



Aberdeen City Health and Social Care Partnership

Strategic Risk Register 2017/18

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|---------------|----------|-----------|----------|-----------|
| Risk Rating | Low | Medium | High | Very High |
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| Risk Movement | Decrease | No Change | Increase | |



| Level of Risk | Risk Tolerance |
|---------------|--|
| Low | <p>Acceptable level of risk. No additional controls are required but any existing risk controls or contingency plans should be documented.</p> <p>Chief Officers/Managers/Risk Owners should review these risks applying the minimum review table within the risk register process document to assess whether these continue to be effective.</p> |
| Medium | <p>Acceptable level of risk exposure subject to regular active monitoring measures by Managers/Risk Owners. Where appropriate further action shall be taken to reduce the risk but the cost of control will probably be modest. Managers/Risk Owners shall document that the risk controls or contingency plans are effective.</p> <p>Chief Officers/Managers/Risk Owners should review these risks applying the minimum review table within the risk register process document to assess whether these continue to be effective.</p> <p>Relevant Chief Officers/Managers/Directors/Assurance Committees will periodically seek assurance that these continue to be effective.</p> |
| High | <p>Further action should be taken to mitigate/reduce/control the risk, possibly urgently and possibly requiring significant resources. Chief Officers/Managers/Risk Owners must document that the risk controls or contingency plans are effective. Managers/Risk Owners should review these risks applying the minimum review table within the risk register process document to assess whether these continue to be effective.</p> <p>Relevant Chief Officers/Managers/Directors/Executive and Assurance Committees will periodically seek assurance that these continue to be effective and confirm that it is not reasonably practicable to do more. The IJB's may wish to seek assurance that risks of this level are being effectively managed.</p> <p>However the IJB's may wish to accept high risks that may result in reputation damage, financial loss or exposure, major breakdown in information system or information integrity, significant incidents(s) of regulatory non-compliance, potential risk of injury to staff and public</p> |
| Very High | <p>Unacceptable level of risk exposure that requires urgent and potentially immediate corrective action to be taken. Relevant Chief Officer/Managers/Directors/Executive and Assurance Committees should be informed explicitly by the relevant Managers/Risk Owners.</p> <p>Managers/Risk Owners should review these risks applying the minimum review table within the risk register process document to assess whether these continue to be effective.</p> <p>The IJB's will seek assurance that risks of this level are being effectively managed.</p> <p>However the IJB's may wish to accept opportunities that have an inherent very high risk that may result in reputation damage, financial loss or exposure, major breakdown in information system or information integrity, significant incidents(s) of regulatory non-compliance, potential risk of injury to staff and public</p> |



Risk Summary:

1. There is a risk of significant market failure in Aberdeen City
2. There is a risk of financial failure, that demand outstrips budget and IJB cannot deliver on priorities, statutory work, and project an overspend
3. Failure of the IJB to function, make decisions in a timely manner etc
4. There is a risk that the outcomes expected from hosted services are not delivered and that the IJB does not identify non-performance in through its systems. This risk relates to services that Aberdeen IJB hosts on behalf of Moray and Aberdeenshire, and those hosted by those IJBs and delivered on behalf of Aberdeen City.
5. There is a risk that the governance arrangements between the IJB and its partner organisations (ACC and NHSG) are not robust enough to provide necessary assurance within the current assessment framework – leading to duplication of effort and poor relationships
6. There is a risk that services provided by ACC and NHS corporate services on behalf of the IJB do not have the capacity, are not able to work at the pace of the IJB's ambitions, or do not perform their function as required by the IJB to enable it to fulfil its functions
7. There is a risk that the IJB and the services that it directs and has operational oversight of fail to meet performance standards or outcomes as set by regulatory bodies
8. There is a risk of reputational damage to the IJB and its partner organisations resulting from complexity of function, delegation and delivery of services across health and social care.
9. Failure to deliver transformation at a pace or scale required by the demographic and financial pressures in the system
10. There is a risk that the IJB does not maximise the opportunities offered by locality working
11. Workforce planning across the Partnership is not sophisticated enough to maintain future service delivery



