

CÙRAM IS SLAINTE NAN EILEAN SIAR

INTEGRATION JOINT BOARD



DATE: 23 JUNE 2026

ITEM: 6.1.1

RISK MANAGEMENT STRATEGY

1. Introduction

- 1.1 As a separate legal entity (as defined in the arrangements of Public Bodies (Joint Working) (Scotland) Act 2014), the Integration Joint Board (IJB) is required to have an approved Risk Management Strategy which ensures processes are in place to identify Strategic Risks faced by the IJB. This Strategy has been produced with reference to the Corporate Risk Management Strategies of NHS Western Isles and Comhairle nan Eilean Siar. The aim of the Strategy is to ensure that there is a robust and effective framework in place to manage strategic risks.
- 1.2 This Risk Management Strategy forms part of the wider framework for corporate governance and internal control within the IJB. Although the IJB's duties predominantly relate to the strategic risks associated with fulfilment of the IJB's statutory duties, this Risk Strategy provides a holistic framework of both operational and strategic risk. This approach enables the IJB Audit and Risk Committee to have oversight of governance arrangements in place to consider the level of assurance applicable to the operations of the IJB and the risk management processes associated with the delegated services.

2. Objectives of the Strategy

- 2.1 The objectives of this Strategy are to:
- Provide the IJB with a governance framework that is transparent in relation to the responsibilities and processes associated with risk management at an operational and strategic level.
 - Enable the IJB Audit and Risk Committee's (IJB ARC's) role and function to be contextualised appropriately in relation to the interface of risk management processes of the parent bodies.
 - To detail the reporting obligations for risk management to the IJB Audit and Risk Committee and the IJB.

3. Risk management processes

- 3.1 The fundamental purpose of risk management is the identification and treatment of risks. The parent bodies approach to risk is documented in their respective strategies and operational guidance. This Strategy acknowledges the functions fulfilled by the parent bodies and provides an overview of how the strategic and operational risks are managed. The flow chart as detailed at Appendix 1 provides a visual of the management of operational and strategic risk for delegated services.
- 3.2 The management of operational risk will continue to be addressed through the parent body processes. The Chief Officer, with the support of the parent body risk management teams, will create an operational risk register for delegated services for oversight by the

Integrated Corporate Management Team (ICMT). Once established the Operational Risk Register will be managed by exception reporting on a monthly basis to ICMT with a twice-yearly review to produce a summary for the IJB ARC to provide a process for assurance in relation to the delegated services. The exception reporting will be undertaken to highlight changes to existing risk on the register, new or emerging risks under consideration. The parent body reporting formats will be retained with the Operational Risk Register replicating the information as managed by the parent bodies.

- 3.3 The Chief Officer will be responsible for the collation of a Strategic Risk Register to enable the IJB ARC to fulfil the obligations in relation to the provision of oversight and assurance of the risks relating to the functioning of the IJB. ICMT will provide the governance in relation to identification of risk and the capturing of mitigating actions for onward reporting to the IJB ARC. This will enable the interface with operational risk and strategic risk to be appropriately contextualised in terms of the IJB interests as well as defining the relationship between IJB Strategic Risks and that of the parent bodies.
- 3.4 In order to establish the Strategic Risk Register, this will be a standing agenda item on ICMT with routine reports to each meeting of the IJB ARC. Following the approval of a substantive Strategic Risk Register by the IJB ARC, exception reporting monthly to ICMT will commence with a substantive Report to each meeting of the IJB ARC. It is intended to have a twice-yearly Report on Strategic Risk to the IJB in addition to any bespoke requirements due relevant agendas with an association to the Risk Register.

4. Identification of Risk and Risk Appetite

- 4.1 For operational, strategic and project risk management processes, the identification of risk will be prompted by a range of factors. Professional and managerial opinion in relation to delegated services performance, regulatory scrutiny, compliance with parent bodies and IJB corporate governance, internal and external audit findings are examples of the sources of risk identification. As with the parent body corporate risk registers, the IJB Strategic Risk Register will require to have a focus on the external environment in which IJB's operate be that the financial, legislative or place-based factors relevant to the management of the Strategic functioning and intent of the IJB.
- 4.2 Acknowledging the approach by the parent bodies to the documentation of risk is based on the same best practice, but with slightly different approaches to the risk matrix format, the adoption of one approach for the IJB Strategic Risk register is required. This is feasible as all IJB Strategic Risks will be bespoke to the Board and not replicated from the parent body registers. For this purpose, the NHS Western Isles format will be utilised. Appendix 2 provides an amended version of the Risk Assessment template to reflect the context of use as assessment process for IJB Strategic Risk.
- 4.3 The consideration of Risk Appetite or the level of risk the IJB ARC and IJB is prepared to tolerate will be dependent on the impact assessment and mitigation actions. The table below provides indicative actions and risk appetite categorisations. For the Strategic Risk Register the consideration of Moderate and High-Risk matters is anticipated to be significant

