



<b>Meeting of East Renfrewshire Integration Joint Board</b>	Performance and Audit Committee
<b>Held on</b>	29 June 2016
<b>Agenda Item</b>	12
<b>Title</b>	Risk Management Policy and Strategic Risk Register Update
<p><b>Summary</b></p> <p>This report provides the Performance and Audit Committee with a draft Risk Management Policy and Strategy for the Integration Joint Board and an update on the development of the IJB Strategic Risk Register.</p>	
<b>Presented by</b>	Candy Millard, Head of Strategic Services
<p><b>Action Required</b></p> <p>Performance and Audit Committee is asked to:-</p> <ul style="list-style-type: none"> <li>▪ Note the content of the report</li> <li>▪ Endorse the draft IJB Strategic Risk Register and amendments to the Risk Management Policy and Strategy and remit to the IJB for approval.</li> </ul>	

BLANK PAGE

**EAST RENFREWSHIRE INTEGRATION JOINT BOARD**

**PERFORMANCE & AUDIT COMMITTEE**

**29 June 2016**

**Report by Candy Millard, Head of Strategic Services**

**RISK MANAGEMENT POLICY AND STRATEGIC RISK REGISTER UPDATE**

**PURPOSE OF REPORT**

1. This report provides the Performance and Audit Committee with an update on the development of the IJB Risk Management Policy and Strategy and the review of the content and scoring of the Draft Strategic Risk Register (SRR).

**RECOMMENDATION**

2. Performance and Audit Committee is asked to:-
  - Note the content of the report
  - Endorse the draft IJB Strategic Risk Register and amendments to the Risk Management Policy and Strategy and remit to the IJB for approval.

**BACKGROUND**

3. On 16th March 2016 the Business Support Manager presented to the Performance and Audit Committee the draft IJB Risk Management Policy and Strategy. At the same meeting the draft IJB Strategic Risk Register was considered.
4. At that meeting the Performance and Audit Committee noted the report but asked for further reflection on the scoring matrix and “by exceptions” reporting to the PAC. The committee also asked that an updated copy of Strategic Risk Register be available for the next meeting.

**REPORT**

**Scoring and Reporting**

5. The Health and Social Care Partnership management team reflected on the matrix used to analyse risk in terms of “likelihood of occurrence” and “potential impact They recognised that Scoring on the risk matrix can be subjective depending on the scorer’s interpretation of that matrices terms. To support consistency in scoring a “guide to terms and scoring” (appendix 1) has now been included as an appendix to the policy and strategy document.
6. Taking into account the additional guidance provided regarding terms and matrix scoring it is recommended that normally only risks which score between 11-16 and rated as High /Red / Unacceptable be reported to the Performance and Audit committee by exception. The scoring matrix and “guide to terms and scoring “ are both supports to applying consistent measurement of risk, however there will still be a

degree of subjectivity. If the Health and Social Care Partnership Management Team consider a risk which scores below the High Risk threshold to be significant, they will bring it to the attention of the PAC by an “exception report”.

### Monitoring and Reporting

7. The following monitoring and reporting process will be implemented:-

Type of Risk	Monitored by	How often	Comments
All strategic and shared risks	HSCP Management Team	Quarterly	This will include a review of risk profile
All strategic and shared risks	Integration Joint Board	Annually	
All Strategic and shared risk	Performance and Audit Committee	Bi Annually	
Unacceptable Strategic and shared risk	Performance and Audit Committee	As required	Risks identified as red / Unacceptable by Senior Management team
Key operational risks	Senior Management Team	Quarterly	

### Integration Joint Board Strategic Risk Register

8. Following the PAC 16th March 2016 the HSCP Management Team with the Business Support Manager reviewed the content of the Strategic Risk Register focusing on the mitigation text and also reviewed the scoring of risk.
9. The reviewed draft SRR is attached as Appendix 2

### **CONCLUSIONS**

10. A guide has been included in the appendices of the Risk Strategy and Policy to give clear guidance on scoring risk to the SMT, the PAC and the IJB. This should support consistent scoring of risk and interpretation of the scoring process.
11. Following comments made at the previous Performance and Audit Committee, the Draft IJB Strategic Risk register has been reviewed and amended.