| - 1 - | |
|---|---|
| Description of Risk: There is a risk of significant market failure in Aberdeen City | |
| Strategic Priority: Outcomes, safety and transformation | Lead Director: Head of Strategy and Transformation |
| Risk Rating: low/medium/high/very high <div style="background-color: yellow; text-align: center; padding: 5px;">HIGH</div> | Rationale for Risk Rating: <ul style="list-style-type: none"> • Previous experience of provider failure in City and wider across Scotland • Discussion with current providers and understanding of market conditions across the UK • Impact of Living Wage on profitability depending on some provider models Rationale for Risk Appetite: <ul style="list-style-type: none"> • 3rd and independent sectors key strategic partners in delivering transformation and improved care experience and we have a low tolerance of risk of market failure. |
| Risk Movement: increase/decrease/no change <div style="background-color: yellow; text-align: center; padding: 5px;">NO CHANGE 09.11.17</div> | |
| Controls: Robust market and relationship management with the 3 rd and independent sector and their representative groups. Market facilitation programme and robust contract monitoring process | Mitigating Actions: <ul style="list-style-type: none"> • Creation of capacity and capability to manage and facilitate the market • Development of provider forum to support relationship and market management • Risk fund set aside with transformation funding • Additional SG funding toward the Living Wage and Fair Working Practices have been agreed and applied by the IJB • Recent experience of managing a residential home should market failure occur. |



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| Assurances: Market management and facilitation Audit and Performance Systems Committee overview Contract monitoring process | Gaps in assurance: Market or provider failure can happen quickly despite good assurances being in place |
| Current performance: The Partnership/ACC had to step in and take control of a nursing home in Kingswells on 1 st of April 2017. This has provided the Partnership with experience of how to take control and run a residential home should a provider fail. However, capacity only exists to deal with one residential home at a time and if two homes failed at the same time the resources would be stretched. There is an indication through recent court cases that staff providing overnight care (sleepovers) will need to be paid at HMRC rates and this could be back-dated for 6 years. Should this financial liability materialise then this could have a large impact on the financial viability of some of the care providers. A care home provider largely based in the central belt is to close 12 residential homes due to financial pressures. | Comments: <ul style="list-style-type: none">• NCHC uplift for 2016/17 was 6.4% and 2.8% 2017/18• IJB agreed payment of living wage to Care at Home providers for 2016/17 and 2017/18• Development of a commissioning plan with a draft presented to the IJB on the 15th of August 2017. Market Facilitation steering group established September 2016; membership includes ACVO, CASPA and Scottish Care. |



| -2- | |
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| Description of Risk: There is a risk of IJB financial failure with demand outstripping available budget. There is a risk that the IJB cannot deliver on priorities and statutory work, and that it projects an overspend. | |
| Strategic Priority: Outcomes and transformation | Lead Director: Chief Finance Officer |
| Risk Rating: low/medium/high/very high <div style="background-color: yellow; text-align: center; padding: 5px;">HIGH</div> | Rationale for Risk Rating: <ul style="list-style-type: none"> • Analysis of demographic change and growth in demand year on year • Analysis of current budget pressures known and expected in the Public Sector in Scotland and the UK • Understanding of financial pressures on both partner organisations (ACC and NHS Grampian) Rationale for Risk Appetite: The IJB has a low risk appetite to financial failure and understands its requirement to achieve a balanced budget. However the IJB also recognises the significant range of statutory services it is required to meet within that finite budget and has a lower appetite for risk of harm to people. |
| Risk Movement: increase/decrease/no change: <div style="background-color: yellow; text-align: center; padding: 5px;">NO CHANGE 09.11.17</div> | |
| Controls: Budgets delegated to cost centre level and being managed by budget holders. | Mitigating Actions: <ul style="list-style-type: none"> • Financial information is reported regularly to the Audit & Performance Systems Committee, the Integration Joint Board and the Executive Team. • Reserves strategy, including risk fund |



