

Scottish Borders Health and Social Care Partnership Integration Joint Board Audit Committee

18 December 2023

Report by: Chris Myers, Integration Joint Board Chief Officer



Scottish Borders
Health and Social Care
PARTNERSHIP

1. PURPOSE AND SUMMARY

- 1.1. **The purpose of this report is to provide Members of the IJB Audit Committee with a revised IJB Risk Management Policy statement and Risk Management Strategy 2023-2026 as an opportunity to scrutinise the risk management framework in advance of its presentation to IJB for approval.**
- 1.2. Effective Risk Management is one of the foundations of effective governance and is recognised in the IJB's Local Code of Corporate Governance. Compliance with the principles of good governance requires the IJB to adopt a coherent approach to the management of risks that it faces in the achievement of its strategic objectives. Better and more assured risk management will bring benefits to the IJB, its Partners and service users. The current IJB Risk Management Policy and Risk Management Strategy were approved by the IJB on 19 August 2020.
- 1.3. Management, led by the IJB Chief Officer, have the primary responsibility to systematically identify, analyse, evaluate, control and monitor the strategic risks relating to the services delivered under the direction of the IJB.
- 1.4. Internal Audit is required to give independent assurance on the effectiveness of all internal controls and other arrangements put in place by Management to manage the strategic risks.
- 1.5. Part of the IJB Audit Committee's role is to scrutinise the adequacy and effectiveness of the IJB's risk management arrangements and consider the assurances on compliance with an appropriate risk management strategy within annual governance reports.
- 1.6. A refreshed IJB Risk Management Policy statement (Appendix 1) and updated 3-year IJB Risk Management Strategy 2023-2026 (Appendix 2) are included for consideration and endorsement by the IJB Audit Committee in advance of their presentation to IJB for approval. This will enable the IJB to refine its approach to managing its strategic risks and embed these key aspects into the management practices of the IJB and its Partners.

2. RECOMMENDATIONS

- 2.1. **The Scottish Borders Health and Social Care Integration Joint Board Audit Committee is asked to: -**
 - a) Endorse the refreshed IJB Risk Management Policy Statement (Appendix 1) and the updated Risk Management Strategy 2023-2026 (Appendix 2) and recommend them to the full IJB for approval.
 - b) Acknowledges the role and responsibilities of the IJB Audit Committee within the IJB Risk Management Policy; and
 - c) Notes the reporting for assurance purposes on the efficacy of risk management arrangements within the IJB Risk Management Policy.

3. ALIGNMENT TO STRATEGIC OBJECTIVES AND WAYS OF WORKING

- 3.1. It is expected that the proposal will impact on the Health and Social Care (H&SC) Strategic Framework Objectives and Ways of Working as indicated below because the application of sound risk management practices will underpin, support, and facilitate their achievement.

Alignment to our strategic objectives					
Rising to the workforce challenge	Improving access	Focusing on early intervention and prevention	Supporting unpaid carers	Improving our effectiveness and thinking differently to meet need with less	Reducing poverty and inequalities
X	X	X	X	X	X

Alignment to our ways of working					
People at the heart of everything we do	Good agile teamwork and ways of working – Team Borders approach	Delivering quality, sustainable, seamless services	Dignity and respect	Care and compassion	Inclusive co-productive and fair with openness, honesty and responsibility
X	X	X	X	X	X

4. INTEGRATION JOINT BOARD DIRECTION

- 4.1. A Direction is not required.

5. BACKGROUND

- 5.1. The IJB, as strategic commissioner of health and social care services, gives directions to NHS Borders (NHSB) and Scottish Borders Council (SBC) for delivery of the services in line with the Strategic Framework. The Scheme of Integration sets out how the managerial arrangements across the integrated arrangements flow back to the IJB and the Chief Officer. These arrangements are further supported by the IJB Local Code of Corporate Governance.
- 5.2. Effective Risk Management is one of the foundations of effective governance and is recognised in the IJB Local Code of Corporate Governance. Compliance with the principles of good governance requires the IJB to adopt a coherent approach to the management of risks that it faces in the achievement of its strategic objectives. Better and more assured risk management will bring benefits to the IJB, its Partners and the people it serves.
- 5.3. 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 current IJB Risk Management Policy and Risk Management Strategy were approved by the IJB on 19 August 2020.
- 5.4. Management, led by the IJB Chief Officer, have the primary responsibility to systematically identify, analyse, evaluate, control and monitor the strategic risks relating to the services delivered under the direction of the IJB.

- 5.5. Internal Audit is required to give independent assurance on the effectiveness of all internal controls and other arrangements put in place by Management to manage risk, and to make recommendations designed to improve the management and mitigation of risks, in particular where there is exposure to significant financial, strategic, and reputational risk to the achievement of the IJB's objectives. Internal Audit assurance services are provided to the IJB by Scottish Borders Council's Internal Audit function, including the appointed IJB Chief Internal Auditor, to meet statutory internal audit requirements.
- 5.6. Part of the Audit Committee's role is to scrutinise the adequacy and effectiveness of the IJB's risk management arrangements and consider the assurances on compliance with an appropriate risk management strategy within annual governance reports.

