NHS Health Scotland

Board Paper 28/15

BOARD MEETING: 21 AUGUST 2015

ANNUAL RISK REPORT

Recommendation/action required

The Board is asked to note the contents of the paper.

Author: **Sponsoring Director:**

Brian Orpin **Senior Policy & Risk Officer**	**Cath Denholm** **Director of Strategy**

13 August 2015

ANNUAL RISK REPORT

Purpose of Paper

1.   The purpose of this paper is report to the board on the Risk Management arrangements within NHS Health Scotland, to provide assurance that risk is adequately and appropriately managed.

Background

2.   The Risk Protocol requires that the annual report includes;

      a)   A statement on what improvements have been made to risk management.

      b)   An update on any changes following review of the risk protocol.

      c)   A statement of what further developments are planned for the next year including target dates.

3.   Over the last 6 years the management of risk within Health Scotland has improved significantly. The way in which risk is used continues to mature and is subject to continuous improvement and refinement. There is still a significant amount of work to do to fully embed risk at all levels, but progress continues to be made and risk is currently adequately and appropriately managed.

Key Highlights

4.   Key highlights;

      a)   The LDP was linked to the CRR so that our expression of risk was consistent.

      b)   Work has continued to provide education on risk throughout the organisation

      c)   The Risk Policy and Protocol have both been revised and updated during the year.

      d)   A risk session was held with the Partnership Forum.

      e)   The Corporate Management Team has reviewed how well it incorporates consideration of risk into its routine handling of business.

      f)   The Audit Committee have received regular reports on risk.

Policy and Protocol Improvements

5.   The risk policy and protocol have been updated to reflect discussions and decisions that have been taken throughout the year within the organisation. The Management of Risk Policy has been revised to version 3 (appendix 1). The protocol document has been revised to version 4 (appendix 2).

Corporate Risk Register (CRR)

6.   In line with the previous decision of the Board, the CRR was reissued in-year with the approval of the Corporate Management Team (CMT). The CRR is published at version 4 (appendix 3).

Further Improvements

7. A key action identified in the previous risk audit, was to improve the risk paragraphs in corporate papers. A way to do this has been identified and work done to educate those involved in the preparation of papers, but further work is needed to fully embed this within the organisation. As well as improving the quality of the papers themselves and helping the decision making process, it should provide a mechanism to inform the assurance framework.

8. There will continue to be a programme of education for staff on risk management and the benefits it can bring.

9. As part of the design of the new Corporate Reporting Tool (CRT), there are plans to embed risk and provide a better mechanism for managing and reporting risk than the current spreadsheet. The timing of including this feature will depend on progress with the development of the core functionality of the tool and resource availability.

Finance and Resource Implications

10. There are no identified resource or finance implications.

Partnership

11. There are no identified partnership implications. It is positive that the Partnership Forum devoted a development session to risk this year and it is anticipated that discourse on risk relating to workforce will become more routinely embedded in the work of the Forum.

Communications

12. There are no identified communications implications.

Risk

13. MRR-8

    As a result of insufficient evidence of organisational buy-in to the Risk Management process, there is a risk that the risk registers will not reflect the true risk to the organisation, which will result in failure to meet audit recommendations and potential reputational damage.

    Likelihood = 3 Impact = 3 Nett Score = 9

    Risk Topic: Reputational – Appetite: open (12-16)

14. This annual report provides assurance to the Board that risk within the organisation is being managed appropriately and efforts continue to improve the management of risk.

Equality and Diversity

15. There are no identified Equality and Diversity issues.

Sustainability and Environmental Management

16. There are no identified Sustainability and Environmental Management issues.

Action/Recommendations

17.   The Board is asked to note this paper.

Brian Orpin
Information Governance & Risk Manager
13 August 2015