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| | <ul style="list-style-type: none"> • Robust financial monitoring and budget setting procedures |
| Assurances: <ul style="list-style-type: none"> • Audit and Performance Systems Committee oversight and scrutiny of budget under the CFO • Board Assurance Framework. | Gaps in assurance: <ul style="list-style-type: none"> • None known |
| Current performance: <p>Pressure forecast on budget at June 2017, recovery plans are being developed to bring this back into balance. Therefore, risk rating moved to high until recovery plans are implemented.</p> <p>At September 2017 the financial position has improved, although there is now an over-spend of £1.5 million being forecast on the prescribing budget.</p> | Comments: <ul style="list-style-type: none"> • Regular and ongoing budget reporting and tight management control in place • Budget monitoring procedure now well established • Budget holders understand their responsibility in relation to financial management. |



| - 3 - | | | |
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| Description of Risk: There is a risk that the IJB fails to function properly within its Integration Scheme, Strategic Plan and Schemes of delegation in particular reference to being able to make appropriate decisions in a timely manner and meet its required functions. | | | |
| Strategic Priority: Outcomes, safety and transformation | | Lead Director: Chief Officer | |
| Risk Rating: low/medium/high/very high | | Rationale for Risk Rating: Failure of the IJB to function is a fundamental risk which would impact on all strategic priorities. Recruitment to the Executive Team is now in place, giving full capacity in the structure. | |
| LOW | | | |
| Risk Movement: increase/decrease/no change | | Rationale for Risk Appetite: Zero appetite. | |
| DECREASE 30.10.2017 | | | |
| Controls: <ul style="list-style-type: none">• Experience of operating in shadow form• Agreed etiquette of the board and risk appetite statement allowing for balance of timely decision taking with effective challenge and scrutiny• Performance reporting mechanisms | | Mitigating Actions: <ul style="list-style-type: none">• Recruitment to Executive Team & Heads of Locality now complete• Operation of Executive team focussing on priorities• A review of the standing orders approved by the IJB at it's 31st of October Meeting | |
| Assurances: <ul style="list-style-type: none">• Board Assurance Framework• Audit & Performance Systems Committee | | Gaps in assurance: <ul style="list-style-type: none">• None known | |



Aberdeen City Health & Social Care Partnership

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Current performance:

- Meeting requirements
- Increasing workload experienced following 'go live' and in relation to need to support IJB's committees – being mitigated by further recruitment to senior posts
- Senior posts within the Strategy and Transformation team have now been recruited to.

Comments:

- The process for agreeing and then recruiting into senior posts in the structure has, by necessity, to go at the pace of the partner organisations. This has extended the process and has meant that key posts are either just now being recruited to, or yet to be advertised;



| - 4 - | | | |
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| Description of Risk: There is a risk that the outcomes expected to be delivered by hosted services are not realised and that the IJB fails to identify non-performance through its own systems. This risk relates to services that Aberdeen IJB hosts on behalf of Moray and Aberdeenshire, and those hosted by those IJBs and delivered on behalf of Aberdeen City. | | | |
| Strategic Priority: Outcomes and transformation | | Lead Director: Chief Officer | |
| Risk Rating: low/medium/high/very high | | Rationale for Risk Rating: <ul style="list-style-type: none">Considered medium risk due to the reporting arrangements being relatively new and needing testing in the first full year of operation Rationale for Risk Appetite: <ul style="list-style-type: none">The IJB has some tolerance of risk in relation to testing change. | |
| <div>HIGH</div> | | | |
| Risk Movement: (increase/decrease/no change): | | | |
| <div>INCREASE 09.11.17</div> | | | |
| Controls: <ul style="list-style-type: none">Integration scheme agreement on cross-reportingNE Strategic Partnership GroupOperational risk register | | Mitigating Actions: <ul style="list-style-type: none">This is discussed regularly by the three North East Chief OfficersRegular discussion regarding budget with relevant finance colleagues | |
| Assurances: <p>These largely come from the systems, process and procedures put in place by NHS Grampian, which are still being operated, along with any new processes which are put in place by the lead IJB.</p> | | Gaps in assurance: <p>None currently known</p> | |



| Current performance: | Comments: |
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| <p>No issues to report</p> <p>Governance arrangements are being worked on across the three IJBs, so that budget management, setting and strategic planning are aligned. This work will be presented to the three North East Scotland HSCPs when completed. Work is taking place at an officer level to move this forward.</p> <p>The projected overspend on hosted services is a factor in the IJB's overspend position. This may in future impact on the outcomes expected by the hosted services, hence the movement to a classification of HIGH.</p> | <ul style="list-style-type: none">• A meeting of the senior management teams of the three North East Scotland Health and Social Care Partnerships took place in December 2016 in order to establish the operating principles and processes for reporting outcomes from hosted services and governance to IJBs• Further meetings are planned across the year to ensure flow of communication and establish practice of reporting on hosted services |



