



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

### **AUDIT AND PERFORMANCE COMMITTEE**

**16 SEPTEMBER 2019**

### **RISK MANAGEMENT PROGRESS UPDATE**

**Report by Chief Officer (Report No. G/19/139)**

#### **PURPOSE OF REPORT**

The purpose of this report is to update the IJB Audit & Performance Committee on progress in managing the high level IJB Strategic Risk Management Profile and seeks approval of the revised Risk Management Framework.

#### **1. RECOMMENDATION(S)**

It is recommended that the IJB Audit & Performance Committee:

- (i) Notes the progress in managing the high level IJB Strategic Risk Management Profile (Appendix 1).
- (ii) Notes that current controls and treatment actions on the Strategic Risk Register have been updated to reflect actions on the Perth & Kinross Health and Social Care Partnership's (PKHSCP) Improvement Plan.
- (iii) Approve the refreshed Risk Management Framework (Appendix 2)

#### **2. SITUATION / BACKGROUND**

At the Audit & Performance Committee in June 2019 the reduction in the Finance Risk score was noted along with the agreed further actions.

*The Committee also noted that 'a full update of the Strategic Risk Profile...will be undertaken. This will ensure a 'golden thread' between the plan to improve the arrangements in place to deliver the objectives of the IJB and the reduction in overall risk exposure'.*

The Risk Management Framework as attached at Appendix 2 has been amended to reflect a new reviewing and reporting schedule for strategic risks. This new schedule is summarised as follows:

- Red Priority 1 Risks – Reviewed at least every 4 weeks
- Amber Priority 2 Risks – Reviewed at least every 8 weeks
- Yellow Priority 3 Risks – Reviewed at least every 12 weeks
- Green Priority 4 Risks – Reviewed at least every 6 months

A risk response plan template for treatment actions has been prepared which will be completed by risk managers in advance of the risk being reviewed at the PKHSCP Executive Management Team (EMT) meetings. A full schedule of reporting has been prepared and included on EMT agendas for the remainder of the year.

### 3. CURRENT / NEXT STEPS

The presentation of the strategic risk register has been updated to move towards a more user friendly format. This is as attached at Appendix 1. This shows red priority 1 risks and now provides additional commentary on assurance, any recognised gaps in assurance as well as current performance. The full updated strategic risk register in this format will be brought back to the next meeting of this Committee.

The strategic risk register will be amended to take account of the actions as set out in the PKHSCP Improvement Plan.

The revised reporting schedule commenced on 27<sup>th</sup> June 2019 with red risks being reviewed at the EMT meeting held on 25<sup>th</sup> July 2019. This amended review process will allow for greater scrutiny and accountability in relation to risk responses as this process moves forward.

A number of actions have been progressed against red risks although these have not resulted in movement of the residual score of these risks. The current residual scores for the IJB's red strategic risks are as follows:

Red Risk		Residual Score Last Report	Residual Score Sep 2019
SR01	Finance	20	20
SR02	Workforce (Recruitment and Retention)	16	16
SR07	Leadership	20	20

### 4. CONCLUSION

This report sets out the Strategic Risk Register for PKHSCP.

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### APPENDICES

1. Strategic Risk Register 2019/20
2. Risk Management Framework