


Risk Management Strategy

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1. Introduction and Policy

Risk Management can be defined as the identification, analysis and control of risks, which threaten assets, service delivery and the achievement of agreed objectives.

It is the process whereby organisations methodically address the risks attached to their activities with the goal of overcoming challenges and achieving sustained benefit within their service delivery.

The Integration Joint Board (IJB) is committed to a culture where the workforce within its scope is encouraged to develop new initiatives, improve performance and achieve goals safely, effectively and efficiently by the appropriate application of good risk management practice.

This concept is embraced throughout the IJB and Health and Social Care Partnership (HSCP) as an enabler of success, whether delivering better outcomes for the people of South Ayrshire, protecting the health, safety and wellbeing of everyone who engages with the Health and Social Care Partnership or for maximising opportunity, delivering innovation and achieving best value.

The IJB and HSCP aim to provide safe and effective care and treatment for patients and clients and a safe working environment for HSCP employees. This will also apply to services delivered under the direction of the IJB.

The IJB purposefully seeks to promote an environment that is risk 'aware' and strives to place risk management information at the heart of key decisions. This means that the IJB can take an effective approach to managing risk in a way that both addresses significant challenges and enables positive outcomes.

The IJB will promote the pursuit of opportunities that will benefit the delivery of Strategic Plan objectives. Opportunity related risk must be carefully evaluated in the context of the anticipated benefits for patients, clients, employees and stakeholders.



The Strategic Plan is a ten-year vision for integrated health and social care services which sets out our objectives and how we will use our resources to integrate services in pursuit of national and local outcomes.

Our overarching vision is;
'Empowering our communities to start well, live well and age well.'

2. Implementing the Policy

Accountability and responsibility for Risk Management is clearly defined and allocated at Strategic and Operational levels. The process is scrutinised by the Performance and Audit Committee and endorsed by the Integration Joint Board for Health and Social Care.

This Strategy is implemented by the HSCP Directorate Management Team (DMT) in a manner that promotes best practice and aids overall performance improvement which, in turn, links to the HSCP Strategic Plan.

The IJB, through this strategy, has established a Risk Management Framework, which covers risk policy, procedure, roles and responsibilities, process, monitoring and review.

This document represents the risk management framework being implemented by the South Ayrshire Integration Joint Board and is part of the IJB's wider governance arrangements.

The Performance and Audit Committee and Integration Joint Board receives reports in the form of the HSCP's Strategic Risk Register from the Chief Officer on a 6 monthly basis. The register will outline;

- Risk identification
 - Risk ownership
 - Risk mitigation (existing)
 - Risk monitoring
- | |
|---------------------------------|
| Risk cause and potential effect |
| Risk evaluation and rating |
| Risk mitigation (proposed) |
| Risk review |

The Committee and Board are invited to scrutinise the information provided within this document and will be requested to endorse any risk treatment or mitigations as they progress.

Key benefits of effective risk management:

We are risk 'aware' not risk 'averse'

We make decisions based on a balanced appraisal of risk and enable acceptance of certain risks in order to achieve a particular goal or reward.

We make better use of and prioritise resources.

We achieve high levels of morale and productivity, heightened user experience/ satisfaction with a consequent reduction in adverse incidents, claims and/ or litigation.

This enhances the positive reputation of the IJB and HSCP.

3. Strategy Objectives

3.1 Key HSCP Risk Management objectives are listed as follows:

- Continue to integrate Risk Management into the culture of the organisation and raise awareness of the need to manage risk effectively through established, robust risk management systems.
- Ensure that Risk Management is not undertaken in isolation but is intrinsically linked to HSCP decision making and Performance Planning.
- Establish clear roles, responsibilities and a reporting framework for managing risk across the HSCP for both Officers and IJB Members.
- Manage risk in accordance with best practice, but in a way that will demonstrate commitment to statutory compliance, improved service delivery, promotion of people management, health, safety and welfare, environmental sustainability, forward planning, preservation of reputation and reduced liability.

3.2 These objectives will be achieved by:

- Promoting awareness of effective Risk Management and defining the roles and responsibilities for managing risk that IJB Members and Senior Officers have in relation to risk;
- Continuing to consider the threats to the achievement of agreed IJB, HSCP and Strategic Plan objectives when developing risk mitigations;
- Utilising the agreed 'Risk Reporting' framework, established in line with Corporate Governance, including regular monitoring, reporting and review.
- Supporting the position whereby Senior Officers are clearly outlining the risk implications of HSCP decisions when preparing Panel or IJB reports as a means of ensuring fully informed decision making;
- Considering risk in its broadest sense, taking cognisance of all categories of Risk where applicable.

