NHS Health Scotland

HS Paper 25/19

Board Meeting 17th May 2019

Corporate risk register, master risk register and business as usual

Recommendation/action required:

The Board is asked to discuss and agree whether the risk registers (Corporate Risk Register and Master Risk Register) used by NHS Health Scotland sufficiently capture the organisation's risks related to Business As Usual, as well as to Change and Transition, particularly given that we now know we are working to a full business delivery year as NHS Health Scotland.

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7th May 2019

Corporate risk register, master risk register and business as usual

Purpose

1. The Board is asked to discuss and agree whether the risk registers (Corporate Risk Register and Master Risk Register) used by NHS Health Scotland capture the organisation's risks related to Business As Usual, as well as to Change and Transition, particularly given that we now know we are working to a full business delivery year as NHS Health Scotland.

Background

2. There are 2 main risk registers within NHS Health Scotland:
   - The Corporate Risk Register (Appendix 1)
   - The Master Risk Register (Risks summarised in Appendix 2)

3. The Corporate Risk Register (CRR) lists the strategic risks the organisation faces, who is the responsible director and what action is being taken to mitigate the risk. This document is revised on an annual basis and is reviewed by the Board as part of the quarterly performance reports. This document is made available under Freedom of Information (Scotland) Act and is published annually on the organisation's website.

4. The Master Risk Register (MRR) contains all of the risks that are managed at the Directorate level. As with the Corporate Risk Register, the Master Risk Register is updated on a monthly basis. We refreshed the entire NHS Health Scotland Master Risk Register in 2018.

5. Both the Corporate and Master Risk Registers are saved to the Corporate Planning Tool (CPT). All risks (CRR and MRR) are reported on by leads through the CPT, with all of the organisation's risks visible to staff involved in managing risk on the CPT.

Recent refresh of Risk Registers

6. We refresh our Corporate Risk Register (CRR) every year. The Corporate Management Team (CMT) generates the new CRR each year in a facilitated risk session. In reviewing risks this year we have been particularly mindful of the risks associated with change and transition and have sought to reflect the risks discussed by the Board in that context.

7. We have grouped the risks identified into our risk categories and all of the risks in the CRR 2019/20 have been refreshed from the previous year's CRR. This year the Corporate Risks are similar to last year, so the risks in this year's CRR link directly to the previous CRR.

8. The CRR lists the top level risks for the organisation, which are identified by the CMT and approved by the Board. Following consideration of the draft CRR at the Board meeting on 22nd March 2019, a number of amendments were suggested

which have subsequently been made by the Director of Strategy and approved by the Chair.

9. The full MRR refresh in 2018 was supported by facilitated sessions, either with whole Directorates or smaller teams. The process considered the relevance of previous Corporate Risks which were no longer listed on the CRR, along with any other operational risks which were significant enough (through discussions with those involved) to be recorded and managed.

10. The risks listed on the MRR have been identified by staff across all Directorates, and are focused on their specific areas of work, rather than the higher level risks which are managed through the CRR.

Master Risk Register and Business as Usual

11. With the focus of the MRR being operational, and the risks on the register identified by staff working in the areas the risks relate to, significant risks which involve day to day organisational activities such as project work and business as usual are covered by the MRR.

12. While we have just 6 key risks on the CRR, the MRR currently has 59 risks due to the wide range of lower level risks recorded on it. This figure is subject to change though as risks are closed on the MRR and newly identified risks added to it on an ongoing basis. Appendix 2 lists a summary of the risks recorded in the MRR – these are not the lengthy full risk descriptions, but rather summaries to identify risks on the CPT.

13. The MRR was discussed at the Directors meeting on 7th May 2019, in the context of whether it adequately captures business as usual risk. Following review of the risks recorded in the MRR, and considering the process of recently refreshing the entire MRR, the view of the Executive Team was confirmed that the MRR does adequately capture business as usual risk for the organisation. Directors also confirmed that as the MRR is a live document, risks are closed and added to the MRR on an ongoing basis.

14. To ensure all business as usual risk is fully covered by the MRR, and Directorate MRRs are up to date, it was agreed at the Directors meeting on 7th May 2019 that the Senior Policy, Risk and Data Protection Officer will attend Directorate Management Team (DMT) meetings in the near future to review each Directorate's MRR with each DMT.