| - 5 - | |
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| Description of Risk: There is a risk that the governance arrangements between the IJB and its partner organisations (ACC and NHSG) are not robust enough to provide necessary assurance within current assurance framework – leading to duplication of effort and poor relationships. | |
| Strategic Priority: Outcomes, safety and transformation | Lead Director: Chief Officer |
| Risk Rating: low/medium/high/very high <div style="background-color: yellow; text-align: center; padding: 5px;">MEDIUM</div> | Rationale for Risk Rating: Considered medium as arrangements are complex and mitigations untested in the 'go live' environments Rationale for Risk Appetite: The IJB has zero appetite for failure to meet its statutory requirements. |
| Risk Movement: (increase/decrease/no change) <div style="background-color: orange; text-align: center; padding: 5px;">NO CHANGE 09.11.17</div> | |
| Controls: <ul style="list-style-type: none"> • Scheme of delegation • Integration Scheme • Current governance committees within IJB and NHS • North East Strategic Partnership Group | Mitigating Actions: <ul style="list-style-type: none"> • Consultation and engagement between bodies • Consideration being given by Chief Officers regarding development of Service Level Agreements or other mechanism |
| Assurances: <ul style="list-style-type: none"> • Agreement on regular reporting on hosting at each IJB • Regular Chief Officer meetings across Grampian area • Chief Officer a member of both NHS Grampian Senior Leadership Team and Aberdeen City Council's Corporate Management Team | Gaps in assurance: <ul style="list-style-type: none"> • Potential gaps around standard interpretation of schemes |
| Current performance: | Comments: |



Most of the major governance processes have been tested over the last year. However, this does not remove the risk as governance processes in the IJB and the partner organisations will continue to evolve and improve.

- Regular performance meetings between the Chief Officer and the Chief Executives of NHS Grampian and Aberdeen City Council take place
- Reporting template has been agreed to ensure a consistency of reporting and clear 'line of sight' to Accountable Officers
- A Protocol for budget setting has been developed to assist in this complex process and was tested for the first time for the 17/18 budget



Description of Risk: There is a risk that the services provided by ACC and NHS Corporate Services on behalf of the IJB do not have the capacity or are unable to work at the pace of the IJB's ambitions. There is a further risk that they are unable to perform their function as required by the IJB to enable it to fulfil its functions.

Strategic Priority: Outcomes and service transformation

Lead Director: Chief Officer

Risk Rating: low/medium/high/very high

MEDIUM

Risk Movement: (increase/decrease/no change)

NO CHANGE 09.11.17

Rationale for Risk Rating:

- Given the wide range and variety of services that support the IJB from NHS Grampian and ACC there is a possibility of under or non-performance
- Depending on which area this is in (e.g. corporate finance, legal services) the consequences are considered significant
- **There is the potential for budget reductions to impact on services**

Rationale for Risk Appetite:

There is a zero tolerance in relation to not meeting legal and statutory requirements.

Controls:

- IJB Strategic Plan
- IJB Integration Scheme
- Agreed risk appetite statement
- Role and remit of the North East Strategic Partnership Group in relation to shared services

Mitigating Actions:

- Regular reporting at both Executive Management Team and Senior Operational Management team
- Regular and ongoing Chief Officer membership of ACC Corporate Management Team and NHS Grampian Senior Leadership Team
- Consideration in relation to Service Level Agreements being undertaken by the 3 North East Chief Officers.
- Creation of Business Management Team with the partnership



