



RISK, AUDIT AND PERFORMANCE COMMITTEE

Date of Meeting	25.02.2020
Report Title	Internal Audit Report AC2011 – Integration Joint Board Risk Management
Report Number	HSCP/19/100
Lead Officer	David Hughes, Chief Internal Auditor
Report Author Details	David Hughes Chief Internal Auditor david.hughes@aberdeenshire.gov.uk
Consultation Checklist Completed	Yes
Directions Required	No
Appendices	None

1. Purpose of the Report

- 1.1. The purpose of this report is to present the outcome from the planned audit of Integration Joint Board Risk Management that was included in the 2019/20 Internal Audit Plan for the Integration Joint Board.

2. Recommendations

- 2.1. It is recommended that the Audit & Performance Systems Committee review, discuss and comment on the issues raised within this report.

3. Summary of Key Information

- 3.1. Risk management is the process by which risk is identified, evaluated and prioritised followed by the implementation of resources to manage, control and mitigate risks wherever possible. The overall aim of risk management is to reduce the frequency of risk events occurring and to minimise the impact of them when they do occur.



RISK, AUDIT AND PERFORMANCE COMMITTEE

- 3.2. Systems for assurance and escalation are based on an understanding of the nature of risk to an organisation's goals, and to the appetite for risk-taking. How an organisation understands and manages risk is an important part of the development of its governance systems. The Service notes that the innovative nature of Health and Social Care Integration Schemes also requires governance systems which support complex arrangements, such as hosting of services on behalf of other IJBs, planning only of services delivered by other entities, accountability for assurance without delivery responsibility, and other models of care delivery and planning. As such, risk management is fundamental to the running of the Health and Social Care Partnership that is directed by the Integration Joint Board.
- 3.3. The objective of this audit was to review the process for identifying risks, managing them (including performance measures against each risk), and reporting to the IJB.
- 3.4. Governance arrangements including the IJB's Scheme of Governance, Committee terms of reference, Board Assurance and Escalation Framework (BAEF) and Risk Management Policy are in place covering key elements of risk management and reporting. At the time of the audit, elements including annual review of the IJB's risk appetite, and review of operational risks by the Clinical Care and Governance Committee, had not been undertaken as set out in governance documentation. The IJB has reviewed and amended terms of reference in November 2019, has approved an updated risk appetite in January 2020, and the Service notes that the BAEF will be updated shortly to reflect work currently ongoing across the three Integration Joint Boards working with NHS Grampian in respect of risk management policy.
- 3.5. Whilst processes are in place, resulting in a regularly reviewed strategic risk register, the Service has not yet fully coordinated operational risk management recording across the Partnership – with separate systems in place for staff within each Partner organisation. Use of one such system has been reduced in one Partner's wider operations, and assurance is being sought as to its continued availability for the Partnership pending plans to introduce a single system solution. The Service has agreed to work to ensure an appropriate level of standardisation between the two



RISK, AUDIT AND PERFORMANCE COMMITTEE

systems in the interim, with a workshop session planned to refresh officers on the different parts of the risk management process.

4. Implications for IJB

- 4.1. **Equalities** – An equality impact assessment is not required because the reason for this report is for Committee to discuss, review and comment on the contents of an Internal Audit report and there will be no differential impact, as a result of this report, on people with protected characteristics.
- 4.2. **Fairer Scotland Duty** – there are no direct implications arising from this report.
- 4.3. **Financial** – there are no direct implications arising from this report.
- 4.4. **Workforce** - there are no direct implications arising from this report.
- 4.5. **Legal** – there are no direct implications arising from this report.
- 4.6. Other - NA

5. Links to ACHSCP Strategic Plan

- 5.1. Internal Audit's role is to provide assurance regarding the adequacy and effectiveness of the Integration Joint Board's framework of governance, risk management and control. Each of these areas helps ensure that the IJB can deliver on all strategic priorities as identified in its strategic plan.

6. Management of Risk

- 6.1. **Identified risks(s):** The Internal Audit process considers risks involved in the areas subject to review. Any risk implications identified through the Internal Audit process are as detailed in the resultant report.
- 6.2. **Link to risks on strategic risk register:** The Internal Audit Plan was developed following consideration of the Aberdeen City Health and Social Care Partnership Risk Register and through consultation with management.
- 6.3. **How might the content of this report impact or mitigate these risks:** Where risks have been identified during the Internal Audit process, recommendations have been made to management in order to mitigate risks.