

Strategic Risk Register 2019/20

Version 1.1

10 September 2019

Version	Date	Status (draft, approved, signed off)	Author	Change Description
1.0	10 September 2019	Draft	Phil Jerrard	Initial Document
1.1	11 September 2019	Draft	Phil Jerrard	Update

Introduction and 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.

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 likelihood 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.

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 Summary:

SR01	There is insufficient financial resources to deliver the objectives of the Strategic Plan	PRIORITY 1
SR02	There is a risk of an inability to recruit and retain suitably trained staff within some areas across the Partnership.	PRIORITY 1
SR07	There is a risk of a lack of clear direction and Leadership to achieve the objectives of the Strategic Plan	PRIORITY 1

SR01	
Description of Risk: There is insufficient financial resources to deliver the objectives of the Strategic Plan	
Strategic Priority: Making best use of available facilities, people and other resources	
Risk Rating: (priority 1, 2, 3 or 4)	Risk Movement: (increase/decrease/no change)
PRIORITY 1	NO CHANGE
Last Review Date: 5 September 2019	
Rationale for Risk Rating: <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <u>Consequences</u> <ul style="list-style-type: none"> - Reduced Service; - Increased risk to service physically, mentally and socially; - Delayed discharge; - Impact on patient; - Impact on Council and NHS beyond the partnership; - Potential impact on workforce and external partners; - Political pressure around reduced service; - Reputational damage of Partnership; - Central government intervention </div> <div style="width: 45%;"> <u>Cause</u> <ul style="list-style-type: none"> - Insufficient settlement; - Increased demand and complexity; - Increased cost of provision; - Pace of transformation - Lack of clarity around future models of service delivery (inc shifting the balance of care - Lack of ownership and effective leadership) </div> </div>	
Controls: <ol style="list-style-type: none"> 1. Financial Planning Process 2. Budget Negotiation Process (PKC & NHST) 3. Programmes of Care linking financial and service Planning 4. IJB BRG Process 5. Monthly Financial Monitoring & Reporting 6. 3 yr Financial Plan (except IPMH and Prescribing) 7. Process for development of 2019/20 Financial Recovery Plan 8. Accountable budget holder for each cost centre 9. Reserves Strategy 10. Locally based integrated Finance Team 11. Engagement meetings with key stakeholders (Head of Finance, Deputy Director of Finance, Chief Executives, IJB Chair Vice Chair, Budget Review Group) 	Mitigating Actions: <ol style="list-style-type: none"> 1. Development of a 3 year financial plan for all parts of the IJB Budget 2. Approval of 2019/20 Financial Recovery Plan 3. Clear and robust budget negotiation process agreed and understood and aligned to IJB 4. Develop stronger leadership and accountability to support financial recovery and financial planning. 5. Ensure NHST budget setting timescales aligned with IJB and PKC from 2020/21. 6. Seek agreement to financial risk sharing arrangements for 2019/20 and beyond. 7. Development of a structure under the CFO and ensure sufficient Alignment by NHS Tayside of finance support for Inpatient Mental Health, Prescribing and Primary Care 8. Support NHST to ensure strong mechanism for overseeing progress in relation to Large Hospital Set Aside

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SR01	
Assurances: <ul style="list-style-type: none"> • Monthly financial monitoring reports • Regular budget monitoring meetings between finance and budget holders • Annual/3 Year Financial Plans and supporting Executive Summaries • 2018/19 Financial Recovery Plan • Audit & Performance Committee oversight • IJB Budget Review Group oversight 	Gaps in assurance: <ul style="list-style-type: none"> • None known –noting that the financial environment is challenging and requires regular monitoring
Current Performance: <ul style="list-style-type: none"> • 2019/20 Forecast year end over spend of £4.8m. • No general reserves in 2019/20 	Comments: <ul style="list-style-type: none"> • Internal Audit will undertake a review of IJB Financial Management during 2019/20.