### **RECOMMENDATIONS**

12. Performance and Audit Committee is asked to:-
- Note the content of the report
  - Endorse the draft IJB Strategic Risk Register and amendments to the Risk Management Policy and Strategy and remit to the IJB for approval.

### **REPORT AUTHOR AND PERSON TO CONTACT**

Stuart McMinigal, Business Support Manager  
[Stuart.mcmignigal@eastrenfrewshire.gov.uk](mailto:Stuart.mcmignigal@eastrenfrewshire.gov.uk)  
 0141 577 6107

June 2016

Chief Officer, HSCP: Julie Murray

**BACKGROUND PAPERS**

Integration Joint Board Risk Management Policy and Strategy

[PAC PAPER – 16 MARCH 2016](#)

**KEY WORDS**

Risk; Risk Management; Strategic Risk Register

BLANK PAGE

## A GUIDE TO TERMS AND SCORING

## RISK CRITERIA FOR IMPACT

Factor	Score	Effect on Service	Embarrassment/reputation	Personal Safety	Personal privacy infringement	Failure to provide statutory duties/meet legal obligations	Financial	Effect on Project Objectives
Major	4	Major loss of service, including several important areas of service and /or protracted period.  Service Disruption 5+ Days	Adverse and persistent national media coverage  Adverse central government response, involving (threat of) removal of delegated powers  Officer(s) and/or Members forced to resign	Death of an individual or several people	All personal details compromised/ revealed	Litigation/claims/fines from Departmental £250k +  Corporate 500k+	Costing over £500,000  Up to 75% of Budget	Complete failure of project/ extreme delay – 3 months or more
Serious	3	Complete loss of an important service area for a short period  Major effect to services in one or more areas for a period of weeks  Service Disruption 3-5 Days	Adverse publicity in professional/municipal press, affecting perception/standing in professional/local government community  Adverse local publicity of a major and persistent nature	Major injury to an individual or several people	Many individual personal details compromised/ revealed	Litigation/claims/fines from  Departmental £50k to £125k  Corporate £100k to £250k	Costing between £50,000 and £500,000  Up to 50% of Budget	Significant impact on project or most of expected benefits fail/ major delay – 2-3 months
Significant	2	Major effect to an important service area for a short period  Adverse effect to services in one or more areas for a period of weeks  Service Disruption 2-3 Days	Adverse local publicity /local public opinion aware Statutory prosecution of a non-serious nature	Severe injury to an individual or several people	Some individual personal details compromised/ revealed	Litigation/claims/fines from Departmental £25k to £50k Corporate £50k to £100k	Costing between £5,000 and £50,000 Up to 25% of Budget	Adverse effect on project/ significant slippage – 3 weeks–2 months
Minor	1	Brief disruption of important service area  Significant effect to non-crucial service area Service Disruption 1 Day	Contained within section/Unit or Directorate  Complaint from individual/small group, of arguable merit	Minor injury or discomfort to an individual or several people	Isolated individual personal detail compromised/ revealed	Litigation/claims/fines from Departmental £12k to £25k Corporate £25k to £50k	Costing less than £5,000 Up to 10% of Budget	Minimal impact to project/ slight delay less than 2 weeks

## RISK CRITERIA FOR LIKELIHOOD

Factor	Score	THREATS- DESCRIPTION	INDICATORS
Certain	4	More than 75% chance of occurrence	Regular occurrence Circumstances frequently encountered – daily/weekly/monthly
Likely	3	40% - 75% chance of occurrence	Likely to happen at some point in the next 1-2 years Circumstances encountered a few times per year.
Could happen	2	10% - 40% chance of occurrence	Only likely to happen 3 or more years
Unlikely	1	Less than 10% chance of occurrence	Has rarely happened/ never before





