



**REPORT TO:** East Lothian IJB - Audit and Risk Committee

**MEETING DATE:** 6 March 2018

**BY:** Chief Finance Officer

**SUBJECT:** Risk Register - update

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## **1 PURPOSE**

- 1.1 This report updates the IJB's risk register, the current version being attached as an appendix.

## **2 RECOMMENDATIONS**

- 2.1 The Committee is asked to consider the risk register and to agree whether:
- (i) further risks should be added; and
  - (ii) the risk mitigation actions are adequate.

## **3 BACKGROUND**

- 3.1 The IJB maintains a risk register as part of its overall governance processes. The most up-to-date version of the IJB's risk register is attached to this report.
- 3.2 The risk register has been developed and maintained in line with the draft risk strategy and risk management policy which were considered by the committee previously at this meeting.
- 3.3 The committee is invited to consider the attached risk register and, given the agreed risk strategy and policy, consider if any further risks should be included and if the risk mitigations actions are adequate

## **4 ENGAGEMENT**

- 4.1 The IJB's Audit and Risk Committee is held in public and the papers are openly available online.

## **5 POLICY IMPLICATIONS**

5.1 There are no further policy implications arising from this paper

## **5 INTEGRATED IMPACT ASSESSMENT**

6.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy

## **6 RESOURCE IMPLICATIONS**

7.1 Financial – none

7.2 Personnel – none

7.3 Other – none

## **7 BACKGROUND PAPERS**

8.1 Risk Strategy and Risk Management policy – presented to the Committee at this meeting.

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| <b>DATE</b>          | 27 February 2018   |

Appendix – Risk Register

East Lothian IJB Risk Register with Action Plan

| ID   | Risk level              | Title   | Description   | Controls in place  | Adequacy of controls  | Risk level (current) | Rating (current) | Risk level (Target) | Rating (Target) | Action Plan in Place |
|------|-------------------------|---|---|--|---|----------------------|------------------|---------------------|-----------------|----------------------|
| 3924 | Integration Joint Board | Financial resources may be insufficient to sustain the Strategic Plan   | There is a risk that the financial challenges faced by the NHS and East Lothian Council will result in allocations to the IJB that do not allow the Strategic Plan to be delivered leading to the failure to achieve outcomes and targets.  | <ol style="list-style-type: none"> <li>1. Financial assurance process carried out by IJB</li> <li>2. Engagement of IJB Officers and members in NHS and Council budget setting processes</li> <li>3. Regular performance monitoring reports to IJB</li> <li>4. Scheme of Integration risk sharing and dispute resolution processes</li> <li>5. IJB Chief Finance Officer in post</li> <li>6. Strategic Planning Group in place</li> <li>7. Strategic Plan Programme Board established and meeting regularly to deliver Strategic Plan within the financial resources available</li> <li>8. Detailed efficiency and recovery plans are in place for operational teams to 'break even' in 2017/18.</li> <li>9. There is a programme of meetings and discussion between IJB, Council and Health Board leading to an IJB financial planning process being approved by the IJB and supported by Council and Health Board</li> <li>10. The IJB's financial strategy and three year financial plan should provide plans based on the totality of the financial resources available.</li> </ol> | Adequate but partially effective; control is properly designed but not being implemented properly | High                 | 16               | Medium              | 9               | Y                    |
| 4018 | Integration Joint Board | Impact of Partners' Decisions   | There is a risk that Partners reach decisions on priorities and services (including service reviews) that impact negatively on the IJB leading to an inability to deliver the Strategic Plan  | <ol style="list-style-type: none"> <li>1. Involvement of IJB membership in the Partners' decision making process including voting members and Officers</li> <li>2. Involvement in Partners' service reviews</li> <li>3. Good working relationships and regular formal /informal meetings e.g IJB Chief Officers Group (NHS Lothian Acute attendees), meetings with Chief Executives and Chairs</li> </ol>  | Adequate but partially effective; control is properly designed but not being implemented properly | High                 | 16               | Medium              | 9               | Y                    |
| 3925 | Integration Joint Board | Operational resources may be insufficient to deliver the Strategic Plan | There is a risk that the IJB fails to achieve its targets due to insufficient access to key services and resources e.g. General Practice, Care at Home, Care Homes, Health Visiting, Housing, acute services etc leading to failure to deliver the Strategic Plan resulting in risk to patients' and clients' | <ol style="list-style-type: none"> <li>1. The Strategic Plan sets out clear priorities</li> <li>2. IJB directions are clear about actions required by NHS and Council</li> <li>3. The Partnership Management Team is focussed on ensuring adequate resources are in place for delegated functions to deliver the Strategic Plan</li> <li>4. NHS Lothian is focussed on ensuring adequate resources are in place for set-aside and hosted functions to deliver the Strategic Plan</li> <li>5. NHS Lothian and East Lothian Council are focussed on ensuring adequate resources are in place for non-delegated but related functions (e.g. housing), to deliver the Strategic Plan</li> </ol>  | Adequate but partially effective; control is properly designed but not being implemented properly | High                 | 12               | Medium              | 6               | Y                    |

|      |                         |   |  |  |   |        |    |        |   |   |
|------|-------------------------|---|--|--|---|--------|----|--------|---|---|
|      |                         |   | safety, external review and reputational damage  | 6. Quarterly Performance Report to IJB and scrutiny by the Audit and Risk Committee<br>7. Use of ICF and SCF to increase capacity and improve terms and conditions.<br>8. IJB is finalising a workforce strategy to address these issues   |   |        |    |        |   |   |
| 3926 | Integration Joint Board | Potential Instability e.g elections / IJB changes | There is a risk that the IJB will be de-stabilised as a consequence of membership change or policy change as a result of elections and Public Sector reform leading to conflicting priorities and/or inability to make decisions | 1. Standing orders that control members' behaviour<br>2. Code of Conduct<br>3. Scheme of Integration which includes a dispute resolution mechanism<br>4. Ensuring that membership changes are not all planned at the same time e.g. stakeholder member changes are separate from voting member changes, NHS membership changes on a different cycle from the East Lothian Council membership changes | Adequate but partially effective; control is properly designed but not being implemented properly | Medium | 9  | Medium | 9 | Y |
| 3927 | Integration Joint Board | Relationship with Partners                        | There is a risk that East Lothian Council and NHS Lothian do not provide the support services required to enable the IJB to fulfil its functions (e.g. financial planning, I.T. etc)   | 1. Review of support services in place<br>2. Clear directions from the IJB to Partners<br>3. Involvement of IJB membership in Partners' decision making process  | Adequate but partially effective; control is properly designed but not being implemented properly | High   | 12 | Medium | 6 | Y |