflects broadly the same pressures and similar controls and actions. All four organisations will need to work together to control the risk and all will require assurance on any joint actions and controls.

We could not conclude that the impact on other strategic risks is considered and communicated effectively (for example on waiting times or prescribing).

### Audit Recommendation:

We recommend that a Project Group with appropriate membership from the four organisations is established with a clear remit to:

- Review the four Primary Care strategic risks in relation to each other and agree a consistent approach to the management of this risk, without duplication of effort. A Tayside wide discussion is needed to review the operational, support and strategic risk management responsibilities in relation to sustainable primary care services. These arrangements need to be articulated clearly through the review of the risk, with a clear description of the contribution of each organisation's role in managing the risk and the assurance framework in place, rather than relying on the quality of the working relationships.
- The overarching risk should be more clearly defined and the required controls and actions fully articulated, with co-ordinated action plans developed. There does also have to be a strategic overview which shows how all the elements together impact on organisational objectives.

### Assessment of Risk:

Significant



Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores.

**Requires action to avoid exposure to significant risks to achieving the objectives for area under review.**

### Management Response/Action:

The need for all four bodies to review the four primary care strategic risks and agree a consistent approach to managing the risk is accepted.

- a) During Q4 2022/23, a second risk workshop will be commissioned by the Chief Officer, Angus IJB. This workshop will require senior management input and will

<p>agree the scope, remit and membership of a project group to map out the approach for approval by the four constituent parts.</p> <p>b) The project group will then deliver the agreed response to the full audit recommendation to PCB and NHST by June 2023.</p>	
<b>Action by:</b>	<b>Date of expected completion:</b>
Chief Officer, Angus IJB and New Project Group	<p>a) March 2023</p> <p>b) June 2023</p>

### Action Point Reference 3 - Structures

#### Finding:

Responsibilities for Primary Care are split between NHS Tayside, which retains administrative, contracting, and professional advisory functions and functions delegated to IJBs. In addition, Angus IJB was given lead responsibility for primary care services, as defined in the Integration Scheme as '*strategic leadership and operational oversight*'.

A review of Integration Schemes has recently been undertaken with updated drafts out for consultation in Angus and Dundee. This review raised issues in how hosting has been operating with regard to decision making as well as monitoring and reporting. A Lead Partner arrangement is now proposed in the updated schemes, but this would still leave a split between essentially three levels of organisation involved in managing this risk, NHS Tayside, Angus IJB as lead partner, and the three Tayside HSCPs for their areas, leaving a potential disconnect between strategic priorities of each IJB and implementation through e.g. negotiation of contracts.

We concluded that current arrangements are fragmented and the structures as they stand do not lend themselves to a strategic overview and ownership of the overall issue of sustainability of primary care, nor the ability to set and implement a clear strategic vision for this area. Consistency and coordination is currently dependent on the quality of the working relationships of those working in this area for all partner bodies, and the current structures are not designed to facilitate a joint approach and increase efficiency and effectiveness.

#### Audit Recommendation:

Currently, NHS Tayside is planning its Clinical Strategy and the IJBs are preparing new Strategic Commissioning Plans. These need to reflect a joined up vision for Primary Care services. We were also informed that Perth & Kinross IJB is currently drafting a GP Sustainability plan with an overall Primary Care Strategic Delivery Action Plan also in the process of being developed to be reported to the IJB in September 2022. These plans will look at local, regional and national drivers and actions. Consideration should be given to adopting this approach on a Tayside wide basis.

A Tayside wide discussion is needed to review operational, support and strategic management arrangements and achieve clarity on responsibilities. This needs to be articulated more clearly through the risk, with a clear description of the contribution of each partner organisation's role in managing the risk and the assurance framework in place.

#### Assessment of Risk:

Significant



Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores.

**Requires action to avoid exposure to significant risks to achieving the objectives for area under review.**

#### Management Response/Action:

**It is accepted that the clinical strategy and strategic commissioning plans for IJBs need to reflect a joined-up vision for Primary Care. This will be reflected in the next iteration of**

each IJBs Strategic Commissioning Plan.

Reflecting the work in Perth, the principle of a consistent GP sustainability assessment in each IJB across Tayside is accepted. This will be reported back by each Integrated Joint Board to the Primary Care Board on a twice yearly basis with an associated local delivery plans. Perth & Kinross IJB has prepared a plan for the period 2023 to 2026. Dundee and Angus IJB will prepare plans by 31 March 2023.

The Chief Officer Angus IJB will initiate a Tayside wide discussion comprising the three Chief Officers and the AMD for Primary Care, with input from NHST as required (e.g. with regard to premises and finance), by March 2023, to review responsibilities regarding Primary Care management and risks within that. The Chief Officer Angus IJB will prepare a paper with the recommendations from the discussion to ELT.

Action by:	Date of expected completion:
Chief Officer, Angus IJB	31 March 2023

### Action Point Reference 4 Assurance

#### Finding:

Currently, the Primary Care strategic risk is primarily reported to the Angus IJB Clinical, Care & Professional Governance Group, with no clear direct reporting either to NHS Tayside or the other Tayside IJBs.

Within NHS Tayside, the Angus IJB Chief Officer has provided verbal updates on this risk to the Strategic Risk Management Group, whose minutes are reported to the Audit & Risk Committee.

While aspects of primary care are also raised across a number of NHS Tayside committees, there is no clear coordinated approach to reporting on all aspects of the strategic Primary Care risk with no mechanism to provide formal assurance on the risk at governance level.

As Primary Care is also included within the NHS Tayside Remobilisation plan with specific activities listed under: *'Continue to support a unified approach to Primary Care Services'* and *'Establish a whole system quality improvement approach for Primary Care which takes into account the multiple interfaces and co-dependencies'* this could have been another vehicle to reporting on this risk but there is no mention of the Primary Care risk nor any link from any of the risk controls or assurances to the RMP4 and its action tracker.

#### Audit Recommendation:

All strategic Risks should be the subject of regular comprehensive assurance reporting to either Tayside NHS Board or the appropriate standing committee. This is particularly important given the scope, score and nature of the Primary Care Risk.

We have been informed that NHS Tayside management have agreed a reporting line to the Care Governance Committee for the future which would address this requirement. We would note however, that whilst this risk would sit naturally with the agenda of the Care Governance Committee, the Care Governance Committee is already an extremely busy committee. To allow the risk to receive the focus it deserves, consideration could also be given to creation of a new committee specifically for Primary Care or by aligning it to the remit of the Public Health Committee (whose remit would then require to be extended).

#### Assessment of Risk:

Significant



Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores.

