

# **NORTHERN IRELAND SOCIAL CARE COUNCIL**

## **RISK MANAGEMENT STRATEGY**

**FINALv6.**

**July 2016**

## Document Control Sheet

Title	Risk Management Strategy
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Date of ratification by Council	
Review Date	Once a year

### Version History

Docum ent Version	Date	Status	Reviewed by	Document Revision History
V1.0	Feb 2010	Final		
V2.0	Jan 2012	Final		
V3.0	July 2013	Final		
V0.1	12/08/2014	Draft v3.1		
V4.0	22 Oct 2014	Final		
V4.1	27/08/15	Draft	S Stranaghan	
V5.0	Oct 15	Final	Council	
V5.1	May 2016	Draft	Audit and Council	

### Approvals

Date	Document Version	Approver Name and Title	Approver Signature
Oct 2015	Final v5	Council	
July 2016	Final v6	Council	

# NORTHERN IRELAND SOCIAL CARE COUNCIL

## RISK MANAGEMENT STRATEGY

### 1. INTRODUCTION

1.1 The Northern Ireland Social Care Council (NISCC) is committed to delivering a robust and effective system of risk management. This Risk Management Strategy has been developed to ensure good governance arrangements are in place to identify, manage and mitigate against risks in all aspects of NISCC's business. It has also been developed to reflect the principles set out in the Northern Ireland Audit Office (NIAO) Good Practice in Risk Management Guidance 2011.

### 2. DEFINING RISK

2.1 Risk is defined as 'the chance of something happening that will have an impact upon objectives. It is measured in terms of likelihood and impact'.<sup>1</sup>

2.2 Risks can also include 'near misses' – events that could have occurred save for early intervention taking place. Risks take all forms including –

- Strategic
- Operational
- Health, Safety or Security
- Resources (people, finance)
- Assets (estate, hardware, equipment)
- ICT
- Systems and processes
- Information Governance (data loss, breach, protection, mis-use)
- Governance (accountability, transparency, compliance, and business continuity)
- Credibility
- Third Party Providers

2.3 This is not a finite list but is included to reflect that all forms of risks are captured by this overarching Strategy. No risk, regardless of its origin, definition or nature stands outside this Strategy.

2.4 To fully and effectively manage risks within the NISCC, the NISCC has developed a number of other policies and strategies which deal with specific forms of risk management. This overarching Strategy therefore does not sit in isolation but is also informed by the following –

- **NISCC's Risk Management Procedures** – explains how risks are identified, elevated, recorded and managed in support of this Strategy;
- **NISCC's Adverse Incident Policy** – describes how incidents (and near misses) should be recorded and reported, and escalated further if necessary. This Policy also describes the early escalation of incidents (this is where an event or incident is of such impact/severity that it is brought to the SMT's immediate attention). The Policy

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<sup>1</sup> AS/NXS 4360:1999

also describes how incidents should be recorded in the Corporate and/or Operational Risk Registers as necessary.

- **NISCC's Business Continuity Strategy (and Plan)** – describes how the NISCC will respond to an event which affects its services. This is usually as a result of an unplanned event or incident. The associated risks from an event and lessons learnt inform the overarching risk management arrangements for the NISCC.
- **NISCC's Bribery Policy** – describes the NISCC's zero tolerance approach towards bribery as defined by the Bribery Act 2010.
- **NISCC's Fraud Policy Statement and Strategy** – describes the NISCC's position in relation to fraud and sets the context for the on-going efforts to reduce fraud to the lowest possible level.
- **NISCC's Information Governance Strategy and related policies** – sets out the NISCC's approach to providing a robust information governance framework for the current and future management of information within the NISCC.
- **NISCC's Records Management Strategy and Policy** – describes the agreed standards required to improve the quality, availability and effective use of the NISCC's records and the management of record management activities.

