United Lincolnshire Hospitals **NHS**

NHS Trust

To:	**Trust Board**
From:	Kevin Turner, Deputy Chief Executive
Date:	9th May 2017

Title:	**Strategic Risk Management Report**

Responsible Director: Kevin Turner, Deputy Chief Executive

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

Purpose of the Report:
The purpose of this report is to provide the Trust Board with an update on:

- Progress for implementing the Improvement Plan for Risk Management.
- 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 an:

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

Recommendations:

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

Strategic Risk Register	**Performance KPIs year to date**
The Strategic Risk Register has been Integrated with the Board Assurance Framework, and is presented to each of the Committees to provide assurance that they have escalated issues.	The Strategic Risk Register will identify the key risks to delivering the Two Year Integrated Operational Plan and the 2021 Strategy 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 service areas demonstrate the leadership, management, accountability and reporting on escalating and reporting on risks.

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 vision, aims, 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 through the appropriate risk registers, Operational, Corporate Risk Register and the Strategic Risk Register. The risk management processes will be managed by the Deputy Chief Executive, with the Strategic Risk Management Group providing challenge on the recorded risks to provide assurance to the Committees and Trust Board on their management and mitigation. 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 2021 Strategy and supporting Programme, this will support the Strategic Risk Register. **Appendix A** provides an Equality Assessment for Risk Management.

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 and Board Assurance Framework.

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 and Board Assurance Framework.

2.3 That the Trust Board notes the progress of refreshing the risk management processes, accountability and assurance framework.

3. Reasons for Recommendations

Strategic Risk Register

3.1 The Trust has agreed an Integrated Strategic Risk Register and Board Assurance Framework which assists the Trust to manage uncertainties and maximise the likelihood that we achieve our vision and objectives set out in our Two Year Integrated Operational Plan, our 2021 Strategy and core strategies. The Strategic Risk Register is reported to each of the Trust's Committees to review their strategic risk/s and ensure that they have assurance that mitigation action is in place and being managed and monitored, together with escalating any risk issues to the Trust Board if assurance is not provided.

Risk Management Improvement Programme

3.2 The Strategic Risk Management Group has been leading and monitoring the priority actions identified in the Risk Management Improvement Plan. These priorities will strengthen the current risk management processes through improving our risk governance, assurance and accountability.

Corporate Risk Register

3.3 There has been work to cleanse the current Corporate Risk Register as part of the priority improvements, this is reported through to the each of the Trust's Committees to update and provide assurance that the Corporate Risk Register is being managed, monitored and reporting on the progress of mitigation actions.

4.	Summary of Key Points

Annual Governance Statement

4.1 The Trust has prepared the Annual Governance Statement to support the Annual Report set out in chapter 2 of the Department of Health's Group Accounting Manual[1] which includes a position statement and evidence on both corporate and quality governance, risk management and control. The statement has been prepared for risk management and includes how the organisation profiles risk and how it has been managed including:

- A brief description of the organisation's major risks, including clinical risk.
- Any newly identified in-year risks and future risks.
- Describe how the risk and control mechanisms work.
- Review of the effectiveness of risk management and internal control.

Risk Management Improvement Plan

4.2 Through the Strategic Risk Management Group, there has been an evidence based self-assessment conducted supported by the production of an Improvement Plan which the Group has been monitoring the delivery of actions against priorities in the following ten domains:

1. Leadership and Governance
The Strategic Risk Management Group has been strengthening risk governance for the Trust and has been overseeing the development of the Integrated Strategic Risk Register and the assurance processes for the Trust's Committee on risk management. NHS Improvement have conducted an independent Governance Review, with the identified recommendations for improvement being cross referenced and included into the Trust's Risk Improvement Plan. The Integrated Strategic Risk Register is attached at **Appendix B.**

2. Policy and Strategy
There is ongoing work to redraft the Trust's Risk Management Strategy, Policy and Procedures to clearly set out the systems, processes and responsibilities for the management of risk; taking account of the requirements of the Department of Health and relevant external regulatory bodies.

---

[1] Department of Health's Group Accounting Manual (paragraph 2.30)

3. Reporting Structures

There is ongoing work to ensure that the Risk Registers are being monitored for being managed through existing structures identified in the current Risk Management Strategy and Policy, with support being provided to the Business Units and Risk owners to introduce routine review and updating for validation and reporting through to the Risk Team.

4. Risk Registers

There has been ongoing work to systematically review the Corporate Risk Register which has led to each of the Corporate Risks, those risks scoring ≥ 15, being chased for clarity of risk, status, score, mitigation action and ownership, together with ensuring that new and closed risks are fully validated and reported with the Corporate Risk Registers to the Trust Committees to be assured of their management. This work will result in the April Risk Registers being fully validated for the Trust which will be reported through to the May Trust Committees.

5. Systems and Processes

There is a Datix Project Group that is managing the upgrade of the current Datix from version 12 to 14 which will improve the capture of data and the management of risk information for the Trust. This system which captures risk and incident management information also captures information from: Complaints, PALS, Data Protection requests for information, Legal Services claims. There is a Business Case that has been developed for the May Investment Programme Board to seek support for the re-implementation of the system with the latest version or an alternative provider.

6. Risk Assessment

The work on refreshing the Strategy and Policy will include the updated risk assessment in line with best practice for the Trust.

7. Roles and Responsibilities

The roles and responsibilities for risk management are set out in the Strategy and Policy.

8. External Stakeholder Risks

There have been improvements to the production of reports on risk to the various internal and external groups for the Trust, to demonstrate that the Trust has improved and is improving risk management.

9. Training and Communication

There is currently a rolling training programme being developed, which will be supported by information on the Intranet.

10. Monitoring and Review

There is continuous monitoring and review of the improvements to risk management through the Strategic Risk Management Group.

Integrated Strategic Risk Register

4.3   Risk management is a tool that allows us to manage uncertainties and maximise the likelihood that we achieve our vision and objectives. Risk management should not be seen as a separate activity, but should be a dynamic management tool which is embedded in every-day management activities and aligned with the strategic and business planning processes.

4.4   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.

4.5   The Integrated Strategic Risk Register and Board Assurance Framework is presented to the relevant Trust Committees, which will:

- Provide a detailed review of each strategic risk, seeking assurance on the effectiveness of mitigation plans, controls and commentary.
- FSID are planning to structure their agenda around each of their strategic risks, to seek evidence of plans in place to reduce the risk to target risk levels.

4.6   From May, each of the Trust's Committees will have an upward report to show escalation and overall assurance of their risks.

Benefits of Risk Management

4.7   The Strategic Risk Management Group will identify and report on the benefits of improving the risk management processes which will include:

- Risk management forms part of good governance.
- Effective and proactive risk management should improve performance by contributing to ensuring the safety of patients, staff and others.
- Improved outcomes and experience for patient's 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

4.8   The improvement planning is identifying key themes of improvement for:

- Lines of accountability need to be clearer for business units and departments, aligned to quality assurance mechanisms such as Performance Review.
- Compliance in-line with policy and procedures.
- Clear outline of roles and responsibilities.
- A need for a rolling programme of training and awareness of risk management.
- Promotion of the benefits of risk management.