



REPORT TO: East Lothian IJB Audit & Risk Committee

MEETING DATE: 18 March 2025

BY: Chief Finance Officer

SUBJECT: 2024/25 Risk Register Review

1 PURPOSE

- 1.1 The purpose of the report is to update the Audit & Risk Committee on the status of the current IJB Risk Register and discuss any proposed changes.

2 RECOMMENDATIONS

- 2.1 The IJB is asked to:
- i. Note the updates to the risk register since the last meeting.
 - ii. Consider if any further risks should be added to the register.

3 BACKGROUND

- 3.1 The Risk Register is a key part of the governance processes underpinning the work of the IJB. It records risks that impact on the business of the IJB and the controls in place to manage each risk.
- 3.2 The risk register was last reviewed in November 2024 and reported in early December to this committee. There are 7 risks noted on the register with 3 set at Very High, 3 set at High and 1 Medium risk. Any changes to the risks reported are noted below for consideration.
- 3.3 Risk 5959 Appointment of a permanent CFO – a permanent CFO was appointed in early January 2024 following a competitive recruitment process. This Very High risk can now be removed from the register.
- 3.4 Risk 3925 Impact of National Care Service proposals – it was noted at the last meeting that there was a suggestion that the Bill was to be postponed further, however the risk was to remain at high. Recent communications from SG indicate their intention to progress with the Bill,

in an amended form which removes the planned legislation to reform IJBs. An advisory board will be established to guide ministers on reforming then sector. The Committee should consider reducing this risk to Medium.

- 3.5 The remaining 2 risks with Very High ratings relate to the insufficiency of financial and operational resources to deliver the Strategic Plan. These risks remain Very High beyond 2025/26, and significant planning will be required to mitigate these risks down.
- 3.6 The remaining High categorised risks relate to demographic pressures and the impact of Partners decisions. The population of East Lothian is projected to continue to rise, and Partners continue to review and prioritise their service delivery models in relation to balancing their financial position so these risks should remain at a High categorisation.
- 3.7 The risk relating to accurate financial forecasting has a Medium setting and should remain as such as we work to align and improve the timing and flow of financial information with Partners.

4 ENGAGEMENT

- 4.1 The IJB holds its meetings in public and makes its papers publicly available.

5 POLICY IMPLICATIONS

- 5.1 There are no policy implications in this report.

6 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.

7 DIRECTIONS

- 7.1 There are no new directions nor amendments to then current directions required by this report.

8 RESOURCE IMPLICATIONS

- 8.1 Financial – None
- 8.2 Personnel – None
- 8.3 Other – None

9 BACKGROUND PAPERS

- 9.1 None

Appendix: Extract of Risk Register

AUTHOR'S NAME	Michael Porteous
DESIGNATION	Chief Finance Officer
CONTACT INFO	Mike.porteous@nhslothian.scot.nhs.uk
DATE	March 2025

ID	Risk Owner Handler	Title	Description	Controls in place	Risk level (current)	Risk level (Target)	Date Opened	Date Risk Reviewed	Review date	Close Date
5486	Wilson, Fiona M King, David	Accurate financial forecasting	There is a risk we don't get sufficient accurate financial forecasting from the systems in place. Monitoring in place while things progress over the year	1 - The Scheme of Integration 2 - Recruitment for permanent IJB CFO in progress 3 - Monthly financial reporting 4 - Attendance at Financial Overview	Medium	Medium	18/11/2022	27/11/2024	26/02/2025	
5959	Wilson, Fiona M King, David	Appointment of a permanent CFO	Legislatively (and practically) the IJB cannot function without a CFO and given that the IJB is a bit of an esoteric organisation then not only does the IJB require a permanent person but also someone with the appropriate background (or keenness to learn it).	Recruitment campaign underway to find a suitable candidate	Very High	Medium	27/11/2024	27/11/2024	26/02/2025	
5220	Wilson, Fiona M Hood, David	Demographic Pressures	There is a risk that because the population of East Lothian has increased over the past few years, the projections predict a further increase. Because of this the pressure is further compounded in that the percentage of that population over the age of 65 will also increase from the current position. This will lead to increased demand for the health and social care services in East Lothian that have been delegated to the IJB.	This will be managed through the IJB's Strategic Planning processes. Change boards should be operating with recognition of demographic changes within the area. Commissioned Cap Gemini to access future demand on care at home services. Closer links with public health to understand our demographics better.	High	Medium	20/08/2021	27/11/2024	26/02/2025	
3924	Wilson, Fiona M King, David	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 sub optimal the failure to achievement of outcomes and targets. 2024/25 budget offers from partners accepted by IJB at March 2024 meeting	1. Financial assurance process carried out by IJB 2. Engagement of IJB Officers and members in NHS and Council budget setting processes 3. Regular financial monitoring reports to IJB 4. Scheme of Integration risk sharing and dispute resolution processes 5. IJB Chief Finance Officer in post 6. Strategic Planning Group in place 7. Efficiency and recovery plans are developed in year by operational teams to "break even". 8. 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 9. The IJB take a lead role in policy decisions to support the Financial Plan. 10. Developed a longer term rolling financial plan for the IJB. 11. IJB now holds a general reserve. 12. IJB set a balanced budget at its March 2024 meeting. 13. Regular reports will be presented to the IJB updating the financial position in year.	Very High	High	26/02/2016	27/11/2024	26/02/2025	
5279	Wilson, Fiona M King, David	Impact of National Care Service Proposals	The IJB is mindful of the development of the NCS legislation and the impact this may have, along with the uncertainty around this proposal.		High	High	29/11/2021	27/11/2024	26/02/2025	
4018	Wilson, Fiona M Hood, David	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 Due to the financial position, the impact of decisions being made could have a negative impact on delivery of the strategic plan.	1. Involvement of IJB membership in the Partners' decision making process including voting members and Officers 2. Involvement in Partners' service reviews 3. Good working relationships and regular formal /informal meetings 4. Participation in MSG self-evaluation to inform improvement actions for better partnership working. 5. Attendance and participation at the NHSL Board meetings 6. Attendance and participation at governance meetings 7. Directions agreed for 2024/25 IJB at the July 2024 meeting.	High	Medium	17/06/2016	27/11/2024	26/02/2025	
3925	Wilson, Fiona M King, David	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, Community Pharmacy, Care at Home, Care Homes, Health Visiting, Housing, acute services, MH etc leading to failure to deliver the Strategic Plan resulting in risk to patients' and clients' safety, external review and reputational damage	1. The Strategic Plan sets out clear priorities 2. IJB directions are clear about actions required by NHS and Council 3. The Partnership Management Team is focused on ensuring adequate resources are in place for delegated functions to deliver the Strategic Plan 4. NHS Lothian is focused on ensuring adequate resources are in place for set-aside and hosted functions to deliver the Strategic Plan 5. NHS Lothian and East Lothian Council are focused on ensuring adequate resources are in place for non-delegated but related functions (e.g. housing), to deliver the Strategic Plan 6. Quarterly Performance Report to IJB and scrutiny by the Audit and Risk Committee. 7. Care at Home contracts in place. 8. Use of Integrated Care Fund to increase capacity and improve terms and conditions. 9. Joint Workforce Plan approved and in place at IJB on 23/5/19. 10. Financial investment in additional capacity	Very High	Medium	26/02/2016	27/11/2024	26/02/2025	