**Requires action to avoid exposure to significant risks to achieving the objectives for area under review.**

<b>Management Response/Action:</b>	
<p>The strategic risk 353 Sustainability of Primary Care is now reporting into Care Governance Committee.</p> <p>Further consideration will be given to the benefits of a new committee taking responsibility for the Primary Care Risk.</p> <p>It is currently envisaged that this would optimally be through a revised Primary Care Board, recognised within NHS Tayside and Integrated Joint Board governance structures but this would have to be formally agreed separately.</p> <p>The Chief Officer Angus IJB will initiate discussion amongst the three IJB Chief Officers and NHS Tayside senior management representatives. The discussion will form the basis of a paper for consideration at the Primary Care Board in the first instance.</p>	
<b>Action by:</b>	<b>Date of expected completion:</b>
Chief Officer Angus IJB, Primary Care Board	31 March 2023

### Action Point Reference 5 Sustainability of GP practices

#### Finding:

One of the key elements of this risk is that of GP practices becoming unsustainable. During the course of our fieldwork we noted a number of areas where this risk appeared to be worsening with practices closing lists, terminating contracts or informing management of future plans which threaten sustainability e.g. through retiral. However, these issues have not been reflected in the strategic risk and no specific controls have been introduced to identify practices in difficulty and take effective, proactive, remedial action. Any action has been taken has been reactive and 'ad hoc' rather part of a structured, planned response.

Although the work on implementation of the new GP contract, and the operational response to Covid help GP service sustainability, a number of controls appear to have grown organically in response to emergent situations. As the risk increases, a more proactive and strategic approach is needed which provides strategic direction and mechanisms to anticipate and address problems.

There is currently no consistent monitoring of the sustainability of GP practices across Tayside, although P&K HSCP did undertake a survey, adapted from successful models elsewhere which was reported to the P&K IJB EMT in July 2021 and has informed the approach to P&K's work on GP sustainability. The survey was repeated again in February 2022. We have been informed that Dundee IJB is also planning a similar exercise, with slightly different indicators for assessment to include deprivation and demand.

#### Audit Recommendation:

The Health Board and IJBs should agree a coordinated approach to identifying GP Practices at risk as early as possible as well as measuring their sustainability both individually and collectively. They should then identify a range of potential interventions and how and by whom these should be applied.

The information obtained through this exercise should be used to inform both the narrative and score of the Strategic Primary Care Risk.

#### Assessment of Risk:

Significant



Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores.

**Requires action to avoid exposure to significant risks to achieving the objectives for area under review.**

#### Management Response/Action:

**The recommendation is accepted that a co-ordinated approach should be implemented to identify GP Practices at risk.**

**As per action point 3, the principle of a regular consistent GP sustainability assessment in each Tayside IJB is accepted. The updated outputs of this will be reported back by each IJB to the PCB on a twice yearly basis with an associated local delivery plan.**

**At Primary Care Board level, it is expected that NHS Tayside contributions to mitigating**



and resolving risks (e.g. regarding property issues) is further explored. The Primary Care Board will liaise with the NHS Tayside Property department on how the required contribution will be provided.

Action by:	Date of expected completion:
Chief Officer, Angus IJB (Co-Chair Primary Care Board) & IJB Primary Care Managers Further officers TBC	31 January 2023

### Action Point Reference 6 - Primary Care Board

#### Finding:

The group which brings together representatives for all aspects of the risk as described above is the Primary Care Board, which should be the body which pulls together the various strands of work and receives assurance on all elements of the risk. However, its Terms of Reference and remit are still under development and it has no clear reporting lines at present. The draft remit proposes reporting to Angus IJB.

Proposed membership as per the draft remit includes representation from all departments dealing with all aspects of the risk including the property department but no Property department representative attended throughout the whole of 2021/22, although Estates is a key element of the Primacy Care Risk and one in which progress has been limited.

#### Audit Recommendation:

The remit for the Primary Care Board should be confirmed and align both responsibility and authority for addressing the risk, provide a single forum for operational and strategic decision making and should ensure the Primary Care Board has the organisational status this requires.

Should the risk be reported to the NHS Tayside Care Governance Committee as recommended above, then the Primary Care Board should also report to that Committee with clear responsibility for the maintenance of the Risk and providing appropriate assurance on it.

We would view property department attendance as a key requirement to assist in the management of the premises aspect of the risk and strongly recommend that a nominated officer attends all meetings with clear links to actions to be taken by that department.

#### Assessment of Risk:

Significant



Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores.  
**Requires action to avoid exposure to significant risks to achieving the objectives for area under review.**

#### Management Response/Action:

The recommendation is accepted that the Primary Care Board provides a single forum for operational and strategic decision making for Primary Care and has responsibility and authority for managing the risk.

This requires the Primary Care Board to have the appropriate organisational status and NHS Tayside and IJBs will work towards that, reviewing membership and Terms of Reference of the Primary Care Board to achieve this.

We accept the need for consistent and senior proactive input from the NHST Property Services to assist in the addressing of aspects of the Primary Care risk. This should be alongside the recognised input from NHST Digital Services and the requirement for ongoing NHST Human Resources input.

The Chief Officer, Angus IJB will initiate discussion amongst the three IJB Chief Officers and NHS Tayside senior management representatives preparing a paper for consideration at the Primary Care Board in the first instance and subsequently NHS Tayside ELT.

**Action by:**

**Date of expected completion:**

Chief Officer, Angus IJB

31 March 2023

## Action Point Reference 7 Roles & Responsibilities

### Finding:

The post of Associate Medical Director for Primary Care has been filled on an interim basis for a number of years and the current post holder also fulfils a number of other key roles.

During our audit fieldwork we encountered a number of very engaged and proactive individuals, but a lack of clarity around their roles and responsibilities in relation to the risk.

Many of these individuals come together in a number of fora, including the Primary Care Command and Control Team, the Primary Care Board and a number of working groups for premises, IT and implementation of the new GP contract etc. However, these too lack clear remits and reporting lines.

### Audit Recommendation:

The role of the interim AMD for Primary Care should be reviewed and consideration given to a substantive permanent appointment to ensure the post has the organisational status and profile required.

Responsibilities in relation to the Primary Care risk should be clearly articulated in staff objectives and group remits. Job descriptions may also require to be updated following the overhaul of the primary care risk as recommended above.

In line with the action to be taken in response to Action point 6 above, we recommend that a mapping exercise should be carried out to determine how the Primary Care Board and the fora work together to provide a flow of assurance. Accountability, responsibility, control and authority need to be aligned so those who are taking ownership and progressing work that can effect real changes.

### Assessment of Risk:

Significant



Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores.

**Requires action to avoid exposure to significant risks to achieving the objectives for area under review.**

### Management Response/Action:

The recommendations are generally accepted.

The Associate Medical Director role is currently being reviewed with a view to a permanent recruitment with an updated job description, which will reflect the risk responsibilities.

The Chief Officer Angus IJB as the lead partner for Primary Care Services under the Integration Scheme will co-ordinate strategic planning and will seek approval from all Integrated Joint Boards on the proposed strategy.

As noted above, a new, broader Terms of Reference for the Primary Care Board is required and this will address the reporting arrangements to provide a flow for assurance.

Action by:	Date of expected completion:
Chief Officer, Angus IJB	31 December 2022

**Review of the Strategic Risks**

Our audit opinion is based on a high level overview of the way in which the risk is currently formally articulated through the NHS Tayside / Angus IJB strategic risk and is intended to provide recommendations for the improvement work already acknowledged as needed by management. A workshop to take this forward is planned, but organisation of this is proving challenging. Consideration should be given to whether existing fora (such as the CCT) could be used/ expanded.