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| | <p>with representatives from all corporate services.</p> <ul style="list-style-type: none"> • |
| <p>Assurances:</p> <ul style="list-style-type: none"> • Executive Group reviews performance of corporate services' support regularly • Chief Finance officer role ensure liaison in relation to financial services • Chief Officer regularly discusses these service provisions with Corporate Directors | <p>Gaps in assurance:</p> <ul style="list-style-type: none"> • None currently significant though note consideration relating to possible future Service Level Agreements |
| <p>Current performance:</p> <ul style="list-style-type: none"> • No issues have been identified over the last year of operations, therefore, the Executive Team feel this risk can be reduced to medium. However, risk will be kept under review as partner organisations change their structures and systems. | <p>Comments:</p> <ul style="list-style-type: none"> • Nothing to update on this report. |



| - 7 - | | | |
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| Description of Risk: There is a risk that the IJB and the services that it directs and has operational oversight of fail to meet performance standards or outcomes as set by regulatory bodies and that, as a result, harm or risk of harm to people occurs. | | | |
| Strategic Priority: Outcomes, safety, transformation of services | | Lead Director: Chief Officer | |
| Risk Rating: low/medium/high/very high | | Rationale for Risk Rating: Risk felt to be moderate, given controls with potential risks in need of mitigation due to go-live implications | |
| MEDIUM | | | |
| Risk Movement: <i>(increase/decrease/no change)</i> | | | |
| NO CHANGE 09.11.17 | | Rationale for Risk Appetite: The IJB has zero tolerance of harm happening to people as a result of its actions or inaction. | |
| Controls: <ul style="list-style-type: none">• Clinical and Care Governance Committee and Group Audit and Performance Systems Committee• Risk-assessed performance plans and actions• Development of KPIs reported | | Mitigating Actions: System re-design and transformation | |
| Assurances: <ul style="list-style-type: none">• Executive Group reviews processes and performance regularly• Joint meeting of IJB Chief Officer with two Partner Body Chief Executives• Audit & Performance Systems Committee• Clinical and Care Governance Committee | | Gaps in assurance: <ul style="list-style-type: none">• Formal performance systems not yet developed.• Audit & Performance Systems Committee meets regularly and is establishing reporting mechanisms• Intelligent Board performance model has been agreed and is being populated | |



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Current performance:

Council and NHS performance systems remain in place with single reporting in development.

Comments:

- Clinical and Care Governance Committee and Group have been established and are meeting regularly
- Further work with the Good Governance Institute is supporting us in testing our processes robustly as a live organisation to ensure they are fit for purpose
- Action plan following last year's formal Inspection of Services for Older People has been agreed and approved by both the IJB and Inspection agencies
- Establishing reporting and assurance mechanisms for hosted and commissioned services



| - 8 – | |
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| Description of Risk: There is a risk of reputational damage to the IJB and its partner organisations resulting from complexity of function, delegation and delivery of services across health and social care. | |
| Strategic Priority: All | Lead Director: Chief Officer |
| Risk Rating: low/medium/high/very high <div>HIGH</div> | Rationale for Risk Rating: Newness of the organisation and agenda for system transformation pose risk of reputational damage Rationale for Risk Appetite: Willing to risk certain reputational damage if rationale for decision is sound. |
| Risk Movement: (increase/decrease/no change) <div>NO CHANGE 09.11.17</div> | |
| | |
| Controls: <ul style="list-style-type: none">Executive Management TeamIJB and its CommitteesOperational management processes and reportingBoard escalation process | Mitigating Actions: <ul style="list-style-type: none">Clarity of rolesStaff and customer engagementEffective performance and risk management |
| Assurances: <ul style="list-style-type: none">Role of the Chief Officer and Executive TeamRole of the Chief Finance OfficerPerformance relationship with NHS and ACC Chief ExecutivesCommunications plan / communications officer | Gaps in assurance: None known at this time |



Aberdeen City Health & Social Care Partnership

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Current performance:

- Chief Finance Officer appointed on a permanent basis
- Communications officer in place to lead reputation management

Comments:

- Communications strategy and action plan in place and being led by the HSCP's Communications Manager
- Communications Group in place comprising of staff across the partnership supporting us in getting the message right and appropriate
- Locality leadership groups being established to build our relationship with communities and stakeholders
- Regular CO/CEOs meeting supports good communication flow across partners as does CO's membership of the Corporate Management Teams of both ACC and NHSG



