



Meeting of East Renfrewshire Integration Joint Board	Performance and Audit Committee
Held on	27 September 2017
Agenda Item	5
Title	Strategic Risk Register Update
<p>Summary</p> <p>This report provides the Performance and Audit Committee with an update on the IJB Strategic Risk Register.</p>	
Presented by	Candy Millard, Head of Strategic Services
<p>Action Required</p> <p>Performance and Audit Committee is asked to note and comment on the IJB Strategic Risk Register.</p>	

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EAST RENFREWSHIRE INTEGRATION JOINT BOARD

PERFORMANCE & AUDIT COMMITTEE

Report by Candy Millard, Head of Strategic Services

STRATEGIC RISK REGISTER UPDATE

PURPOSE OF REPORT

1. This report provides the Performance and Audit Committee with an update on the IJB Strategic Risk Register (SRR).

RECOMMENDATION

2. Performance and Audit Committee is asked to note and comment on the IJB Strategic Risk Register.

BACKGROUND

3. In accordance with the agreed monitoring policy this report provides the Performance and Audit Committee with the bi annual update of the strategic risk register.
4. Good practice in the area of risk management suggest that a risk register should contain between six to eight of the most significant risk to make it a useful working document.
5. The risk register uses a simple, clear and effective 4 x 4 likelihood and severity risk matrix as shown below.

Risk levels considering Likelihood and Severity

Likelihood	Score								
Certain	4	Low (Green)		Medium (Yellow)		High (Red)		High (Red)	
Likely / probable	3	Low (Green)		Medium (Yellow)		Medium (Yellow)		High (Red)	
Possible/could happen	2	Low (Green)		Low (Green)		Medium (Yellow)		Medium (Yellow)	
Unlikely	1	Low (Green)		Low (Green)		Low (Green)		Low (Green)	
Impact		Minor	1	Significant	2	Serious	3	Major	4

6. In normal circumstances the policy states the tolerance for risk is as follows:

Risk Score	Overall rating
11-16	High/Red/Unacceptable
5-10	Medium/Yellow/Tolerable
1-4	Low/Green/Acceptable

REPORT

7. The Strategic Risk Register is attached as Appendix 1.

Red and Significant Risks Exception Report

8. Risks which score between 11-16 and rated as High/Red/Unacceptable and those which the Health and Social Care Partnership Management Team considers significant, should be brought to attention of the PAC by an 'exception report'.
9. Financial Sustainability remains a high/red risk. This risk is that the HSCP could become unsustainable due to one of the following causes:
- Unable to deliver in full the existing savings and achieve new savings to deliver a balanced budget
 - Unable to influence future funding to recognise demographic & other pressures, or realise future efficiencies & savings
 - Implications if current practice of risk sharing for prescribing ceases or changes from hosted services funding structure
10. The HSCP's Chief Finance Officer has brought regular updates on partnership funding, actions and risks to the Integration Joint Board and discussed the emerging issues in seminar briefings. The reserves strategy recognises longer term change is required to ensure future sustainability and allows for phased implementation of saving delivery.
11. Although a workforce plan is in place and Fit for the Future is underway the use of temporary contracts to mitigate financial risk has increased the workforce risk, as in the short term it is impacting on our ability to recruit and retain some staff groups. This risk will be mitigated by the implementation of the Fit for the Future programme and posts will be filled on a permanent basis in exceptional circumstances where advertising for a temporary post results in ability to recruit to a post considered by the HSCP senior management team to be vital.
12. Bonnyton House remains on the Strategic Risk Register. The risk is that failure to sell to third party buyer results in inability to achieve saving, budget pressures and uncertainty for staff for residents resulting in reputational damage to HSCP and Council.
13. Although the immediate risk is mitigated by the funding from East Renfrewshire Council, Bonnyton remains on the market. Grant Thornton and Christies advise there is still some interest in the market. A full update and options paper will be taken to the Integration Joint Board later this year.

CONCLUSIONS

14. The IJB Strategic Risk register has been reviewed and updated to reflect the changes to financial information, workforce and Bonnyton House.

RECOMMENDATIONS

15. Performance and Audit Committee is asked to note and comment on the IJB Strategic Risk Register.

REPORT AUTHOR AND PERSON TO CONTACT

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September 2017

HSCP Chief Officer: Julie Murray

BACKGROUND PAPERS

IJB Paper: August 2016: Risk Management Policy and Strategic Risk Register
<http://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=17355&p=0>

PAC Paper: March 2017: Strategic Risk Register Update
<http://www.eastrenfrewshire.gov.uk/CHttpHandler.ashx?id=19857&p=0>