Finance and resource implications

15. There are no financial implications directly from this paper. The CRR risks 19-1 and 19-2 cover the key financial risks for the organisation in 2019/20.

Staff Partnership

16. There are no staff partnership implications directly from this paper. The CRR risks 19-4 and 19-5 cover the key workforce risks for the organisation in 2019/20 and will be reported to the Staff Governance Committee.

Communication and engagement

17. The final CRR is made available on both the Source (intranet) and the NHS Health Scotland website.

Corporate Risk

18. The Corporate Risk Categories and corresponding Risk Appetites were agreed by the Board for the CRR 2017/18.

19. The CRR 2019/20 covers the key strategic risks for the organisation, and as with each years CRR, is developed by the CMT and approved by the Board.

20. The MRR contains identified operational risks, but risks on the MRR can be escalated to the CRR if deemed significant enough. To do this, the relevant Director must propose the escalation of the risk to the CRR at a CMT meeting.

Issues associated with transition

21. As with the CRR 2018/19, the risks identified in the CRR 2019/20 all include an aspect of the transition from NHS Health Scotland to Public Health Scotland.

Promoting Fairness

22. There are no promoting fairness implications directly from this paper. The draft Delivery Plan, which contained the draft CRR, set out what we will do in the year ahead to work towards a fairer, healthier Scotland. Promoting fairness is therefore at the heart of the document.

Sustainability and environmental management

23. There are no sustainability and Environmental Management implications directly from this paper.

Action/Recommendations

24. The Board is asked to discuss and agree whether the risk registers (Corporate Risk Register and Master Risk Register) used by NHS Health Scotland capture the organisation's risks related to Business As Usual.

Duncan Robertson
Senior Policy, Risk and Data Protection Officer
7th May 2019

Appendix 1
NHS Health Scotland Board Risk Appetite and CRR 2019/20

NHS Health Scotland statement of risk

NHS Health Scotland has set an ambitious vision for a Scotland where all people and communities have a fairer share of the opportunities and resources to live longer, healthier lives. To achieve it, we need to be prepared to act in new ways and try new things, some of them untested, and to be prepared for some of them to be contested. In other words, our general appetite for risk has to be high.

Risk categories and appetite

We define our risks under the following four categories. We do not assign each category with a fixed appetite for risk as we believe this could limit opportunities arising within that activity area. However, we do use the statements below as the starting point to guide the assessments we would make about any risk falling into that category.

1.   Business

We encourage innovation and creativity in order to have impact in delivering A Fairer Healthier Scotland. This means we want to be open to exploring opportunities to improve current services, taking on new roles and also being prepared to move away from roles and services that no longer have impact.

2.   Finance and governance

We encourage innovation and recognise that resources and decision- making need to support that. However, we also expect the activities to be carried out within the financial and regulatory parameters set.

3.   Workforce

Our people are critical to achieving our vision. We therefore encourage initiatives and opportunities which support and empower our staff to be innovative and influential, while ensuring that we retain a safe and well-governed working environment.

4.   Reputation and quality

We strive to have profound influence over how our stakeholders think and act to reduce inequalities in health. We therefore encourage messages that are bold, challenging of the status quo and designed to achieve change. However, we know that we can only achieve that level of influence if we have and retain a reputation for high-quality, factual and useful information, and for working well with others.

Managing and governing our risks

Each risk has to be assessed individually for its negative impact. However, there are two general principles which we believe will help mitigate against many of our risks. These are: ensuring that all of our activities are evidence informed, and being committed to be able to demonstrate value for public money in all of our work.

We have well-managed governance arrangements in place to manage our risk exposure at corporate level. The risks are included on the corporate risk register and managed through the appropriate governance committees.

Corporate Risk Register 2019/20

Each year, as part of the planning process, we identify the greatest risks to our ability to deliver our work. These are risks that we can do something about, and this year the CRR risks are developments of risks we identified last year.

This year's corporate risks are:

1) As a result of uncertainties in the funding arrangements for Public Health Scotland from 01/12/19, there is a risk that the commitments made in this Delivery Plan will not be fully achieved.

2) As a result of needing more of our resources than anticipated to manage the transition to Public Health Scotland, and particularly senior management resource, there is a risk either that we do not deliver all our commitments for 2019/20 or that errors are made in the quality control of our outputs.

