

Children's Hearings Scotland Board Paper

Agenda Item 2.4

Date of Meeting	19 th January 2012
Paper number	CHS1112-033
Title	Risk Reporting and Management
Purpose	The purpose of this paper is to update CHS Board on progress made in establishing interim risk management arrangements for CHS.
Options	Note the progress made in establishing risk management arrangements for CHS. Note the contents of the interim Strategic Risk Register (appendix 1).
Recommendations	The Board is invited to: <ul style="list-style-type: none">• Note the progress made in establishing interim risk management arrangements for CHS.• Note the contents of the interim Strategic Risk Register (appendix 1).
Attachments	N/A
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Agenda Item 2.2

1. Purpose

- 1.1 The purpose of this paper is to update CHS Board on progress made in establishing interim risk management arrangements for CHS.

2. Recommendations

- 2.1 The Board is invited to:

- **Note** the progress made in establishing interim risk management arrangements for CHS.
- **Note** the contents of the interim Strategic Risk Register (appendix 1).

3. Background


- 3.1 The Accountable Officer is, in accordance with the Management Statement, required to ensure that a system of risk management is embedded in the organisation to inform decisions on financial and operational planning and to assist in achieving objectives and targets.
- 3.2 In March 2011 the Scottish Government introduced a new guide to Risk Management 'Our Approach to Risk Management' (the guide) which aims to introduce a consistent and robust approach to Risk Management across Scottish Government.

4 Purpose and Discussion

- 4.1 In developing a risk management framework for CHS it is our proposal to adopt the principles of 'Our Approach to Risk Management'. Specifically, the guide includes a risk management strategy, risk management policy, guidance on 'Risk Appetite', an outline of roles and responsibilities and a risk register template. These elements will form the basis of CHS' risk management framework which will also include a joint risk management protocol with SCRA. The latter may be subject to a different timetable.
- 4.2 At this stage a decision has been made not to adopt the risk register template included in the guide. The rationale for this is that a joint risk management protocol with SCRA will be more efficient, effective and robust if the two bodies align the format of their risk register and their methodology for scoring risk. Please note that the items on the risk register attached in appendix 1 have been given an initial score in respect of impact and probability only. The register will be rescored for the March ARM committee meeting.
- 4.3 A risk management day, facilitated by Sandra Dunbar, Head of Business Improvement and Internal Audit at Highlands and Islands Enterprise, will be held for the Board and senior management team on 15 March. The outcomes from this day will feed into an integrated risk management framework to be brought to ARM in March.

- 4.4 It is proposed that the internal audit service will review and report on progress in developing a risk management policy as part of the 2011/12 draft audit plan.
- 4.5 In the interim, and until an approved risk management strategy is embedded throughout CHS, the organisation will work to the principles of 'Our Approach to Risk Management'. The strategic risk register will be updated and reviewed, and risk management will be central to the Corporate and Business Planning Process.

CHS Strategic Risk Register December 2011

Workstream	Risk Type	Description of Risk	Assessment	Trend	Controls in place/mitigation	Action Plan & Timescales	Owner	Progress against Action Plan at last review date	Next Review Date
1. AST	Strategic Reputation	Failure to gain agreement for new AST arrangements from LAs in time for 31 March deadline	Probability: High Impact: High		<p><u>Short term</u> David Hume has been appointed to negotiate on behalf of the NC.</p> <p>Package of information to go to all LAs: -Background info to 2011 Act and what it means for LA -Responses to questions/comments from LAs raised as part of consultation process -Roles and responsibilities for those working in the AST -Draft SLA -What the AST will look like for each LA -Anticipated cost implications (staffing numbers)</p> <p>Ensure plan is in place for addressing project areas which may be affected by a delay.</p> <p><u>Medium term</u> Equality Impact Assessment will address equality issues raised.</p>	<p>Meetings set up between David Hume and LAs to move forward negotiations to stay on track for 31 March 2011.</p> <p>Package of information to be sent to LA in Jan 12.</p> <p>Establish contingency plan for project areas which may be affected by a delay.</p>	Project Manager/Director of Panel and AST		

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2. AST	Strategic Financial	Las view new arrangements as opportunity to reduce costs & withdraw support	Probability: High Impact: High		<p><u>Short term</u></p> <p>David Hume has been appointed to negotiate on behalf of the NC.</p> <p>Package of information to go to all LAS:</p> <ul style="list-style-type: none"> -Background info to 2011 Act and what it means for LA -Responses to questions/comments from LAS raised as part of consultation process -Roles and responsibilities for those working in the AST -Draft SLA -What the AST will look like for each LA – Anticipated cost implications (staffing numbers) <p>Ensure plan is in place for addressing project areas which may be affected by a delay.</p> <p>Ensure clear rationale for new structures clearly communicated to LAS.</p>	<p>Meetings arranged with David Hume and Kit Wyeth to move forward negotiations.</p> <p>Package of information to be sent to LA in Jan 12.</p>	Project Manager /Director of Panel and AST		

