



Date	17 June 2021
Agenda Item	14

Report to Audit Risk and Governance Committee

Report Title: Risk Management Annual Report

Report By: IJB Risk Manager

Summary of Report and Implications	
Purpose	This report: (tick any that apply).
	- seeks a decision <input type="checkbox"/>
	- is to provide assurance <input type="checkbox"/>
	- is for information <input checked="" type="checkbox"/>
	- is for discussion <input checked="" type="checkbox"/>
	The purpose of this report is to inform the Audit, Risk and Governance Committee of the risk management annual report.
Recommendations	It is recommended that the Audit, Risk and Governance Committee considers the risk management annual report for 2020/21.
Directions to NHS Lothian and/or West Lothian Council	A direction is not required.
Resource/ Finance/ Staffing	None.
Policy/Legal	The IJB's Policy is to effectively mitigate risks to the achievement of its objectives by implementing robust risk management strategies, policies and procedures, which enable managers to effectively identify, assess, and mitigate risk.
Risk	Directly relevant to the management of the IJB's risks.
Equality, Health Inequalities, Environmental and Sustainability Issues	The report has been assessed as having little or no relevance with regard to equality or the Public Sector Equality Duty. As a result, an equality impact assessment has not been conducted.

Strategic Planning and Commissioning	Effective risk management is a pre-requisite for effective performance and outcomes.
Locality Planning	None.
Engagement	Chief Finance Officer, Senior Auditor.

Terms of Report	
1.	Risk Management Annual Report
1.1	The Risk Management Strategy approved by the IJB on 26 June 2018 includes a requirement for an annual risk management report to be submitted to the Audit, Risk and Governance Committee.
1.2	The risk management report attached as an appendix discharges that requirement. It sets out the responsibilities for managing risk within the IJB, and summarises the work done on the reporting and review of risk during the year.

Appendices	1. Risk Management Annual Report 2020/21
References	Report to the Integration Joint Board 26 June 2018: Risk Management Policy and Strategy
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WEST LOTHIAN INTEGRATION JOINT BOARD RISK MANAGEMENT ANNUAL REPORT 2020/21

17 June 2021



1.0 INTRODUCTION

- 1.1. This report sets out the risk management activities undertaken within the West Lothian Integration Joint Board (IJB) for the financial year ending 31 March 2021.

2.0 RISK MANAGEMENT POLICY AND STRATEGY

- 2.1. The IJB approved its Risk Management Policy and Strategy on 26 June 2018.
- 2.2. The IJB's policy on the management of risk is to "effectively mitigate risks to the achievement of its objectives by implementing robust risk management strategies, policies and procedures, which enable managers to effectively identify, assess, and mitigate risk".

3.0 RESPONSIBILITIES

- 3.1. The IJB's Risk Management Strategy sets out responsibilities for managing risks. The IJB's Chief Officer is responsible for ensuring that risks to the IJB's objectives are effectively identified, managed and mitigated.
- 3.2. In doing so the IJB's Chief Officer is assisted by the Senior Management Team which:
- identifies and assesses risks to the IJB's objectives and ensures that these are effectively managed;
 - monitors progress in managing risks, including the effectiveness of internal controls and progress in relation to risk actions;
 - reviews risk management training and development needs.
- 3.3. The IJB's risk manager is responsible for ensuring that arrangements are in place within the IJB to enable managers to effectively discharge their responsibilities by:
- preparing and maintaining procedures on risk management;
 - maintaining the IJB's risk register;
 - providing advice, support and training on risk management.
- 3.4. The IJB and the IJB Audit, Risk and Governance Committee are responsible for exercising oversight over risk management by approving the Risk Management Policy and Strategy and monitoring the effectiveness of the management of risk.

