

<b>To:</b>	<b>Trust Board</b>
<b>From:</b>	Medical Director
<b>Date:</b>	March 2018

<b>Title:</b>	<b>Strategic Risk Report</b>						
<b>Responsible Director:</b> Dr Neill Hepburn, Medical Director							
Authors: Paul White, Risk Manager & Gabrielle Hough, Risk Support Officer							
<b>Purpose of the Report:</b>							
The purpose of this report is:							
<ul style="list-style-type: none"> <li>To enable the Trust Board to review and consider the level of assurance provided by each of the lead committees regarding the management of strategic risks recorded in the Board Assurance Framework (BAF)</li> <li>Provide an update on progress with the strengthening of risk management arrangements within the Trust</li> </ul>							
<b>The Report is provided to the Board for:</b>							
<table border="1"> <tr> <td>Decision</td> <td><input type="checkbox"/></td> </tr> </table>		Decision	<input type="checkbox"/>	<table border="1"> <tr> <td>Discussion</td> <td><input type="checkbox"/></td> </tr> </table>		Discussion	<input type="checkbox"/>
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<b>Summary/Key Points:</b>							
<ul style="list-style-type: none"> <li>The Strategic Risk Register / Board Assurance Framework (BAF) is attached to this report for review by the Trust Board</li> <li>No changes have been made to any of the strategic risks since the last report, although each of the lead committees has met since this report was prepared</li> <li>Internal audit (360 Assurance) are in the process of completing a review of risk management; recommendations made from this review will be incorporated within the risk improvement plan that is being managed by the new Risk Manager under the leadership of the Interim Director of Governance</li> <li>The risk improvement plan will result in an updated strategy and policy, including the creation of an integrated risk framework that aligns risks from strategic (Board) level to operational (directorate &amp; service) level to facilitate effective escalation and delegation of risks and enable meaningful analysis of the Trust's risk profile</li> </ul>							
<b>Recommendations:</b>							
That the Trust Board:							
<ol style="list-style-type: none"> <li>Considers the level of assurance provided against each of the strategic risks within the BAF and determines if any further action is required at this time</li> <li>Acknowledges the plans being developed to strengthen risk management arrangements within the Trust</li> </ol>							

<p><b>Strategic Risk Register</b></p> <p>The Strategic Risk Register has been Integrated with the Board Assurance Framework, and is presented to each of the Committees to enable them to provide assurance to the Board that strategic risks to the aims and objectives of the organisation are being effectively managed.</p>	<p><b>Performance KPIs year to date</b></p> <p>An appropriate suite of Key Performance Indicators (KPIs) for risk management will be included in the revised Risk Management Policy that is currently being developed.</p>
<p><b>Assurance Implications</b></p> <p>The main purpose of this report is to enable the Trust Board to take a reliable level of assurance from its committees as to the effectiveness of strategic risk management within the Trust.</p>	
<p><b>Patient and Public Involvement (PPI) Implications</b></p> <p>The effective management of risk within the Trust will have significant implications for the reputation of the organisation and the confidence that patients and the public have in the Trust.</p>	
<p><b>Equality Impact</b></p> <p>The Trust's Risk Management Policy has been assessed for equality impact and no issues were identified.</p>	
<p><b>Information exempt from Disclosure – Yes</b></p>	
<p><b>Requirement for further review? Yes</b></p>	

## 1. Purpose of the Report

- 1.1 The purpose of this report is:
- To enable the Trust Board to review and consider the level of assurance provided by each of the lead committees regarding the management of strategic risks recorded in the Board Assurance Framework (BAF)
  - Provide an update on progress with the strengthening of risk management arrangements within the Trust

## 2. Recommendations

- 2.1 That the Trust Board:
1. Considers the level of assurance provided against each of the strategic risks within the BAF and determines if any further action is required at this time
  2. Acknowledges the plans being developed to strengthen risk management arrangements within the Trust

## 3. Reasons for Recommendations

### Strategic Risk Register

- 3.1 The Trust Board has agreed an Integrated Strategic Risk Register and Board Assurance Framework (BAF) which defines a range of identified strategic risks to the delivery of the Trust's aims and objectives.

