



INTEGRATION JOINT BOARD

Date of Meeting	30 August 2022
Report Title	Strategic Risk Register and Revised Risk Appetite Statement
Report Number	HSCP22.075
Lead Officer	Sandra Macleod, Chief Officer
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Consultation Checklist Completed	Yes
Directions required	No
Appendices	Appendix A - Risk Appetite Statement Appendix B - Strategic Risk Register

1. Purpose of the Report

- 1.1. To update the Integrated Joint Board (IJB) on the next steps to review its Risk Appetite Statement (RAS) and Strategic Risk Register (SRR) following the IJB workshop held on 15th August, 2022.

2. Recommendations

- 2.1. It is recommended that the IJB:
- a) Note the outcomes of the strategic risk workshop on the 15th of August, 2022; and
 - b) Note that a revised RAS and SRR will be submitted to the IJB at its meeting on the 11th of October, 2022.

3. Summary of Key Information

Revised Risk Appetite Statement

- 3.1. The IJB's RAS is intended to be helpful to the board in decision-making and to enable members to consider the risks to organisational goals of not taking



INTEGRATION JOINT BOARD

decisions as well as of taking them. The ACHSCP's appetite for risk will change over time, reflecting a longer-term aspiration to develop innovation in local service provision.

- 3.2. The IJB Members, at a workshop on 15 August 2022, considered the Board's RAS, viewing it against the new Strategic Plan. The main discussion on the RAS and wider SRR was that there were a number of significant changes that have happened globally, nationally and locally since the last time these documents were reviewed. General consensus was reached on the next steps to be taken to review both documents (as outlined at paragraph 3.11 to this report). For ease of reference the current RAS is attached as Appendix A to this report.
- 3.3. The workshop members raised some governance actions to be taken forward, including: that the language and terminology in the RAS be consistent with that in the SRR; and that the IJB report template be amended to include reference to the RAS, allowing IJB members to see how any proposal in reports relate to the RAS.
- 3.4. The workshop members also looked at the risk dimensions in the RAS and there was broad consensus around amending the reputational risk dimension from moderate to high, to high. Details of the proposed changes to the RAS will be brought back to the IJB as per the timetable in paragraph 3.11 to this report.

Updates on Strategic Risk Register

- 3.5. The fundamental purpose of the SRR is to provide the IJB with assurance that it is able to deliver the organisation's strategic objectives and goals. This involves setting out those issues or risks which may threaten delivery of objectives and assure the IJB that they are being managed effectively and that opportunity to achieve goals can be taken: it is the lens through which the IJB examines the assurances it requires to discharge its duties. The IJB uses this document to monitor its progress, demonstrate its attention to key accountability issues, ensure that it debates the right issue, and that it takes remedial actions to reduce risk to integration. Importantly, it identifies the assurances and assurance routes against each risk and the associated mitigating actions.



INTEGRATION JOINT BOARD

- 3.6. Since the SRR was last submitted to the IJB, the Strategic Plan 2022-2025 has been approved and agreed by the IJB in June, 2022.
- 3.7. At its meeting on 15th December, 2021, the IJB agreed that the SRR was to be reviewed in full following the approval of the Strategic Plan.
- 3.8. The IJB members at its workshop on 15th August, 2022 split up into groups to review the 10 strategic risks in the SRR. For ease of reference the current SRR is attached as Appendix B to this report.
- 3.9. The workshop were circulated with prompts around the possible de-escalation of risks to the operational risk level, the possible amalgamation of risks, as well as emerging risks.
- 3.10. The main discussions in relation to the strategic risks were:

Risk 1. Impact of long covid; health debt, additional demand versus insufficient capacity to meet integration scheme, risk to general practice.

Risk 2. Cost of living rises, demand outstrips budget, inflation, additional demand. Sense check wording around covid finances, more focus on staff costs; the supply, availability and cost of materials. Buildings – are there any savings on buildings due to hybrid working and does this support climate change. Change 'possible' to 'likely rating.

Risk 3. Ability to deliver the hosted services (given the other strategic risks).

Risk 4. Low risk-can this be removed? Reviewing with risk 6 – feel these are very similar in terms of being historic risks and could be amalgamated or removed? One is around more internal and other is around more external?

Risk 5. Review risk rating versus new strategic plan. Still relevant and at early stages of this journey but have mitigations in place.

Risk 6. Review with risk 4 – feel these are similar and to be removed.



INTEGRATION JOINT BOARD

Risk 7. Need to review wording to reflect the delivery plan-could reference be made to information governance and cyber risks within this risk? Linkages to risks 1 and 2-transformation is a control in addressing financial sustainability. Consider removing word 'transformational' under Cause (demographic/financial) sounds more like a driver, addition could be 'Size and complexity of delivery planning/ challenge, workforce challenges' Could the following be added to the Mitigating actions: Workforce Plan, Organisational Development to support culture change.

Risk 8. Differences in localities eg. cost of living rises/inequalities/Scottish Index of Multiple Deprivation/link to Local Outcome Improvement Plan.

Risk 9. Reference to integrated workforce plan across system? There have been recruitment challenges, need to focus on new ways of working, use of technology. Need to revisit wording, reshape around cost of living, flexibility of working. Maximise hybrid working. Remains at 'very high'. Interesting to merge this with discussions around risk 2.

Risk 10. Move to operational risk register; minimal risk to delivering legal requirements around civil contingencies. Appropriate controls and mitigations are in place.

Emerging/other risks/other views: Discussed the pros and cons of having new risks. Is it better to consider climate and cost of living across all risks rather than a new one.

Risk to 3rd sector – helpful to have longer term certainty around contracts.

Climate change/environmental risk-could elements of risk 10 be added to a new climate change risk?

Cost of Living/inequalities-separate risk or woven into the agreed strategic risks?

Digital exclusion risk?

Information Governance risk to be added to Risk 7?



INTEGRATION JOINT BOARD

How live are these risk registers? Should be live and review consistently at Senior Leadership Team level.

Consistency of language across all risk registers.

- 3.11.** In terms of next steps it is proposed that the Senior Leadership Team/Risk Owners review the strategic risks based on the outcomes of the workshop and present a revised RAS and SRR to the IJB at its meeting on the 11th of October, 2022. It is also proposed that given the amount of changes happening in the macro and micro environment that the IJB consider reviewing the strategic risks in April 2023.

4. Implications for IJB

- 4.1. Equalities, Fairer Scotland and Health Inequality** - While there are no direct implications arising directly as a result of this report, equalities implications will be taken into account when implementing certain mitigations.
- 4.2. Financial** - While there are no direct implications arising directly as a result of this report financial implications will be taken into account when implementing certain mitigations.
- 4.3. Workforce** - There are no workforce implications arising directly as a result of this report.
- 4.4. Legal** - There are no legal implications arising directly as a result of this report.
- 4.5. Covid-19** - There are no Covid-19 implications arising directly from the report, however the strategic risks have been reviewed to reflect the Partnership's response to the pandemic.
- 4.6. Unpaid Carers** - There are no unpaid carers implications arising directly from this report.
- 4.7. Other** - There are no direct implications arising directly as a result of this report.



INTEGRATION JOINT BOARD

5. Links to ACHSCP Strategic Plan

- 5.1. Ensuring a robust and effective risk management process will help the ACHSCP achieve the strategic priorities as outlined in its strategic plan, as it will monitor, control and mitigate the potential risks to achieving these. The Strategic Risks have been aligned to the Strategic Plan 2022-2025.

6. Management of Risk

- 6.1. **Identified risks(s)** – all strategic risks.
- 6.2. **Link to risks on strategic or operational risk register:** all risks as captured on the strategic risk register.
- 6.3. **How might the content of this report impact or mitigate these risks:** Ensuring a robust and effective risk management process will help to mitigate all risks.

Approvals	
	Sandra Macleod (Chief Officer)
	Paul Mitchell (Chief Finance Officer)