

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

<b>Title:</b>	<b>Risk Management Strategy &amp; Policy</b>						
<b>Responsible Director:</b> Dr Neill Hepburn, Medical Director							
Author: Paul White, Risk Manager							
<b>Purpose of the Report:</b>							
The purpose of this report is to enable the Trust Board to:							
<ul style="list-style-type: none"> <li>• Consider and approve a new Risk Management Strategy and statement of risk appetite</li> <li>• Consider and approve a new Risk Management Policy</li> </ul>							
<b>The Report is provided to the Board for:</b>							
<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Decision</td> <td style="width: 50%; text-align: center;">✓</td> </tr> </table>		Decision	✓	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Discussion</td> <td style="width: 50%; text-align: center;">✓</td> </tr> </table>		Discussion	✓
Decision	✓						
Discussion	✓						
<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Assurance</td> <td style="width: 50%;"></td> </tr> </table>		Assurance		<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Information</td> <td style="width: 50%;"></td> </tr> </table>		Information	
Assurance							
Information							
<b>Summary/Key Points:</b>							
<ul style="list-style-type: none"> <li>• A new Risk Management Strategy and Policy have been developed in consultation with member of the Trust Board, Senior Leadership Team, risk specialists and internal audit</li> <li>• These documents address recommendations made by internal audit in their most recent review of the Trust's risk management arrangements</li> <li>• A draft 'Risk appetite statement' has been prepared for the Trust Board to consider, amend where necessary and agree for publication</li> </ul>							
<b>Recommendations</b>							
It is recommended to the Trust Board:							
<ul style="list-style-type: none"> <li>• To approve the Risk Management Strategy</li> <li>• To consider, amend where necessary and agree a statement of risk appetite to be published alongside the Risk Management Strategy</li> <li>• To approve the Risk Management Policy</li> </ul>							
<b>Strategic Risk Register</b>		<b>Performance KPIs year to date</b>					
The definition of a strategic risk and the establishment of clear links between the corporate risk register and strategic risks in the BAF are described in the Risk Management Strategy.		Appropriate KPIs for risk management have been incorporated within the revised Risk Management Policy.					

### **Assurance Implications**

An effective Risk Management Strategy will provide a framework for routine provision of evidence to support the committees of the Trust Board in fulfilling their assurance functions.

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

The effectiveness of the Trust's risk and corporate governance arrangements is reported through the Annual Governance Statement (AGS) and is included in the opinion of both internal and external audit. As such, it may influence the degree of confidence that patients and members of the public have in the Trust.

### **Equality Impact**

The Trust's Risk Management Strategy and Policy have been assessed for equality impact and no issues were identified.

**Information exempt from Disclosure – No**

**Requirement for further review? No**

## **1. Purpose of the Report**

- 1.1 The purpose of this report is to enable the Trust Board to:
- Consider and approve a new Risk Management Strategy and statement of risk appetite
  - Consider and approve a new Risk Management Policy

## **2. Recommendations**

- 2.1 It is recommended to the Trust Board:
- To approve the Risk Management Strategy
  - To consider, amend where necessary and agree a statement of risk appetite to be published alongside the Risk Management Strategy
  - To approve the Risk Management Policy

## **3. Reasons for Recommendations**

- 3.1 It is essential that the Trust Board sets clear expectations for risk management throughout the organisation, which includes the communication of a statement of risk appetite.

## **4. Summary of Key Points**

- 4.1 The Trust's Risk Management Strategy and Policy have been extensively revised, taking account of the most recent review carried out by internal audit (360 Assurance), consultation feedback from members of the Trust Board and senior leaders, and the advice of risk specialists.
- 4.2 The Audit Committee reviewed the draft Strategy and Policy at its meeting in July 2018. Some amendments were identified and these have been incorporated into the

current versions. The Audit Committee agreed that, with these amendments the Strategy and Policy could be recommended to the Trust Board.

- 4.3 A copy of the draft Risk Management Strategy is attached to this report for consideration and approval. The Strategy defines the overall approach to implementing a Trust-wide Enterprise Risk Management (ERM) framework.
- 4.4 Appended to the Risk Management Strategy is a draft risk appetite statement. The Trust Board are invited to review this statement, amend where necessary and agree a final statement for publication.
- 4.5 A copy of the draft Risk Management Policy is also attached for consideration and approval. The Policy includes a simplified risk scoring guide and generic risk assessment form.