### 3. ASSESSING RISK

- 3.1 The NISCC is committed to adhering to best practice in the identification and treatment of risks. In doing so, the NISCC has adopted the principles set out in the NIAO's Good Practice in Risk Management and the Information Governance Toolkit in relation to Information management and governance.
- 3.2 Risks are assessed in terms of their likelihood of happening and the impact of the risk occurring. A numeric score is assigned using the matrix at Appendix 1.
- 3.3 Risks assessed in this way include those risks described at section 2.2 of this Strategy.
- 3.4 In identifying risks and the environment in which they must be managed, consideration is given to horizon scanning to identify risks including external factors that may not necessarily be within the NISCC's control, operational factors in relation to business delivery and change factors created by decisions to change the business. These risks help set the context for risk management and are reviewed as part of the risk register in the event that they become live issues, or are no longer an influencing risk.

### 4. RISK APPETITE

- 4.1 When assessing risks and the action required to manage them, the NISCC takes cognisance of the level of risk appetite relevant to each identified risk and the extent to which the NISCC is willing to accept, take on or reduce the risk. In doing so, the NISCC recognises that the **ALARP** principle (**A**s **L**ow **A**s **R**easonably **P**ractical) can be used to define some risks i.e. not all risks can be reduced to zero – there will always be some level of potential risk, albeit

small. The approach to risk appetite therefore needs to be proportionate to the identified risk.

- 4.2 Risk appetite is not however a magic number, nor is it always quantifiable but when determined can improve organisation control, enhance decision-making, recognise how to reduce risks and make better decisions on the deployment of resources in managing the delivery of business objectives.
- 4.3 The NISCC considers the type of risk appetite within this framework in agreeing the risk management actions and strategy. An overview of these descriptors can be found at Appendix 1 of this Strategy.

## **5. RISK MANGEMENT STRATEGIC RISKS AND OBJECTIVES**

- 5.1 This Strategy is designed to provide the framework for managing risks, ultimately to ensure the NISCC is able to operate to its full potential and that business objectives are delivered.
- 5.2 The NISCC has identified four strategic risks arising from its business objectives
  - Failure to improve the quality of social care and ensure a safe social care workforce through workforce regulation;
  - Failure to ensure that qualifications and standards deliver a skilled and committed Social Care Workforce;
  - Failure to raise awareness and knowledge of the work of the NISCC and ensure its work is informed and influenced by users of social care services, carers, registrants, employers and other stakeholders; and
  - Failure to have the necessary resources, people, governance and estate management arrangements in place.
- 5.3 To support the management of these risks the NISCC maps out its controls and mitigating actions in its Risk Registers.
- 5.4 In implementing this Risk Management Strategy the following objectives need to be met –
  - Integration and embedding of a positive risk management culture within the NISCC;
  - Policies, procedures and strategies are robust and reviewed on a regular basis to ensure they reflect best practice at all times;
  - Ensuring that risks arising from projects, changes to procedures, new systems/processes, etc. are brought to the attention of the Risk Management Committee;
  - Ensuring that actions arising from audits, Controls Assurance Standards or other reviews are actioned on time and in accordance with the recommendation;
  - Robust and transparent reporting arrangements for risk management are in place;
  - Ensuring those for whom work is undertaken on behalf of the NISCC and in support of it, are accredited to an appropriate level to manage associated risks and risk mitigation e.g. third party contracts;

- Ensuring relationship risks with key providers are identified and managed with the utmost concern for probity and transparency;
- Ensuring all staff (and Council Members) are trained in risk management and that the training is effective;
- Ensuring the Risk Registers and Assurance Framework are reviewed and updated, formally, on an at least quarterly basis, and that risk owners are identified and tasked with lead responsibility for effectively managing risk;
- Ensuring that failures in controls which lead to the realisation of risks are assessed against the original level of risk assessment and risk appetite and that an immediate controls review is carried out to identify lessons arising.