- 3.2 Each strategic risk is assigned to a lead committee for regular review, advised by the lead director(s), to enable those committees to provide a reliable level of assurance to the Trust Board that strategic risks are being managed effectively.

### Risk improvement plan

- 3.3 There is a requirement to provide a quarterly assurance report to the CCGs on the delivery of the Service Development Improvement Plan requirements of the 2017-19 NHS Contract between ULHT and Lincolnshire CCGs including the following condition:
- Risk Register - Reference number LQR 23 in the 2017 – 19 Quality Schedule.

## 4. Summary of Key Points

### Strategic Risk Register

- 4.1 The Integrated Strategic Risk Register and the Board Assurance Framework (BAF) has been developed over the last year, with strategic risks aligned to the strategic objectives of the Trust.
- 4.2 Each of the lead committees reviews the strategic risks that have been assigned to them by the Trust Board, along with relevant risks taken from the Corporate Risk Register, to enable the committee to provide an appropriate level of assurance to the Trust Board that strategic risks are being managed effectively.
- 4.3 There have been “deep dives” undertaken for each of the strategic risks to align mitigation plans with work-streams within the 2021 strategy.
- 4.4 No changes have been made to any of the strategic risks since the last report, although each of the lead committees has met since this report was prepared and therefore any amendments agreed at those meetings have not yet been included.
- 4.5 A copy of the Integrated Strategic Risk Register / BAF is attached as **Appendix A**.
- 4.6 A copy of the full Corporate Risk Register is attached for reference as **Appendix B**. Under the Trust’s existing Risk Management Policy a corporate risk is defined as any risk with a current rating of 15 or more. Consequently there are a high number of operational risks included in this report. One of the key revisions to the updated policy will be a proposal to define a corporate risk by the nature of the risk itself rather than by its current rating, which will provide a much clearer and more realistic picture of the Trust’s risk profile.

### Risk improvement plan

- 4.6 As part of the 2017/19 NHS Contract between ULHT and Lincolnshire CCGs, there is an agreement that elements of the Service Development Improvement Plan (SDIP) will be subject to quarterly reporting to the CCGs to demonstrate improvements to risk management at LQR 23. The following **Table 1** provides the requirements for the Trust to meet.

**Table 1: Service Development Improvement Plan ULHT and Lincolnshire CCGs**

<p><b>3) Risk Register,</b> Reference number LQR 23 in the 2017 – 19 Quality Schedule</p> <p><b>Reason for Inclusion</b> The effective management of risk is crucial in delivering safe healthcare to the population of Lincolnshire</p> <p>Performance to Date</p> <ul style="list-style-type: none"> <li>• 2015 –16 Q1 = Green Q2 = Green Q3 = Green Q4 = Green</li> <li>• 2016 – 17, Q1 = Red, Q2 = Red</li> </ul>	<p>A detailed programme plan shall be submitted by the trust no later than the end of Q1 2017 (30.06.17), detailing the following:</p> <ul style="list-style-type: none"> <li>• Gantt chart &amp; supporting narrative</li> <li>• Activity for Q2, 3 &amp; 4 detailing how this Local Quality Indicator shall be fully achieved by the end of Q4 (31.03.18)</li> <li>• The above plan shall be refreshed &amp; re-issued to the CCG at the end of each quarter</li> </ul> <p>The CCG shall use the evidence from the Service Condition reporting to determine the level of assurance</p>
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- 4.7 The Trust's internal audit provider (360 Assurance) are in the process of completing a review of risk management; recommendations made from this review will be incorporated within the risk improvement plan that is being managed by the new Risk Manager under the leadership of the Interim Director of Governance.
- 4.8 The risk improvement plan will result in an updated strategy and policy, including the creation of an integrated risk framework that aligns risks from strategic (Board) level to operational (directorate & service) level to facilitate more effective escalation and delegation of risks and to enable meaningful analysis of the Trust's risk profile.