This risk is multifaceted. Although the risk description refers to primary care services overall in accordance with the Scottish Government definition as quoted above, it also acknowledges that primary medical services remain the main focus. Given the difficulties being experienced in this area generally, this presents a danger that risks in other Primary Care services are not given the required focus. We therefore recommend a granular analysis of the component elements to determine whether:

- the primary medical element (GP/Physio/ Mental Health/ ANPs etc) should become a strategic risk in its own right and the other primary care contractor streams require their own distinct strategic or service level risks, including reduced access to treatment as well as risks posed by the delay of diagnosis and treatment due to the pandemic.
- The critical components of the GP services risk may require further breakdown including staffing, premises, IT and Finance aspects. All of these elements require their own controls, mitigating actions and assurance processes which are not currently all clearly articulated.

We recommend that aspects of the Primary Care risk are broken down into service level risks, enabling a granular analysis of the component elements. There does also have to be a strategic overview which shows how all the elements together impact on organisational objectives. A matrix of system wide and service level risks should be considered.

Our discussions with management as well as the updates to the risk show that management are very much aware of all the aspects and complexities but the risk as it currently stands does not present a holistic and comprehensive picture of risks to primary care services.

Another feature of the complexity of the risk of sustainable primary care services is the impact of the risk on the different organisations involved. The NHS Tayside strategic risk is owned by the Angus IJB Chief Officer, with the risk manager being the NHS Tayside interim Associate Medical Director (AMD) for Primary Care. The impact of the risk however affects NHS Tayside and each of the IJBs differently, in the case of Angus both for its own population as well as in its role as host IJB. The impact for example in financial terms does not currently align with where the risk is managed. Contractual arrangements are as legally required managed by NHS Tayside who can take over direct responsibility for GP provision under a '2C' arrangement. This can create significant additional costs which are currently borne by all IJBs on a basis proportional to their population regardless of the geographical location of the practice. P&K IJB has had a primary care risk since October 2020 and Dundee IJB has also recently created a risk on sustainability of primary care. In addition, the impact of the primary care risk is intrinsically linked to many other strategic risks and the ability to address those in turn, including waiting times and prescribing, but there is no process to formally consider and then communicate the impact on other strategic risks effectively.

Our discussions with management showed a clear understanding of the many facets of this risk but not all are clearly articulated in the risk as it stands, in terms of potential impact nor

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in terms of any actions being taken or should be taken to control it.

The risk score has remained at the highest possible 5x5 rating since August 2017, with the target score being shown as 3x3, a target last achieved in January 2017. As part of the further work needed on this risk, the target risk should be reassessed, taking into account known pressures, the rate of progress in identifying and implementing the necessary actions and any likely resource constraints. As well as effective planning and monitoring of the actions required to achieve that score, there should also be a trajectory for reduction and a target date to go with the revised target score. Current arrangements including future mitigating actions are still unlikely to achieve target score.

As Primary Care is also included within the NHS Tayside Remobilisation plan with specific activities listed under: *'Continue to support a unified approach to Primary Care Services'* and *'Establish a whole system quality improvement approach for Primary Care which takes into account the multiple interfaces and co-dependencies'* this could have been another vehicle to reporting on this risk but there is no mention of the Primary Care risk nor any link from any of the risk controls or assurances to the RMP4 and its action tracker.

#### Structures and reporting lines

Under HSCI, a number of services under the Primary Care umbrella were delegated to IJBs. For some of these (although not all), Angus IJB was given lead responsibility, as defined in the Integration Scheme as *'strategic leadership and operational oversight'*. In the case of Primary care services this excludes the NHS Board administrative, contracting, and professional advisory functions. In this context, *'Primary Care Services'* is not defined in the Integration Scheme (for example with reference to the Scottish Government definition referred to above).

Reviewed and updated Integration Schemes for the three IJBs were formally approved in June 2022. The review process raised issues in how hosting has been operating with regard to decision making as well as monitoring and reporting. A Lead Partner arrangement is now proposed in the updated schemes, but this would still leave a split between essentially 3 levels of organisation involved in managing this risk- NHS Tayside, Angus IJB as lead partner and the 3 Tayside HSCPs for their areas.

Currently, the Primary Care strategic risk is primarily reported to the Angus IJB Clinical, Care & Professional Governance Group. Although there are reporting lines from this group to the IJB, which in turn provides a briefing to Tayside NHS Board, there is no clear direct reporting either to NHS Tayside, or the other Tayside IJBs.

Within NHS Tayside, the Angus IJB Chief Officer has provided verbal updates on this risk to the Strategic Risk Management Group, which sends minutes to the Audit & Risk Committee.

Aspects of primary care are also raised across a number of NHS Tayside committees, for example through HSCP clinical and care governance reporting to the Care Governance Committee, but this does not constitute structured assurance on the overall Primary Care risks. Other control aspects such as salaries of salaried GPs has been discussed at the Remuneration Committee, performance monitoring in primary care has been touched on in discussion by the Performance & Resources Committee but there has been no clear coordinated approach to reporting on all aspects of the strategic Primary Care risk. All strategic Risks should be the subject of regular comprehensive assurance reporting to either Tayside NHS Board or the appropriate standing committee. We have been informed that NHS Tayside risk management have agreed a reporting line to the Care Governance

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Committee for the future.

The lack of flow of assurance mirrors the management structure complexities discussed above, including the split between NHS Tayside, the host IJB and other HSCPs. In addition, IJBs have no direct control over many aspects of the risk, such as property which is the responsibility of the Health Board. Conversely, individual IJBs can make different investment choices to support primary care locally.

The post of Associate Medical Director for Primary Care has been filled on an interim basis only for a number of years and the current post holder also fulfils a number of other key roles.

During our audit fieldwork we encountered a number of very engaged and proactive individuals, but a lack of clarity around their roles and responsibilities in relation to the risk. Many of these come together in a number of fora but without clear remits or reporting lines, e.g. operationally the Primary Care Command and Control Group and more strategically the Primary Care Board. There are also a number of working groups in place relating to various aspects of the risk, including premises, IT and implementation of the new GP contract. These fora need a clear role in monitoring relevant aspects of the risk and feeding into an overall assurance flow. This should be articulated through remits.

The group which brings together representatives for all aspects of the risk as described above is the Primary Care Board. The Primary Care Board should be the body in a position to pull together the various strands of work and receive assurance on all elements of the risk. The Primary Care Board is still working on creation of a remit and terms of reference and has no clear reporting lines at the moment. The draft remit proposes reporting to Angus IJB and this should be reviewed taking cognisance of the alignment of the risk to the NHS Tayside Care Governance Committee, to reflect the impact of the overall primary care risk on NHS Tayside as well as the IJBs.

Proposed membership as per the draft remit includes representation from all departments dealing with all aspects of the risk including the property department but no Property department representative attended throughout the whole of 2021/22, although Estates is a key element of the Primary Care Risk and one in which progress has been limited. We would view property department attendance as a key requirement to assist in the management of the premises aspect of the risk and strongly recommend that a nominated officer attends all meetings with clear links to actions to be taken by that department. The PCB needs a clear remit, with authority and appropriate organisational standing to address relevant aspects of the risk, with clear reporting lines to all stakeholders and appropriate membership.