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 <b>inputs, outputs &amp; outcomes</b>. '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 &amp; state for implications staffing, cost</p>	<p>1. Coherent &amp; balanced set of SMART performance targets based around the <b>needs of customers, citizens, employees &amp; other stakeholders</b>.</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</p>	<p>1. Please use key below to highlight individual status of targets:</p> <p><b>(A) = Targets ACHIEVED on time (GREEN)</b></p>
<p>Input' - Increasing library open hours by one hour.</p>			<p><b>(CAB) = Cabinet Sub-Ctee</b></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 accesible library service.</p>			<p><b>(DG) = Directors Group</b></p>		<p>* Be <b>achievable</b> but also <b>stretch</b> the organisation (Demanding)</p>		<p><b>(B) = Targets BEHIND schedule (RED)</b></p>
<p>Outcome' - Taxpayers are more culturally aware.</p>			<p><b>(DMT) = Directorate Level</b></p>		<p>* Be of a <b>manageable</b> number;</p>		<p>* Provide explanatory notes detailing why;</p>
			<p><b>(UMT) = Unit Level</b></p>		<p>* Both <b>Long</b> (typically 3-5 yrs) &amp; <b>Short -Term</b> (the year ahead);</p>		<p>* Strike through the original 'by when date' &amp; insert new target date</p>
			<p><b>(EXT) = Externally</b></p>		<p>* Financial &amp; non-financial;</p>		
					<p>* Be under <b>continuous</b> review, not set in stone;</p>		<p><b>(C) = Targets achieved that were previously behind schedule (CAUGHT - UP) (BLUE)</b></p>
					<p>* <b>Related &amp; cascaded</b>, so that the whole organisation/directorate/ service/unit/ <b>understands</b> the <b>links</b> between targets, &amp; where <b>responsibility</b> 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 &amp; save version</p>
					<p>* Have the commitment of authority members, customers, citizens, employees &amp; other stakeholders.</p>		
					<p>* Be readily measurable.</p>		

RISK REGISTER

**Health & Social Care Partnership Integration Joint Board**

---

IJB Strategic Risk Register

**Completed by:** Management Team  
**Date originated:** 09/11/2015  
**Date reviewed:** 14/06/2016

No	Risk (Threat/Opportunity to achievement of business objective)- include the consequence of the risk in this description	Risk Control Measures currently in place (need to be SMART e.g. detail of what type of training took place with dates in evidence column)	Assessment of Risk [As it is now]			Proposed Risk Control Measures (should be SMART with detail included)	Assessment of Residual Risk [With proposed control measures implemented]			Responsible Officer	Timescale for completing proposed	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				
1	<p><b>Death of Service User / Patient</b></p> <p>Risk of death of a service user as a result of HSCP action / inaction.</p> <p>Consequences could include:</p> <ul style="list-style-type: none"> <li>- impact on service user &amp; family</li> <li>- may be perceived to have failure</li> <li>- poor workforce morale</li> <li>- increased complaints</li> </ul>	<p>Line manager checks as part of periodic supervision</p> <p>Quality assurance framework</p> <p>The HSCP has clear &amp; effective policies &amp; procedures in place</p> <p>Risk assessments for service users are carried out by staff as and when required</p> <p>Preparation for, and response to, statutory inspection reports</p>	2	4	8	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	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

