

OFFICIAL



Item No: 17

Meeting Date: Wednesday 28th June 2023

Glasgow City Integration Joint Board

Report By: Sharon Wearing, Chief Officer Finance and Resources

Contact: Allison Eccles, Head of Business Development

Phone: 0141 287 6724

Annual Risk Management Review 2022/23

Purpose of Report:

The purpose of this report is to provide an annual summary to the Integration Joint Board on the risk management activity and risk registers maintained within the Glasgow City Health & Social Care Partnership during 2022/23

Background/Engagement:

The IJB Risk Management Strategy states that the risk registers maintained by the Partnership are subject to quarterly review by the Finance, Audit and Scrutiny Committee on behalf of the Integration Joint Board, with an annual review report to the Integration Joint Board.

Governance Route:

The matters contained within this paper have been previously considered by the following group(s) as part of its development.

- HSCP Senior Management Team
- Council Corporate Management Team
- Health Board Corporate Management Team
- Council Committee
- Update requested by IJB
- Other
- Not Applicable

Recommendations:

The Integration Joint Board is asked to:

- a) note the content of this report; and
- b) note the attached Integration Joint Board risk register in Appendix A.

OFFICIAL

OFFICIAL

Relevance to Integration Joint Board Strategic Plan:

Risks to the delivery of the IJB Strategic Plan are identified in the risk registers.

Implications for Health and Social Care Partnership:

Reference to National Health & Wellbeing Outcome(s):	N/A
---	-----

Personnel:	Personnel risks are identified in the registers
-------------------	---

Carers:	N/A
----------------	-----

Provider Organisations:	Risks in relation to provider organisations are identified in the registers
--------------------------------	---

Equalities:	N/A
--------------------	-----

Fairer Scotland Compliance:	N/A
------------------------------------	-----

Financial:	Financial risks are identified in the registers
-------------------	---

Legal:	Legal impacts of risks are identified in the registers
---------------	--

Economic Impact:	Economic impacts of risks are identified in the registers
-------------------------	---

Sustainability:	N/A
------------------------	-----

Sustainable Procurement and Article 19:	N/A
--	-----

Risk Implications:	All risk implications are detailed in the registers
---------------------------	---

Implications for Glasgow City Council:	All risk implications are detailed in the registers
---	---

Implications for NHS Greater Glasgow & Clyde:	All risk implications are detailed in the registers
--	---

Direction Required to Council, Health Board or Both

Direction to:

- | | |
|---|-------------------------------------|
| 1. No Direction Required | <input checked="" type="checkbox"/> |
| 2. Glasgow City Council | <input type="checkbox"/> |
| 3. NHS Greater Glasgow & Clyde | <input type="checkbox"/> |
| 4. Glasgow City Council and NHS Greater Glasgow & Clyde | <input type="checkbox"/> |

OFFICIAL

1. Purpose

- 1.1. The purpose of this report is to provide an annual summary to the Integration Joint Board on the risk management activity within the Partnership during 2022/23.

2. Background/Engagement

- 2.1. The IJB's Risk Management Policy and Strategy states that the risk registers maintained by the Partnership are subject to quarterly review by the Finance, Audit and Scrutiny Committee on behalf of the Integration Joint Board, with an annual summary report to the Integration Joint Board.

3. Risk Management Policy & Strategy

- 3.1. The IJB's Risk Management Policy and Strategy was last reviewed and updated in February 2020. A further desktop review by officers in February 2021 did not result in any recommended changes.
- 3.2. The IJB's Risk Management Policy and Strategy is subject to a full review every 3 years in line with the lifecycle of the IJB's Strategic Plan. The next full review of this Policy will therefore be carried out this year and proposals for any amendments brought to the IJB at its meeting scheduled for 29th November 2023.