3.3 The key Risk Management intended outcomes for the South HSCP are:

- A Partnership-wide, consistent and evidence-based approach to managing risk across the organisation;
- Clarity and transparency in respect of decision making at all levels;
- Reduction in financial and HR costs associated with losses due to adverse incidents, service interruption, litigation, insurance premiums and claims;
- More effective service delivery organised in a manner that meets stakeholders' expectations and preserves the reputation of the Partnership;
- Consideration of the implications of anticipated legislative or regulatory demands to assist efficient allocation of resources by proactive identification of potential risks;
- Protection of employees, clients, service users, contractors and members of the public;

- Protection of property, infrastructure, equipment, vehicles and other assets.

3.4 The measures of success are intended to demonstrate:

- Fewer adverse incidents / accidents / complaints;
- Less litigation / improved claims experience / lower premiums;
- Financial savings in respect of the above;
- Positive external scrutiny and reporting from enforcement agencies, external audit and other partner organisations or stakeholders.
- Enhanced reputation for South HSCP

This strategy takes a positive and holistic approach to risk management. The scope applies to all risks, whether relating to the clinical and care environment, employee safety and wellbeing, business risk, opportunities or threats.

Strategic risks represent the potential for the IJB to achieve (opportunity) or fail to meet (threat) its desired outcomes and objectives as set out within its Strategic Plan 2021 - 31, and typically these risks require strategic leadership in the development of activities and application of controls to mitigate the risk.

Operational risks represent the potential for impact (opportunity or threat) within or arising from the activities of an individual service area or team operating within the scope of the IJB's activities. Parent bodies will retain responsibility for managing operational risks as operational risks will be more 'front-line' in nature and the development of activities and controls to respond to these risks can be led by local managers and team leaders. Where an operational risk impacts across multiple service areas or, because of interdependencies, requires more strategic leadership, then these can be proposed for escalation to 'strategic risk' status for the Performance and Audit Committee, the IJB and, where required, South Ayrshire Council or the NHS Board.

4. Link to Strategic Plan

The Risk Management Strategy is underpinned by the objectives outlined within the HSCP Strategic Plan as follows;

- We focus on prevention and tackling inequality.
- We nurture and are part of communities that care for each other.
- We work together to give you the right care in the right place.
- We help build communities where people are safe.
- We are an ambitious and effective Partnership.
- We make a positive impact beyond the services we deliver.
- We are transparent and listen to you.

Effective risk management is crucial in the achievement of these objectives and we recognise the need to integrate partnership, performance, workforce and financial planning with the assessment of risk.

IJB Members and Chief Officers are fully committed to the principles of Risk Management and seek to promote a culture within the HSCP that encourages continued endeavour in this area.

5. Application of Risk Management across HSCP activities

The following standard procedures will be implemented across all areas of activity that are under the direction of the IJB as set out in the South Ayrshire Integration Scheme in order to achieve consistent and effective implementation of the Risk Management Strategy.

For the risk management process to be effective, risk management information should (wherever possible) be used to guide major decisions in the same way that cost and benefit analysis is used.

Identification of risk is considered using standard methodologies, involving subject experts who have knowledge and experience of the activity or process under consideration.

Strategic Risks: these may be risks that may arise from Political, Economic, Social, Financial, Technological, Legislative, Environmental, Reputational or Resource factors that impact on the delivery of the Strategic Plan outcomes.

Operational Risks: these may be risks that may arise from or impact on Clinical Care and Treatment, Social Care and Treatment, Customer Service, Employee Health, Safety & Well-being, Business Continuity/ Supply Chain, Information Security and Asset Management.

Specific risks – whether Strategic or Operational will be **owned by/ assigned to** whoever is best placed to manage/mitigate the risk and oversee the development of any new risk controls required. It is important that ownership is allocated at the correct level, and crucial that those responsible for managing each risk have the authority and service specific expertise to influence outcomes.

Consistent application of the agreed risk matrix is utilised in the management of risk. This allows for analysis of risk in terms of consequences and likelihood of occurrence, taking into account the effectiveness of risk control measures (mitigations) already in place.