No	Risk (Threat/Opportunity to achievement of business objective)- include the consequence of the risk in this description	Risk Control Measures currently in place (need to be SMART e.g. detail of what type of training took place with dates in evidence column)	Assessment of Risk [As it is now]			Proposed Risk Control Measures (should be SMART with detail included)	Assessment of Residual Risk [With proposed control measures implemented]			Responsible Officer	Timescale for completing proposed	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				
2	<p><b>"Financial Sustainability</b> Risk of been unsustainable due to one of the following causes:</p> <ol style="list-style-type: none"> <li>1) Unable to deliver in full the existing savings to ensure a clear starting point for the IJB.</li> <li>2) Unable to influence future funding to recognise demographic &amp; other pressures, or realise future efficiencies &amp; savings</li> <li>3) Implications if current practice of risk sharing for prescribing ceases or changes from hosted services funding structure</li> </ol> <p>The Consequences include: - Inability to deliver core services in current way - Possibly having to review eligibility criteria - Unable to focus on prevention, therefore conflicting with legislation "</p>	<p>The CFO provides regular reporting to IJB and savings progress reviewed as part of budget seminars and report as well as periodically at DMT</p> <p>The Financial Strategy 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 A new format for monitoring savings will be implemented for 2016/17 and a formal 4 weekly finance report will be presented to DMT.</p>	2	4	8	<ol style="list-style-type: none"> <li>1.The HSCP's CFO will publish a financial Strategy for period 2016/17 – 2018/19 to the August IJB.</li> <li>2 Financial reporting to the IJB and P&amp;AC will continue to be developed improving the detail and transparency of financial matters.</li> <li>3 The use of dedicated IJB seminars will continue to address any specific issues</li> </ol>	2	3	6	Chief Financial Officer	<ol style="list-style-type: none"> <li>1. August 2016 IJB</li> <li>2. Ongoing</li> <li>3. As required</li> </ol>	<p>Financial strategy</p> <p>Budget Monitoring papers and notes of meetings</p> <p>Seminar papers</p>	CFO
3	<p><b>Failure of a Provider</b></p> <p>Risk of an operational or financial failure of a key provider, possibly due to operating under same economic &amp; financial pressures as the partnership, including:</p> <ul style="list-style-type: none"> <li>- living wage</li> <li>- sleepover payments</li> <li>- fixed workplace</li> <li>- recruitment &amp; retention</li> <li>- market mix &amp; company structure (e.g. another Southern Cross)</li> </ul> <p>Consequences could include: - disruption to service delivery - implementing contingency plans - increased cost pressures - impact on individuals &amp;</p>	<ol style="list-style-type: none"> <li>1.The Commissioning Manager/ Head of Strategic Services have in place a commissioning process to mitigate the risk of a failure provider.</li> <li>2.The Commissioning Manager / Head of Strategic Services has developed a public social partnership approach to service commissioning</li> <li>3.Provider forums are in place for the care homes and meet on a quarterly basis</li> <li>4. The commissioning manager periodically carries out Market Analysis linked to the</li> </ol>	3	3	9	<ol style="list-style-type: none"> <li>1 As part of the work plan to refresh current Frameworks we will be able to: - Build fair work practices into the ITT and evaluate this specifically - Look specifically at the areas of the NLW and Sleepovers as identified cost pressures</li> <li>2 Contract management meetings with</li> </ol>	2	3	6	Head of Strategic Services	<ol style="list-style-type: none"> <li>1.Spring 2016;</li> <li>1.Spring 2019;</li> <li>2.Autumn 2016</li> </ol>	<p>Minutes of meetings with stakeholders and committee papers</p>	Commissioning Team

No	Risk (Threat/Opportunity to achievement of business objective)- include the consequence of the risk in this description	Risk Control Measures currently in place (need to be SMART e.g. detail of what type of training took place with dates in evidence column)	Assessment of Risk [As it is now]			Proposed Risk Control Measures (should be SMART with detail included)	Assessment of Residual Risk [With proposed control measures implemented]			Responsible Officer	Timescale for completing proposed	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				
4	<p><b>Governance Framework Failure</b></p> <p>The legislation creating the IJB requires a new approach to governance covering all areas of strategic &amp; operational performance &amp; compliance. There is a risk of gaps in implementing the framework or it not being understood due to lack of clarity of roles &amp; responsibilities.</p> <p>Consequences could include operational failures, perception of non performance, lack of confidence, pressure from stakeholders, and impact on reputation.</p>	<p>1 The HSCP currently has an Interim Care Governance framework in place</p> <p>2 A significant program of service development and improvement has been introduced and is currently monitored by the DMT on a weekly basis</p> <p>3 The HSCP currently participates in a program of Audit &amp; Inspection cycles</p> <p>4 The HSCP currently has an interim Strategic Risk Register and process in place</p>	2	3	6	<p>1 Chief Officer HSCP Autumn 2016</p> <p>2 During Spring 2016 the HSCP Chief Officer will produce an IJB SRR and Risk policy for IJB endorsement</p> <p>3 During Spring 2016 the HSCP Chief Officer will produce IJB Care Governance proposal and terms of reference for IJB endorsement</p>	2	3	6	Chief Officer HSCP	1 Autumn 2016..... .....2/3 Spring 2016	Minutes of meetings and memorandum of understanding	CO PA, e