4. Risk Management Activity

- 4.1. There are 3 risk registers currently maintained within the Partnership. These are the Integration Joint Board Risk Register, the Social Care Risk Register, and the Health Risk Register.
- 4.2. The Social Care Risk Register includes operational risks related to functions delegated by Glasgow City Council and is maintained in compliance with Glasgow City Council's Risk Management Policy and Framework.
- 4.3. Similarly, the Health Risk Register includes operational risks related to functions delegated by NHS Greater Glasgow & Clyde and is maintained in compliance with NHS GGC's Risk Management Policy and Framework.
- 4.4. The IJB, Social Care, and Health Risk Registers were reviewed on a quarterly basis in 2022/23 by the Senior Management Team and reported to the IJB's Finance, Audit & Scrutiny Committee each quarter.
- 4.5. Following an internal audit of its risk management arrangements in September 2021, NHS GGC revised and updated its Risk Management Policy and Framework. This was approved and published in December 2022.
- 4.6. The revised policy and framework resulted in several changes to the way risk is managed, recorded and scrutinised across the Health Board. Officers carried out online sessions in March 2023 to brief NHS risk owners in the

OFFICIAL

OFFICIAL

HSCP on these changes, and throughout April 2023 carried out an extensive review of all existing risks to ensure these complied with the relevant changes.

5. Integration Joint Board Risk Register

- 5.1. The highest risks on the IJB Risk Register during 2022/23 were the future level of savings required, impact of budget and spending review, failure to deliver the Primary Care Improvement Plan and Local Government pay awards for 2022/23.
- 5.2. Significant risks that were added to the register during 2022/23 include:
 - The impact of the Scottish Government's Budget and Spending Review for the financial years of 2023/2024 to 2026/2027, and the ongoing impact and uncertainty around inflation and the wider economy.
 - The impact of the Scottish Government's proposals to establish a National Care Service, including the resources required to support the work involved in this and the impact that uncertainty may have on recruitment and retention of staff.
 - The impact of the Local Government Pay Award for 2022/23 and risk of a further gap in the 2022/23 budget.
- 5.3. The risk around ongoing COVID Costs decreased during 2022/23 as although there continues to be related costs going into 2023/24, these are minor.
- 5.4. At the close of 2022/23, there were **13** 'live' risks on the IJB Risk Register, with **4** items having a risk level of 'Very High', **8** items with a risk level of 'High', **1** item having a level of 'Medium'.
- 5.5. The IJB Risk Register as at the end of 2022/23 is attached as Appendix A.

6. Social Care Risk Register

- 6.1. The highest risks on the Social Care Risk Register during 2022/23 continued to be the potential impact of the National Abuse Inquiry, the impact of implementation of Welfare Reforms and risks around financial impacts of inflationary pressures, budget pressures in homelessness services and financial stability of external providers.
- 6.2. Significant risks that were added to the register during 2022/23 include:
 - The impact of increased demand for purchased and provided social care services during winter 2022/23.
 - Delays to implementation of care plans/packages due to various factors, including lack of capacity in commissioned and ancillary services. This primarily affects Adults and Older People services.
 - Risks related to IT performance and contract management, in particular around Eclipse and a contract for software used by the EquipU that is due to expire in August 2023.

OFFICIAL

6.3. At the end of 2022/23 there were **43** 'live' risks on this risk register, with **23** items having a current risk level of 'Very High', **14** items with a risk level of 'High', **5** items with a risk level of 'Medium' and **1** with a risk level of 'Low'.

7. Health Risk Register

7.1. The highest risks on the Health Risk Register during 2022/23 are those arising from staff shortages and ongoing recruitment and retention issues, including the impact on service delivery and waiting times. There were also several risks being managed in relation to increased demand across services, particularly Mental Health services.

7.2. At the end of 2022/23 there were **77** 'live' risks on this risk register, with **30** risks having a current risk level of 'Very High', **28** risks with a risk level of High, **17** with a risk level of Moderate and **2** risks with a risk level of 'Low'.

8. Recommendations

8.1. The Integration Joint Board is asked to:

- a) note the content of this report; and
- b) note the attached Integration Joint Board Risk Register in Appendix A.