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GUIDANCE NOTES ON COMPLETING A BEST VALUE OUTCOME IMPROVEMENT PLAN

OUTCOME	ACTION REQUIRED	BY WHEN	RESPONSIBILITY ASSIGNED TO:	RESOURCE IMPLICATIONS	OUTCOME TARGET	RISK ASSESSMENT (After Controls)	PROGRESS TO DATE
<p>Most council services can be seen in terms of inputs, outputs & outcomes. 'Inputs' are what goes into a service - money, staff resources, buildings etc. 'Outputs' are what the service produces. And 'Outcomes' are what happens as the result of a service or can be summed up as the end benefit to the user. The relationship between these principles can be summarised below using Library opening hours as an example:</p>	<p>1. You should break down your Outcome into a number of tasks that are required to achieve it.</p> <p>2. One Outcome may have a number of Actions Required, these should be listed and the rest of the columns completed for each of them.</p>	<p>Insert e.g. 14-mar-98</p>	<p>1. Please include the name of the officer responsible.</p> <p>2. State where the outcome target will be monitored (use key):</p>	<p>Consider & state implications for staffing, cost</p>	<p>1. Coherent & balanced set of SMART performance targets based around the needs of customers, citizens, employees & other stakeholders.</p> <p>2. A good target should :</p>	<p>1. This should show the level of risk after control measures have been put in place.</p> <p>2. You will need to undertake a risk assessment of each "Action Required" and complete the Risk Assessment Form found on the attached spreadsheet. Make sure that both the Action Required and the Risks have the same numbers so that you can cross reference</p>	<p>1. Please use key below to highlight individual status of targets:</p> <p>(A) = Targets ACHIEVED on time (GREEN)</p>
<p>Input' - Increasing library open hours by one hour.</p>			<p>(CAB) = Cabinet Sub-Ctee</p>		<p>• Relate to a service or corporate objective;</p>	<p>For more detailed guidance, please refer to the toolkit guide "Risk, Managed"</p>	
<p>Output' - A more accessible library service.</p>			<p>(DG) = Directors Group</p>		<p>• Be achievable but also stretch the organisation (Demanding)</p>		<p>(B) = Targets BEHIND schedule (RED)</p>
<p>Outcome' - Taxpayers are more culturally aware.</p>			<p>(DMT) = Directorate Level</p>		<p>• Be of a manageable number;</p>		<p>• Provide explanatory notes detailing why;</p>
			<p>(UMT) = Unit Level</p>		<p>• Both Long (typically 3-5 yrs) & Short -Term (the year ahead);</p>		<p>• Strike through the original 'by when date' & insert new target date</p>
			<p>(EXT) = Externally</p>		<p>• Financial & non-financial;</p>		<p>(C) = Targets achieved that were previously behind schedule (CAUGHT - UP) (BLUE)</p>
					<p>• Related & cascaded, so that the whole organisation/directorate/ service/unit/ understands the links between targets, & where responsibility lies for improvement.</p>		<p>• Provide explanatory notes detailing circumstances</p>
					<p>• Have a clear, stable definition so that achievement can be compared over time;</p>		
					<p>• Be easily understood</p>		<p>2. Finally record date of update in the footer & save version</p>
					<p>• Have the commitment of authority members, customers, citizens, employees & other stakeholders.</p>		
					<p>• Be readily measurable.</p>		

RISK REGISTER

Health & Social Care Partnership Integration Joint Board

JB Strategic Risk Register

Completed by:

Management Team

Date originated:

