



RISK, AUDIT AND PERFORMANCE COMMITTEE

Date of Meeting	3 December 2024
Report Title	Risk Appetite Statement and Strategic Risk Register
Report Number	HSCP24.089
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Consultation Checklist Completed	Yes
Directions Required	No
Exempt	No
Appendices	a. Risk Appetite Statement b. Strategic Risk Register
Terms of Reference	10. Scrutinise and ensure the existence of, and compliance, with an appropriate risk management strategy including: reviewing risk management arrangements; receiving biannual Strategic Risk Management updates and undertaking in-depth review of a set of risks and annually review the IJB’s risk appetite document with recommendations being brought to the IJB

1. Purpose of the Report

1.1. To present to the Risk, Audit and Performance Committee (RAPC) the Integration Joint Board’s (IJB) Risk Appetite Statement and an updated version of the Strategic Risk Register (SRR).



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2. Recommendations

2.1. It is recommended that the Risk, Audit and Performance Committee:

- a) Approve the approach proposed to align the Risk Appetite Statement and Strategic Risk Register with the refreshed Strategic Plan and Medium-Term Financial Framework (MTFF) as detailed at section 4.3 to this report; and
- b) Approve the IJB revised Strategic Risk Register at Appendix B;

3. Strategic Plan Context

- 3.1. Ensuring a robust and effective risk management process will help the Aberdeen City Health and Social Care Partnership (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 and will be aligned to the refreshed Strategic Plan, when approved.

4. Summary of Key Information

Revised Risk Appetite Statement

- 4.1. The IJB's Risk Appetite Statement 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 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. The IJB regularly debates its appetite for risks and opportunities in the pursuit of its objectives and will ensure that the statement on risk appetite reflects these discussions.
- 4.2. The IJB agreed that the Committee review the Risk Appetite Statement after the mid-point of financial year 2024/25 to sense check the Board's appetite to risk at that point.



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4.3. At the IJB Insights Session on the 29th of October, the members of the IJB received presentations about various subjects, including the Risk Appetite Statement. The Insights Session heard from the Business, Resilience and Communications Lead explain that ACHSCP are drafting a refreshed Strategic Plan which will be taken through the IJB in March 2025. The refreshed Strategic Plan will be aligned to the MTFF and it is proposed that the Risk Appetite Statement and Strategic Risk Register also be aligned to these 2 key documents. It was further proposed that an IJB workshop session be held in the early part of 2025 and that SLT will work to prepare more guidance around risk dimensions and interdependencies, aligning this to the refreshed Strategic Plan and the MTFF. A copy of the current Risk Appetite Statement (February 2024) is attached as Appendix A to this report.

Updates on Strategic Risk Register

- 4.4.** 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 issues, 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
- 4.5.** The Senior Leadership Team (SLT) reviews the SRR in light of their experiences and insight into key issues, including commissioning risk, and recommends the updated version to the RAPC for formal review (twice a year) and an annual review by the IJB. The IJB also hold an annual risk workshop whereat the Board review the Risk Appetite Statement and the Strategic Risks.
- 4.6.** Since the SRR was last submitted to the RAPC in April, 2024, the document has been updated and considered by the Partnership's SLT. The updates are undertaken by the Business, Resilience and Communications Lead meeting with the risk owners to look at any movement or changes to the risk, its controls, mitigating actions, and assurances



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- 4.7.** The main changes to the SRR during this process have been: Details on controls, mitigating actions, assurances and gaps in assurance added to the commissioning risk (Risk 1). In relation to Risk 2 around financial failure, the Partnership's SLT have been working over recent months to identify savings to address the previously indicated £20 million budget gap. The results of this work has identified savings to be progressed in-year, which has reduced the potential overspend. SLT had increased the risk from High to Very High to reflect the financial position in May/June 2024, however due to the planned mitigations this has helped to partially control the risk and therefore it has been reduced back to High risk. In relation to Risk 4, to include the addition of the Governance Dashboard in gaps in assurance and the movement of locality planning details to Risk 6. Work has been undertaken to add the closer working relationship with Aberdeen City Health Determinants Research Collaborative (HDRC) to Risk 5. In relation to Risk 6, details on the recruitment of Service representatives to the IJB have been added.
- 4.8.** SLT have also drafted a new strategic risk (Risk 8). This is in relation to a risk that buildings across the City, operated by, or overseen by, the IJB/ACHSCP are not being used to maximum efficiency and are not in line with statutory/regulatory requirements
- 4.9.** The Business and Resilience Manager has met with all Risk Owners to review the risks and to take into account the discussions held at the IJB meeting in September 2024.
- 4.10.** The updated version of the SRR forms Appendix B to this report.

5. Implications for Committee

- 5.1. Equalities, Fairer Scotland and Health Inequality**
There are no direct equalities, Fairer Scotland and Health Inequalities implications arising from this report.
- 5.2. Financial**
There are no direct financial implications arising from this report.



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5.3. Workforce

The deeper dive on 13 of October, 2023 discussed the Workforce Risk (Risk 7) in detail. The updated version of the Risk is outlined in Appendix B to this report.

5.4. Legal

There are no direct legal implications arising from this report.

5.5. Unpaid Carers

There are no direct implications relating to Unpaid Carers arising from this report.

5.6. Information Governance

There are no direct information governance implications arising from this report.

5.7. Environmental Impacts

There are no direct environmental implications arising from this report.

5.8. Sustainability

There are no direct sustainability implications arising from this report.

5.9. Other

There are no other implications arising from this report.

6. Management of Risk

The IJB's Board Assurance and Escalation Framework outlines the governance processes for the consideration and escalation of risks through the Partnership. The SRR is part of the governance arrangements.

6.1. Identified risks(s)

All known strategic risks.

6.2. Link to risks on strategic or operational risk register:

The report has the full SRR appended.