

REPORT TO: East Lothian IJB - Audit & Risk Committee

MEETING DATE: 3 June 2025

BY: Chief Finance Officer

SUBJECT: 2024/25 Risk Register Review

1 PURPOSE

1.1 The purpose of the report is to update the Audit & Risk Committee on the status of the current IJB Risk Register and discuss any proposed changes.

2 RECOMMENDATIONS

- 2.1 The IJB is asked to:
 - i. Note the updates to the Risk Register since the last meeting.
 - ii. Consider if any further risks should be added to the register.

3 BACKGROUND

- 3.1 The Risk Register is a key part of the governance processes underpinning the work of the IJB. It records risks that impact on the business of the IJB and the controls in place to manage and mitigate the impact of each risk.
- 3.2 The Risk Register was reviewed and reported to this Committee in March 2025. There are 6 risks noted on the register with 2 set at 'Very High', 2 set at 'High' and 2 with a 'Medium' risk rating. Updates on these risks are provided below.

'Very High' Risk Rating

3.3 **Risk 3924** Financial resources may be insufficient to sustain the Strategic Plan – since the last review the IJB has accepted the funding offers from both partners and set a balanced budget. However, a number of emerging pressures have already been identified in year and it is clear that there will be financial challenges in delivering a break-even year end

position. In addition, the IJB's 5 Year Financial plan projects significant financial challenges in 2026/27 and beyond. The Strategic Plan review is underway and will conclude later this year.

3.4 **Risk 3925** Operational resources may be insufficient to deliver the Strategic Plan – the Strategic Plan review is underway and will conclude later this year. The drivers of this risk remain unchanged.

'High' Risk Rating

- 3.5 **Risk 4018** Impact of Partner's Decisions there is an increased emphasis on the delivery of efficiencies across partner organisations and the HSCP officers are engaging with partner leads to ensure representation and involvement in their decision-making processes.
- 3.6 **Risk 5220** Demographic pressures the population of East Lothian continues to grow at a higher rate than most other areas of Scotland and the population of over 65s is also growing. The impact on health and social care services is being continually assessed and monitored.

'Medium' Risk Rating

- 3.7 **Risk 5279** Impact of National Care Service proposals no further information has been issued on this proposal and the risk is unchanged. remaining High
- 3.8 **Risk 5479** Accurate financial forecasting a new principal accountant has been appointed by East Lothian Council and their engagement will be key to ensuring partners continue to provide accurate timely current and forecasting financial information.

4 ENGAGEMENT

4.1 The Committee holds its meetings in public and makes its papers publicly available.

5 POLICY IMPLICATIONS

5.1 There are no policy implications in this report.

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 There are no new directions nor amendments to then current directions required by this report.

8 RESOURCE IMPLICATIONS

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

9 BACKGROUND PAPERS

9.1 None

Appendices: Summary and Extract of Risk Register

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DATE	June 2025



East Lothian IJB Risk Register

There are currently 6 risks on the East Lothian IJB risk register

- 2 very high risks
- 2 high risks
- 2 medium risk
- 1 risk closed 5959 Appointment of a permanent CFO
- 1 risk rating reduced from High to Medium 5279 Impact of National Care Service Proposals



East Lothian IJB Risk Register

Risk	Title/Description	RAG
3924	Financial resources may be insufficient to sustain the Strategic Plan - There is a risk that the financial challenges faced by the NHS and East Lothian Council will result in allocations to the IJB that do not allow the Strategic Plan to be delivered leading to failure to achieve the planned outcomes and targets. 2024/25 budget offers from partners accepted by IJB at March 2024 meeting 2025/26 funding offer from Council accepted by IJB and indicative funding offer from Health noted by IJB at March 25 meeting	Very High
3925	Operational resources may be insufficient to deliver the Strategic Plan - There is a risk that the IJB fails to achieve its targets due to insufficient access to key services and resources e.g. General Practice, Community Pharmacy, Care at Home, Care Homes, Health Visiting, Housing, acute services, MH etc leading to failure to deliver the Strategic Plan resulting in risk to patients' and clients' safety, external review and reputational damage.	Very High
5220	Demographic Pressures - There is a risk that because the 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 expectation that the population over the age of 65 will also increase from the current position. This will lead to increased demand for the health and social care services in East Lothian that have been delegated to the IJB.	High