SR02	
Description of Risk: There is a risk of an inability to recruit and retain suitably trained staff within some areas across the Partnership.	
Strategic Priority: Making best use of available facilities, people and other resources	
Risk Rating: (priority 1, 2, 3 or 4)	Risk Movement: (increase/decrease/no change)
PRIORITY 1	NO CHANGE
Last Review Date: 5 September 2019	
Rationale for Risk Rating: <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p><u>Consequences</u></p> <ul style="list-style-type: none"> - Lack of service provision / closure - Increased Delayed Discharge - Failure to deliver integrated care; - Lack of experience; - Increase complaints; - Poor quality of care; - Poor outcomes for people - Poor inspections; - Low staff morale; - Increased clinical risks; - Care@Home target reduced; - Institutionalisation; - Increased supplementary staff across the partnership; - Increased waiting lists - Failure to fully implement the Primary Care Improvement Plan </div> <div style="width: 45%;"> <p><u>Cause</u></p> <ul style="list-style-type: none"> - Short term contracts; - EU Exit; - Reputation of NHST; - Shared market; - Age of workforce; - Academic expectation; - National shortage; - Low economy; - Local economy; - Reality - cost of accommodation </div> </div>	
Controls: <ol style="list-style-type: none"> Supplementary staffing and contingencies Vacancy Management Maximising Marketing Develop new roles/ways of working Workforce Planning Engagement meetings with key stakeholders (Head of Finance, Deputy Director of Finance, Chief Executives, IJB Chair Vice Chair, Budget Review Group) 	Mitigating Actions: <ol style="list-style-type: none"> Ensure contingency plans are in place for all difficult to recruit areas in Health & Social Care for e.g. CCH, PCH, Tay Ward, IPMH, PHC Ensure Vacancy Management process is in place for Health & Social Care and Hosted Services and continue to monitor the effectiveness. Develop enhanced recruitment packages/ procedures/ marketing for difficult to recruit areas to potentially attract more applicants, e.g. CAH, Inpatient Services, PHC, IPMH. Develop new roles, e.g. ANPs, H&SC Assistants within ECS, SAS, etc. Develop workforce strategy & MH Workforce Strategy Develop a plan against Safer Staffing Bill for Health and Social Care staff Develop OD plan against output from workforce plan

SR02	
Assurances: <ul style="list-style-type: none"> • IMT scrutiny • EMT scrutiny • Workforce Plan once developed 	Gaps in assurance: <ul style="list-style-type: none"> • HR recruitment delays due to capacity challenges in parent body
Current Performance: <ul style="list-style-type: none"> • Workshops set up to design Workforce Strategy • Contingency planning in place for key areas struggling with recruitment/retention 	Comments: <ul style="list-style-type: none"> • Workforce risks to be monitored to gauge level of sustainability

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SR07	
Description of Risk: There is a risk of a lack of clear direction and Leadership to achieve the objectives of the Strategic Plan	
Strategic Priority: Outcomes and service transformation	
Risk Rating: (priority 1, 2, 3 or 4)	Risk Movement: (increase/decrease/no change)
PRIORITY 1	NO CHANGE
Last Review Date: 5 September 2019	
Rationale for Risk Rating: <div> <div> <u>Consequences</u> <ul style="list-style-type: none"> - Loss of staff (not sense of belonging) / unable to attract staff; - Poor morale; - Loss of reputation; - Unable to deliver vision and to innovate; - Lack of organisational trust; - Poor outcomes for people. </div> <div> <u>Cause</u> <ul style="list-style-type: none"> - Unclear on how to achieve the vision; - No direction; - No integrated leadership at all levels; - Poor communication at operational level; - Lack of joint processes delegation, authority; - Language and cultural differences; - Poor communication and engagement </div> </div>	
Controls: <ol style="list-style-type: none"> 1. Chief Officer and EMT; 2. IMT / Locality Management Teams; 3. Strategic Plan; 4. Strategic Programme Boards; 5. Locality Team plans; 6. Governance: IJB, CPGC, A&PC, Risk Register; 7. Communications and Engagement Group 8. Links with Hosted Service 	Mitigating Actions: <ol style="list-style-type: none"> 1. Review of PKHSCP organisational structure and overall senior leadership capacity. 2. Establishment of Leadership Development Program focused on Collaborative Practice 3. Refresh of induction and review of IJB Annual Training and Development Plan to ensure that IJB members are adequately supported 4. Self-assessment of performance against the PKIJB Integration Scheme with IJB members and Executive Management Team 5. Seek appropriate levels of Corporate Support from Statutory Partners including organisational and workforce development 6. Development of a statement of vision and values to be developed to become front and centre of all IJB activities moving forward 7. Development of our three-year Strategic Commissioning Plan which will set out a shared vision and clear priorities to drive improvements in outcomes. 8. Review of our Planning & Commissioning structures and the role and remit of the Strategic Planning Group to ensure that existing strategies are supported in terms of the Partnership's capacity to deliver.

SR07	
Assurances: <ul style="list-style-type: none"> To be advised by Internal Audit 	Gaps in assurance: <ul style="list-style-type: none"> To be advised by Internal Audit
Current Performance:	Comments: <ul style="list-style-type: none"> The process for organisational restructure is underway with support from HR in Perth & Kinross Council and NHS Tayside.