Response to risk should be proportionate to the level of risk. Risks may be terminated; transferred; (i.e. to another partner or third party); tolerated or treated (mitigated) with measures to bring them to a level that is acceptable to the IJB and wider Partnership.

The implementation and maintenance of risk registers will be used as a means of collating risk information in a consistent format allowing comparison of risk evaluations, informed decision-making in relation to prioritising resources and ease of access to information for risk reporting. Reporting of strategic risks to the Performance and Audit Panel and IJB takes place on a six monthly basis. This demonstrates accountability and governance and allows for scrutiny and endorsement of risk management activity.

This Strategy is implemented by the HSCP Directorate Management Team (DMT) in a manner that promotes best practice and aids overall performance improvement which, in turn, links to the Strategic Plan.

6. Roles and Responsibilities

Levels of involvement are outlined as follows:

6.1 Director of Health and Social Care Partnership

The Director has overall responsibility for the effective implementation of the Strategy, ensuring oversight of the risk management process and final approval of Risk Management Reports and Risk Registers.

6.2 Heads of Service

Heads of Service have a remit which includes contribution to both the Strategic and Operational Risk Management process. They ensure the ongoing identification, profiling and management of Strategic Risk and allocation of Risk Owners as required. They are responsible for Operational Risk Management as it relates to their Service areas and are committed to the maintenance and monitoring of Operational Risk Registers.

6.3 Senior Manager Planning & Performance

The Senior Manager Planning & Performance has oversight of the risk management process for the Partnership and coordinates the arrangements for the compilation and reporting of Risk information in line with this Strategy. To this end, support is provided by the Risk Leads within South Ayrshire Council and NHS Ayrshire and Arran.

6.4 Service Managers

Service Managers are responsible for the ongoing identification, profiling and management of Operational Risk as it relates to their service areas. This information is captured within Operational Risk Registers or escalated to Strategic level where Heads of Service or the Senior Manager Planning & Performance deems this appropriate.

7. Risk Management – The Process

The Risk Management process follows six steps as follows:

- Risk identification
- Risk evaluation / tolerance
- Risk ownership
- Risk mitigation
- Risk monitoring
- Risk reporting

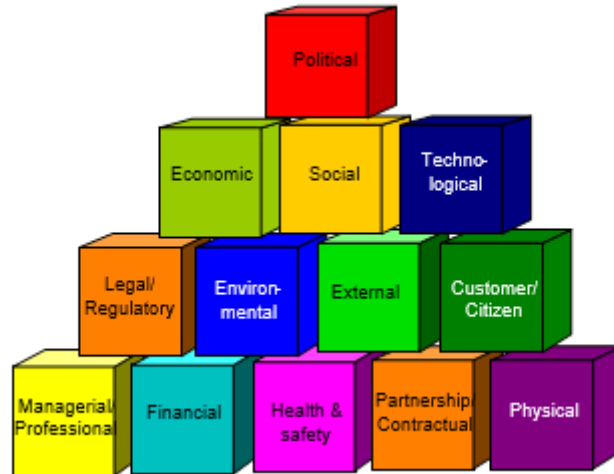
A pro-forma Risk Register template is available at Appendix 2.

7.1 Risk Identification

Any significant risks facing the Partnership are identified and assessed at an appropriate level in order that there is a clear understanding of how they might affect service delivery or impact service users, employees or other stakeholders. This process acts as a prompt for informed decision making on mitigation and clarity on associated timescales.

Risk identification is focussed on the key risks which may impact the achievement of IJB, Partnership objectives or those outlined within the Strategic Plan. It is useful to consider the categories in Figure 1.

Figure 1- Categories of Risk



Further description of each of the above categories can be found at Appendix 1

Risk types can take many forms, and interdependencies often exist between the various categories. It is important to take a holistic approach when deciding on methods of treatment. Further description of each of the above categories can be found at Appendix 1

It has been agreed that identified risks be considered in themes. For the HSCP, risks are identified as falling within the scope of the themes of 'Governance', 'Protection' or 'Resources'.

