

<b>To:</b>	<b>Trust Board</b>
<b>From:</b>	Kevin Turner, Deputy Chief Executive
<b>Date:</b>	1 <sup>st</sup> November 2016

<b>Title:</b>	<b>Strategic Risk Management Report</b>
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**Responsible Director:** Kevin Turner, Deputy Chief Executive

Author: Karen Sleight, Head of Strategy, Jayne Warner, Trust Secretary

**Purpose of the Report:**

- The purpose of this report is to provide the Trust Board with a monthly update of the Integrated Strategic Risk Register and the Board Assurance Framework.

**The Report is provided to the Board for:**

Decision		Discussion	✓
Assurance	✓	Information	✓

**Summary/Key Points:**

To provide the Trust Board with:

- Update report on the current Integrated Strategic Risk Register.
- Update on the progress of improving risk management for the Trust.

**Recommendations:**

- That the Trust Board reviews the Integrated Strategic Risk Register in light of the more detailed review by the Board Committees, and consider any amendments to be made.

**Strategic Risk Register**

The refreshed governance for Strategic Risk Management has introduced a Strategic Risk Management Group to manage the Corporate Risk Register and any escalations to the Trust Committees and Board.

**Performance KPIs year to date**

The Strategic Risk Register will identify the key risks to delivering the Medium Term Plan and the Integrated Annual Operational Plan for the Trust.

**Resource Implications (e.g. Financial, HR)**

The Strategic Risk Management Group is coordinating the delivery of a Risk Management Improvement Plan, which includes a critical path of delivery to ensure effective structures are in place to enable and provide the leadership support needed for staff to undertake their risk management responsibilities, and to build risk management capabilities.

**Assurance Implications**

Risk management is the recognition and effective management of all threats and opportunities that may have an impact on ULHT's reputation, its ability to deliver its statutory responsibilities and the achievement of its objectives and values. This report forms part of the assurance framework for the Trust outlined in the Risk Management Strategy, Policy and supporting Procedures.

**Patient and Public Involvement (PPI) Implications**

The risk management process covers all Clinical and Executive Directors who will have risk registers

that will feed up into the Corporate Risk Register and the Strategic Risk Register, which will be managed and coordinated through the Strategic Risk Management Group. Risk management should minimise the potential for harm to service users/patients, staff and visitors to as low as is reasonably practicable, thereby providing a safe environment in which patients can be cared for, staff can work and the public can visit.

**Equality Impact**

There is work being undertaken to develop an Equality Analysis for the Medium Term Plan, this will support the risk management process in the Trust.

**Information exempt from Disclosure – Yes**

**Requirement for further review? Yes**

**1. Purpose of the Report**

- 1.1 The purpose of this report is to provide a monthly update to the Trust Board on the management of the current Integrated Strategic Risk Register.
- 1.2 This report also provides an update on the progress of improving the management, monitoring and reporting of risk as agreed through refreshing our risk management approaches for the Trust.

**2. Recommendations**

- 2.1 That the Trust Board notes the position of the Integrated Strategic Risk Register.
- 2.3 That the Trust Board notes the progress of refreshing the risk management processes, accountability and assurance framework.

**3. Reasons for Recommendations**

- 3.1 To strengthen the current risk management processes through improving our risk governance, assurance and accountability. This will enable the Trust to manage the delivery of the objectives and identification of priorities for the Medium Term Plan and the Integrated Annual Operational Plan, together with ensuring robust management, mitigation and monitoring of risks.

**4. Summary of Key Points**

**Integrated Strategic Risk Register**

- 4.1 Risk management is a tool that allows us to manage uncertainties and maximise the likelihood that we achieve our goals set out in our Medium Term Plan and Integrated Annual Operational Plan and core strategies. Risk management should not be seen as a separate activity, but should be embedded in every-day management activities and aligned with the service and business planning processes.
- 4.2 Currently each strategic risk is assigned to an Executive Lead who has responsibility for the management of controls and the implementation of new controls where necessary. These have been updated by the Executive Leads to reflect the current controls in place.

## Risk Management Governance

- 4.3 As part of improving the governance and providing assurance to the Trust Board, each of the Committees review the Corporate Risk Register together with the Integrated Strategic Risk Register with a view to escalating issues as appropriate to the Trust Board. A copy of the current Integrated Strategic Risk Register is attached at **Appendix A**.
- 4.4 The Strategic Risk Management Group which has been introduced as part of strengthening the risk governance for the Trust has the following aims:
- **Champion** risk management principles and process, on a Trust wide basis to ensure it becomes embedded.
  - **Maintain** an integrated and consistent approach to risk management.
  - Act as a forum for **developing** risk management solutions through the exchange of views and sharing good practice.
- 4.5 The Strategic Risk Management Group has been monitoring an agreed Improvement Plan to deliver risk management, the following summarises the key actions being managed:
- A Risk Management Improvement Plan to be monitored through the Group to ensure refreshing the Risk Strategy, Policy, Procedures and processes aligned to good governance and best practice standards.
  - Review of the design of the Strategic Risk Register and alignment to the Board Assurance Framework.
  - Identify the current risk registers, identify gaps and work with all Clinical Leads and the Executive Team to develop their risk registers to feed into the Corporate Risk Register and escalate as appropriate to the Strategic Risk Register.
  - Refresh the Committee Reports, which will develop over time with the improved Strategic and Corporate Risk Registers.
  - Review the current risk assets, including current risk systems (DATIX) and individuals working on risk to identify recommendations for improvement to supporting the accountability and responsibilities for identifying, managing and mitigating risk.
  - To outline a clear communication and training programme.

## Benefits of Risk Management

- 4.6 The Strategic Risk Management Group will identify and report on the benefits of improving the risk management processes which will include:
- Effective and proactive risk management should improve performance by contributing to ensuring the safety of patients, staff and others.
  - Improved outcomes and experience for patients better service delivery and identifying opportunities when dealing with risk.
  - Protecting our reputation and stakeholder confidence.
  - Reduction in management time spent fire-fighting.
  - Increased likelihood of change and transformation initiatives being achieved.
  - More focus internally on doing the right things properly.
  - Better basis for strategy setting and decision making.
  - Clarity of accountabilities and responsibilities.
  - More efficient use of resources, less risk of wastage or loss, including fraud.
  - Improve innovation and ability to turn uncertainty into opportunities.

- Contingency planning and response.

### **Lessons Learned**

- 4.7 There has also been work to complete a review of Risk Management which has been presented to the Strategic Risk Management Group and the Executive Team. The purpose of the review was to provide an evidenced based self-assessment conducted using the Service Review methodology for the Trust. The review identified 20 recommendations that have been integrated into the Improvement Plan which is being managed and monitored by the Strategic Risk Management Group. The review identifies key proposals to improve everyday transactional activity demands for business and incident risk management through providing a transitional improvement plan which will improve the capability and capacity of the Trust to manage risk. The improvement Themes are:
- Leadership and governance
  - Policy and strategy
  - Reporting structures
  - Risk registers
  - Systems and processes
  - Risk assessment
  - Roles and responsibilities
  - External stakeholders
  - Training and communication
  - Monitoring and implementation
- 4.8 There is an integrated workshop set up for the 11<sup>th</sup> November to identify key roles and current reporting structures of risks within Business Units with the aim to identify improvements for reporting and managing risks.