

**Integration Joint Board
 Finance and Audit Committee**

Report By: Chief Officer Finance and Resources
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RISK MANAGEMENT & RISK REGISTERS

Purpose of Report:	To provide the Finance and Audit Committee with an overview of how corporate risk registers are maintained within the Glasgow City Health and Social Care Partnership.
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Recommendations:	The Finance and Audit Committee is asked to: <ul style="list-style-type: none"> Note the content of this report
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Implications for IJB:

Financial:	Not applicable
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Personnel:	Not applicable
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Legal:	Not applicable
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Economic Impact:	Not applicable
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Sustainability:	Not applicable
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Sustainable Procurement and Article 19:	Not applicable
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Equalities:	Not applicable
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Implications for Glasgow City Council:	None
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Implications for NHS Greater Glasgow & Clyde:	None
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1. Purpose

- 1.1. The purpose of this report is to provide the Finance and Audit Committee with an overview of how corporate risk registers are maintained within the Glasgow City Health and Social Care Partnership.

2. Current position

- 2.1. There are currently 3 corporate risk registers maintained by the Glasgow City Health and Social Care Partnership: the Integration Joint Board Risk Register, the Social Work Corporate Risk Register and the Glasgow City Health Corporate Risk Register. The status of these Risk Registers is regularly reported to senior management (quarterly) and the Integration Joint Board (6 monthly) via the Partnership's Business Development function.

3. Integrated Joint Board Risk Register

- 3.1. The Integration Joint Board Risk Register, which notes risks specifically relating to the Board and its role in delivery of the Partnership's Strategic Plan, is maintained in line with the Glasgow Integration Joint Board Risk Management Policy and Strategy.
- 3.2. This Policy and Strategy was adapted from the specimen risk management strategy that was developed by a sub-group of the Integration Technical Work-stream. This sub-group was comprised of representatives from NHS Greater Glasgow & Clyde and the 6 local authorities that the Health Board was entering into a health & social care partnership arrangement.
- 3.3. The specimen risk management strategy was subsequently approved by the Technical Work-stream for adaptation by the relevant Health and Social Care Partnerships. The risk management policy and strategy for the Glasgow City

Health and Social Care Partnership was subsequently approved by the Integration Joint Board on 8th February 2016.

4. Social Work Corporate Risk Register

- 4.1. The Social Work Corporate Risk Register, which notes risks specifically related to and arising from the delivery of Social Work Services in Glasgow, is maintained in line with Glasgow City Council Risk Management Strategy. The strategy is currently under review, with an updated strategy currently scheduled to be considered by the Council's Finance and Scrutiny Committee in November 2016.
- 4.2. In March 2016, the Glasgow City Health and Social Care Partnership senior management team agreed an amendment to the Corporate Social Work Risk Register to align the reporting of 'risk levels' with those used on the Integration Joint Board Risk Register and the Health Corporate Risk Register.

5. Health Corporate Risk Register

- 5.1. The Health Corporate Risk Register, which notes risks specifically related to and arising from the delivery of community health services in Glasgow, is maintained in line with the NHS Greater Glasgow and Clyde Risk Register Policy and Procedures.

6. Common Principles

- 6.1. Although the 3 registers are currently maintained in line with 3 separate policies, the underpinning common approach to these is that risk management is undertaken in a considered, practical and systematic approach to address the many potential and actual risks to the relevant bodies.
- 6.2. Each Risk Register has an identified Risk Owner and Risk Manager for each risk item recorded on them. These identified individuals are responsible for monitoring and reporting the current status of their respective risk items and ensuring any mitigating activities or control actions are undertaken. Risk Owners and Risk Managers are also responsible for assessing the appropriate scores for the likelihood and impact for their risks.

7. Risk Scores, Risk Ratings & Risk Levels

- 7.1. Each register follows a 1 to 5 scoring system for the assessment of likelihood and impact of risk.
- 7.2. For 'likelihood' and 'impact', all of the 3 policies detail a similar scale to be followed by Risk Owners and Risk Managers to assess the most appropriate score for this element. This is shown in **Figure 1** below

	1	2	3	4	5
Likelihood	Extremely Unlikely/ Rare	Unlikely	Possible	Likely	Almost certain
Consequence/ Impact	Negligible/ Insignificant	Minor	Moderate	Major	Extreme/fundamental

Figure 1: Likelihood and Impact Score Scales (source: Glasgow Integration Joint Board Risk Management Policy and Strategy)

- 7.3 The Glasgow City Council Risk Management Strategy elaborates on the impact scoring scale, by providing additional information to assist Risk Owners and Risk Managers when assessing impact scores, albeit it in broad Council terms. This is shown in **Figure 2** below.