Risk Themes and Title		
Governance	Protection	Resources
1. Decision Making and Governance 	6. Adult and Child Protection 	11. Financial Constraints
2. External Factors including Contingency Planning 	7. Public and Employee Protection 	12. Employee Absence
3. Strategic Planning 	8. Sustainable Development and Climate Change 	13..Workforce Planning
4. Integrity 	9. Financial Inclusion 	14. ICT – Digital Resilience, Protection and Capability
5. Internal Audit Actions 	10. Grounds Maintenance - Ash Tree Die Back 	15. Management of Assets

7.2 Risk Evaluation

When a risk has been identified, the causes and potential effects should be noted for information on the risk register (see Appendix 2).

An evaluation is then undertaken on the potential impact of the consequences should this risk occur and how likely the risk is to materialise.

The text in the table below should be used to decide on the severity of impact versus the likelihood of risk.

Impact		x	Likelihood	
1	Minor		1	Unlikely
2	Moderate		2	Possible
3	Major		3	Likely
4	Critical		4	Very Likely
5	Catastrophic		5	Almost Certain

When selecting **impact**, it is important that a holistic analysis of the categories of risk outlined at Appendix 1 be considered. This will assist in understanding how the issue could impact the Partnership as a whole or a particular Service. It can be helpful to utilise a standard 'severity matrix and cost impact analysis' for this purpose. Please see Appendix 3 for additional guidance.

When selecting **likelihood**, a consideration of historical information, external drivers, trends and statistics can be useful in determining an appropriate level.

The agreed approach to the assessment of risk within the HSCP is undertaken *taking into account* existing control measures and mitigations.

Risk Rating = Impact x Likelihood

Risk Analysis Matrix

L I K E L I H O O D	5	10	15	20	25	Risk Rating
	4	8	12	16	20	
	3	6	9	12	15	Amber Zone
	2	4	6	8	10	Green Zone
	1	2	3	4	5	
	IMPACT					

The organisation is committed to risk reduction where this is feasible and risk owners will seek to implement new mitigations – in addition to those which may already be in place – as a means of reducing risk exposure to all those who may be affected by the HSCP undertakings. There is an agreed objective therefore, to reduce 'risk ratings' where this can be achieved. Consideration can be given to the 4 'T's in Risk Management – Treat, Transfer, Tolerate or Terminate.

Treat	Mitigate the risk (standard practice)
Transfer	To insurers, contractors or 3rd Party (caveat on liability)
Tolerate	Accept the position with ongoing monitoring (see paragraph 7)
Terminate	Cease the activity (not often feasible in Public Sector, where activities are often statutory)

Risk Tolerance

The risk appetite is intentionally not defined in respect of a specific score. The nature of Public Sector operations is such that the organisation may be forced to tolerate a number of risks in relation to service delivery because they are underpinned by statutory obligations on the part of the organisation to deliver.

The IJB and Partnership is also likely to concede that certain risks have to be accepted because there are no reasonable additional measures that can be taken to provide further control or mitigation. Such decisions may be based on resource restrictions or an acceptance that the risk itself is out with the control of the organisation. Continued risk monitoring and horizon scanning is undertaken should such situations arise.

Those with responsibility for the Risk Management process, whether at Strategic or Operational level, must be fully aware of the potential impact and consequences of accepting any risk, and ensure diligence in respect of monitoring arrangements to track any changes to risk rating.

Tolerance may be the most appropriate approach for risks which feature within the green zone, and such tolerance is generally accepted where all reasonable mitigations have been considered and there is ongoing monitoring to detect any change.

There is a commitment to ensure that risks featuring in the red or amber zones, will be 'treated' by Risk Owners and mitigated where feasible.

7.3 Risk Ownership

The next step is concerned with nominating a risk owner to manage the risk. This will normally be the Service Manager or Chief Officer who has the responsibility for the delivery of the service activity or the people or assets associated with the risk. They are usually best placed to control or influence the Risk Management Action Planning process and have an obligation to report on progress. Strategic and Operational Risk Registers will also identify who is ultimately accountable in respect of the management of key risks. Clarity on risk ownership is crucial if risk management activity is to be effective.

7.4 Risk Mitigation

Risk control is concerned with taking action to reduce the impact and / or likelihood of the risk.

Those undertaking the risk assessment process should record the mitigations that already exist to manage the identified risk. In doing so, they should be confident that these existing mitigations have been **fully implemented, are working effectively and are evidence based**.

The next step is key in the risk management process. Risk Owners must give consideration to the feasibility of additional mitigations. It is essential to ensure that any actions agreed to reduce risk exposure are realistic and achievable, rather than aspirational. They should be recorded on the risk register with clear **timescales** identified for their implementation (see Appendix 2).

