



Title/Subject: Risk Management Arrangements
Meeting: Integration Joint Board Audit Committee
Date: 16 March 2018
Submitted By: Chief Officer
Action: For Noting

1. INTRODUCTION

- 1.1 The purpose of this report is to set out emerging issues around risk management arrangements and to set out the steps to be taken to move things forward.

2. RECOMMENDATION

- 2.1 The Audit Committee are asked to note the emerging issues and the steps outlined in sections 4 and 5 of the report.

3. BACKGROUND

- 3.1 The Falkirk Integration Scheme makes specific reference to Risk Management and Support Services. In relation to Risk Management two sections below are of most relevance:

- 13.2 The Parties will commit all necessary resources to support risk management by the Integration Joint Board
- 13.10 The Parties will support the Integration Joint Board to:
 - (a) establish risk monitoring and reporting as set out in the RM framework; and
 - (b) maintain the risk information and share with the Parties within the timescales specified.

- 3.2 In relation to Support Services, the Integration Scheme notes that

- 4.4 The Parties will provide the corporate services agreed pursuant to paragraphs 4.2 and 4.3 to the Integration Joint Board, and the provision of such support will be reviewed annually by the Parties and Integration Joint Board to ensure that the necessary support is being provided.

Risk management arrangements form part of the support services that partner organisations provide to the IJB.

- 3.2 The terms of reference of the Audit Committee require the committee to:
- “ensure existence of and compliance with an appropriate Risk Management Strategy. Review risk management arrangements and receive regular risk management updates and reports”.
- 3.3 At its meeting on 13 September 2017, the Audit Committee approved a workplan for the committee which included receipt of quarterly updates on the Strategic Risk Register and six-monthly updates on the Risk Management Improvement Plan.
- 3.4 This timetable of risk reports would be reviewed once the risk level of the IJB reduced.

4. EMERGING ISSUES

- 4.1 As outlined in section 3.3, the Audit Committee should expect to receive quarterly updates on the Strategic Risk Register and six-monthly updates on the Risk Management Improvement Plan. According to the indicative workplan approved by the Audit Committee, both of these reports were due to come to the committee in March 2018. Unfortunately it has not been possible to deliver these reports.
- 4.2 The Strategic Risk Register has been through a process of review recently. It was agreed at the Leadership Team meeting on 7 March 2018 that the revised Strategic Risk Register will be discussed by the Leadership Team at its next meeting on 4 April 2018. Work is therefore required to ensure that this work dovetails more appropriately with the reporting requirements of the Audit Committee. The Strategic Risk Register will now come to the June meeting of the Audit Committee.
- 4.3 Both of our Partners (NHS Forth Valley and Falkirk Council) have recently highlighted capacity issues in terms of leading on Risk Management arrangements for the Falkirk IJB, as well as issues around changes of personnel. It has been agreed that a meeting is urgently required to review arrangements going forward. However, these issues mean that the six monthly update on the Risk Management Improvement Plan has not been completed.
- 4.4 Whilst the issues highlighted by our Partners are understandable and reflect pressures being experienced across the public sector, and indeed the Partnership, robust risk management arrangements are essential and these issues need to be resolved urgently.

5. NEXT STEPS

- 5.1 A meeting will be set up with the Chief Officer, Chief Finance Officer and those responsible for risk within the partner organisations to agree the risk management arrangements for Falkirk IJB.

5.2 The outcome from this meeting will be reported back to the June Audit Committee.

6. CONCLUSIONS

6.1 The report summarises the emerging issues to support the IJB risk management arrangements and summarises the work that will be taken forward to address this.

Resource Implications

At this stage there are no resource implications arising from this report. The embedding of risk management is currently dependent on the continued resource commitment of partner organisations. However, consideration may need to be given to identifying resource to ensure this essential role is filled.

Impact on IJB Outcomes and Priorities

Key risks are failure to identify and manage the risks associated with achieving the outcomes and priorities detailed within the Strategic Plan and other plans.

Legal & Risk Implications

The key risks are failure to effectively:

- Implement the Risk Management Strategy
- Identify and assess risks associated with delivering the Strategic Plan and other plans
- Meet the requirements of the Integration Scheme
- Mitigate the potential impact on Falkirk Council and/or NHS reputational risk
- Align risk and performance arrangements.

Consultation

N/A

Equalities Assessment

N/A

Approved for Submission by: Patricia Cassidy, Chief Officer

Author: Amanda Templeman, Chief Finance Officer

Date: 9 March 2018

List of Background Papers: The papers that may be referred to within the report or previous papers on the same or related subjects.