East Lothian IJB Risk Register

Risk	Title/Description	RAG
4018	Impact of Partners' Decisions - There is a risk that Partners reach decisions on priorities and services (including service reviews) that impact negatively on the IJB leading to an inability to deliver the Strategic Plan Due to the financial position and the impact of decisions being made could have a negative impact on delivery of the strategic plan.	High
5279	Impact of National Care Service Proposals - The IJB is mindful of the development of the NCS legislation and the impact this may have, along with the uncertainty around this proposal.	Medium
5486	Accurate financial forecasting - There is a risk we don't get sufficient accurate financial forecasting from the systems in place. Monitoring in place while things progress over the year	Medium

Q	Risk level	Division	Management Team	Service Area	Site	Risk Owner	Handler	Title	Description	Controls in place	Adequacy of controls	Consequence (current)	Dating (correct)	Kating (current)	Kisk level (current)	Consequence (Target)	Likelihood (Target)	Rating (Target)	Risk level (Target)	Date Opened	Date RISK Reviewed	Review date Close Date	ID		Description	Progress	Start date	Due date Done date
5486	Integrated Joint Board	East Lothian HSCP				Wilson, Fiona M	Porteous, Mike	Accurate financial forecasting	There is a risk we don't get sufficient accurate financial forecasting from the systems in place. Monitoring in place while things progress over the year	The Scheme of Integration Recruitment for permanent IJB CFO in progress Monthly financial reporting Attendance at Financial Overview Foremanent IJB CFO appointed		Moderate (3) UNLIKELY (2)	4	9	Medium	Minor (2)	UNLKELY (2)	4	Medium	18/11/2022	5707/5077	30/08/2025	1712	24	Ongoing dialogue with East Lothian Council	ELC vill move to quarterly reporting for the IJB ELC actively recruiting ELC Finance department returned to business as usual in Mid March 2024. Principle accountant to support social care appointed in 2023. Regular financial reporting (monthly) and attendance at Financial Overview meetings. An Internal Audit report is now being actioned and being kept under review. 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 Update DK 19/2/24 - A number of ELC services are still currently operating under Business Continuity Plans. In particular Legal services remain in business continuity and therefore this could lead to services not having a robust response to an incident affecting the UB ELC Finance department returned to business as usual in Mid March 2024. Principle accountant to support social care appointed in 2023. Regular financial reporting (monthly) and attendance at Financial Overview meetings. Still challenges with financial reporting from Mosaic but recent Internal Audit report is now being actioned. Being kept under review. DK 15/5/24	18/11/2022	30/08/2025
									There is a side when		measurement												1640)2	Community Transformation provisioning work	November 2024 undate - a new principal accountant annointed Gillian Neil leading with an April 2024 timescale	01/09/2022	30/04/2024
			ше						There is a risk that because the population of East Lothian has increased over the past few years, the projections	This will be managed through the IJB's Strategic Planning processes.	through												1640)3	Strategic delivery	Laura Kerr leading with a timescale of April 2023	01/09/2022	31/03/2023
	ıt Board	HSCP	Management Team			na M	Mike		predict a further increase. Because of this the pressure is further compounded	Change boards should be operating with recognition of demographic changes within the area.	0	(1 (4)			(5)	(3)	(3)		_	121	57	125	1712			Primary Care GM working with NHSL on practice capital requirements. JB officers working with ELC officers on large population change plans (e.g. Blindwells)	#######################################	#######################################
5220	Integrated Joint Board	East Lothian HSCP	East Lothian HSCP Mar			Wilson, Fiona	Porteous, I	Demographic Pressures	also increase from the current position. This will lead to increased	Commissioned Cap Gemini to access future demand on care at home services. Closer links with public health to understand our demographics better.	Satisfactory: All controls are working and can be	Major (4)	31	16	ugi H	Moderate (3)	POSSIBLE (3)	6	Mediur	20/08/2021	21/05/2025	30/08/2025	1816		Provisioning Strategy Project	extensive engagement to assess how to develop services for older people - LK 11/5/23 ongoing engagement and redesign of services reporting to the UB. The final report to the Integration Joint Board is currently scheduled for their meeting on 5th February 2025. LK 15/5/24 May 2025 update - Provisioning work now complete with agreed actions to take forward.	11/05/2023	30/08/2025
									Lothian that have been delegated to the IJB.		factory: All α												1816	52		Continued involvement by the HSCP with East Lothian Councils housing department to develop comprehensive local Housing Strategy - LK 22/08/2023	########	# # #
											Satisf												2120	J5	at nome	project team established and reporting into the IJB, CAH change board.	#######################################	#######################################
																							6950)		Meetings have taken place regularly. UB financial plan policy agreed by UB and drafts presented to UB	17/06/2016	30/09/2016