4.0 RISK REVIEW

- 4.1. The IJB's risk register is held on the Pentana system. The IJB's risk register contains eight risks which are summarised in the attached appendix.
- 4.2. The Risk Management Strategy requires the IJB to conduct an annual review of its risks. This requirement was discharged by the IJB Chief Officer's report to the IJB of 10 November 2020.
- 4.3. The Risk Management Strategy requires the IJB's Audit, Risk and Governance Committee to review the IJB's risks twice per annum. The Committee considered all of the IJB's risks at its meetings on 9 September 2020 and 24 February 2021. At the Committee's request the IJB's high risks were also considered by it on 27 May 2020 and 2 December 2020.
- 4.4. The Strategy requires that the IJB's Senior Management Team review the risks every two months and it is confirmed that risks have been reported to the IJB Chief Officer and

Senior Management Team on a regular basis throughout the year. The risks, their descriptions, scores, internal controls, and risk actions, have been reviewed and discussed and where considered appropriate, revised.

- 4.5. The Covid-19 pandemic has not had an impact on risk management activities. The council's risk management application, Pentana, remained accessible throughout the year and communication tools including e-mail and videoconferencing were used as necessary.

5.0 TRAINING

- 5.1. No training was delivered during the year. Post year end, on 27 April 2021, a risk management workshop was delivered by NHS Lothian risk management staff for Senior Management Team members. Following this, further consideration is being given to training needs during 2021/22.







6.0 CONCLUSION





- 6.1. Appropriate risk management arrangements are in place in accordance with the approved Risk Management Policy and Strategy.





Kenneth Ribbons
IJB Risk Manager


Appendix 1 IJB Risks

Traffic Light: Red 2 Amber 3 Green 3

Risk Title	Risk Description	Original Risk Score	Original Traffic Light Icon	Current Impact	Current Likely	Current Risk Score	Current Traffic Light Icon
IJB004 Inadequate Funding to Deliver the Strategic Plan	Financial implications of Covid-19 are not met by additional funding provided by Scottish Government. Core funding provided by partner bodies is inadequate, or is not effectively prioritised, including through the development of financial recovery plans, leading to failure to achieve a sustainable budget position and meet strategic objectives.	25		4	3	12	
IJB002 Failure to effectively implement the Strategic Plan	The Strategic Plan sets out how the IJB intends to deliver the nine national health and wellbeing outcomes through our strategic priorities and transformational change programmes. Failure to effectively develop and implement strategic commissioning plans for specific care groups within medium term financial planning framework may lead to key objectives not being achieved. The Covid-19 pandemic is likely to impact full delivery of the plan and is likely to delay the timeframe of some actions outlined in supporting strategic commissioning plans.	20		3	4	12	
IJB006 Workforce Planning	Lack of effective workforce planning leading to a failure to develop a sustainable workforce which has an adverse impact on performance and the ability of the IJB to achieve its strategic objectives.	12		3	3	9	

Risk Title	Risk Description	Original Risk Score	Original Traffic Light Icon
IJB007 Sustainability of Primary Care	There is a risk that GP service provision will be disrupted, restricted or unavailable because of increasing capacity and demand issues as a result of population growth and/or GP practices experiencing difficulties in recruitment, retention or absence of medical staffing leading to significant capacity issues and inadequate and insufficient service provision.	16	
IJB008 Delayed Discharge	There is a risk that patients are not being discharged in a timely manner resulting in suboptimal patient flow, impacting on poor patient and staff experience and poorer outcomes of care.	16	
IJB001 Governance Failure	Appropriate internal processes and procedures are either not in place or are ineffective, leading to a lack of leadership, accountability or scrutiny, resulting in a failure to meet key objectives, financial overspends or reputational damage.	15	
IJB003 Inadequate Performance Management	Processes for the review and scrutiny of health and council performance are either not in place or are ineffective, leading to less than robust scrutiny arrangements, and resulting in failure to identify, challenge, or rectify poor performance. Ultimately will have an adverse impact on ability to achieve key objectives.	12	

Current Impact	Current Likely	Current Risk Score	Current Traffic Light Icon
4	2	8	
4	2	8	
3	2	6	
3	2	6	

Risk Title	Risk Description	Original Risk Score	Original Traffic Light Icon
IJB005 Community Planning Failure	Inability to work effectively with partners leading to poorer outcomes. Community Planning officers from the council are represented on the Locality Groups to ensure a partnership approach to working and prevent duplication of effort where possible.	9	

Current Impact	Current Likely	Current Risk Score	Current Traffic Light Icon
3	1	3	