**NHS**
**United Lincolnshire**
**Hospitals**
**NHS Trust**

| To: | **Trust Board** |
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| **From:** | Kevin Turner, Deputy Chief Executive |
| **Date:** | 6th June 2017 |

| Title: | **Strategic Risk Management Report** |
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**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 the:

- 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 | ✓ |
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| 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** |
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| 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

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| escalating and reporting on risks. |
| **Assurance Implications** <br> 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** <br> 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** <br> 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 the Trust Board with 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 and the delivery of a Risk Improvement Plan.

1.2 This report also provides a monthly update to the Trust Board on the management of the current strategic risks which are aligned to the strategic objectives through the Integrated Strategic Risk Register and Board Assurance Framework.

## 2. Recommendations

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

2.2 That the Trust Board notes the position of the Integrated Strategic Risk Register and Board Assurance Framework.

## 3 Reasons for Recommendations

### Risk Management Improvement Programme

3.1 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.

### Strategic Risk Register

3.2 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 through the delivery of the strategic objectives.

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, together with escalating any risk issues to the Trust Board if assurance is not provided.

**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.

| Summary of Key Points |
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**Risk Management Improvement Plan**

4.1    The Strategic Risk Management Group manages and monitors the delivery of the Risk Improvement Plan. The key delivery actions are grouped into the following ten domains:

1. **Leadership and Governance**
Each of the Executives provide an update for assurance of the mitigation of risks aligned to the strategic objectives, this is provided 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. The current Risk Policy also covers Adverse Incidents, therefore, there is work to refresh this Policy also for the Trust.

3. **Reporting Structures**
There is ongoing work to ensure that the Risk Registers are being management by Clinical Directorates, with the Risk Team assisting with the validation and reporting of risks on the Datix system and reports through to the Strategic Risk Management Group and Trust Committees.

4. **Risk Registers**
There has also been continuing work with each of the Risk Handlers to ensure that they have clear ownership of the current risks on the Corporate Risk Register, with each risk being updated, refreshed, mitigation action provided together with supporting information, such as cross referencing with the Capital Programme and Investment Programme Board. This is the first month that all the 123 risks on the Corporate Risk Register have been fully progressed with Risk Handlers, however, there is still further work to identify the actual risks, gaps in risks and themes of risks to improve alignment to the strategic risks.

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.

Datix is currently the most value repository of critical safety data in the organisation. We aim to use the system to promote the reporting of incidents and risks which will result in providing information for actions to improve and promote a culture of safety across the Trust. We need to increase our incident, risk, legal and safety collection of information to improve our management and lessons learned from incidents. This will also improve the capture and reporting of Duty of Candour to ensure compliance with the standards set out in the Regulation 20[1].

### 6. Risk Assessment
The Risk Assessment has been refreshed as part of the Strategy and Policy updates 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 risks 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.

4.2     As part of the risk improvements there is an Incident Management Improvement Plan, together with a Duty of Candour Improvement Plan.

**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.

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[1] Regulation 20: Duty of Candour

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:

* Improved patient safety through improved risk management and incident management.
* Clearer lines of accountability for Clinical Directorates and Corporate Directorates, aligned to quality assurance and review processes.
* Improved compliance in-line with statutory requirements, standards, policy and procedures.
* Clearer outline of roles and responsibilities.
* Supporting rolling programme of training and awareness of risk management.
* Promotion of the benefits of risk management and feedback to operational areas for the improvements to the Trust for recording, monitoring and management of risks to improve safety.
* Improved information and feedback will improve the culture of safety.