																					7346	Financial Reporting	Ongoing througho 7/1/20: Regular fit add to controls.
																					7347	IJB and Policy Decisions	This action has no
								Financial assurance process carried out by UB Engagement of UB Officers and members in NHS and Council budget setting processe Regular financial monitoring	5												8949	Development of a longer term rolling financial plan for the IJB	This went to UB in 23/11/20: A furth the UB in October once clarity on the moving forward. 13/06/2022 Through the future year fin 18/11/2022 - An I, presented to the I UB financial plan p IJB budget develof financial plan and
3924	Integrated Joint Board	East Lothian HSCP		ı, Fiona M	ous, Mike	Financial resources may be insufficient	There is a risk that the financial challenges faced by the NHS and East Lothian Council will result in allocations to the IJB that do not allow the Strategic Plan to be delivered leading to failure to achieve the planned outcomes and targets.	reports to IB 4. Scheme of Integration risk sharing and dispute resolution processes 5. Permanent IJB Chief Finance Officer 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 between IJB, Council and Health	improvement can be demonstrated however not at optimal level.	Extreme (5)	LIKELY (4)	20	ry High	Moderate (3)	LIKELY (4)	12	High	26/02/2016	21/05/2025	30/08/2025	10548	Annual National and Scottish Budget Allocation	7/1/20: Annual buinformation. 23/11/20: Scottisl February 2021 will have on the IJ 26/02/2021: Scottish Gov Awaiting formal bupdated at the ne 08/05/21: IJB agre meeting. This bus development sess 13/06/2022 The IJ year 2022/23
6	Integrate	East Lo		Wilson,	Porteous,	to sustain the Strategic Plan	2024/25 budget offers from partners accepted by IB at March 2024 meeting 2025/26 funding offer from Council accepted by IB and indicative funding offer from Health noted by IB at March 25 meeting	Poard loading to an UP financial	knesses:	Extr	רוא		Ver	ром	דוע		-	79/92	21/0	30/08	17544	IJB budget offer from Partners	Ongoing dialogue following Scottish 14/2/23 Agreed to move for K22/11/23 Budget Offer from accept ELC budget reporting on furth from ELC. CF - 12/2025 in March 202 May 2025 update financial year.
								its March 2025 meeting													19115	Monitoring of the IJBs financial position	Q1 forecast finance be presented to the Discussions ongoin authority pay sett Q2 forecast being Update DK 19/2/2 2024 May 2025 update 2025 meeting.

7346	Financial Reporting	Ongoing throughout current financial year. 7/1/20: Regular financial reporting takes place. Agreement to close risk and add to controls.	#######	#######	#######
7347	IJB and Policy Decisions	This action has now become a control	#########		#########
8949	Development of a longer term rolling financial plan for the IJB	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 October 2020. This iteration of the plan will require to be refined once clarity 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	16/05/2019	31/12/2022	20/02/2023
10548	Annual National and Scottish Budget Allocation	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. 25/02/2021: 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: IJB agreed budget offer from both Partners at April 2021 meeting. This business was followed by an IJB budget challenge 2021/22 development session. 13/06/2022 The IJB set its budget at its March 2022 meeting for financial year 2022/23	07/01/2020	31/12/2022	16/08/2022
17544	UB 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 Update DK 19/2/24 - It is proposed that the IJB will set a budget for 2024-2025 in March 2024 May 2025 update - IJB set balanced budget in March 2025 for 25/26 financial year.	14/02/2023	30/08/2025	
19115	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 Update DK 19/2/24 - Q3 position is being presented at the IJB in February 2024 May 2025 update - Quarter 3 financial position presented to IJB at February 2025 meeting.	22/08/2023	30/08/2025	