3) As a result of issues in the transition of governance to Public Health Scotland or a lack of contingency planning for a delayed start date, there is a risk there are gaps in accountability, resulting in reputational damage.

4) As a result of the complex process of creating Public Health Scotland from different legacy organisations, there is a risk that the cultures and practices which Health Scotland have built up and believe to be important to the mission of fairer, healthier improvement are diluted or lost.

5) As a result of the impacts or perceived impacts on staff of the changes planned through the creation of Public Health Scotland and associated arrangements, there is a risk of an impact on productivity and staff turnover, and so we do not deliver all our commitments for 2019/20.

6) As a result of not retaining influence with and support from important stakeholders in the transition year, there is a risk that our key messages and core agenda are not carried over as powerfully into Public Health Scotland, reducing its credibility and impact in reducing health inequalities.

Appendix 2: Summary of Current MRR Risks

Name	Risk Number	Risk Topic
Recording and measuring our engagements with stakeholders	00011	Reputation & Quality
Improving our customer relationships	00012	Reputation & Quality
Engagement with planning and performance processes	00013	Business
Improvement models and process	00015	Reputation & Quality
Improvements to the CPT	00016	Finance & Governance
Information governance, information management and records management	00017	Finance & Governance
Promote, Position and Protect	00018	Business
Effective influence protocol	00019	Reputation & Quality
Media Enquiries	00020	Reputation & Quality
Social Media	00021	Business
Collaborative approach to our work	00022	Reputation & Quality
Staff resource and capacity	00023	Workforce
Timescales, capacity and competing priorities within People and Workplace	00024	Workforce
Meaningful engagement and communications with staff	00025	Workforce
Management of Serious and Imminent Danger Policy	00026	Business
Office Space	00027	Business
Health, Safety and Wellbeing safeguards	00028	Reputation & Quality
Public Contact systems	00030	Reputation & Quality
HWL - Meeting the expectations of customers & stakeholders	00031	Finance & Governance
HWL- Development of Website	00032	Business
HWL - Changing Policy Landscape	00033	Business
H&W - incorrect/ inappropriate advice being delivered	00034	Reputation & Quality
H&W - Development and maintenance of databases	00035	Business

H&W - Netcall Servers	00036	Business
H&W - Specialist staff retention and recruiting	00037	Workforce
H&W - Changing models of delivery	00038	Workforce
H&W - Inadequate marketing activity	00039	Reputation & Quality
H&W - Changes in SG Priorities	00040	Business
H&W - Networks & Collaborative work	00041	Finance & Governance
Board Governance Members	00042	Finance & Governance
Influence over Public Health Reform	00043	Business
Prioritising delivery of key areas of work	00048	Reputation & Quality
Inaccurate or inaccessible information being distributed	00049	Reputation & Quality
lack of capacity and failure to deliver outputs	00052	Workforce
Inadequate Prioritisation	00054	Business
HS IT services	00055	Business
Search Engines visibility	00056	Reputation & Quality
Healthy Working Lives Adviceline - handling customer data	00057	Reputation & Quality
Inadequate Governance of Information	00058	Reputation & Quality
Changing Priorities for New Public Health Organisation	00059	Reputation & Quality
Uncertainty about structure or function of new Public Health Organisation	00060	Workforce
Inability to move resources and unexpected vacancies	00061	Workforce
Reduced budget and changing priorities	00062	Finance & Governance
Clash of vital stakeholders risks disengagement	00063	Finance & Governance
Risk to capacity due to demands of PHR	00064	Finance & Governance
PHR risks staff skills	00065	Workforce
Senior managers becoming too cautious	00066	Workforce
Budget spent on low impact work	00067	Business
Over commitment in business planning	00068	Business
No spare capacity	00069	Business
Delays in publication and marketing	00070	Reputation & Quality
Trust not maintained as we influence new body	00071	Reputation & Quality
Erosion of QA of outputs	00072	Reputation & Quality
Key stakeholders not involved in projects	00073	Reputation & Quality

Conflict of interest	00074	Business
Changing Political Priorities, assumed funding unavailable	00075	Finance & Governance
No contingency in financial plans	00076	Finance & Governance
Finance shared services progress	00077	Finance & Governance
National Boards' Savings target shortfall	00078	Finance & Governance