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3. AST	Strategic	Operational	Not enough CPAC clerks transfer to work for AST and be accountable to NC. Without adequate skilled, knowledgeable support there may be disruption to the hearings system.	Probability: High Impact: High		<p><u>Short term</u> Engage effectively with Clerks, relevant trades unions and ensure all queries/concerns are promptly responded to.</p> <p>Clear role description has been provided for Clerks who will transfer outlining responsibilities and expectations.</p>	Engagement to take place between CHS (Project Manager and Director of Panel and AST) and Clerks Clear description of roles and responsibilities sent out in Dec 11 and response being prepared to outstanding questions.	Project Manager / Director of Panel and AST		
	Strategic	Operational	Failure to agree/ conclude revised AST arrangements in time for AST training	Probability: High Impact: High		<p>Consider: -Recruitment for additional support (1 AST member for 12 panel members); -Capacity of training units</p> <p>The controls are similar for risks 1 and 2.</p> <p>Budget for additional resource to deliver project stream if required.</p>	Negotiations with training officers has started.	Director of Panel and AST/Project Manager		
	Strategic	Reputation JOINT SCRA	Failure to retain sufficient numbers of PMs to maintain service delivery beyond September	Probability: Med Impact: High		<p>Communication – engage and support the panel through a variety of channels – dispel myths/address concerns and make clear that fundamentally same system.</p>	Communications and Engagement Strategy will identify channels for regular communication with panel members to alleviate concerns they may have regarding transfer to the new system.	Project Manager/Director of Panel and AST/Director of Finance and Corporate Services		
4. AST										
5. PM training										

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6. PM Training	Strategic Reputation Financial	Failure to secure training provision in line with revised timescales and within available resources	Probability: High Impact: High		Bring in additional resource to scope training options (continue current training provision, design and deliver training in house, contract out all or parts), and to produce a tender specification. Further investigate option of extending current training provision to March 2013. Conversion training materials ready to go.	Work began to identify additional resource and have them in place by Jan/Feb 12. Resource to produce paper of training options by Mar 12. Investigate options (and costings) for extending current training provision.	Director of Panel and AST/Director of Finance and Corporate Services		
7. Legislation	Strategic	Secondary Legislation not implemented in time	Probability: Med Impact: High		(Primarily the responsibility of the sponsor team). Receive regular updates from Sponsor Team and fully participate in process.	Ensure receive regular updates from sponsor team	Sponsor Team/Support from CHS		
8. Feedback loop	Strategic JOINT SCRA & LAs	Failure to engage with partners to implement feedback loop	Probability: Med Impact: Med		Develop timeline and action plan with SCRA. Outline roles and responsibilities of each partner. Ensure effective communication with partners, inc LAs, around this project to ensure that they understand the need to provide information.	Discussions have been held between CHS and SCRA and meetings arranged with Scot Govt Analytical Services to identify information to collect. PR Officer to take forward initial discussions and establish a plan with partners.	Director of Finance and Corporate Services (PR Officer)/Partners		

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9. ECHR	Strategic JOINT SCRA	Failure to ensure system ECHR compliant	Probability: Med Impact: Low		(Key consideration: provision of independent legal advice to panel members during a hearing.) Communication - ensure that system is (and perceived to be) independent.	MOU between CHS and SCRA outlining roles and responsibilities to go to board in Feb 12.	SCRA/Project Manager		
10. Engagement	Reputational	Failure to engage with PMs, partners and employers	Probability: Med Impact: High		Communication and Engagement Strategy will address engagement with these groups through a variety of activities and channels across a range of activities.	Stakeholder Engagement Strategy for sign off by Board in January 12.	Director of Finance and Corporate Services(C&E) and AST		
11. Reforms	Reputational	Failure to be radical enough in our reforms – seen to be tinkering around edges. Not capitalising on opportunities for improvement	Probability: High Impact: High		Communication and engagement - ensure that we publicise the work and successes of Children's Hearings Scotland and the impact the changes are intended to make. <u>Long term</u> Use research to track the impact of changes.	Communication and Engagement Strategy will address communication with panel members.	Sponsor team/ CHS		