																				2	1206	IJB is preparing a revised five year financial plan.	Position will be closely monitored in year there's an IJB finance workshop scheduled for 5/9/24 at which we will report the Q1 24/25 update, an update of the five year financial plan and a further discussion around management actions that can be taken to bring the position back into financial balance - DK August 2024 May 2025 update - Updated 5 Year Plan taken to March IJB meeting setting out financial challenges facing IJB in coming years. Requirement to align financial projections and revised strategic plan when complete	15/05/2024	30/08/2025
5279	Integrated Joint Board	East Lothian HSCP	East Lothian HSCP Management Team	Wilson, Flona M	Porteous, Mike	Impact of National Care Service Proposals	The IJB is mindful of the development of the NCS legislation and the impact this may have, along with the uncertainty around this proposal		Moderate (3)	POSSIBLE (3)	6	Medium	Moderate (3)	POSSIBLE (3)	Ō	Medium	29/11/2021 21/05/2025	3606/30/06	30/08/ 2025	1	6280	Scottish Government	CO engaging with the Scottish Government and inputting to the consultation - 16/8/22 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 The National Care Service Bill passed Stage 1 of the legislative process on 29th Feb 2024 and now progresses to stage 2. Proposals now do not include creation of separate local Care Boards but to retain JB's in reformed structures. Details of these reforms and implications are currently not available - DH 8/5/24 The bill has passed through stage 1 (29/2/24) and is in the stage 2 process. As part of the Stage 2 process there is a call for views on the National Care Service (Scotland) Bill with a deadline of 20th September 2024. ELC and EL JB are preparing separate submissions as part of this process. FW August 2024 November 2024 update - COSLA withdrawn support for NCS. We have replied to the submission in September 2024.	15/08/2022	30/08/2025
4018	Integrated Joint Board	East Lothian HSCP		Wison, Flona M	Porteous, Mike	Impact of Partners' Decisions	There is a risk that Partners reach decisions on priorities and services (including service reviews) that impact negatively on the IJB leading to an inability to deliver the Strategic Plan Due to the financial position and the impact of decisions being made could have a negative impact on delivery of the strategic plan. 1. Involvement of IJB membership in the Partners' decisions which grows and regular formal 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 the NHSL Board meetings 7. Directions agreed for 2024/2 IJB at the July 2024 meeting.	ss: Improvement	Moderate (3)	UKELY (4)	12	High	Minor (2)	POSSIBLE (3)	٥	Medium	17/06/2016	זרטרומאוטה	30/08/2023	6:	956	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 IJB on 31/10/19 - ongoing action. 7/1/20: Directions segreed at IJB on 31/10/19 - ongoing action. 7/1/20: 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 Directions were agreed at the IJB on 26/10/23 - LK 22/11/23 Directions for 2024/25 will be presented to the IJB. The Lothian IJB Chief Officers group will consider how the impact of decisions by NHS1 and ELC can be influenced and any notantial impacts identified and militated. DK		30/08/2025
																				6	953	Develop Joint Workforce Plan	This will be taken to UB in May 2019 for approval. Joint Workforce Plan approved at UB on 23/5/19.	#######################################	# ##

						IJB fails to achieve its targets due to insufficient access to key services and	4. NHS Lothian is focused on ensuring adequate resources are in place for set-aside and hosted											7	7348	Financial investments in additional capacity Care at Home contracts Strategic Development	Contracts in place 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	16/08/2022 ######### #########	31/12/2022 ######### ##########	11/05/2023 ######### #########
3925	Integrated Joint Board	East Lothian HSCP	Wilson, Fiona M	Porteous, Mike	Operational resources may be insufficient to deliver the Strategic Plan	resources e.g. Genera Practice, Community Pharmacy, Care at Home, Care Homes, Health Visiting, Housing, acute services, MH etc leading to failure to deliver the Strategic Plan resulting in risk to patients' and clients' safety, external review and	I functions to deliver the Strategic Plan S. 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 IJB and scrutiny by the Audit and Risk Committee. 7. Care at Home contracts in olace.	jor (4)	ALMOS I CERTAIN (5)	20	Very High	Moderate (3)	POSSIBLE (3)	Medium	26/02/2016	21/05/2025	30/08/2025	1	18165	Infrastructure and Corporate Partners	Ongoing dialogue regarding infrastructure and corporate partners, corporate functions to support the UB LK 11/5/23 November 2024 update - The infrastructure provided by ELC is no longer fit for purpose and therefore we are unable to deliver our required services. In relation to Tyne Bank, day centre provision and John Muir House being suitable for Justice, Social work etc. May 2025 update - ELHSCP Accommodation meeting instigated in 24/25 to ensure infrastructure considered in an integrated manner. Capital bid being made through ELC for preferred option to collocate Tynebank and Haddington Older Adult Day Centre on Tynebank site.	11/05/2023	30/08/2025	
						reputational damage	8. Use of Integrated Care Fund to increase capacity and improve terms and conditions. 9. Joint Workforce Plan approved and in place at IJB on 23/5/19. 10. Financial investment in additional capacity											1	19392	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 Work ongoing on financial governance and business continuity plans - 15/5/24	22/08/2023	30/08/2025	
																		2	21988	Strategic Plan	Consideration of the strategic objectives from 2025 onwards will be taken into account in the development of the new strategic plan.	#######	##	#######################################