Categories	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Fundamental
Financial*	<1% of budget	1% - 2.5% of budget	2.5% - 10% of budget	10% - 25% of budget	>25% of budget
Schedule*	<10% overrun	10% - 15% overrun	15% - 25% overrun	25% - 50% overrun	>50% overrun
Regulatory	Minor internal breach	Major internal breach	Minor external breach	Major external breach	Stops work
Health & Safety	Trivial injury(ies)	Minor injury(ies)	Major injury	Major Injuries	Death(s)
Environment	Litter	Non hazardous	Innoxious chemicals	Significant contamination	Major incident
Reputation	Complaints	Local media	Regional media	National media	International media

Figure 2: Impact Score Scales by categories (source: Glasgow City Council Risk Management Strategy)

- 7.4 The NHS Greater Glasgow and Clyde Risk Register Policy and Procedure further elaborates on this scale, by providing more service specific details to assist in the assessment of impact scores. This is shown in **Figure 3** overleaf.

Descriptor	Negligible	Minor	Moderate	Major	Extreme
Patient Experience	Reduced quality of patient experience/clinical outcome not directly related to delivery of clinical care.	Unsatisfactory patient experience/ clinical outcome directly related to care provision – readily resolvable.	Unsatisfactory patient experience/ clinical outcome; short term effects – expect recovery <1wk.	Unsatisfactory patient experience/ clinical outcome; long term effects – expect recovery >1wk.	Unsatisfactory patient experience/ clinical outcome; continued ongoing long term effects
Objectives / Project	Barely noticeable reduction in scope, quality or schedule.	Minor reduction in scope, quality or schedule.	Reduction in scope or quality of project; project objectives or schedule.	Significant project over-run.	Inability to meet project objectives; reputation of the organisation seriously damaged.
Injury: physical and psychological	Adverse event leading to minor injury not requiring first aid.	Minor injury or illness, first aid treatment required.	Agency reportable, e.g. Police (violent and aggressive acts). Significant injury requiring medical treatment and/or counselling.	Major injuries/long term incapacity or disability (loss of limb) requiring medical treatment and/or counselling.	Incident leading to death or major permanent incapacity.
Complaints / Claims	Locally resolved verbal complaint.	Justified written complaint peripheral to clinical care.	Below excess claim. Justified complaint involving lack of appropriate care.	Claim above excess level. Multiple justified complaints.	Multiple claims or single major claim Complex justified complaint
Service / Business Interruption	Interruption in a service which does not impact on the delivery of patient care or the ability to continue to provide service.	Short term disruption to service with minor impact on patient care.	Some disruption in service with unacceptable impact on patient care. Temporary loss of ability to provide service.	Sustained loss of service which has serious impact on delivery of patient care resulting in major contingency plans being invoked.	Permanent loss of core service or facility. Disruption to facility leading to significant "knock on" effect
Staffing and Competence	Short term low staffing level temporarily reduces service quality (< 1 day). Short term low staffing level (>1 day), where there is no disruption to patient care.	Ongoing low staffing level reduces service quality. Minor error due to ineffective training/implementation of training.	Late delivery of key objective / service due to lack of staff. Moderate error due to ineffective training/implementation of training. Ongoing problems with staffing levels.	Uncertain delivery of key objective/ service due to lack of staff. Major error due to ineffective training/ implementation of training.	Non-delivery of key objective/service due to lack of staff. Loss of key staff. Critical error due to ineffective training/ implementation of training.
Financial: including damage / loss / fraud	Negligible organisational/ personal financial loss. (£<1k). (NB. Please adjust for context)	Minor organisational/personal financial loss (£1-10k).	Significant organisational/personal financial loss (£10-100k).	Major organisational/personal financial loss (£100k-1m).	Severe organisational/personal financial loss (£>1m).
Inspection / Audit	Small number of recommendations which focus on minor quality improvement issues.	Recommendations made which can be addressed by low level of management action.	Challenging recommendations that can be addressed with appropriate action plan.	Enforcement action. Low rating. Critical report.	Prosecution. Zero rating. Severely critical report.
Adverse Publicity / Reputation	Rumours, no media coverage. Little effect on staff morale.	Local media coverage – short term. Some public embarrassment. Minor effect on staff morale/public attitudes.	Local media – long-term adverse publicity. Significant effect on staff morale and public perception of the organisation.	National media/adverse publicity, less than 3 days. Public confidence in the organisation undermined. Use of services affected.	National/international media/adverse publicity, more than 3 days. MSP/MP concern (Questions in Parliament). Court Enforcement. Public Inquiry/ FAI.