Glasgow City Integration Joint Board - Risk Register (as at April 2023)

Ref	Title	Description	Risk Owner	Responsible Owner	Mitigation / Control	Residual Risk Assessment (Impact x Probability)	Residual Risk Score	Residual Risk Level	Notes
524	Level of savings required in 2019/20 and beyond	<p>RISK: Inability to deliver appropriate level of essential services due to required level of savings</p> <p>CAUSE: Required level of savings in the Budget Service Plan in 2019/20 and beyond</p> <p>EFFECT: Unable to meet demand for services, failing to ensure safety and prevent harm to service user, failing to meet statutory requirements, failing to deliver part or all of the Strategic Plan</p>	Sharon Wearing	Margaret Hogg	<ul style="list-style-type: none"> Financial position monitored on ongoing basis by SMT, ITB, IJB Finance and Audit committee and full IJB Transformation Programme for the HSCP in place, with a range of programmes identified to support delivery of Strategic Plan within allocated budgets HSCP will actively engage with Partner Bodies in budget planning process for 2019-20 and beyond identifying dependencies and risks associated with any proposals. Impact of responding to COVID-19 on plans for savings and delivery of transformation programmes will continue to be monitored. Medium Term financial forecasting also undertaken to enable requirements for savings to be assessed over the medium term and to inform planning assumptions. A financial tracker on covid-19 related expenditure (as part of the Local Mobilisation Plan) is updated on a 4 weekly basis, and submitted to the Scottish Government every 4 weeks. 	5x5 Critical/ Almost Certain	25	Very High	April 2023: Risk confirmed as accurate.
2032	Impact of Budget & Spending Review	<p>RISK: The Scottish Government's Budget & Spending Review (23/24 to 26/27) will significantly impact on the HSCP's financial position and delivery of services/strategic priorities</p> <p>CAUSE: Scottish Govt budget set prior to increased inflation projection, Health and social care spend proposed to rise by 2.75% per annum, which will need to cover inflation pressures including pay uplifts, impact of COVID recovery, existing policy commitments; anticipated increased savings targets required to deliver balanced budget (high level estimate of 5% per annum equivalent to £32m per annum)</p> <p>EFFECT: Expenditure will need to be reduced to meet all commitments; re-prioritising business cases for capital projects in development; impact on service delivery, staffing levels, financial position. Potential impact on delivery of strategic</p>	Sharon Wearing	Margaret Hogg	<ul style="list-style-type: none"> Executive team commenced developing a high level financial forecast to determine the scale of the challenge. Options available as part of the response will be developed and reported via Integration Transformation Board Continued engagement with the Scottish Government and Partner Bodies on financial planning assumptions and potential impact of funding availability Proposals subject to future reporting to the Integration Joint Board The HSCP has been in dialogue with GCC and the conversations continue The impact of the funding gap will be reported to the March 2023 IJB meeting 	5x5 Critical/ Almost Certain	25	Very High	April 2023: Risk confirmed as accurate.

OFFICIAL

Glasgow City Integration Joint Board - Risk Register (as at April 2023)