It is also important that the Risk Owner is aware that they are responsible for progressing these mitigations within the timescales prescribed. Again, this step in the process should be evidence based.

7.5 Risk Monitoring

It is important to monitor progress on risk management regularly and assess the effectiveness of any existing or additional mitigations. It is also necessary to consider whether the nature of risk has changed over time.

At Operational Level, it is anticipated that Service Managers will continually monitor progress and that risk mitigation will be a regular feature of team meetings. Formal updates are progressed regularly and reports prepared. (see Risk Reporting 7.6). Operational Risk Registers are held by Service Managers.

The Strategic Risk Register is formally reviewed every 6 months by Chief Officers / Risk Owners and the status and progress of risk mitigations considered and updated. This process is coordinated by the Senior Manager for Performance and Planning. Formal updates are progressed regularly and reports prepared. (see Risk Reporting 7.6). For ease of access the Strategic Risk Register is held and managed by the Planning and Performance team.

7.6 Risk Reporting

7.6.1 Directorate Management Team (DMT)

The HSCP Strategic Risk Register (SRR) is formally reviewed, updated and approved every 6 months. The DMT can highlight new risks which may have strategic significance or consider the elevation of Operational or Service risks which may be better managed at Strategic level. The Senior Manager for Planning and Performance coordinates the updating of the SRR with nominated Risk Owners on behalf of DMT.

7.6.2 Heads of Service - Management Teams

HSCP Operational Risk Registers are formally reviewed, updated and approved by Service Management Teams every 6 months. They consider any new risks which may have Service significance or where appropriate prompt the elevation of Operational or Service risks which may be better managed at Strategic level. The Senior Manager for Planning and Performance coordinates the updating of Operational Risk Registers with nominated Risk Owners on behalf of the Service Management Teams.

7.6.3 Performance and Audit Committee

A key role for the Performance and Audit Committee is to ensure that the Partnership has an appropriate Risk Management Strategy drawn up, and that risk management procedures are properly carried out. This remit is outlined within the Terms of Reference and includes scrutiny, challenge and validation of the HSCP Strategic Risk Register. On a 6 monthly basis Members are asked to agree the key risks, consider the effectiveness of risk mitigations and endorse the work proposed by Risk Owners to mitigate those risks which have been identified as significant.

7.6.4 Integration Joint Board

The Board has responsibilities which include monitoring and review of Corporate Governance arrangements. Following endorsement from the Performance and Audit Committee, a report on progress in respect of HSCP Strategic Risk Management is prepared for the IJB on a 6 monthly basis. Members are asked to endorse the work being undertaken in mitigation and approve the HSCP Strategic Risk Register.

An understanding of the agreed significant Strategic Risks is crucial for IJB Members who have a key role to play in the HSCP decision making process. Support of the action being taken by the Partnership is vital as well as an understanding of the potential impact to the organisation should activity in respect of mitigating the key risks not be supported.

These reporting arrangements will ensure that IJB Members, Elected Members and appropriate levels of personnel are made aware of the risks incurred through service provision which may impact on the achievement of HSCP objectives. The structure of reporting ensures that oversight, approval, scrutiny and endorsement of HSCP risk is retained at the appropriate level.

8. Risk Context

The agreed approach to the assessment of risk within the Partnership is undertaken on the basis of existing control measures and mitigations.

All IJB and Council Panel reporting includes consideration to 'Risk Implications' in respect of IJB and Elected Member decision making.

Risk Management is closely aligned to a number of disciplines, Internal Audit, Insurance, Health and Safety, Business Continuity Management and Civil Contingencies. These different areas act as support mechanisms in relation to the Risk Management Process.

8.1 Internal Audit

Internal Audit and risk professionals share a common goal; to improve internal control through the management of risk. Internal Audit will assess the effectiveness of the Partnership's internal controls and review Risk Management as part of the Corporate Governance arrangements. Internal Audit will use the information on the various Risk Registers to inform their annual Audit Plan. They will seek evidence of the monitoring and reporting of risk. Internal Audit is an independent review activity. It is not an extension of, or a substitute for, Chief Officers' risk management responsibilities.

