



## **PERTH AND KINROSS INTEGRATION JOINT BOARD**

### **AUDIT & PERFORMANCE COMMITTEE 21 JUNE 2021**

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

**Report by Chief Officer (G/20/72)**

#### **PURPOSE OF REPORT**

The purpose of this report is to provide an update on the Integration Joint Board (IJB) Strategic Risk Register and the improvement actions being taken to mitigate the risks.

#### **1. BACKGROUND**

- 1.1 The IJB Strategic Risk Register is reported to the IJB Audit and Performance Committee on a quarterly basis. 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 IJB's Audit and Performance Committee oversees risk management arrangements; this includes receipt, review and scrutiny of reports on strategic risks and escalation of any issues that require to be brought to the IJB's attention.
- 1.2 Perth & Kinross Health and Social Care Partnership's Executive Management Team (EMT) monitors and reviews identified risks and the associated actions on an ongoing basis as follows:
  - Priority 1 (Red) : minimum 4 weekly
  - Priority 2 (Amber) : minimum 8 weekly
  - Priority 3 (Yellow): minimum 12 weekly
  - Priority 4 (Green): minimum 6 monthly

#### **2. STRATEGIC RISK IMPROVEMENT PLAN**

- 2.1 At its meeting on the 15th February 2021, the Audit and Performance Committee were advised that a strategic risk improvement plan was under development and that this would accompany the full risk register at the next meeting. The strategic risk improvement plan is attached at Appendix 2.

2.2 Strategic risk improvement actions have been designed to improve either the range of controls in place or improve the effectiveness of existing controls. They will consequently help to reduce the likelihood of these risks occurring and/or lessen their impact if they do occur. Accordingly, as part of this process consideration has been given to potential movements in risk scores and this will be kept under review as an integral part of our approach to risk management

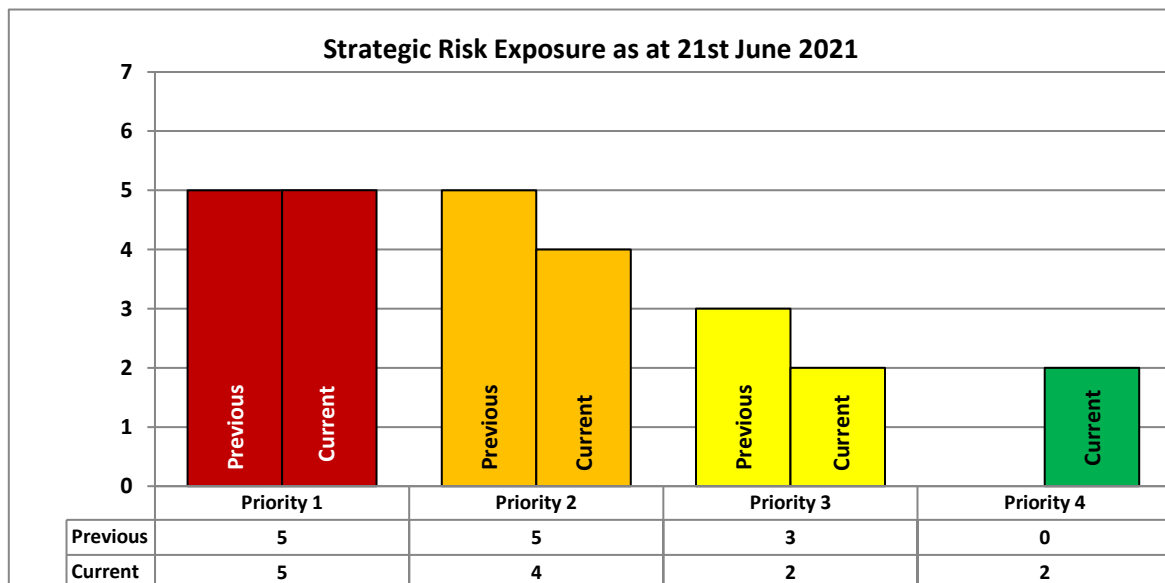
### 3. CHANGES TO STRATEGIC RISKS / RISK EXPOSURE

3.1 Progress against the implementation of risk improvement actions and other commitments, for example via audit recommendations, has now been reviewed and accordingly our Strategic Risks have now been reassessed and/or rescored as set out below.