Ref	Title	Description	Risk Owner	Responsible Owner	Mitigation / Control	Residual Risk Assessment (Impact x Probability)	Residual Risk Score	Residual Risk Level	Notes
934	Deliverability of Primary Care Improvement Plan (PCIP)	<p>RISK: Failure to deliver transformation of Primary Care services as specified in the Primary Care Improvement Plan (PCIP)</p> <p>CAUSE: Insufficient funding, affordability, shortage of resources (qualified staff, suitable accommodation), lack of appropriate digital solution to support plan, unable to maintain sustainability, unable to quantify evidence of impact, lack of capacity of general practice to engage with PCIP because of problems with staffing and high levels of demand.</p> <p>EFFECT: Impact on the delivery of the IJB's Strategic Plan and priorities resulting in negative impact on service users and patients and possible reputational or financial impact to the IJB.</p>	Susanne Millar	Gary Dover	<p>Measures necessary to remain within budget include and to mitigate the lack of qualified staff include:</p> <ul style="list-style-type: none"> Temporarily stopping and/or phasing recruitment Withdrawing from (or reducing the length of) contracts with external providers Making local vacancy approval processes more efficient Developing alternative skill mix models and more efficient ways of delivering services Recruiting into trainee posts and supporting less experienced staff to obtain necessary experience. Supporting GP capacity to engage with PCIP: NHS GGC Sustainability Plan and Escalation Framework established Continue work with wider system to identify how we can support sustainability of general practice. Quantifying impact to be measured through PCIP 	4x5 Major/ Almost Certain	20	Very High	<p>April 2023: Risk score increased from 16 (Major/Likely) to 20 (Major/Almost Certain). Responsible officer requested for update to Risk CAUSE description to reflect that insufficient funding to fully deliver Memorandum of Understanding 2 (MoU2) and no uplift to fund NHS pay rise in 22/23 or 23/24. Some mitigation controls have been updated.</p>
2136	2022/23 Local Government pay award	<p>RISK: Further gap in 22/23 budget due to lack of funding for additional costs associated with the 22/23 local government pay settlement</p> <p>CAUSE: The pay settlement agreed by Scottish Government was higher than the original planning assumptions for the 22/23 budget and the HSCP's share of the Scottish Government funding to local authorities for the 22/23 pay settlement (£9.9m) is not passed on by Glasgow City Council.</p> <p>EFFECT: The funding gap would increase the shortfall in the current financial year (22/23), which could require the IJB to consider a higher level of savings than would otherwise be the case. Furthermore, if the funding allocation is not passed on as a recurring cost this could result in activities and services being unable to be delivered as planned in 23/24 and beyond, which could undermine the HSCP's ability to carry out statutory duties, lead to service user harm and impact on the IJB's ability to achieve one or more of its strategic objectives as set out in the Strategic Plan.</p>	Sharon Wearing	Margaret Hogg	<ul style="list-style-type: none"> The Chief Finance Officer has written to the Council's Executive Finance Director setting out the HSCP position and implications The Chief Officer and Chief Finance Officer have continued dialogue with Glasgow City Council's Chief Executive, setting out risk and potential impact of any decision to withhold allocated funding from Scottish Government for the 2022/23 pay settlement. The impact for the 22/23 out-turn and the 23/24 budget will be reported to the IJB in March 2023. 	4x5 Major/ Almost Certain	20	Very High	<p>April 2023: Risk score has increased from 16 (Major/Likely) to 20 (Major/Almost Certain). Risk owner informed that due to not receiving money from GCC this has resulted in increased shortfall in the current financial year. This also resulted in the IJB being asked to consider high level savings.</p>

OFFICIAL

Glasgow City Integration Joint Board - Risk Register (as at April 2023)

Ref	Title	Description	Risk Owner	Responsible Owner	Mitigation / Control	Residual Risk Assessment (Impact x Probability)	Residual Risk Score	Residual Risk Level	Notes
512	Delivery of Strategic Plan within budget	RISK: The IJB is unable to budget within allocated resources CAUSE: Cost of delivery is higher than budgeted resources made available EFFECT: The IJB is unable to deliver on the Strategic Plan	Sharon Wearing	Margaret Hogg	<ul style="list-style-type: none"> The Integration Scheme details the actions to be taken in the event of this and furthermore the contingency arrangements should parent bodies be unable/unwilling to provide additional funding Transformation Programme for the HSCP in place, with a range of programmes identified to support delivery of Strategic Plan within allocated budgets Governance / reporting mechanisms for Transformation Programmes are in place Financial position monitored on ongoing basis by SMT, IJB Finance, Audit & Scrutiny Committee and full IJB A Medium-Term Financial Outlook is also completed which assesses the financial resources required to deliver the strategic plan whilst delivering financial balance for the IJB The impact of responding to COVID-19 on delivery of the Strategic Plan continues to be assessed. 	4x4 Major/ Likely	16	High	April 2023: Risk confirmed as accurate.
2033	Impact of inflationary pressures	RISK: There is a risk that rising inflation will have detrimental impact on the financial position CAUSE: Inflation was 10.1% in September 2022, and forecast to remain above 10% in Q4 2022 and Q1 2023; increasing costs for the HSCP from rising prices for food, fuel, supplies and equipment plus consequential (e.g. public sector pay award) EFFECT: Detrimental impact on financial position	Sharon Wearing	Margaret Hogg	<ul style="list-style-type: none"> Ongoing monitoring of financial impact of inflation of service costs Consider options for funding as part of wider financial forecasting of financial position for IJB, This could include the use of reserves. Budget setting process for 23/24 	4x4 Major/ Likely	16	High	April 2023: Risk confirmed as accurate.
514	Service delivery model uncertainty	RISK: Uncertainty around future service delivery models CAUSE: Uncertainty arising from COVID-19 and Scottish Government proposals for a National Care Service being established by 2025/26. EFFECT: Resistance, delay or compromise to necessary decisions, developments or potential improvement opportunities not being fulfilled	Susanne Millar	Susanne Millar	<ul style="list-style-type: none"> High-level strategic vision articulated through the 2019-22 Strategic Plan. Next iteration of Strategic Plan for 2023-26 will be presented to the IJB for review in June 2023 IJB are notified of proposed transformation projects and updates on approved transformation projects as a matter of routine. Acceptance that ongoing challenges of both partner organisations mean standstill is not a viable option As part of the response to the covid-19 pandemic the HSCP established governance arrangements to ensure Executive retains appropriate oversight and decision making capability. The Executive COVID Group continues to meet weekly Programme management and governance arrangements put in place across HSCP and GCC in response to National Care Service proposals and to ensure ongoing engagement with Scottish Government on NCS Bill and co-design of the NCS 	3x4 Moderate/ Likely	12	High	April 2023: Risk confirmed as accurate.