The Feeley report (Independent Review of Adult Social Care) included a recommendation that *'Integration Joint Boards should manage GPs' contractual arrangements, whether independent contractors or directly employed, to ensure integration of community care and support provision, to respect and support professional interdependencies, and to remove the current confusion about where responsibility for primary care sits.*

We concluded that arrangements are fragmented and the structures as they stand do not lend themselves to a strategic overview and ownership of the overall issue of sustainability of primary care, nor the ability to set and implement a clear strategic vision for this area.

Consistency and coordination of message and work currently is currently dependent on the quality of the working relationships of those working in this area for all partner bodies, and the current structures are not designed to facilitate a joint approach and increase efficiency and effectiveness. A Tayside wide discussion is needed to review operational, support and strategic management arrangements and achieve clarity on responsibilities. This needs to be

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articulated more clearly through the risk, with a clear description of the contribution of each partner organisation's role in managing the risk and the assurance framework in place.

#### Assurance

As described in the sections above, there is currently insufficient assurance reporting especially given the seriousness of the risk for all involved. Currently the risk is reported to the Angus IJB Clinical, Care & Professional Governance group.

This risk is currently the highest recorded risk for NHS Tayside as well as Angus and one of the highest for both Dundee and P&K too, meaning a definite need for clear assurance mechanisms. Based on the recommendations above in relation to structures and controls, management need to establish who will provide and who will receive this assurance and how this will cover all aspects of the risk, without omission or unnecessary duplication.

Currently the performance data on which to base how well the risk is being controlled is not readily available, for example through the monitoring of sustainability of GP practices as described above. Consideration will need to be given to how relevant data can be collected and triangulated into meaningful information.

The complexity of the risk is such that we recommend breaking down aspects into a matrix of service level risks, with controls clearly identified.

#### Controls

One of the key elements of this risk is that of GP practices becoming unsustainable. During the course of our fieldwork we noted a number of areas where this risk appeared to be worsening with practices closing lists, terminating contracts or informing management of future plans which threaten sustainability e.g. through retiral. However, these issues have not been reflected in the strategic risk and no specific controls have been introduced to identify practices in difficulty and take effective, proactive, remedial action. Any action has been taken has been reactive and 'ad hoc' rather part of a structured, planned response.

In addition, there is not yet any consistent monitoring of the sustainability of GP practices across Tayside. P&K HSCP did undertake a survey, adapted from successful models elsewhere. The outcome was reported in July 2021 to the P&K IJB EMT and has informed the approach to P&K's work on GP sustainability. The survey was repeated again in February 2022. We have been informed that Dundee IJB is also planning a similar exercise, with slightly different indicators for assessment to include deprivation and demand. The Health Board and IJBs should agree a coordinated approach to identifying GP Practices at risk as early as possible as well as measuring their sustainability both individually and collectively. They should then identify a range of potential interventions and how and by whom these should be applied. The information obtained through this exercise should be used to inform both the narrative and score of the Strategic Primary Care Risk. The cases emerging through the course of our fieldwork show that time is scarce once a contract is handed back and a solution has to be found for patients therefore being able to identify difficulties early is crucial.

We found considerable detailed operational work taking place in relation to the implementation of the new GP contract, as well as operational work first started in response to Covid through the Command and Control Group, all of which helps to ensure GP service sustainability. However, a number of controls appear to have grown organically in response

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to situations unfolding. As the risk crystallises, a more proactive and strategic approach is needed.

A difficult aspect of addressing the risk is the disconnect between the risk and where some of the levers to control it sit. This is compounded by the lack of defined management structures as described above.

A good example of this relates to premises and property, for which IJBs have no responsibility and therefore require the support of NHS Tayside Property department. We have previously reported on the lack of Property Strategy for NHS Tayside overall although locally efforts are being made to establish GP premises plans for each HSCP area. This means that action is taken again on a more ad hoc local level. We have been informed that decision making in this area may involve around 5 or 6 decision making fora including relevant management teams, asset management groups and governance committees/ Boards for both NHS Tayside as well as within the IJBs. Our Audit Follow Up report to the May 2022 Audit & Risk Committee showed that Internal Audit cannot provide assurance on actions in relation to previous property management recommendations (Internal Audit reports T25/15 GP Premises and T24/21 Property & Asset Management Strategy) and the impact on strategic risks, including the primary care one. It was agreed that the lack of assurance on AFU recommendations relating to Property Strategy should feature within the NHS Tayside Governance Statement.

Where a crisis arises, discussions are held with senior management within NHS Tayside at ELT level to develop immediate actions. Operational solutions are identified on an ad hoc basis where there should be strategic direction and mechanisms to anticipate and then address problems. Rather than the current variable decision making routes, a fully constituted and empowered Primary Care Board should be the single forum for strategic and operational decision making. As set out in the reporting section above, reporting is piecemeal on specific aspects to various committees. This means committees are required to make decisions which aim to control the risk, but these decisions are made without consideration of the overall context of the risk. This indicates that often action is taken when dictated by events rather than to proactively control the risk. As set out under the assurance and reporting sections, the prominence given to this risk at the highest structures within NHS Tayside is not proportionate to the significance of this risk and the impact that it has on NHS Tayside directly, through its responsibilities for providing primary medical services to its population as well as indirectly through the impact on other risks such as waiting times and prescribing.

The lack of monitoring and reporting means there is no opportunity to identify trends in performance, nor to formally identify potential risks at an early stage. In August 2021 the NHS Tayside Performance & Resources Committee discussed receiving primary care performance data with minutes showing that the committee '*noted Primary Care performance data would be welcomed in future performance reports*'. This was not included on the action points update for the following meeting in October 2021 and we could not evidence any further developments in this area.

The situation currently being experienced by Dundee and Angus IJBs, where GP practices have terminated their GP contracts highlights the need for formal mechanisms to provide early warning of a practice/ partnership failing, to provide an opportunity for intervention and planning.

Good practice is in place in P&K HSCP whereby funding through the PCIF as well as additional investment from the IJB budget has been used to establish a GP sustainability team which

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GPs can approach for help. In addition, a group of Tayside GPs established in response to Covid has developed good working relationships. These areas should be further explored to ensure good practice can be spread.

#### Primary Care Improvement Plan (P&K)

PCIPs are in effect the main control to manage the sustainability risk of GP practices.

Implementation is monitored at a regional level via the GMS Contract Implementation and Advisory Group (CIAG), with specific working groups for each of the seven workstreams which make up PCIP actions as subgroups reporting to the CIAG. In addition, contract implementation groups are in place for each HSCP. The CIAG reports to the Primary Care Board. We evidenced good practice in the reports for each workstream to CIAG as well as the risks and issues log used. We also noted the lack of clear reporting line to governance level for the PCB as set out above.

Perth and Kinross HSCP Primary Care Board fulfils the responsibility of a Programme Board overseeing the Implementation of the PCIP for P&K. A highlight report on PCIP/GMS Programme/Project Planning and Initiation is received at each meeting of this group.

We were also informed that a GP Sustainability plan is being drafted with an overall Primary Care Strategic Delivery Action Plan also in the process of being developed to be reported to the IJB in September 2022. These plans will look at local, regional and national drivers and actions.

