

# Scottish Borders Health & Social Care Integration Joint Board



Meeting Date: 19 August 2020

<b>Report By:</b>	Rob McCulloch-Graham, Chief Officer Health & Social Care
<b>Contact:</b>	Jill Stacey, IJB Chief Internal Auditor & SBC Chief Officer Audit & Risk
<b>Telephone:</b>	01835 825036

## RISK MANAGEMENT POLICY & STRATEGY

<b>Purpose of Report:</b>	To provide for approval the new Risk Management Policy and refreshed Risk Management Strategy for the Scottish Borders Health & Social Care Integration Joint Board (SB IJB) following their endorsement by the IJB Audit Committee. Robust Risk Management within its governance arrangements will assist the IJB making informed business decisions and provide options to deal with potential problems.
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<b>Recommendations:</b>	<p>The Scottish Borders Health &amp; Social Care Integration Joint Board is asked to:</p> <ol style="list-style-type: none"> <li>a) <u>Approve</u> the new IJB Risk Management Policy (Appendix 1)</li> <li>b) <u>Approve</u> the refreshed IJB Risk Management Strategy (Appendix 2)</li> </ol>
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<b>Personnel:</b>	<p>In line with the role and responsibilities set out in the Risk Management Policy:</p> <ul style="list-style-type: none"> <li>• IJB Chief Officer leads on the identification, evaluation, control and review of the IJB strategic risks, supported by Scottish Borders Council (SBC) Corporate Risk Officer</li> <li>• SBC Chief Officer Audit &amp; Risk leads on the development and review of the IJB's Risk Management Policy and Strategy.</li> </ul>
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<b>Carers:</b>	There is no direct impact on carers arising from the contents of this report.
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<b>Equalities:</b>	There are no direct equalities and diversities implications arising from the contents of this report.
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<b>Financial:</b>	There are no direct financial implications arising from the contents of this report.
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<b>Legal:</b>	The SB IJB, established as a separate legal entity as required by the Public Bodies (Joint Working) (Scotland) Act 2014, is responsible for the strategic planning and commissioning of a wide range of integrated health and social care services across the Scottish Borders partnership area, based on resources which have been delegated to it by the partners, SBC and NHS Borders.
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	<p>The SB IJB is therefore expected to operate under public sector good practice governance arrangements which are proportionate to its transactions and responsibilities to ensure the achievement of the objectives of Integration. The establishment of robust Risk Management is one of the key components of good governance and will be critical to the capacity of the SB IJB to function effectively.</p>
<p><b>Risk Implications:</b></p>	<p>Risk Management arrangements will assist the IJB making informed business decisions and provide options to deal with potential problems in line with its agreed Risk Management Strategy within its governance arrangements.</p> <p>In addition to its own governance arrangements, the SBIJB places reliance on the governance arrangements adopted by NHS Borders and SBC, the partners. Where appropriate, existing mechanisms embedded within both NHS Borders and SBC will be used to provide assurance to the SB IJB on managing those risks associated with the operational delivery of services that have been commissioned by the IJB.</p>

## 1 BACKGROUND

- 1.1 Effective Risk Management is one of the foundations of effective Corporate Governance. Compliance with the principles of sound corporate governance requires the integration authority to adopt a coherent approach to the management of the risks in a way that both addresses significant challenges and enables positive outcomes. Better and more assured risk management will bring many benefits to the health and social care partnership and the people it serves.
- 1.2 In order to demonstrate that robust risk management procedures are in place for health and social care integration and to comply with its Scheme of Integration and with best practice, the SB IJB approved its own Risk Management Strategy on 7 March 2016.
- 1.3 A review and evaluation of the efficiency and effectiveness of the IJB's risk management arrangements has recently been carried out. This has concluded that a new Risk Management Policy and a refreshed Risk Management Strategy would enhance risk management arrangements in place to ensure they are fully embedded in strategic planning, performance monitoring and reporting practices.
- 1.4 Part of the IJB Audit Committee's role is to scrutinise the adequacy and effectiveness of the IJB's risk management arrangements. The IJB Audit Committee considered the new Risk Management Policy and refreshed Risk Management Strategy for the SB IJB at its meeting on 9 March 2020, and recommended them for approval by the IJB.

## 2 RISK MANAGEMENT POLICY

- 2.1 The Risk Management Policy (developed in February 2020 for approval – Appendix 1) sets out the intent for managing the strategic risks of the IJB, and the roles and responsibilities of various stakeholders.

2.2 The Policy states that it shall be reviewed annually.

### **3 RISK MANAGEMENT STRATEGY**

3.1 The Risk Management Strategy (approved by IJB in March 2016; revised in February 2020 for approval – Appendix 2) sets out the arrangements for applying the risk management policy in practice, building on the foundation of existing risk management arrangements, and adding value by aligning risk management to the strategic planning and performance monitoring and reporting processes.

3.2 The primary objectives of the Risk Management Strategy are to:

- Ensure that the risk management framework is applied consistently and with appropriate oversight.
- Establish standards and principles for the efficient and effective management of risks affecting the delivery of the Scottish Borders Health and Social Care Strategic Plan, including regular monitoring, reporting and review.
- Identify how and what risk information will be reported to the IJB

3.3 The Risk Management Strategy includes the: governance structure; types of risks to be reported; risk management framework and process; roles and responsibilities; monitoring risk management activity and performance; and reporting of risks to the IJB. Reliance is placed on the risk management arrangements within the partner organisations in respect of the operational delivery of commissioned services.

3.4 The Strategy states that it shall be reviewed annually.

### **4 SUMMARY**

4.1 It is important that the IJB has its own robust risk management arrangements in place because if objectives are defined without taking the risks into consideration, the chances are that direction will be lost should any of these risks materialise. The identification, evaluation, control and review of the IJB strategic risks is a Management responsibility. However, knowledge of the strategic risks faced by the IJB and associated mitigations will enable the Board members to be more informed when making business decisions.

4.2 An evaluation of the efficiency and effectiveness of the IJB's risk management arrangements will be carried out as part of the annual assurance process on the IJB's corporate governance arrangements. The output in the Annual Governance Statement within the Statement of Accounts will be considered by the IJB Audit Committee prior its approval by the IJB.