OFFICIAL

Glasgow City Integration Joint Board - Risk Register (as at April 2023)

Ref	Title	Description	Risk Owner	Responsible Owner	Mitigation / Control	Residual Risk Assessment (Impact x Probability)	Residual Risk Score	Residual Risk Level	Notes
518	External Providers financial stability	<p>RISK: Financial challenges faced by some provider organisations could destabilise them, render them financially unviable and result in them exiting the market</p> <p>CAUSE: Economic situation and outlook increasing volatility in the social care sector. Increasing costs on providers as employers coupled with ongoing recruitment and retention issues in the sector and limitations on Scottish Government funding increases budget pressures. Fuel and cost of living increases have compounded this, along with residual impacts of the COVID-19 pandemic.</p> <p>EFFECT: Threat to continuity of provided services and issues in availability of appropriate provision for service users. If providers exit the market, this would lead to enforced changes of provider with potentially little or no notice and lack of capacity in the sector may mean limited or no alternatives available (particularly for complex and specialist needs). This could lead to poorer outcomes or risk of harm to service users, significant operational and financial impact to the HSCP and significant impact on the delivery of the IJB's strategic objectives as set out in the Strategic Plan.</p>	Sharon Wearing	Geri McCormick	<ul style="list-style-type: none"> We are working closely with provider organisations to monitor impact and ensure continuity of services for our service users. We continue to ensure timeous regular payment to provider organisations - all increases in respect of Scottish Living Wage are passed on timeously. IJB identified funds to increase Children's Services providers despite no provision being made for a Scottish Living Wage increase in non-adult services. Enhanced Care Home Governance arrangements have been put in place across Greater Glasgow & Clyde, with oversight from a board wide Care Home Assurance Group that reports to both the NHS Strategic Executive Group and a national Care Home Oversight Group. In Glasgow City HSCP an additional Local Care Homes Group has been established, chaired by the Interim Chief Officer, that monitors and reviews output from daily safety huddles that cover both directly provided and purchased care homes. HSCP Commissioning officers continue to be engaged with providers and are actively involved in the enhanced governance arrangements. IJB has taken decision to apply to Residential services, an increase to no staffing cost an equivalent of 3.8% to mitigate energy cost pressures. 	4x3 Major/ Possible	12	High	<p>April 2023: Risk confirmed as accurate for this Quarter but informed that this will be thoroughly reviewed at next quarter as risk score may require increasing. One provider has handed back 17 individual care packages. Update mitigation/control to include IJB has taken decision to apply to Residential services, an increase to no staffing cost an equivalent of 3.8% to mitigate energy cost pressures.</p>
2034	Resources required for National Care Service	<p>RISK: There is a risk the organisation cannot support the volume of resource required for the effective engagement with the Scottish Government proposal to design and establish a National Care Service</p> <p>CAUSE: Staff and key individuals with existing operational roles and responsibilities are diverted to National Care Service activities; ambitious timescales for the design and implementation of the NCS</p> <p>EFFECT: Existing operational priorities and delivery are delayed or compromised; potential impact on delivering strategic priorities</p>	Sharon Wearing	Allison Eccles	<ul style="list-style-type: none"> Workload and resource monitoring continues to be undertaken across the partnership (for example, through one-to-one supervision) Ongoing review of support (including work undertaken and resources being used) required for NCS activity NCS Project Support proposal has been approved by the HSCP Executive Team Programme management structure established to ensure governance and oversight of NCS activity and demand, including HSCP Executive group, GCC Steering Group chaired by the LA Chief Executive and workstreams to focus on particular elements of the NCS Bill (Legal, Finance, HR etc.) 	4x3 Major/ Possible	12	High	<p>April 2023: Risk confirmed as accurate.</p>