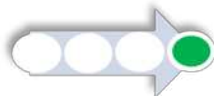
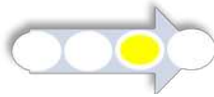


Overall, P&K has taken a proactive approach to the primary care risk, for example through the sustainability survey. There is clear engagement from IJB members and the February 2022 minutes show that members requested updates to come in relation to primary care premises, even though these are outwith the scope of P&K IJB in terms of management responsibilities. A risk specifically for premises has also been created. A development event on primary care was held in March 2022 which was well received. An update on the PCIP was last reported to the IJB in June 2021. Annual reporting on this topic is in line with other (Tayside) IJBs.

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## Section 4 Definition of Assurance and Recommendation Priorities

### Definition of Assurance





To assist management in assessing the overall opinion of the area under review, we have assessed the system adequacy and control application, and categorised the opinion based on the following criteria:

Level of Assurance		System Adequacy	Controls
Substantial Assurance		A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.	Controls are applied continuously or with only minor lapses.
Reasonable Assurance		There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	Controls are applied frequently but with evidence of non-compliance.
Limited Assurance		Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.	Controls are applied but with some significant lapses.
No Assurance		Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.	Significant breakdown in the application of controls.

## Section 4 Definition of Assurance and Recommendation Priorities

### Assessment of Risk

To assist management in assessing each audit finding and recommendation, we have assessed the risk of each of the weaknesses identified and categorised each finding according to the following criteria:

Risk Assessment		Definition	Total
Fundamental		Non Compliance with key controls or evidence of material loss or error. <b>Action is imperative to ensure that the objectives for the area under review are met.</b>	<b>None</b>
Significant		Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores. <b>Requires action to avoid exposure to significant risks to achieving the objectives for area under review.</b>	<b>Seven</b>
Moderate		Weaknesses in design or implementation of controls which contribute to risk mitigation. <b>Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.</b>	<b>None</b>
Merits attention		There are generally areas of good practice. <b>Action may be advised to enhance control or improve operational efficiency.</b>	<b>None</b>





## AUDIT & PERFORMANCE COMMITTEE

28 NOVEMBER 2022

### INTERNAL AUDIT PROGRESS REPORT

**Report by Chief Internal Auditor**  
(Report No G/22/169)

#### **PURPOSE OF REPORT**

The purpose of this report is to provide the Audit & Performance Committee with an update on progress in relation to Internal Audit's planned activity.

#### **1. BACKGROUND**

The Public Sector Internal Audit Standards (PSIAS) require that the Chief Internal Auditor reports periodically to the Audit and Performance Committee in internal activity and on performance relative to the approved annual plan.

#### **2. PROGRESS**

Since the last report to the Audit and Performance Committee, Internal Audit has continued to work on the assignments from the approved Internal Audit Plans, as detailed in Appendix 1.

As reported to September's Audit & Performance Committee, work on the Primary Care audit has been completed. This audit is a pan-Tayside review and the report is out for consultation with all IJBs and NHS Tayside. The report is included on today's agenda as a draft Final Report.

Scoping of the support being provided to the Chief Officer for the review of Leadership Capacity has commenced and this will continue throughout the year.

Work to deliver the Plan will be undertaken through a Joint Working Protocol agreed by the Chief Internal Auditors of both statutory partners.

### 3. RECOMMENDATION

The Audit & Performance Committee is asked to note the progress made in the delivery of the 2021/22 and 2022/23 plans.

### 4. CONSULTATION

The Chief Finance Officer has been consulted on the content of this paper.

#### Author(s)

Name	Designation	Contact Details
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#### APPENDICES

1. Internal Audit Plan Progress



## Internal Audit Plans Progress Report November 2022

2021/22								
	Audit	Indicative Scope	Target Audit Committee	Planning commenced	Work in progress	Draft Issued	Completed	Grade
PKIJB 21-02	Primary Care Improvement Plan	To provide assurance to the IJB over the arrangements in place for the implementation of the Primary Care Improvement Plan	November 2022	✓	✓	✓		
2022/23								
PKIJB 22-01	Leadership Capacity	To provide assurance of the capacity within the leadership team for the delivery of strategic objectives	June 2023	✓	✓			
PKIJB 22/02	Sustainability of Commissioned Service Providers	To review the sustainability of commissioned service providers	February 2022	✓				
PKIJB 22/03	Premises and Property	To provide assurance over the risks arising from premises and property which support the delivery of services on behalf of the IJB.	June 2023					





## PERTH AND KINROSS INTEGRATION JOINT BOARD

### AUDIT & PERFORMANCE COMMITTEE

28 November 2022

### CLINICAL AND CARE GOVERNANCE ASSURANCE

**Report by Chief Officer**  
(Report No G/22/171)

#### **PURPOSE OF REPORT**

The purpose of this report is to provide assurance to the Perth and Kinross Audit and Performance Committee in respect of Clinical, Care and Professional Governance arrangements in place for delegated and hosted services managed by Perth and Kinross Health and Social Care Partnership (PKHSCP).

#### **1. RECOMMENDATIONS**

The Audit and Performance Committee is asked to:

- i) Note the responsibilities of Perth and Kinross Integration Joint Board in respect of Clinical, Care and Professional Governance and those of the IJB's partners;
- ii) Note the arrangements in place for providing the IJB with assurance that effective and robust systems of Clinical, Care and Professional Governance are in place;
- iii) Note that the Chief Officer confirms the effectiveness of the above systems in place in the IJB's partner organisations.

#### **2. BACKGROUND**

- 2.1 Perth and Kinross Integration Joint Board has a strategic commissioning role with the operational responsibility for delegated and hosted services resting with the Health and Social Care Partnership which brings together NHS Tayside and Perth and Kinross Council as the employing bodies of the staff delivering these services and for the fulfilment of their respective statutory duties.

- 2.2 The Perth & Kinross Health & Social Care Partnership (PKHSCP) Care & Professional Governance Forum (CPGF) was established at the inception of integration and has met regularly. It is chaired jointly by the Clinical Director and the Chief Social Work Officer who has delegate the role to the Interim Head of Service Adult Social Work and Social Care (Operations). The Forum provides assurance on the quality, safety and effectiveness of all services delegated to the P&K IJB. This is achieved through detailed annual reporting on all aspects of service delivery which is linked to the domains for effective clinical and care governance and the Health and Social Care Standards; along with a monthly process for the escalation of factors which are inhibiting safe care, issues and concerns; risk management; adult protection; and complaints.
- 2.3 The CPGF reports to NHS Tayside's Care Governance Committee with regular assurance and exception reports. These reports seek to provide assurance to NHS Tayside that there are effective and embedded systems for Clinical, Care and Professional Governance in all services delegated to or hosted by PKIJB. It should be noted that Inpatient Mental Health & Learning Disability Services and all General Adult Psychiatry medical workforce report directly to the NHS Tayside Care Governance Committee as operational responsibility is not delegated and is retained by NHS Tayside. Further, services hosted by Angus IJB and Dundee IJB also report directly to the NHS Tayside Care Governance Committee. This provides a formal mechanism for NHS Tayside to provide assurance to PKIJB that appropriate arrangements and systems are in place in respect of operational health services being managed by PKHSCP.
- 2.4 Agreement has been reached for a reciprocal process for the provision of assurance to PKIJB from Perth and Kinross Council for operational Adult Social Work and Social Care services managed by PKHSCP with reporting from the CPGF to the Scrutiny and Performance Committee commencing in February 2023.