No	Risk (Threat/Opportunity to achievement of business objective)- include the consequence of the risk in this description	Risk Control Measures currently in place (need to be SMART e.g. detail of what type of training took place with dates in evidence column)	Assessment of Risk [As it is now]			Proposed Risk Control Measures (should be SMART with detail included)	Assessment of Residual Risk [With proposed control measures implemented]			Responsible Officer	Timescale for completing proposed	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				
5	<p>GP Capacity</p> <p>1.Potential lack of GP capacity locally to manage the increasing numbers of frail elderly people in East Renfrewshire who are being managed at home and in care homes.</p> <p>2.If practices generally feel that they do not have the capacity to accept new patients then they can apply to close their list. If several practices close their list though this puts under greater pressure those practices who's list remains fully open "</p>	<p>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.</p> <p>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.</p>	2	3	6	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	<p><b>Workforce planning and change</b></p> <p>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</p>	<p>A ll staff will be developed and supported through application of PRD / EKSF process Use of PRD and succession planning</p> <p>Leadership development programme an</p> <p>Integrated learning and development plan with strong focus on practice development</p>	3	3	9	<p>1. Development of workforce plan with support from East Renfrewshire Council and NHSGGC linked to strategic plan and service redesigns.</p> <p>2.By Sept 2016 we will Refocus the learning and development team to meet requirements of HSCP changes</p>	2	3	6	Head of Strategic Services	1 March 2017  September 2016	learning and development strategy- -----workforce plan	L and D team, Head of Service PA

No	Risk (Threat/Opportunity to achievement of business objective)- include the consequence of the risk in this description	Risk Control Measures currently in place (need to be SMART e.g. detail of what type of training took place with dates in evidence column)	Assessment of Risk [As it is now]			Proposed Risk Control Measures (should be SMART with detail included)	Assessment of Residual Risk [With proposed control measures implemented]			Responsible Officer	Timescale for completing proposed	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				
						3. we will improve partnership workforce planning working with providers by March 2018					March 2018		
7	<p><b>CHCP to HSCP Transition</b></p> <p>Risk of distancing from 'parent' organisations, possibly caused by:</p> <ul style="list-style-type: none"> <li>- lack of ownership within parents due to conflicting pressures</li> <li>- being seen as too close to one or other parent ('dog with two tails')</li> <li>- a lack of confidence in the partnership's ability to deliver</li> </ul> <p>Consequences include:</p> <ul style="list-style-type: none"> <li>- Resources &amp; finances do not match our delegated responsibilities</li> <li>- Lack of visibility</li> <li>- HSCP retrench into silo working</li> </ul>	<p>Chief Officer will attend and participate the corporate management team meeting of both parent organisations. ( weekly ERC and Monthly NHS)</p> <p>The Chief Officer will periodically attend one to one meetings with both NHSGG&amp;C and ERC Chief Executives ( Monthly ERC an Bi Monthly NHS)</p> <p>The Chief Officer will attend and participate in budgetary decision making discussion held by both with both NHSGG&amp;C and ERC</p> <p>The Convenor for Social Work will brief East Renfrewshire Council on a regular basis</p> <p>We will periodically review resources at our weekly DMT to ensure they match delegated authority</p>	2	3	6	<p>1. We will attend and participate the HSCP Annual Report to Council</p> <p>2. We will publish a 6 Monthly report on performance report including contribution to SOA every June and December</p>	2	3	6	Chief Officer HSCP	1. 01/08/2017 .....2. June 2016	Annual reports, Minutes of meetings	CO PA, ERC Website

.....

BLANK PAGE