Figure 3: Impact Score Scales by descriptors (source: NHS Greater Glasgow and Clyde Risk Register Policy and Procedure)

7.5 The combination of these scores provides a risk rating between 1 and 25 for each risk item. This matrix of scores is shown in **Figure 4** below.

Likelihood	Consequence/Impact				
	1	2	3	4	5
5	5	10	15	20	25
4	4	8	12	16	20
3	3	6	9	12	15
2	2	4	6	8	10
1	1	2	3	4	5

Figure 4: Risk Score Matrix (source: Glasgow Integrated Joint Board Risk Management Policy and Strategy)

7.6 The risk rating is translated to a risk level of either Very High, High, Medium or Low to denote the level of risk presented to the respective bodies. As noted above the Social Work Corporate Risk Register was recently updated to align it with these four risk levels (the Glasgow City Council Risk Management Strategy requires three levels of risk to be used: 'High', 'Medium' and 'Low'). The risk levels now in use on all 3 risk registers are shown in **Figure 5** below.

>16	Very High
10-16	High
4-9	Medium
1-3	Low
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Figure 5: Risk Levels (by Risk Rating) (source: Glasgow Integration Joint Board Risk Management Policy and Strategy)

8. Initial and Current Risk Ratings and Levels

- 8.1. Each item has an initial risk rating and level which indicates the significance of risk that each item presents prior to any subsequent activity to mitigate it (for example, the identification and implementation of control actions).
- 8.2. Each item has a current risk rating and level which indicates the significance of risk that each item presents to the respective body after any mitigation (for example, control actions) have been undertaken.
- 8.3. For reporting purposes, the current risk rating and level for each item are used as the basis for identifying the most significant risks to the respective bodies, as well as the total number of items which present as Very High, High, Medium or Low.

9. Risk Tolerance

- 9.1. Each policy referred to above details the level of Risk Tolerance that each respective body will accept. Each policy specifies risk tolerance up to a risk rating of 9 (equivalent of the upper end of a Medium risk level).
- 9.2. The Glasgow City Council and Integration Joint Board risk policies both go on to state that items with an initial risk rating *below* this tolerance level can be subject to mitigating controls providing such controls are 'obvious and inexpensive'. Risks with a rating *above* this tolerance level should be subject to regular monitoring and mitigating controls which seek to reduce the risk exposure to the respective bodies.

10. Monitoring and Reporting

- 10.1. Whilst Risk Owners and Managers are responsible for the ongoing monitoring of their risk items and can update them at any time, a formal update process is followed each quarter. This ensures that the risk register is fully updated at a regular frequency, and also to report updates to the Glasgow City Health & Social Area Partnership senior management team and Integration Joint Board.
- 10.2. The risk registers in respect of the Integration Joint Board and Social Work Corporate are currently maintained on MS Excel spreadsheets, with updates provided by Risk Owners and/or Risk Managers to the Partnership Business Development Team. The relevant Risk Registers are then manually updated prior to reporting.
- 10.3. The Health Corporate Risk Register is maintained by the NHS Datix system. Risk Owners and/or Risk Managers directly input any changes to their risk items using this system. An up-to-date register is then automatically produced from Datix in line with reporting timescales.

10.4. Business Development produce a covering report, highlighting any significant changes to the Risk Registers since the previous report. This is then presented to the senior management team for review and consideration, with any feedback or amendments incorporated prior to reporting to the Integration Joint Board.

Future position

- 10.5. The Glasgow City Health and Social Care Partnership has committed, with the approval of the Integration Joint Board, to develop a single risk register for the purpose of reporting within the Partnership.
- 10.6. Scrutiny of the corporate risk register(s) will be undertaken by the Finance & Audit Committee, with minutes made available to the Integration Joint Board.
- 10.7. This work is currently underway within Business Development and is scheduled to be complete by autumn 2016.