### **3. SITUATION**

- 3.1 To fulfil its obligations as set out in the PKIJB Integration Scheme, the IJB requires assurance that: -
- Arrangements are in place to provide assurance regarding the delivery of safe and effective services;
  - Arrangements are in place for professional supervision, learning, support and continuous improvement for all staff;
  - There is evidence of effective information systems and that relevant professional and service user networks or groups feed into the agreed Clinical and Care Governance and Professional Governance framework;

- Arrangements are in place for embedding mechanisms for continuous improvement of all services through application of a Clinical and Care Governance and Professional Governance Framework;
- Arrangements are in place for ensuring effective mechanisms for service user and carer feedback and for complaints handling.

#### 4. ASSESSMENT

- 4.1 The Chief Officer can confirm that the Clinical Care Governance Reporting Framework, overseen by the PKHSCP Clinical and Professional Governance Forum, supports regular review of all services to ensure that effective and embedded Clinical, Care and Professional Governance arrangements are in place and that these arrangements can evidence continuing improvements.
- 4.2 An extract from the approved minute concerning PKHSCP’s Assurance Report from NHS Tayside’s Care Governance Committee of 4<sup>th</sup> August 2022 and PKHSCP’s scheduled submission (exception report) of 6<sup>th</sup> October 2022 are attached at appendices 1 and 2 to evidence the above.

#### 5. CONCLUSION

- 5.1 The Audit and Performance Committee will continue to be provided with assurance that effective Clinical, Care and Professional Governance arrangements are in place for operational services commissioned by the IJB and managed by PKHSCP.
- 5.2 This will be accomplished by the regular sharing of approved relevant extracts from minutes from the IJB’s partners and any assurance and exception reports from PKHSCP in relation to Clinical, Care and Professional Governance submitted to NHS Tayside and Perth and Kinross Council.

#### Author(s)

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Kenny Ogilvy	Acting Head of Service Adult Social Work and Social Care (Operations)	<a href="mailto:kogilvy@pkc.gov.uk">kogilvy@pkc.gov.uk</a>

#### Appendices

Appendix 1 – PKHSCP Extract from the Minutes of NHS Tayside’s Care Governance of Committee 04 August 2022

Appendix 2 - Exception Report: Perth and Kinross HSCP 6<sup>th</sup> October 2022



## 8 REPORTS FOR ASSURANCE

## 8.3 Assurance Report: Perth and Kinross Health and Social Care Partnership

Dr Hamish Dougall, Associate Medical Director presented the assurance report, covering the period 01 March to 30 June 2022, to the Committee, supported by Mr Mark Dickson, Clinical Governance Coordinator; Miss Angie McManus, AHP Lead and Miss Valerie Davis, Lead Nurse.

Dr Dougall highlighted that:

- Currently there are 29 service risks within the Partnership: two Red; twenty Amber (increase from 18); and seven Yellow. Red risks are well managed, despite it being recorded that the last review occurred in January 2022, and assurance given to the Committee that focus still being applied on a regular basis to mitigate the risks as far as possible. Risk 829 "Challenges in relation to accommodation for clinical and non-clinical staff across Perth and Kinross" remains an ongoing issue with options continually being actively explored. Risk 982 "Workforce Perth and Kinross Mental Health Services" remains an ongoing issue, however, recurrent workforce elements are contained through all risks within the risk framework. Workforce risks within the Mental Health medical cohort are noted to be the responsibility of the Operational Medical Director for Mental Health and Learning Disability Services. Perth and Kinross HSCP continue to try to find sustainable solutions, and it is disappointing that no progress has been made to advertise and appoint GPs with special interest in psychiatry for Perth and Kinross where it is known that there are several clinicians who have expressed interest in taking up these roles, which perhaps reflects the current pressures on the service, impacting on the ability to make strategic changes that would bring about future improvements.
- New additions to the risk register include risks 1170 "Perth and Kinross HSCP Hand Therapy Service Waiting Times"; 1157 "Failure to meet statutory levels of ventilation with Dental Surgeries in Angus and Dundee" (hosted Public Dental Service Tayside-wide); 1151 "Mental Health Capacity and Flow"; and 1139 "Heating control systems at Pitlochry Hospital".
- Clinical and Care Governance arrangements are structured for each service to provide the Perth and Kinross Care and Professional Governance Forum (CPGF) with a detailed report on an annual basis. In addition to the annual reports, on a scheduled basis, the CPGF request key exception reports every eight weeks from each of the Services for scrutiny.
- Adverse event management arrangements give assurance that incidents are actively managed; outputs reported through exception reports to the CPGF, where learning is discussed and shared for further dissemination.
- Focus on overdue Red and Amber events, discussed at the CPGF, has reduced the outstanding reviews significantly. September 2020 there were 24 outstanding events and in July 2022 there were five outstanding events. Work continues to sustain this improvement.
- A learning log from adverse events reviews is being developed and will be reviewed at each CPGF to ensure that learning is cascaded appropriately.
- A planned inspection to HMP Castle Huntly took place in June 2022, with healthcare scrutinised. The initial verbal feedback was positive, highlighting many areas of good practice across the Prison Estate, while identifying improvements around long term condition care planning.
- An initial draft report has been received from the Healthcare Improvement Scotland joint inspection of adult support and protection, which has taken place over the last four months. Findings of this joint inspection remains confidential until publication of the final report, at which time an update will be included in the assurance report to the Committee.

Action  
HD

- Perth and Kinross HSCP has developed a suite of draft key performance indicators (KPI) for Mental Health Services which will be presented for scrutiny and approval by the Perth and Kinross HSCP Executive Management Team. Following this colleagues from Perth and Kinross, Dundee and Angus HSCPs will discuss and endeavour to agree a common set of KPIs to report within respective partnerships and to the Care Governance Committee within the regular assurance reports. An update will be included in the next assurance report to the Committee.
- Perth and Kinross HSCP have produced a three year workforce plan, from which a development/action plan is being developed. Workforce challenges continue to be a high risk and this is reflected throughout the service risk framework.

Action  
HD

The Chair queried the reasoning why the medication incident had been progressed to an adult protection concern. The Chair was informed that there were other concerns raised within the care home which led to the larger investigation. An update will be established and reported within the next assurance report to the Committee.

Action  
MD

Responding to Dr Thomson who raised the availability of suitable accommodation outlined in Risk 829 and the ability to progress with improvement initiatives, Dr Dougall reiterated that the patient is at the centre of all that NHS Tayside and the three Partnerships do in terms of care and treatment. Initiatives such as integrated secondary care and community primary care diagnostic centres have not progressed due to, for example, geography, financial constraints. There requires to be a drive to provide services as close to and as accessible to patients as possible. Mrs Pepper advised that in her role as Chief Officer Perth and Kinross HSCP, she is looking closely at accommodation and visiting a number of premises, noting that pressures are sitting within Perth City and not so much within the rural locations. Mrs Pepper indicated that while some accommodation issues require immediate resolution, these may have temporary solutions developed in the first instance, before long term solutions are identified. The vision to have an integrated approach outlined by Dr Dougall will require a number of years to build into service provision, and Perth and Kinross HSCP are taking a partnership approach to identify accommodation across the public estate available through NHS Tayside, Perth and Kinross Council and other partner agencies such as the Scottish Fire and Rescue Service, Scottish Ambulance Service.