given the known system pressures across health and social care locally and nationally. The complexity of the risk mitigating actions for Strategic Risks such as finance, recruitment and service sustainability will require detailed and consideration to ensure all stakeholders are engaged in the risk treatment process. For the purposes of the Strategic Risk Register the threshold for tolerability is anticipated to be Moderate, with High Risk matters requiring the level of assurance as detailed below.

Table 1. Risk categorisation and treatment description aligned to risk appetite.

			Risk appetite
1 - 4	Very Low Risk	No additional controls are required but any existing risk controls or contingency plans should be documented.	Hungry/Open
5 - 8	Low Risk	Further action shall be taken to reduce the risk or to monitor the level of risk with approvals agreed to direct the necessary resources to address any escalation in risk likelihood and/or severity.	Cautious
9 - 12	Moderate Risk	The treatment of such risk will be focused on the de-escalation of the likelihood or impact and will require Integrated Corporate Management Team to have routine oversight of the status of the actions in place and the consideration of the deployment of additional resources to avoid further escalation of risk.	Minimalist
15 - 25	High Risk	The treatment of such risk will require full assurance that all individual and organisational stakeholders are cited on the risk and engaged in the mitigations to reduce the impact and likelihood. This level of Risk will be subject to bespoke performance reports detailing the progress of mitigating actions at IJB ARC and Board level to provide the assurance on the strategies being deployment to reduce the risk to the IJB.	Adverse

4.4 The IJB ARC will have sight of the individual Risk Assessment documentation and the compilation of all risks in a document hosted in Excel to be retained as the Strategic Risk Register for IJB purposes.

5. Roles and Responsibilities

5.1 Integration Joint Board

The IJB is responsible for oversight of the IJB's risk management arrangements and ensuring the operation of the Audit and Risk Committee to provide the governance structure to support the Risk Management Strategy. The Board will receive and review reports on strategic risks which could impact on the Board's Strategic Objectives and delivery of the Strategic Plan. The majority of risks will be reported through the Strategic Risk Register following consideration by the Audit and Risk Committee.

5.2 Integration Joint Board Audit and Risk Committee

The IJB ARC is responsible for overseeing risk assessment for the IJB. Through internal audit, external audit and other assurance sources, the Committee provides the IJB with independent, objective assurance on the effectiveness of its risk management arrangements. The IJB ARC's oversight includes monitoring of risk management effectiveness across operational, project and strategic risks.

5.3 Chief Officer

The Chief Officer has overall accountability for the IJB's Risk Management Strategy, ensuring that suitable and effective arrangements are in place to manage the risks relating to the functions within the scope of the IJB. The Chief Officer will undertake the routine and exception reporting of risk related matters as defined in the Risk Strategy and ensure the risk management processes of the IJB and parent bodies are adhered to for delegated service functions.

5.4 Chief Finance Officer

The Chief Financial Officer will be responsible for promoting arrangements to identify and manage key business risks, risk mitigation and insurance.

5.5 Individual Risk Owners

It is the responsibility of each risk owner to ensure that the application of risk assessment processes is completed and maintained to ensure the evaluation of the level of risk exposure is accurate and the mitigating measures are implemented effectively.

6. Training

- 6.1 The parent bodies provide training for their respective workforces to undertake risk assessment processes in line with roles and responsibilities. The Integrated Corporate Management Team provide the forum for any bespoke training requirements to be considered for the IJB function on the basis of a recommendation of the assessment of need by the Chief Officer.
- 6.2 Training for the IJB ARC and IJB membership on the Risk Management Strategy, roles and responsibilities will be included in the induction and schedule of training for representatives. Training needs identified through the application of the self-assessment process associated with corporate governance processes or through the raising of bespoke requirements through the Chair of the IJB ARC and or IJB will be addressed by the Chief Officer. Training provision will be supported by the associated learning and development resources of the parent bodies.