Risk	Impact	Probability	Current Score	Justification	Impact	Probability	Current Score	Change
SR01 Financial Resources	5	4	20	No change	5	4	20	↔
SR02 Workforce	5	4	20	The completion of our 1 year 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 risk therefore remains extreme. Contingency plans are being implemented in respect to areas of greatest risk.	5	4	20	↔
SR03 Safe Working	3	3	9	As the pandemic has begun to ease and services have remobilised, a significant lack of clinical and general accommodation capacity has emerged in some services/sites due to social distancing required to maintain safety and additionally due to how service delivery has changed as a result of the pandemic. This is an extreme risk to the delivery of our strategic aims.	4	4	16	↑
SR04 Sustainable Capacity and Flow	5	3	15	The Partnership is facing further significant challenges to ensure sufficient capacity and flow can be maintained. As such further improvement actions have been identified through the development of a contingency plans. These seek to mitigate the short, medium and longer term issues being experienced.	5	4	20	↑
SR05 Sustainable Digital Solutions	4	3	12	No change	4	3	12	↔
SR06 Viability of External Providers	5	3	15	Providers have coped well with the impact of Covid and are beginning to emerge and prepare for some sense of normality, no providers have proved unviable during the pandemic. Ongoing engagement, analysis, monitoring and oversight of occupancy levels continues with no reports of providers being unable to deliver services.	4	2	8	↓
SR07 Insufficient Preparedness for Future COVID-19 (or other pandemic)	5	2	10	A review of the COVID Command Structure is nearing completion. This will make sure lessons learnt from pandemic are taken into account to ensure robust systems and processes are in place.	5	1	5	↓

Risk	Impact	Probability	Current Score	Justification	Impact	Probability	Current Score	Change
SR08 Widening Health Inequalities	3	4	12	No change	3	4	12	↔
SR09 Leadership Team Capacity	4	4	16	The Chief Officer has engaged with Staff Side and HR to progress the planned restructure over the coming months, in the context of both statutory partners' Organisational Change Policies. This will ensure adequate capacity across the organisation in response to the deficits identified in the Joint Inspection Report, the Annual Governance review and previous Audit Reports.	4	3	12	↓
SR10 Corporate Support	4	4	16	Chief Officer is now working with the EMT to progress a restructure of the HSCP that will seek to ensure adequate capacity across the organisation to improve functioning and effectiveness and address identified capacity shortfalls, within available finance.	4	3	12	↓
SR11 Primary Care	4	4	16	No change	4	4	16	↔
SR12 EU Withdrawal	4	2	8	The transition period that was in place ended on 31 December 2020. The rules governing the new relationship between the EU and UK took effect on 1 January 2021 with no apparent effects.	4	1	4	↓
SR13 Inpatient Mental Health Services	3	3	9	No change	3	3	9	↔
↔ No change in risk exposure      ↑ Increase in risk exposure      ↓ Decrease in risk exposure								

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#### **4. FULL STRATEGIC RISK REGISTER**

- 4.1 The updated strategic risk register, incorporating the changes detailed above, is presented at Appendix 1.

#### **5. TAYSIDE IJB RISK MANAGEMENT STRATEGY**

- 5.1 At its meeting of the 15th January 2016, Perth and Kinross Integration Joint Board adopted a Risk Management Strategy and Policy which had been developed in partnership by the three Tayside Health and Social Care Partnerships, the three Tayside Local Authorities and NHS Tayside. This fulfilled a commitment in the Integration Schemes to jointly develop such a strategy.
- 5.2 Over the last 18 months the Tayside Risk Management Group consisting of risk management leads from each of the Tayside Health and Social Care Partnerships, Local Authorities and NHS Tayside has collaborated (with considerable disruption due to the Covid pandemic response) to review the 2016 Tayside strategy reflecting the experience of all parties and considering best practice.
- 5.3 The revised Tayside Risk Management Strategy was approved by Perth & Kinross IJB on 23rd April 2021 and also approved by the other Tayside IJBs. The new strategy is attached at Appendix 3.

#### **6. NEXT STEPS**

- 6.1 The risk scores, controls and improvement actions for each of the risks will continue to be reviewed and updated by risk owners, supporting forums and the Executive Management Team as per the frequency set out in the reviewing and reporting schedule included in the Partnership's Risk Management Framework.
- 6.2 An IJB workshop on risk and consideration of risk tolerance will take place on 25<sup>th</sup> August 2021.

#### **7. RECOMMENDATIONS**

The Audit and Performance Committee is asked to:

- i) Note the IJB's Strategic Risk Register and Strategic Risk Improvement Plan.
- ii) Note the approved Tayside Risk Management Strategy.

**Author(s)**

<b>Name</b>	<b>Designation</b>	<b>Contact Details</b>
Jane M Smith	Head of Finance & Corporate Services	<a href="mailto:jane.smith@nhs.scot">jane.smith@nhs.scot</a>

**Appendices**

Appendix 1 – Perth & Kinross IJB Strategic Risk Register

Appendix 2 – Strategic Risk Improvement Plan

Appendix 3 – Tayside Risk Management Strategy