| - 9 - | | | |
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| Description of Risk: Failure to deliver transformation at a pace or scale required by the demographic and financial pressures in the system | | | |
| Strategic Priority: All | | Lead Director: Chief Officer | |
| Risk Rating: low/medium/high/very high | | Rationale for Risk Rating: This is the overall risk – each of our transformation programme work streams will also be risk assessed with some programmes being a higher risk than others Rationale for Risk Appetite: The IJB has some appetite for risk relating to testing change and being innovative. The IJB has zero appetite for harm happening to people. | |
| HIGH | | | |
| Risk Movement: (increase/decrease/no change) | | | |
| NO CHANGE 09.11.17 | | | |
| Controls: <ul style="list-style-type: none">• Strategic Transformation and Commissioning programme management and governance• Audit and Performance Systems Committee• Programme Board structure and Executive Programme board in place• Recruitment to key senior posts | | Mitigating Actions: <ul style="list-style-type: none">• Programme approach being taken in terms of the transformation programme• Recruitment has taken place into senior and key project and programme management posts• Regular reporting to Executive Programme Board• Regular reporting to Audit and Performance Systems Committee and Integration Joint Board | |



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| Assurances: <ul style="list-style-type: none">• Executive Management and Committee Reporting• Programme Management approach• IJB oversight• Board escalation process | Gaps in assurance: <ul style="list-style-type: none">• Executive Management team developing financial model for transformation programme to track delivery of change and efficiencies – this is in developing and as such, a gap. |
| Current performance: <p>Demographic financial pressure is starting to materialise in some of the IJB budgets.</p> <p>The Strategy and Transformation Team is now established and reviewing\supporting the transformation projects</p> | Comments: <ul style="list-style-type: none">• Challenge of pace of recruitment to key posts given complexity of working across two systems has had an impact on pace• A review of the transformation programme and governance arrangements is being undertaken. |



| - 10 – | | | |
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| Description of Risk There is a risk that the IJB does not maximise the opportunities offered by locality working | | | |
| Strategic Priority: All | | Lead Director: Chief Officer | |
| Risk Rating: low/medium/high/very high | | Rationale for Risk Rating: All Head of Locality posts have now been recruited to and are in post. | |
| MEDIUM | | | |
| Risk Movement: <i>(increase/decrease/no change)</i> | | | |
| NO CHANGE 09.11.17 | | Rationale for Risk Appetite: The IJB has some appetite to risk in relation to testing innovation and change. There is zero risk of financial failure or working out with statutory requirements of a public body. | |
| Controls: <ul style="list-style-type: none">Transformation programme and programme board structureAudit and Performance Systems Committee | | Mitigating Actions: <ul style="list-style-type: none">Agreed operational structure that reflects the importance of localities and roles which support transformational potential of working at this level | |
| Assurances: <ul style="list-style-type: none">Regular Transformational Programme Board reports to Executive Management Team and to Audit and Performance | | Gaps in assurance <ul style="list-style-type: none">None currently known | |



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| <p>Systems Committee</p> <ul style="list-style-type: none">• Programme Management approach• Recruitment of new Head of Strategy and Transformation role which will lead on the transformation at Executive level | |
| <p>Current performance:</p> <ul style="list-style-type: none">• All Heads of Locality now in post• The locality plans are currently out for consultation and workshops have been arranged with the IJB. | <p>Comments:</p> <ul style="list-style-type: none">• |



- 11 -

Description of Risk:

Workforce planning across the Partnership is not sophisticated enough to maintain future service delivery

Strategic Priority: All

Lead Director: Chief Officer

Risk Rating: low/medium/high/very high

MEDIUM

Risk Movement: (increase/decrease/no change)

NO CHANGE 09.11.17

Rationale for Risk Rating:

- The current staffing complement profile changes on an incremental basis over time
- However the number of over 50s employed by the partnership is increasing

Rationale for Risk Appetite:

- Risk should be able to be managed with the adoption of workforce planning structures and processes

Controls:

- Clinical & Care Governance committee reviews operational risk around staffing numbers

Mitigating Actions:

- Development of a workforce plan
- Career development scheme for nurses

Assurances:

- Workforce plan once developed for the whole Partnership.

Gaps in assurance

- Need more information on social care staffing
- Information on social care providers would be useful to determine trends in wider sector



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Current performance:

- Workforce planned developed, but only covers health staff and not the social care staff. Information expected from Scottish Government during over the next few months which should help improve workforce planning across all partnerships.

Comments: