



INTEGRATION JOINT BOARD

Date of Meeting	17 November 2022
Report Title	Strategic Risk Register
Report Number	HSCP22.
Lead Officer	Sandra Macleod, Chief Officer
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Consultation Checklist Completed	Yes
Directions required	No
Appendices	Appendix-Strategic Risk Register

1. Purpose of the Report

- 1.1. To present to the Committee the most up-to-date versions of the Strategic Risk Register (SRR) which contains a “deeper dive” on the risks relating to finances and workforce.

2. Recommendations

- 2.1. It is recommended that the Committee notes and comments on the Strategic Risk Register and the “deeper dive” on the risks on finance and workforce.

3. Summary of Key Information

- 3.1. The Integrated Joint Board (IJB) at its meeting on the 11th of October 2022, approved the revised risk appetite statement and SRR and requested that the Committee undertake a deeper dive on the risks relating to finance and workforce at this meeting.



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- 3.2. Attached as the appendix to this report is a revised version of the SRR, with the strategic risks on finance and workforce having been updated since the meeting of the IJB in October.
- 3.3. The fundamental purpose of the Strategic Risk Register 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.
- 3.4. Based on the Board Assurance and Escalation Framework, the Strategic Risk Register is submitted to the IJB or this Committee quarterly for formal review, with the Committee reviewing the SRR for the effectiveness of the process annually.
- 3.5. The IJB at its meeting on the 30th of August 2022 also agreed to review the Risk Appetite Statement and Strategic Risk Register after 6 months, given the changes happening in the health and social care sector and wider in the external environment. The IJB agreed that the review take place during the first quarter of 2023/24 and will form a workshop for IJB members with the outcomes being reported to the IJB. This will be an additional review of the strategic risks.
- 3.6. The Partnership's Senior Leadership Team monitor the SRR on a quarterly basis and did so at its meeting on 26th October 2022. At that meeting it was agreed that the Business and Resilience Manager would continue to meet with the Risk Owners to update the strategic risks to ensure that the document is a "live" document.
- 3.7. As requested by the IJB meetings have been held with the risk owners for the risk relating to finance (Chief Finance Officer) and workforce (People and Organisation Lead).



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- 3.8.** In relation to the finance risk, it is worth reminding the Committee of the current wording of the risk: “Cause-IJB financial failure and projection of overspend; Event-Demand outstrips available budget; Consequence-IJB can’t deliver on its strategic plan priorities, statutory work, and projects”.
- 3.9.** The current risk rating is High and the rationale for this risk rating outlines the following:
- If the partnership does not have sufficient funding to cover all expenditure, then in order to achieve a sustainable balanced financial position, decisions will be required to be taken which may include reducing/stopping services
 - If the levels of funding identified in the Medium Term Financial Framework (MTFF) are not made available to the IJB in future years, then tough choices would need to be made about what the IJB wants to deliver. It will be extremely difficult for the IJB to continue to generate the level of savings year on year to balance its budget. The MTFF will be reported to the IJB in February 2023.
 - The major risk in terms of funding to the Integration Joint Board is the level of funding delegated from the Council and NHS and whether this is sufficient to sustain future service delivery. There is also a risk of additional funding being ring-fenced for specific priorities and policies, which means introducing new projects and initiatives at a time when financial pressure is being faced on mainstream budgets.
 - IJB is currently experiencing significant pressures due to inflation, cost of living, staff costs, energy costs.
- 3.10.** The external pressures being experienced across the wider public sector will have an effect on the IJB budget and current forecasting predicts a break-even position, to reflect the effect of the known emerging pressures.
- 3.11.** In terms of controls and mitigations, the Partnership’s Senior Leadership Team are receiving monthly financial monitoring statements where the Chief



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Finance Officer leads the SLT through the budget, asking for assurances around known cost pressures as well as any emerging pressures. The Chief Finance officer meets regularly with SLT members to monitor budgets ahead of SLT monthly meetings.

- 3.12.** As detailed at paragraph 3.3 above, the purpose of the Strategic Risk Register is to provide the IJB with assurance that it is able to deliver the organisation's strategic objectives and goals. Members are asked to confirm their assurance with the controls and mitigating actions outlined in the appendix.
- 3.13.** In relation to the workforce risk, it is worth reminding the Committee of the current wording of the risk: "Cause-The ongoing recruitment and retention of staff; Event: Insufficient staff to provide patients/clients with services required.; Consequence: Potential loss of life and unmet health and social care needs, leading to severe reputational damage"
- 3.14.** The current risk rating is Very High and the risk rating outlines the following:
- The current staffing complement profile changes on an incremental basis over time.
 - However the proportion of over 50s employed within the partnership (by NHSG and ACC) is increasing rapidly (i.e. 1 in 3 nurses are over 50).
 - Totally exhausted work force with higher turnover of staff (particularly over 50)
 - Current very high vacancy levels and long delays in recruitment across ACHSCP services.
 - Economic upturn in North East post covid, which means that there is direct competition with non-clinical posts
 - Post Covid 19 landscape, where many staff have reflected on their personal situation, which has led to increased numbers of early retirement applications, requests for reduced hours and staff leaving the service
- 3.15.** The SLT are managing workforce challenges through daily Operational Leadership Team meetings and Daily Connect Meetings and structures.
- 3.16.** In terms of controls and mitigations, the ACHSCP Workforce Plan is being consulted upon by Scottish Government and wider ACHSCP staff, with IJB



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comments incorporated. The Plan will be submitted to the IJB in November for approval. This document outlines how the Partnership will help recruit staff into the health and social care system, as well as ways to retain the current workforce.

- 3.17.** Once the IJB have considered the Workforce Plan, the key actions contained in the Plan can be set out in the strategic risk with specific deadlines against them to help measure the actions and their effectiveness in lowering the risk rating.
- 3.18.** As detailed at paragraph 3.3 above, the purpose of the Strategic Risk Register is to provide the IJB with assurance that it is able to deliver the organisation's strategic objectives and goals. Members are asked to confirm their assurance with the controls and mitigating actions outlined in the appendix.

4. Implications for Committee

- 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 as detailed in the risk relating to finance.
- 4.3. Workforce** - While there are no direct implications arising directly as a result of this report workforce implications will be taken into account when implementing certain mitigations as detailed in the risk relating to workforce.
- 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.



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- 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.

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 known 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.