Mr Russell referred to the adverse events of slips, trips and falls which are the most frequently occurring adverse event across the three Partnerships and would wish understanding of how the learning is being taken across the whole system? Mrs Nicola Richardson, Director of Allied Health Professions advised that she had now taken on the role for strategic lead for falls for NHS Tayside. Mrs Richardson advised that currently services are building on the good work and learning which has occurred previously, a new structure is being developed to strengthen the model, a falls event is taking place in November 2022 with a draft Falls Strategy developed by the end of the year. Mrs Richardson advised that there would be representation across all services, inclusive of Mental Health and Learning Disabilities, invited to the falls event.

Dr Dougall recommended a *Reasonable* level of assurance in respect of the clinical and care governance activities and arrangements across Perth and Kinross HSCP.

The Chair thanked Dr Dougall and his colleagues for the comprehensive report and additional information provided.

#### The Committee:

- Noted the content of the assurance report.
- Agreed that a *Reasonable* level of assurance had been gained from the assurance report acknowledging that there are a number of ongoing risks, inclusive of workforce and property suitability, which the HSCP continues to manage proactively.





Care Governance Committee

06 October 2022

Exception Report: Perth and Kinross HSCP

**Responsible Officer:** Dr Hamish Dougall, P&K HSCP AMD

**Report Author:** Mark Dickson, P&K HSCP Clinical Governance

## 1 Purpose

This is presented to the Board for:

- Awareness

This report relates to:

- Emerging issues

## 2 Report summary

### 2.1 Situation

The Prison Healthcare service is being adversely effected by ongoing IT issues being experienced by Lloyds Pharmacy who have the contract for pharmacy within the service.

### 2.2 Background

Lloyds Pharmacy UK (Lloyds) is a contractor on the National Prisons Pharmacy Contract, and provides goods and services to 15 prisons across 9 NHS Boards within NHS Scotland. They have recently implemented a new IT/ Patient Medication Record (PMR) system across all of their Community Pharmacies and their 6 sites used for provision of the prison pharmacy contract.

### 2.3 Assessment

The ongoing IT issues being experienced by Lloyds has created challenges in the delivery of acute and repeat medications for patients within the two establishments in P&K. The new IT/ PMR system is considerably slower than its predecessor, which has led to significant delays in the supply of medicines, particularly repeat medicines, to people in prison.

There is a risk of harm to patients if prescribed medication is not available, along with a risk of unrest within the prison establishment (which has already occurred within another health board area).

Following a meeting between NSS National Service Scotland and Lloyds on 16th September 2022, Lloyds have provided concrete assurances that all necessary finances and resources will be directed to resolving this issue, with a commitment to return to business as usual in 8 weeks. A detailed action plan to meet this timeline will be provided to National Procurement and the National Prisons Pharmacy Adviser next week.

A letter summarising the national issue was circulated to relevant NHS Boards and Prison Governors on the 20<sup>th</sup> September 2022, and has been included as appendix 1.

### **2.4.1 Recommendation**

That the risk is captured within DATIX as a service risk, with details of mitigations and controls in place and planned. An update will be requested at the P&K Care & professional Governance Forum meeting in October 2022

## **3 List of appendices**

- Appendix No 1 – Letter from NSS National Procurement Scotland to NHS Boards re Prison Governments.

**Please report under the following sections if they are relevant to the exception report:**

### **Quality/Patient Care**

There is a negative impact on the quality of patient care due to this ongoing issue.

### **Workforce**

No specific impact

### **Financial**

No specific impact

### **Risk Assessment/Management**

Risk assessment to be undertaken and recorded on DATIX as a service risk.

### **Equality and Diversity, including health inequalities**

No specific impact

### **Other impacts**

No other identified impacts

### **Communication, involvement, engagement and consultation**

The issue raised in the report was escalated at the CPGF meeting on the 16<sup>th</sup> September 2022.

### **Route to the Meeting**

CPGF members have been invited to submit any exceptions for inclusion in this report.

20 September 2022

Dear Colleagues,

You are receiving this communication as your NHS Board provides health services to a prison or you are the Governor of a prison.

We are writing to you to make you aware of an ongoing issue with the contractor on the National Prisons Pharmacy Contract, Lloyds Pharmacy UK (Lloyds), which could pose a risk to NHS Boards and the Scottish Prison Service (SPS).

Lloyds provide goods and services to 15 prisons across 9 NHS Boards. They have recently implemented a new IT/ Patient Medication Record (PMR) system across all of their Community Pharmacies and their 6 sites used for provision of the prison pharmacy contract.

The new IT/ PMR system is considerably slower than its predecessor, which has led to significant delays in the supply of medicines, particularly repeat medicines, to people in prison.

Despite ongoing engagement with Lloyds, previous assurances for a return to business as usual have not materialised, and, in fact, the service has deteriorated further.

The ongoing impact of this poor service is being experienced in several ways, by both NHS Boards & SPS, including:

- Disruption to patient care.
- Additional staff costs due to an increase in hours worked to accommodate processing of late deliveries.
- Impact on staff's physical and mental wellbeing.
- Complaints from patients resulting in additional workload.
- Postponing of scheduled work to process late deliveries.
- Inability of staff to change work patterns/shifts affecting issuing of medicines.
- Inability to receive deliveries of late supplies to prison health centres or needing to alter prison regimes to accommodate.

In addition, we are concerned that the pressures being placed on Lloyds Pharmacy staff working in the hub to provide the contracted service may impact upon their mental and physical health, leading to absence, which will only exacerbate the situation.



**HEADQUARTERS**

Gyle Square, 1 South Gyle Crescent, EDINBURGH EH12 9EB

Chair  
Chief Executive

Keith Redpath  
Mary Morgan

*NHS National Services Scotland is the common name of the Common Services Agency for the Scottish Health Service*

Whilst we recognise that Lloyds have taken steps to address some of the issues detailed above, the current situation has not improved since the new IT/ PMR system was implemented and is not sustainable.

Our concern is that any further deterioration of the service could lead to the situation where a large number of people in prison do not receive their medicines on the due date, causing a break in treatment. Such an event could have consequences for individual patient's wellbeing and is likely to cause unrest in the prison population.

In order to recover the position as soon as possible, meetings have been held with senior representatives of Lloyds Pharmacy management, including the Pharmacy Superintendent, the UK Director of Stores, the UK head of Healthcare and Pharmacy and the Head of Pharmacy in Scotland. The issue has also been escalated to the CEO of Lloyds.

Following a meeting on 16<sup>th</sup> September 2022, Lloyds have provided concrete assurances that all necessary finances and resources will be directed to resolving this issue, with a commitment to return to business as usual in 8 weeks. A detailed action plan to meet this timeline will be provided to National Procurement and the National Prisons Pharmacy Adviser next week.

