

**REPORT TO:** East Lothian IJB Audit & Risk Committee

**MEETING DATE:** 5 December 2023

BY: Interim Chief Finance Officer

**SUBJECT:** Risk Register - update

# 1 PURPOSE

1.1 This paper lays out the IJB's risk register.

#### 2 RECOMMENDATIONS

- 2.1 The Committee is asked to:
  - i. Note the risks on the current risk register;
  - ii. Note the updates made to the register since the last meeting; and
  - iii. Consider if any further risks should be added to the register.

#### 3 BACKGROUND

- 3.1 As a key part of its governance process the IJB maintains a risk register. This risk register examines the risks that impact on the business of the IJB itself and not the operational risks that the IJB's partners manage unless those risks are considered so significant that they could impact on the business of the IJB that is impact on the ability of the IJB to deliver its strategic plan.
- 3.2 The IJB's risk register is reviewed on a regular basis along with the HSCP's risk register. The last review meeting took place on 22<sup>nd</sup> November 2023.
- 3.3 The following changes were agreed
  - Risk 5486 ELC Finance Department in Business Continuity.
     The Controls now include the monthly financial overview meetings and the risk handler has been changed to David King
  - Risk 5513 Equality. The risk level has now been reduced to reflect the impact of the controls in place.

- Risk 3924 Financial Resources may be insufficient to sustain the financial plan. Change in risk handler and an update to the progress.
- Risk 5297 Impact of NCS proposals. The risk description has now been changed to better reflect this risk.
- Risk 4018 Impact of partner's decisions. Further controls are now noted along with an update to the progress
- Risk 3925 Operational resources may be insufficient..... Further narrative has been added to the description (to take account of community pharmacy) and to the progress with GP sustainability
- 3.4 An extract of the current version of the risk register is attached In the interest of being able to produce a document which can be printed some columns have been removed. No rows have been removed. As agreed at the Audit & Risk Committee June 2022 meeting risks with a score of 12 and above are routinely reported with the full risk register presented on an annual basis. Since the last meeting the following should be considered
  - Risk 5220 remains at 16. The Council has been in dialogue with the Scottish Government to address this issue but the IJB's controls remain the same
  - Risk 5486 Council Finance Department in business continuity this risk has been updated for the successful recruitment of principal accountant within East Lothian Council.
  - Risk 3924 Financial resources may be insufficient to sustain the Strategic Plan – this risk continues at a rating of 20 (very high) and the highest risk on the register following the quarter 2 and future financial projections from IJB Partners.
  - Risk 5297 NCS, the progress of the NCS remain unclear.
  - Risk 3925 Operational Resources may be insufficient to deliver the Strategic Plan. The challenge to recruit appropriately qualified staff remains.
- 3.5 Members are asked to consider if there are additional risks that require to be added to the register and consider if the management actions identified against these current risks provide assurance that these risks are being appropriately managed.

#### 4 ENGAGEMENT

4.1 The IJB makes its papers and reports available on the internet.

# 5 POLICY IMPLICATIONS

5.1 This paper is covered within the policies already agreed by the IJB.

# **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 The subject of this report does not affect the IJBs directions or require a new direction to be issued.

#### 8 RESOURCE IMPLICATIONS

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

#### 9 BACKGROUND PAPERS

9.1 None

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DATE	November 2023

# Appendices:

- 1. Risk Rating Matrix
- 2. Risk Register

# Appendix 1- Risk Rating Matrix (DATIX)

Likelihood	Consequences / Impact									
	Negligible	Minor	Moderate	Major	Extreme					
Almost Certain	Medium	High	High	V High	V High					
	5	10	15	20	25					
Likely	Medium	Medium	High	High	V High					
	4	8	12	16	20					
Possible	Low	Medium	Medium	High	High					
	3	6	9	12	15					
Unlikely	Low	Medium	Medium	Medium	High					
	2	4	6	8	10					
Rare	Rare Low 1			Medium 4	Medium 5					

ID	Title	Description	Controls in place	Risk level (current)				Risk Owner	Description	Progress	Due date
522	O Demographic Pressures	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 by the percentage of	ed over the past few years, the change boards should be operating with recognition of demographic changes within the area.  conditions predict a further increase.  conflicts the pressure is further commissioned Cap Gemini to access future demand on care at home services.  unded by the percentage of Commissioned Cap Gemini to access future demand on care at home services.  pulation over the age of 65  Closer links with public health to understand our demographics better.	High	16	Medium 9		Wilson, Fiona M	Community Transformation provisioning work  Strategic delivery	Gillian Neil leading with an April 2024 timescale  Laura Kerr leading with a timescale of April 2023	31/03/2023
		position. This will lead to increased demand for the health and social care services in East Lothian that have been delegated to the IJB.							Primary Care Overview	Primary Care GM working with NHSL on practice capital	30/04/2024
										requirements.  IB officers working with ELC officers on large population change plans (e.g. Blindwells)	
									Provisioning Strategy Project	extensive engagement to assess how to develop services for older people - LK 11/5/23	30/04/2024
546	C Fact Labian	There is a risk that the JJB will have	1 - The Scheme of Integration	hiigh	12	Medium	4	Wilson,	Housing strategy  Ongoing dialogue with East Lothian Council	Continued involvement by the HSCP with East Lothian Councils housing department to develop comprehensive local Housing Strategy - LK 22/08/2023  ELC reporting timetable provided	30/04/2024
548	6 East Lothian Council finance department in business continuity	reduced financial support and information from East Lothian	1 - The Scheine of Integration 2 - LiB CFO in pots 3 - ELC review position every 2 weeks 4 - Attendance at Financial Overview					Fiona M		ELC will move to quarterly reporting for the UB ELC actively recruiting CF 12/5/23 ELC principal accountant recruited to. Q1 financial forecast received from ELC in July 23. Additional recruitment within the HSCP for HSCP local finance manager CF 22/08/2023	,,