## 6. ROLES AND RESPONSIBILITIES

6.1 To effectively manage the totality of risk management within the NISCC individual, groups, and Council are charged with responsibility for risk management relevant to their role and responsibilities –

- **Council** – NISCC Council provides the highest level of governance within the NISCC, providing strategic direction and oversight for risk management in all its forms;
- **Audit and Risk Assurance Committee** – the Committee is made up of Council Members with Internal and External Audit in attendance. It provides assurance to Council on the effectiveness of risk management within the NISCC. It reviews the NISCC's Corporate Risk Register and Assurance Framework and challenges how risks are managed;
- **Senior Management Team** – the SMT provide direct oversight of the risk management arrangements within the NISCC, reviewing the NISCC's Corporate/Operational Risk Registers and Assurance Framework, and embedding a positive risk management culture within the NISCC. They also lead the NISCC's Business Continuity arrangements;
- **Chief Executive and Accounting Officer** – The NISCC's Chief Executive is charged with providing leadership and strategic management of the NISCC's risks and compliance with its Risk Management Strategy and Controls Assurance Standards. He is required to report on risks to the sponsor Department of Health and sign the NISCC's Governance Statement (this is an annual statement of assurance which also forms part of the NISCC's Annual Report and Accounts);
- **Director of Registration and Corporate Services** – the Director of Registration and Corporate Services is responsible for the delivery of risk management within the NISCC. He chairs the Risk Management Committee, and reports to SMT, the Chief Executive and the Audit and Risk Assurance Committee on risks, controls, assurances, and the effectiveness of risk management across the NISCC;
- **Risk Management Committee** – the RMC comprises staff from each of the NISCC's business areas, each of whom assumes the role of Risk Co-Ordinator for their team.

The Committee reviews the risks, controls, assurances and gaps and ensures the Risk Registers and Assurance Framework are maintained. The Risk Management Committee also has defined responsibilities (which are set out in its Terms of Reference) in relation to Information Governance. The members of the Risk Management Committee are also the designated Information Asset Owners and the Chair of the Risk Management Committee is also the NISCC's SIRO ;

- **Risk Co-Ordinators** – Risk Co-Ordinators are tasked with ensuring risk management processes and culture are embedded within their teams. They report to their teams on the RMC and report risks to the RMC. They are responsible for ensuring risks are elevated in accordance with the Strategy and relevant policies and for reviewing the Risk Registers and Assurance Framework. As noted above Risk Co-ordinators also provide a dual role in NISCC in that they are also the NISCC's Information Asset Owners;
- **All Staff** – all staff are responsible for identifying risks and elevating these where necessary. All staff should discuss risks, including health and safety at their monthly team meetings;
- **Internal Audit** – Internal Audit are responsible for validating the NISCC's risk management arrangements through independent review and evaluation as part of their work programme which includes reviews of key business areas.

## 7. REVIEW

- 7.1 This Strategy is reviewed on an annual basis and was last endorsed by Council in July 2016. It is therefore due for review by July 2017

[Final v6.0]

Matrix for Assessing Risk

IMPACT	Risk Quantification Matrix				
5 - Catastrophic	Low (5)	Medium (10)	High (15)	Extreme (20)	Extreme (25)
4 - Major	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
3 - Moderate	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
2 - Minor	Low (2)	Low (4)	Medium (6)	Medium (8)	Medium (10)
1 - Insignificant	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)
	1 Rare	2 Unlikely	3 Possible	4 Likely	5 Almost Certain
	Likelihood				

Guide for Assessing Risk Appetite

**Hungry** – There is good delegated authority, and opportunities to be innovative. There may also be additional resources assigned to support the risk management. New technology can be maximised.

**Open** – There is some delegated authority within known limits. Innovation can be supported as long as it is well managed and not likely to cause other risks or issues. There is limited opportunity to be resourced and technology can support but there will be limits.

**Averse** – There are strict regulations, legal and other which prevent/disallow standing outside these requirements. Innovation is not normally promoted and there are strict controls on resources to support the risk. Decision making is strongly controlled and there is a need to play it safe.