09/11/2015 Date reviewed: 23/03/2017

No	Risk (Threat/Opportunity to achievement of business objective)- include the consequence of the risk in this description	Risk Control Measures currently in place <i>(need to be SMART e.g. detail of what type of training took place with dates in evidence column)</i>	Assessment of Risk [As it is now]			Proposed Risk Control Measures <i>(should be SMART with detail included)</i>	Assessment of Residual Risk [With proposed control measures implemented]			Responsible Officer	Timescale for completing proposed control measures	Evidence held (detail)	Where held								
			Likelihood (Probability) [L]	Impact (Severity) [I]	Risk Score [L x I]		Likelihood (Probability) [L]	Impact (Severity) [I]	Residual Risk Score												
														Risk Score	Overall Rating						
			<table border="1" style="font-size: small;"> <tr><td>Risk Score</td><td>Overall Rating</td></tr> <tr><td>11-16</td><td style="background-color: red;">High</td></tr> <tr><td>5-10</td><td style="background-color: orange;">Medium</td></tr> <tr><td>1-4</td><td style="background-color: green;">Low</td></tr> </table>	Risk Score	Overall Rating	11-16	High	5-10	Medium	1-4	Low										
Risk Score	Overall Rating																				
11-16	High																				
5-10	Medium																				
1-4	Low																				
1	<p>Death or significant harm to service user / patient</p> <p>Risk of death or significant harm to a service user/patient as a result of HSCP action / inaction.</p> <p>Consequences could include:</p> <ul style="list-style-type: none"> - loss of life or long term damage and impact on service user & family - may be perceived to have been failure of care - poor workforce morale - reputational damage 	<p>Line manager checks as part of periodic supervision</p> <p>Quality assurance framework</p> <p>The HSCP has clear & effective policies & procedures in place</p> <p>Risk assessments for service users are carried out by staff as and when required statutory inspection reports</p>	2	4	8	<p>The Heads of Children and Families and Health and Community Care will review learning and development plans re Service user / Patient preventative action by March 2017</p>	1	4	4	Head of Health and Community Care/Head of Children and Families	Mar-17	Review outcome	Head of HCC and H of C and F								
2	<p>Financial Sustainability</p> <p>Risk of being unsustainable due to one of the following causes:</p> <ol style="list-style-type: none"> 1) Unable to deliver in full the existing savings and achieve new savings to deliver a balanced budget 2) Unable to influence future funding to recognise demographic & other pressures, or realise future efficiencies & savings 3) Implications if current practice of risk sharing for prescribing ceases or changes from hosted services funding structure <p>The Consequences include:</p> <ul style="list-style-type: none"> - Inability to deliver core services in current way - Possibly having to review eligibility criteria - Unable to focus on prevention, therefore conflicting with legislation 	<p>The CFO provides regular reporting to JJB and savings progress reviewed as part of budget seminars and report as well as periodically at DMT</p> <p>The Financial Strategy and Budget Updates will set out funding expectations and scenarios. The HSCP will influence budget setting process with each of our partners</p> <p>A CFO network has been created allowing discussion and decision making forum for wider issues impacting on partnerships</p> <p>A new format for monitoring savings will be implemented for 2017/18 and a formal 4 weekly finance report will be presented to DMT.</p>	3	4	12	<ol style="list-style-type: none"> 1. The HSCP's CFO budget update reports provide routine updates on partnership funding, actions and risks. Scenario planning is being developed. The reserves strategy recognises longer term change is required to ensure future sustainability and allows for phased implementation of saving delivery. 2 Financial reporting to the JJB and P&AC will continue to be developed improving the detail and transparency of financial matters. 3 The use of dedicated JJB seminars will continue to address any specific issues 	4	3	12	Chief Financial Officer	<ol style="list-style-type: none"> 1. Ongoing with 2017/18 budget to March 2017 JJB 2. Ongoing 3. As required 	<p>Financial strategy</p> <p>Budget Monitoring papers and notes of meetings</p> <p>Seminar papers</p>	CFO								
3	<p>Failure of a Provider</p> <p>Risk of an operational or financial failure of a key provider, possibly due to operating under same economic & financial pressures as the partnership, including:</p> <ul style="list-style-type: none"> - living wage - sleepover payments - fixed workplace - recruitment & retention - market mix & company structure (e.g. another Southern Cross) <p>Consequences could include:</p> <ul style="list-style-type: none"> - disruption to service delivery - implementing contingency plans - increased cost pressures - impact on individuals & families 	<p>Fair work practice built into refreshed current Frameworks</p>	3	3	9	<ol style="list-style-type: none"> 1 2 Contract management meetings with stakeholders will allow the HSCP to manage areas of identified risk with providers on a proactive basis – e.g. specific PIs will provide relevant management information to support the executive group to manage this area of risk 	2	3	6			Minutes of meetings with stakeholders and committee papers	Commissioning Team								

4	Bonnyton House Failure to sell to third party buyer results in inability to achieve saving, budget pressures and uncertainty for staff and residents resulting in reputational damage to HSCP and Council	Recent withdrawal of buyer has increased this risk	4	4	16	Return to market.	3	4	12	Head of Health and Community Care	Mar-18		
5	Primary Care Capacity Insufficient primary care capacity due to inability to get cover in event of vacancy/long term illhealth resulting in	1.The HSCP has made available funding for the Nursing Home LES to be offered to two of the newly built care homes in East Renfrewshire. This is additional to core funding. 2 We will support local practices to encourage patients from out with the practice's contracted catchment area to register with a GP more local to them.	3	3	9	We will support the development of GP clusters to consider what quality measures will be implemented (March 17)	2	3	6	Clinical Director	Apr-17	Minutes of meetings, GP data	PA service
6	Workforce planning and change Lack of appropriately skilled workforce due to the combination of loss of experience from retirement of ageing workforce and changes to registration and job requirements leads to a reduction in service levels and inability to deliver redesigns in line with Strategic Plan requirements	All staff will be developed and supported through application of PRD / EKSF process Use of PRD and succession planning Refocus the learning and development team to meet requirements of HSCP changes Leadership development programme an	3	4	9	1. Development of workforce plan with support from East Renfrewshire Council and NHSGGC linked to strategic plan and service redesigns. II Improve partnership workforce planning working with providers by March 2018	2	3	6	Head of Strategic Services	1.01/03/2017..... 2. Sept 2016..... 3. March 2018	learning and development strategy-- -----workforce plan	L and D team, Head of Service PA