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12. CHS Organisation	Strategic Operational	Difficulties in prioritising critical activity due to organisational overload	Probability: High Impact: High		<p>Corporate and Business Plans will confirm key priorities.</p> <p>Implementing the Performance Management Framework</p> <p>Ensure that project tracker in place which outlines key priorities and milestones/deadlines. Ensure that all CHS staff are aware of project tracker.</p> <p>Hold regular team meetings/communications to ensure that all staff are working towards project plan.</p> <p>Ensure that each member of CHS staff is aware of their role and has the relevant skills to carry out tasks.</p> <p>Investigate options for taking on additional resource to complete certain projects.</p> <p>Carry out recruitment campaign for CHS AST team.</p> <p>Engage with Board – gain buy in to Corporate and Business Plans.</p>	<p>Create Corporate and Business Plans which outline organisational and business priorities. Ensure that these are translated onto a project tracker and that this is distributed to all staff.</p> <p>Set up regular team and organisation wide meetings to ensure that all staff are aware of priorities and working towards Corporate and Business Plan.</p> <p>Initiate next round of recruitment for AST team.</p>	Director of Finance and Corporate Services / Director of Panel and AST/ Project Manager		

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13. Governance	Strategic Reputational	Failure to put in place adequate governance frameworks	Probability: Low/Med Impact: High		Financial procedures to be approved by ARM Ensure Board and Committees meet regularly and comprehensive minutes taken and published on CHS website. Establish internal and external audit arrangements. Internal audit workplan will review progress to date on governance framework. Audit and improvement actions will monitored in the CHS performance report. Report on CHS performance (inc financial info) on a monthly basis and publish reports on web.	Establish Accountable Officer. Package of policies will go to the board in Jan, Feb and Mar 12. Schedule of all policies to go to Board in Jan 12. Ensure key documents published on CHS website when signed off. Audit arrangements to be put in place by end of Jan.	Director of Finance and Corporate Services		
14. PM expenses	Operational Financial	Harmonisation of PM expenses. Loss of PM goodwill. Cost outwith available resources.	Probability: Med Impact: High		Work with panel members and LAs to gain information which will ensure system is in place for payment of PM expenses by Sept 12. Engage effectively with panel members.	Work has begun to establish current panel member expenses and plan for additional costs that may be incurred due to increased travel to training centres.	Director of Finance and Corporate Services / Director Panel and AST		

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15. National Standards		Failure to gain buy in for National Standards from panel members	Probability: Low Impact: Med		Panel members to be consulted on National Standards and feedback used to develop document. Regular engagement with panel members to identify emerging issues taking action to address these before they become a major issue.	Consultation on National Standards to be launched in Jan 12. Communication and Engagement Strategy to go to Board for sign off in Jan 12. Events to be held in Feb and March 12.	Project Manager (NS Project Officer)/Director of Finance and Corporate Services (C&E Officer).		
16. Communications & Engagement Strategy	Strategic Operational	Staff and Board do not buy in to engagement culture	Probability: Low Impact: Low/Med		A strong communication and engagement strategy will be developed	Write, gain sign off for and implement Communications & Engagement Strategy by Jan 12. Branding project underway - due for completion in X	Director of Finance and Corporate Services (C&E Officer).		
17. Communications & Engagement Strategy	Strategic Operational	The public image/reputation of CHS is damaged due to the suspension of the National Convener, which may lead to loss of confidence by panel members/partners.	Probability: High Impact: High		A new independent brand is to be designed Media enquires to be handled quickly and efficiently Panel members and partners to be kept informed of progress on a regular basis Communicate business as usual by meeting timescales.	The Communication and Engagement Strategy will be signed off in Jan 12. Project Manager with significant experience of project appointed to take forward projects in the absence of the NC/CEO.	Project Manager/Board		

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18. Information	Operational	Breach of Data Protection Act – includes loss of personal data, unauthorised disclosure of personal data and theft of personal data	CHS: Board and Staff Probability: Low/High Impact: Med/High Panel Members: Probability: Med/High Impact: Med/High		Embed data security in culture of CHS, Board and new national panel. Ensure staff, Board and Panel Members undergo comprehensive training and are aware of actions to take when a breach has been identified. Establish good working relationship with ICO. Ensure information stored securely on CHS premises – paper files securely held, electronic files protected so that only those who require access have it..	Data Protection Policy and Breach Board for sign off in Feb 2012. Staff and Board training for DPA to be held. Ensure Data Protection and Information Security forms a key part of panel member training. Records management framework established in line with Public Records (Scotland) Act 2011.	Director of Finance and Corporate Services (PR Officer)		
	Reputational								
19. Corporate	Organisational	Clarity of roles of NC /CEO and CHS Board members Relationship with the Sponsor Dept not clearly defined resulting in difficulties over ownership of work/projects	Probability: Med Impact: High		Clearly define a project plan until Sept 12 outlining roles and responsibilities of CHS and the Sponsor Team. Clarify roles and responsibilities	Project plan and handover will be developed.	CEO/NC in conjunction with sponsor department		
	Strategic								