OFFICIAL

Glasgow City Integration Joint Board - Risk Register (as at April 2023)

Ref	Title	Description	Risk Owner	Responsible Owner	Mitigation / Control	Residual Risk Assessment (Impact x Probability)	Residual Risk Score	Residual Risk Level	Notes
2035	Medium to long term financial implications of ongoing COVID costs	<p>RISK: There is risk of adverse medium to long term financial implications of ongoing costs related to COVID</p> <p>CAUSE: Government funding related to the COVID pandemic ends in March 2023 and there remains high likelihood of continual additional costs due to COVID particularly in those service areas where enhanced guidance and restrictions remain in place (e.g. care homes), including PPE, Infection Control, impact of increased staff absences due to COVID</p> <p>EFFECT: All additional costs related to COVID from 23/24 onwards will need to be covered by existing budgets, adverse impact</p>	Sharon Wearing	Margaret Hogg	<ul style="list-style-type: none"> - All costs associated with responding to COVID are being tracked - COVID Exit Strategy is actively monitored via the Integration Transformation Board and the HSCP Executive Group - impact on 2023/24 will consider as part of financial planning and budget setting for 2023/24. 	3x4 Moderate/ Likely	12	High	<p>April 2023: Risk score to reduce from 16 (major/likely) to 12 (Moderate/likely). The risk owner advised that there is likely still some fall off in terms of costs going into 2023/24 but they are quite minor.</p>
2037	Impact of National Care Service on recruitment & retention	<p>RISK: Health and social care recruitment and retention is adversely affected by the proposal to establish a National Care Service</p> <p>CAUSE: Uncertainty about the scope of the National Care Service (e.g. future consultation on inclusion of children and justice services); uncertainty about extent of transfer of local authority and NHS resources to a National Care Service (including transfer of staff)</p> <p>EFFECT: Existing and potential health and social care staff may opt to leave or not join the service given uncertainty about future employer and terms & conditions; existing recruitment and retention pressures will be exacerbated leading to further detrimental impact on delivery of services; financial impact; failure to deliver strategic priorities.</p>	Sharon Wearing	Tracy Keenan	<p>Future control and mitigation actions to include</p> <ul style="list-style-type: none"> • Communication strategy is vital to keep employees up to date on the employment position and must be used to allay any concerns on future employment. • Information on how pay and pension will work must be issued as early as possible • Liaison with Trade Unions • Specific Trade Union Forum on NCS should be set up • Strict monitoring of leavers will be required to assess any increased level of leavers, this must include ensuring exit interviews occur and the information from that fed into system • Ensuring vacancies do not build up • Require recruiting before people leave • Succession planning processes require to be created in the event that management positions are more adversely affected. • Twilight sessions scheduled to take place in February 2023 to keep staff informed • Work ongoing with Communications team to develop staff and partnership communications 	4x3 Major/ Possible	12	High	<p>April 2023: Risk confirmed as accurate.</p>
1731	Delivery of 2021-22 Savings Targets	<p>RISK: Unable to deliver 2021-22 savings targets</p> <p>CAUSE: Due to key resources being diverted to responding to COVID-19 and the impact COVID-19 is also having on demand, areas targeted for delivery of savings in 2021-22 are now at risk</p> <p>EFFECT: Savings targets will not be deliverable resulting in overspends occurring in 2021-22 and beyond</p>	Sharon Wearing	Margaret Hogg	<ul style="list-style-type: none"> • Financial position monitored on ongoing basis by SMT, ITB, IJB Finance and Audit committee and full IJB • Delivery of savings will continue to be tracked and monitored by the Transformation Programme Board • HSCP will actively engage with the Scottish Government on the impact of responding to COVID-19 • Impact of responding to COVID-19 on plans for savings and delivery of transformation programmes will continue to be monitored 	2x5 Minor/ Almost Certain	10	High	<p>April 2023: Risk confirmed as accurate.</p>