5513	Equality	The Single Equality Act 2010 and related guidance places a general duty on public authorities to be active in promoting equality, eliminating unlawful conduct and fostering good relations. It also places specific duties on public authorities to  *report on mainstreaming the equality duty;	The Scottish Government has introduced the Fairer Scotland (socio- economic) duty. This will require the IJB to consider the impact of our work on those living in poverty. The Council will need to respond to the full requirements of this new duty and raise awareness of the requirements on the Council.  There is a risk that the IJB may not be able to meet its general or specific duties and in particular at a time when difficult budget decisions are having to be made that there will be cuts in services or increases in charges that have a disproportionate impact on people who may need those services most because of their equality background.  The Council would be open to legal challenge of not meeting its duties and in particular of not carrying out adequate assessment of impact of policies and budget decisions.  East Lothian IJB works to two Equalities policies/plans.	Medium	6	Low	3	Wilson, Fiona M	Integrated Impact Assessment Process  ELearning equalities modules	employed staff  *IJB members are to be asked to undertake TURAS equalities modules to improve their awareness	01/02/2024
		report progress;  *assess and review policies and practices;  *gather and use employee information;  *publish gender pay gap information;  *publish statements on equal pay;  *consider award criteria and conditions in relation to public procurement;  *publish in a manner that is accessible.	improving the way we deliver our services and the way we employ our staff. We want to be at the level of Scotland's best NHS Boards in our work to address health inequalities and as a welcoming, caring employer. This means that we aim to:  *Make our services easier to access for our patients and their carers and families.  *Provide our patients with a better experience of our services, regardless of their age, disability, ethnicity, religion/belief, gender, or sexuality.  *Develop ways in which we involve people in decisions about our services, so that they include a wider range of views.  *Improve our employment policies and practices to attract, train, promote and support a workforce that more closely represents the huge variety of people who live and want to work in Lothian  *ELC Equality Plan 2021-2025 was adopted in November 2021. This includes the commitments made by East Lothian Council as a Licensing Board and as an Education Authority. The plan outlines our commitments:  **Continue to lead a culture where respect, choice and understanding is fostered and diversity positively valued;  **Maintain a working environment where unlawful discrimination, harassment, victimisation or bullying is not tolerated;  **Continue to develop our understanding of the needs of different individuals and communities in a time of rapid change;  **Continue to embed the equality agenda in all our work, and contribute to the early intervention and prevention approach adopted by the Council and its Partners;  **Improve understanding of the impact of poverty and inequality on people's lives; and  **Ensure that we plan and deliver services which meet modern standards of delivery and that are inclusive of a wide range of different needs from digital services to face to face interactions						Poverty Plan and Equality Plan Scottish Government's Sustainable Procurement Tools	Joint working with ELC underway The JB is a user of this procurement process and will follow ELC's lead IHB Development session on equality completed in April 2023 - LK 11/5/23	01/02/2024
	Financial resources may be insufficient to sustain the Strategic Plan	failure to achievement of outcomes and targets.	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 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.	Very High	20	High	12	Wilson, Fiona M	Creation of appropriate financial planning processes  Financial Reporting  IJB and Policy Decisions  Development of a longer term rolling financial plan for the IJB  Annual National and Scottish Budget Allocation	Meetings have taken place regularly. IJB financial plan policy agreed by IJB and drafts presented to IJB Ongoing throughout current financial year. 7/1/20: Regular financial reporting takes place. Agreement to close risk and add to controls.  This action has now become a control This went to IJB in June 2019 and was accepted. 23/11/20: A further update of the IJB rolling financial plan was presented to the IJB in Ottober 2020. This iteration of the plan will require to be refined once darity on the impact COVID-19 has on the IJB delegated functions moving forward. 13/06/2022 Through the routine financial monitoring reported to the IJB the future year financial projections and challenges have been shared 18/11/2022 - An IJB financial plan has been developed and due to be presented to the IJB at its meeting on 8/12/2022  IJB financial plan presented to IJB meeting on the 8th December 2022  IJB budget development session ran during January 2023 following the financial plan and associated financial gaps-CF 14/2/23  7/1/20: Annual budget settlement is currently unclear. Awaiting further information. 23/11/20: Scottish Government Annual Budget for 2021/22 to be set February 2021 will require to work with Partners t assess the impact this will have on the IJB. 26/02/2021: Scottish Government Budget announced and correspondence from Scottish Government has been received by the IJB and Partners. Awaiting formal budget offers from Partners. Paper on budget offers will be updated at the next IJB meeting.	
										08/05/21: UB agreed budget offer from both Partners at April 2021 meeting. This business was followed by an UB budget challenge 2021/22 development session. 13/06/2022 The UB set its budget at its March 2022 meeting for financial year 2022/23	