8.2 Insurance

Insurance is one method organisations use to transfer risk. The Risk Management Strategy is considered by Council Insurers during the tender / renewal process and its effective implementation can contribute to reduced insurance premiums and more competitive terms from the insurance market. Claims against the Partnership are closely monitored by the Risk and Safety Team at South Ayrshire Council to assess their number and nature, and how these link to risks which have been identified and recorded through Risk Registers. A Corporate Insurance Report is prepared quarterly for SAC Corporate Leadership Team detailing claims, costs and recurring themes.

8.3 Business Continuity Management (BCM) and Civil Contingencies (CC)

The Civil Contingencies Act 2004 now identifies IJB and HSCPs as Category 1 responders. There is a requirement to have civil contingencies and business continuity plans in place. These underpin Risk Management and are concerned with how the Partnership can respond to and overcome disruption in the event of adverse incidents whilst continuing to deliver key services at an agreed, pre-determined level. These relate to the low probability / high impact risks that, if occurred, could result in the failure of key services or systems.

A range of Civil Contingencies Plans are prepared on behalf of the Partnership by the Ayrshire Civil Contingencies Team or the NHS Civil Contingencies Team. Training is provided to key personnel and regular testing exercises are scheduled to ensure plans remain fit for purpose

and that the risks associated with the response to adverse incidents and emergency situations are mitigated.

Business Continuity Planning is organised locally and supported by Resilience Officers within the NHS and the Council. The same risk profiling matrix is utilised to determine the level of criticality of services delivered by the Partnership.

8.4 Health & Safety

There are clear and well-established links between Health & Safety and Risk Management within the HSCP. The same methodology and risk profiling matrix is utilised in consideration of all types of risk, irrespective of interface level. Health and Safety Action Plans are developed at Service level and issued quarterly to Service Managers. Occupational Health strategies and Health and Wellbeing initiatives can also be influenced by Risk Management or driven by workforce planning, absence information or the insurance claims experience.

8.5 Risk Management Training

An online module on Risk Management is available via South Ayrshire Council's 'COAST' Platform and further training can be arranged by contacting either South Ayrshire Council or NHS Risk Management Leads.

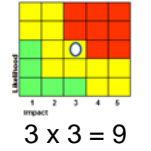


9. Strategy Review

A formal review of the South Health and Social Care Partnership Risk Management Strategy is undertaken every 3 years, or more regularly as required by any changes to best practice, government initiatives or amended legislation.

Categories of Risk

Appendix 1

Risk Category	Theme	Description of Risk
Political	Governance	Associated with failure to deliver either local or central government policy, or to meet the local administration's manifesto commitments.
Economic	Resources	Affecting the ability of the Partnership to meet its financial commitments as a result of external economic changes or the consequences of investment decisions.
Social	Protection	Relating to the effects of changes in demographic, residential or social-economic trends or the Partnership's ability to deliver strategic objectives.
Technological	Resources	Associated with the capacity of the Council to deal with the pace/scale of technological change, or its ability to use technology to address changing demands. Relating to reliance on equipment (e.g. IT systems).
Legislative /Legal	Governance	Those associated with current or potential changes in Scottish / UK or European Law (where it may continue to impact). Relating to Impending or potential proceedings.
Environmental	Protection	Relating to the environmental consequences of progressing the HSCP's strategic outcomes (e.g. in terms of energy efficiency, pollution, recycling, landfill requirements, emissions).
External	Governance	Associated with risks out with the control of the organisation, not easily mitigated and often more appropriately addressed via performance planning or contingency planning. Horizon scanning also key.
Customer/ Citizen	Governance	Associated with failure to meet the current and changing needs and expectations of customers and citizens.
Professional/ Managerial	Protection	Associated with the nature of each profession (e.g. social work service concerns over children at risk. Managerial-internal protocols and managerial abilities.
Financial	Resources	Those related to financial planning, potential losses or unanticipated spend.
Health & Safety	Protection	Health & Safety risks associated with people, buildings, vehicles, equipment, fire, noise, vibration, asbestos, chemical & biological hazards, ergonomics, food safety, traffic management, stress, lone working, violence & aggression etc.
Partnership/ Contractual	Governance	Associated with the failure of contractors/partnerships to deliver services, projects or products to the agreed specification and / or cost.
Physical	Protection	Theft, vandalism, arson, building related risks, storm, flood, other weather related incidents, damage to vehicles, mobile plant and equipment etc.