6. IJB RISK MANAGEMENT POLICY STATEMENT

- 6.1. The refreshed IJB Risk Management Policy Statement at Appendix 1 outlines the key objectives and states the roles and responsibilities in managing strategic risks. Management have the primary responsibility to systematically identify, analyse, evaluate, control, record and monitor strategic risks.
- 6.2. The IJB Risk Management Policy has been reviewed and refreshed to reflect the Risk Management developments that have been introduced during the last 3 years and improvements identified to better align it to the IJB's strategic commissioning role, whilst also recognising the partnering dimension.
- 6.3. The main changes in the IJB Risk Management Policy Statement can be summarised as follows:
 - Updating references to the IJB Strategic Framework and recognition of IJB as a separate entity (throughout the document);
 - The addition of definitions of 'Risk' and 'Risk Management' for information to provide clarity and context (Introduction);
 - The addition of the 'Vision' to reflect the risk maturity of the IJB as it is important to reflect strategic intent on managing risks whilst also recognising current position (Introduction);
 - Enhancing the descriptions of the specific roles and responsibilities to provide clarity of the remits of the Integration Joint Board, IJB Chief Officer, Integrated Risk Forum, SBC Corporate Risk Officer, and IJB Audit Committee in respect of managing strategic risks and maintaining oversight (Roles and Responsibilities section);
 - Re-ordering and re-naming some of the sections in the Policy to better reflect the risk management process (Risk Appetite, Tolerance and Capacity; Reporting for Assurances Purposes; and Policy Review sections); and
 - Providing clear timescales for the monitoring and review of the Policy (Policy Review section).

7. IJB RISK MANAGEMENT STRATEGY 2023-2026

- 7.1. The updated 3-year IJB Risk Management Strategy 2023-2026 at Appendix 2 outlines the approach that will be adopted for the IJB to systematically identify, analyse, evaluate, control, record and monitor risks, in support of the Risk Management Policy Statement.
- 7.2. The IJB Risk Management Strategy 2023-2026 has been reviewed and refreshed to reflect the Risk Management developments that have been introduced during the last 3 years and improvements identified to better align it to the IJB's strategic commissioning role, whilst also recognising the partnering dimension to managing risks.

- 7.3. The main changes in the 3-year IJB Risk Management Strategy 2023-2026 can be summarised as follows:
- Updating references to the IJB Strategic Framework and recognition of IJB as a separate entity (throughout the document);
 - Including the updated Integration Joint Board Governance Arrangements diagram in line with the Scottish Borders Health and Social Care Partnership Strategic Framework 2023-2026;
 - Expanding the descriptions of the Risk Management Framework and Process to better reflect practices being applied to demonstrate good governance;
 - The addition of a new section 'Partners Organisations as Enablers - risk perspective' to provide clarity on the risk management remits of the Partners (Scottish Borders Council and NHS Borders) and to more clearly recognise the IJB as a separate legal entity;
 - Removing the Role and Responsibilities section that is covered within the Policy;
 - Re-ordering the Reporting and Monitoring sections; and
 - Providing clear timescales for the monitoring and review of the Strategy (Strategy Review section).

8. Community Health and Wellbeing Outcomes

- 8.1. The refresh of the IJB Risk Management Policy and Strategy provides a framework for managing the IJB strategic risks in alignment with the Health and Social Care Strategic Framework 2023-2026. This will support the delivery of all Community Health and Wellbeing Outcomes through the effective management of associated risks and the progression of actions that will underpin their achievement.
- 8.2. The purpose of this report is to present the revised IJB Risk Management Policy and Strategy for approval. There are no identifiable actions or recommendations contained within the report that will have a direct bearing on other local outcomes.

Financial impacts

- 8.3. There are no costs attached to any of the recommendations contained in this report.

Equality, Human Rights and Fairer Scotland Duty

- 8.4. There are no equalities impacts arising from the report.

Legislative considerations

- 8.5. The Scottish Borders Health and Social Care Integration Joint Board, 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, Scottish Borders Council and NHS Borders.
- 8.6. The 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 and Audit arrangements is one of the key components of good governance and will be critical to the capacity of the IJB to function effectively.

- 8.7. A specific Risk Management Policy and Strategy for the IJB will enable the IJB to pursue its vision effectively, as well as underpinning that vision with mechanisms for the control and management of risk which is an expected component of good governance.

Climate Change and Sustainability

- 8.8. There are no climate change or sustainability impacts arising from this report.

Risk and Mitigations

- 8.9. This report is concerned with providing the IJB with its updated Risk Management Framework, as reflected within the revised IJB Risk Management Policy and Strategy 2023-2026. The application of sound Risk Management arrangements will assist the IJB in making informed business decisions and provide options to deal with potential problems as they arise.

9. CONSULTATION

Communities consulted:

- 9.1. While there has been no requirement to undertake formal consultation regarding this report, feedback on risk practices has been considered in the review and update of both the IJB Risk Management Policy and IJB Risk Management Strategy 2023-2026. For example, feedback from those within the health and social care partnership who are involved in managing risks, as well as comments / observations arising during formal meetings of the IJB Audit Committee and IJB during their consideration of risk update reports.

Integration Joint Board Officers consulted:

- 9.2. The review and update of the IJB Risk Management Policy and Strategy 2023-2026 has been undertaken by those officers within the Integrated Risk Forum (SBC Chief Officer Audit & Risk (lead), SBC Corporate Risk Officer, and the Risk Manager of NHS Borders) in collaboration with the IJB Chief Officer.

Approved by:

Chris Myers, Integration Joint Board Chief Officer

Author(s):

Jill Stacey (SBC Chief Officer, Audit and Risk; IJB Chief Internal Auditor)

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Background Papers: IJB Risk Management Policy and Strategy (approved on 19 August 2020).

Previous Minute Reference:

For more information on this report, contact us at:

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