									IJB budget offer from Partners	Ongoing dialogue with both Partners on budget offers for 2023/24 following Scottish Government letters on the parameters for Partners - CF 14/2/23  Agreed to move forward on the basis of the budget we have been offered - DK 22/11/23  Budget Offer from Partners presented to IJB in March 23. IJB voted to not accept ELC budget offer, ELC been advised of this position. May 23 IJB reporting on further savings required to mitigate the reduced budget offer from ELC. CF - 12/5/23	31/03/2024
									Monitoring of the IJBs financial position	Q1 forecast financial information has been received from Partners and will be presented to the IJB in Sept 2023. Discussions ongoing with ELC Officers regarding the passthrough of local authority pay settlement funding to the IJB - CF 22/08/2023 Q2 forecast being presented to the IJB in December 2023 - DK 22/11/23	31/03/2024
		The IJB is mindful of the development		High	12	High	12	Wilson,	Scottish Government	CO engaging with the Scottish Government and inputting to the	31/12/2023
	Impact of National Care Service	of the NCS legislation and the impact this may have.		nigii	12	підп	12	Fiona M	Scottish government	consultation - 16/8/22	31/12/2023
	Proposals									CO has a meeting with Scottish Government Officials in June 2023 - SO 11/5/23	
										National announcement confirmed in July 2023 that local authorities and NHS boards would share accountability for social care and social work support. Under this proposal, local authorities keep service delivery functions, staff and assets. LK 22/8/23	ı
	Impact of Partners' Decisions	There is a risk that Partners reach decisions on priorities and services (including service reviews) that impact negatively on the UB leading to an inability to deliver the Strategic Plan	Involvement of IJB membership in the Partners' decision making process including voting members and Officer 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 at the IJB on 26/10/23.	Medium	9	Medium	6	Wilson, Fiona M	Clarity and monitoring of directions	Action extended to cover the period April 2017to March 2018. 16/05/19 directions for 2019-2020 currently in review. 23/12/19. Directions agreed at IB on 31/10/19 - ongoing action 7/1/20: Directions agreed at IB on 31/10/19 - ongoing action 7/1/20: Directions Being finalised for publication. 25/02/20: Directions (including links) will be taken to the Core and Extended CMT on 18th March. 26/02/2021: Development Session ran on the 27th Aug 2020 on Directions, the fitness of purpose of the current directions, the potential impact of Covid on directions, how direction will support remobilisation plans locally and nationally. A paper on Directions following this session was presented to the IJB at the September business meeting of the IJB.  East Lothian IJB directions are currently undergoing review. A report containing recommendations for changes / additions to directions will go to the June 22nd meeting of the IJB. The review has been carried out to ensure that directions reflect the requirements of the revised IJB Directions Policy as agreed at the October 2022 meeting of the IJB. Recommendations will include the introduction of four additional ′ core directions' to ensure that all delegated functions are covered, and budgets specified for delivery of each of these functions as required by Statutory Guidance. Claire Goodwin 17/5/23	
2025	Onerstianal	There is a risk that the IJB fails to	The Strategic Plan sets out clear priorities	High	12	Medium	6	Wilson,	Develop Joint Workforce Plan	This will be taken to IJB in May 2019 for approval. Joint	03/06/2019
	Operational resources	achieve its targets due to insufficient access to key services and resources						Fiona M	Financial investments in additional capacity	Workforce Plan approved at IJB on 23/5/19.	31/01/2018
	may be	e.g. General Practice, Community	functions to deliver the Strategic Plan						Care at Home contracts	Contracts in place	30/09/2017
insuff to de	insufficient	Pharmacy, Care at Home, Care Homes, Health Visiting, Housing, acute services etc leading to failure to is. Be deliver the Strategic Plan resulting in risk to patients' and clients' safety, external review and reputational damage  4. 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 IIB 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. Use Primary Care Transformation Fund to improve access in west of county. 10. Joint Workforce Plan approved and in place at IIB on 23/5/19. 11. Financial investment in additional capacity						Strategic Development	New strategic plan being developed which will set new directions. Plan will be completed by December 2022 and risk will require review after this time - 1/9/22  Workforce plan been developed for 2022-2025 - LK 11/5/23	31/12/2022	
	Plan							Infrastructure and Corporate Partners	Ongoing dialogue regarding infrastructure and corporate partners, corporate functions to support the IJB LK 11/5/23	30/04/2024	
								GP Sustainability	Short term resilience planning - Practice managers working to identify what the key risks are for them, for business continuity and then helping them to respond to those. Long term - financial oversight and understanding better the income that's coming into GPs through GMS and enhanced service provision JM 22/11/23	31/03/2024	