Risk No. x		Risk Title -			Risk Theme - Resources / Protection / Governance	
Ownership	Potential Risk	Cause	Potential Effect	Risk Score	Current Mitigations	
Who is accountable and responsible for managing the risk	What could go wrong?	What may have caused this risk?	Possible outcomes or adverse effects?	 3 x 3 = 9	What is already in place to manage the risk?	
	S	A	M	P	L	E
Proposed Mitigations (with dates)					Status	Progress Bar
1. What is planned to mitigate the risk further? (and when it is due to be completed) <enter date>						 Increased from...?

A status icon (Figure 3) is displayed along with a calculation from Risk Owners on percentage completion of the mitigating actions. This information is closely scrutinised by Chief Officers via DMT and Members through the Performance and Audit Committee and IJB. This assists in determining decisions on reducing or increasing risk ratings utilising the matrix at Figure 1.

New risk identification is considered against a broad range of risk types and these are represented at Figure 2. Risk types are cross-cutting and not considered in isolation

Fig 1

Risk Themes			
Governance	Protection	Resources	
Risk Rating			
Impact	x	Likelihood	
1 Minor		1 Unlikely	
2 Moderate		2 Possible	
3 Major		3 Likely	
4 Critical		4 Very Likely	
5 Catastrophic		5 Almost Certain	

Fig 2

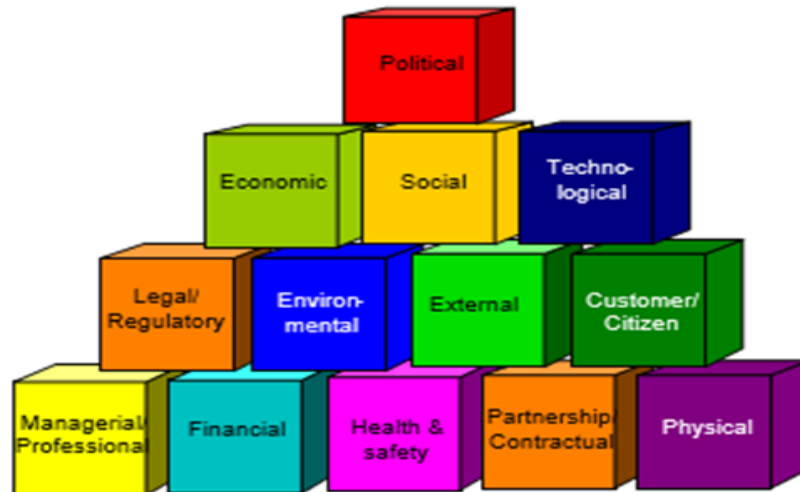







Fig 3 Status	
	Completed
	On Target
	Not on target – some concerns
	Not on target – major concerns
	Not yet started

Severity Scores and Descriptors	1 Minor	2 Moderate	3 Major	4 Critical	5 Catastrophic
Life &Limb	Near miss incident or minor injury to employee, service user or member of the public	Injury / Ill health to employees, service users or members of the public resulting in lost time or small compensation claim	Serious injury or ill-health to employees, service users or members of the public. HSCPI liable	May result in a number of significant injuries and cases of ill-health to employees, service users or members of the public	Single or multiple fatality as a result of HSCP activity, fatal accident enquiry, enforcement litigation etc
Infrastructure & Property	Minor disruption in operational terms to infrastructure / property	Some damage, impacting on service delivery, costs beyond excess covered by insurance	Loss of use of infrastructure / property for limited period / no alternative arrangements in place	Significant loss of use of infrastructure / property for prolonged period	Complete loss of use of infrastructure / property – rebuild / restructure required.
Business Continuity	Reasonable back up arrangements in place, minor downtime of service /system	Support of services and systems deemed to be borderline – downtime inevitable	Security of systems and performance of services cannot be achieved to a required standard – systems vulnerable and downtime occurs	Significant impact - medium term loss of service and / or system	Complete inability to provide system / service prolonged downtime / no backup in place
Reputation	Minor localised dissatisfaction affecting reputation in pockets	Some public embarrassment but limited damage to service users or reputation	Local adverse public embarrassment leading to considerable damage	Regional or national adverse publicity, loss of confidence in the organisation	Highly damaging adverse publicity, loss of confidence in HSCP; Scottish Government and / or Audit Scotland involvement
Finance*	0.5% (or less) Budget	0.5 - 2% Budget	2 - 3% Budget	3- 5% Budget	>5% Budget

*These percentages are a guide only and should be considered within the context of the circumstances underpinning the risk.