



PERTH & KINROSS INTEGRATION JOINT BOARD

1 JULY 2016

RISK MANAGEMENT FRAMEWORK

Report by Chief Officer

PURPOSE OF REPORT

The report updates the Board on the progress in developing a comprehensive risk management framework for the IJB.

1. BACKGROUND

1.1 At its meeting on the 15th January 2016, the Board approved a Risk Management Policy and Strategy which set out the cornerstones of good risk management and how this should be applied within the IJB.

A key requirement of this Policy and Strategy was the development of a comprehensive shared risk register that identifies, assesses and prioritises risks and the owners, controls and actions to manage them.

A Draft Comprehensive Risk Management Framework has been prepared in line with the procedures set out in the Risk Management Policy and Strategy as follows:-

- Through discussion at the Chief Officers Group, specific risks were assigned to those within the leadership team considered best placed to oversee the management of the risk on an ongoing basis.
- With the support of risk management expertise within the Partnership Team, detailed discussions have taken place with each nominated Risk Manager to develop the risk profile and consider the controls currently in place and the further improvement actions necessary to mitigate risks.
- Further workshop held with the Chief Officers Group on 8th June 2016 supported by Hilary Walker (NHS Tayside) and Fiona Easton (Perth & Kinross Council) to consider the draft Risk Register, its important alignment with our Partners existing Risk Registers and to consider appropriate and effective ongoing arrangements for monitoring risk management performance.

The Draft Risk Management Framework is attached at Appendix 1. This is very much regarded by the Partnership Management Team as a starting point only.

Work is now ongoing to develop the further improvement actions required to ensure effective mitigation of risks. This will be done through facilitated sessions with risk managers and wider teams. In particular the Chief Officer will support further sessions in respect of Clinical Care and Professional Governance and Capacity & Flow.

The Risk Management Framework attached differs in format from that set out in the Risk Management Strategy approved by the Board, however it does include all key elements. After significant consultation with Risk Managers, it was felt that the format attached provided the most effective basis for capturing risks and mitigating

actions in a way that supports the Senior Management Team to embed a strong internal control framework across all domains of governance.

2. ARRANGEMENTS FOR ONGOING MONITORING AND REVIEW

- 2.1 Members of the Board are responsible for the oversight of risk management arrangements; receipt, review and scrutiny of reports on strategic risks and any key operational risks that require to be brought to the IJB's attention. It is proposed that during 2016/17, six monthly updates be provided to the Board to give assurance that the key risks are being managed effectively and work to ensure a strong internal control environment across the partnership is progressing appropriately.
- 2.2 In support of the Chief Officer, individual Risk Managers will ensure that robust quarterly reports on each Strategic Risk are provided for review and discussion at a the Performance and Risk Sub Group of the Senior Management Team (COG) and then by the Audit & Performance Committee of the Board, in advance of consideration of by the IJB.
- 2.3 Discussion is ongoing to finalise the Operational Management Structure and Corporate Support Arrangements for the Partnership and it is a priority to ensure that sufficient specialist dedicated resource is aligned to provide effective support to Risk Managers and to ensure co-ordination of mitigating actions and robust ongoing reporting. A key next step will be to work with each Risk Manager to assign 'Lead Responsibility' to each of the developing controls and ensure that clear improvement actions and timescales are agreed.
- 2.4 In addition, key operational risks which could impact on the ability of the IJB to deliver its Strategic Plan or the reputation of the IJB should be brought to the immediate attention of the Chief Officer without delay and will be raised thereafter with the Chair and Vice Chair of the IJB. The Chief Officer has overall accountability for keeping the IJB'S partner bodies (NHS Tayside and Perth & Kinross Council) informed of the any significant existing or emerging risks. The Chief Officer will agree with the respective partners the most appropriate arrangements moving forward.
- 2.5 Discussions to develop the Risk Register have clearly highlighted a particularly high risk around mental health services (In patient and Community Services). Clear and robust lines of accountability, assurance and reporting have not yet been developed and are very much at transition stage. Urgent action is required to mitigate the associated potential clinical, financial and staff governance risks.

3. CONCLUSION AND RECOMMENDATION

- 3.1 It is recommended that the Board:
 - (a) Endorse the Draft Risk Management Framework.
 - (b) Approve the proposed arrangements for ongoing monitoring and review.

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Appendix 1: Draft Risk Management Framework