In order to ensure NHS Boards are not financially impacted by this issue, National Procurement have engaged the Central Legal Office (CLO) to seek advice on applying service level credits and the recoup of Direct Losses as set out within the Contract.

The Scottish Government Chief Pharmaceutical Officer, NHS Board Directors of Pharmacy and SPS colleagues have been made aware of the situation and are being kept apprised of progress.

We believe that you require to be sighted on this issue and the potential risk that any further deterioration in service may have an impact on patient care, NHS and SPS operations.

We will continue to meet with Lloyds on a daily basis to monitor the situation and mitigate any risks. We will keep you apprised of progress in returning to business as usual.

Best wishes,



**Stevie McLaughlin**  
National Procurement Head of Governance



**Tom Byrne**  
National Prisons Pharmacy Advisor



**HEADQUARTERS**

Gyle Square, 1 South Gyle Crescent, EDINBURGH EH12 9EB

Chair Keith Redpath  
Chief Executive Mary Morgan

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**PERTH & KINROSS INTEGRATION JOINT BOARD**  
**AUDIT AND PERFORMANCE COMMITTEE**  
**WORK PLAN 2022/23**

Report No (G/22/172)

This work plan outlines the major items the Audit and Performance Committee has to consider as part of its schedule of work for the year. This should allow the Committee to fulfil its terms of reference. It will continue to be kept under review throughout the year.

Item	Standing Item	Non Standing Item	Responsibility	June 27 <sup>th</sup> 2022	September 26 <sup>th</sup> 2022	November 28 <sup>th</sup> 2022	March 13 <sup>th</sup> 2023	
<b>Governance and Assurance</b>								
Strategic Risk Management Update	✓		Chief Officer	✓	✓	✓	✓	
Partnership Improvement Plan / Audit Recommendations Update	✓		Chief Officer	✓	✓	✓	✓	
Internal Audit Annual Report and Assurance Statement		✓	Chief Internal Auditor	✓ <sup>1</sup>				
Appointment of Internal Auditor 2022/23 to 2024/25		✓	HOFCS				✓	
Internal Audit Reports 2021/22:				<b>Meeting Cancelled</b>				
• Primary Care Improvement Plan PKIJB 21-02		✓	Chief Internal Auditor			✓		
Internal Audit Reports 2022/23:		✓	Chief Internal Auditor					
• Leadership Capacity PKIJB 22-01 <sup>2</sup>		✓	Chief Internal Auditor					
• Sustainability of Commissioned Service Providers PKIJB 22-02		✓	Chief Internal Auditor				✓	
• Premises and Property PKIJB 22-03 <sup>3</sup>		✓	Chief Internal Auditor					
Internal Audit Strategy and Plan 2022/23		✓	Chief Internal Auditor			✓		
Internal Audit Plan Progress Report	✓		Chief Internal Auditor			✓	✓	✓
External Audit Strategy		✓	External Auditor					✓
External Audit – Proposed Audit Fee 2022/23		✓	HOFCS					✓
External Audit Annual Report 2021/22		✓	External Auditor			✓		
Appointment of External Auditor 2022/23 to 2026/27		✓	HOFCS			✓		
<b>Performance</b>								
Locality Update:								
• South Locality		✓	Heads of Service					✓
• Perth City Locality		✓	Heads of Service					

<sup>1</sup> Considered at IJB meeting 27/6/22

<sup>2</sup> Target Committee June 2023

<sup>3</sup> Target Committee June 2023

Item	Standing Item	Non Standing Item	Responsibility	June 27 <sup>th</sup> 2022	September 26 <sup>th</sup> 2022	November 28 <sup>th</sup> 2022	March 13 <sup>th</sup> 2023
• North Locality		✓	Heads of Service	✓			
Financial Position	✓		HOFCS	✓	✓	✓	✓
Progress Report - Key National Indicator Set	✓		Chief Officer	✓	✓		
Annual Performance Report		✓	Chief Officer		✓		
<b>Annual Accounts</b>							
Annual Governance Statement		✓	HOFCS	✓ <sup>4</sup>			
Unaudited Annual Accounts 2021/22		✓	HOFCS	✓ <sup>5</sup>			
Audited Annual Accounts 2021/22		✓	HOFCS		✓		
Letter of Representation to External Audit		✓	HOFCS		✓		
Assurances Received from Partners		✓	HOFCS		✓		
<b>Clinical and Care Governance</b>							
Clinical & Care Governance Risk Escalation Report	✓		Chief Officer	✓	✓	✓	✓
Chief Social Work Officer Annual Report		✓	CSWO			✓	
<b>For Information</b>							
Audit & Performance Committee Record of Attendance	✓		For information	✓	✓	✓	✓
Audit & Performance Committee Work Plan	✓		For information	✓	✓	✓	✓

Meeting Cancelled

<sup>4</sup> Considered at IJB meeting 27/6/22

<sup>5</sup> Considered at IJB meeting 27/6/22



**Record of Attendance 1 April 2022 - 31 March 2023**

**Members**

Name	Designation	Organisation	27 Jun 22	26 Sep 22	28 Nov 22	13 Mar 23
Beth Hamilton	Non Executive Director	NHS Tayside		PRESENT		
Bernie Campbell	Carer's Representative	Public Partner		PRESENT		
Councillor David Illingworth	Elected Member	Perth & Kinross Council		PRESENT		
Councillor Sheila McCole	Non Executive Director	Perth & Kinross Council		PRESENT		
Donald McPherson	Non Executive Director	NHS Tayside		PRESENT		
Sandy Watts	Third Sector Forum	Public Partner		PRESENT		

**In Attendance**

Name	Designation	Organisation	27 Jun 22	26 Sep 22	28 Nov 22	13 Mar 23
Jane Smith	Chief Financial Officer	P&K HSCP	<b>Meeting Cancelled</b>	PRESENT		
Bob Benson	IJB Chair			PRESENT		
Phil Jerrard	Governance & Risk Coordinator	P&K HSCP		PRESENT		
Marc Grant	Finance Team Leader	P&K HSCP		PRESENT		
Scott Hendry	Team Leader (Committee Services)	Perth & Kinross Council		PRESENT		
Adam Taylor	Assistant Committee Officer	Perth & Kinross Council		PRESENT		
Magda Pasternack	Corporate and Democratic Services	Perth & Kinross Council		PRESENT		
Audrey Brown	Corporate and Democratic Services	Perth & Kinross Council		PRESENT		
Jackie Clark	Chief Internal Auditor	Perth & Kinross Council		PRESENT		
Michael Wilkie	External Auditor	KPMG		PRESENT		
Carol Batchelor	External Auditor	KPMG		PRESENT		
Chris Jolly	Service Manager	P&K HSCP		PRESENT		
Zoe Robertson	Acting Head of Service ASWSC	P&K HSCP		PRESENT		
L Glover	IJB Member			PRESENT		
Stuart Hope	IJB Member			PRESENT		
Karyn Sharp	North Locality Manager	P&K HSCP		PRESENT		
Mark Dickson	Clinical Governance Coordinator	P&K HSCP	PRESENT			
Amanda Taylor	Senior Service Manager	P&K HSCP	PRESENT			

