

## Board of Directors' Meeting 12 September 2024

<b>Agenda item</b>	139/24		
<b>Report Title</b>	Quarterly Risk Management Report		
<b>Executive Lead</b>	Anna Milanec, Director of Governance		
<b>Report Author</b>	James Webb, Head of Risk Management		
<b>CQC Domain:</b>	<b>Link to Strategic Goal:</b>		<b>Link to BAF / risk:</b>
Safe	Our patients and community		all
Effective	Our people		
Caring	Our service delivery		<b>Trust Risk Register id:</b>
Responsive	Our governance	√	
Well Led	Our partners	√	
<b>Consultation Communication</b>	Monthly report to Senior Leadership Committee, Operational Monthly report to Executive Team, Quarterly report to Audit and Risk Assurance Committee (ARAC).		
<b>Executive summary:</b>	<p>1. The Board's attention is drawn to the 'Summary Position', 'Progress from June 2023 and Next Steps'; and 'Issues for the Board's Consideration' sections.</p> <p>2. The number of risks 'overdue for review' decreased from 219 in January 2024 to 111 in June 2024. The number of risks 'actions overdue a review' decreased from 432 in January 2024 to 296 in June 2024. The number of 'accepted and closed risks' increased from 260 in January 2024 to 453 in June 2024.</p> <p>3. We are currently: (A) strengthening divisional assurance to Risk Management Committee through to ARAC and Board; and (B) delivering onsite Risk Management training at RSH and PRH. Over 150 colleagues have been trained since September 2023.</p>		
<b>Recommendations for the Board:</b>	<p>The Board is asked to: <b>Note</b> this new format report, the current risk position, and the mitigation in place to ensure that Risk Management is practiced across the Trust consistently.</p>		
<b>Appendices:</b>	<p>Appendix 1: Divisional risk profile from January, February March 2024 (Q4 2023/24) with severity breakdown. Appendix 2: Divisional risk profile from April, May and June 2024 (Q1 2024/25) with severity breakdown. Appendix 3: Summary of the Corporate Risk Register position on 24 July 2024.</p>		

## 1.0 Introduction:

### 1.1 Historic Position:

Historically, the Senior Leadership Committee (Operational) received a monthly Risk Management report detailing the current position for all risks. The monthly report was also distributed to >100 staff. However, a quarterly report will be produced for both the Board and ARAC respectively. This is the second such report, capturing Q4 2023/24 and Q1 2024/25.

An annual risk management report will be produced for ARAC and Board each year up to the end of March to align with the Trust's year end. For 2024/25, the annual Risk Management report will be produced up to 31 March 2024.

Divisions review their extreme risks (scored  $\geq 15$ ) on a monthly basis, high risks (scored 9-12) every two months and moderate risks (scored 4-6) and low risks (scored 1-4) every quarter as part of their Divisional Board meetings. New extreme risks are also presented at the Risk Management Committee (RMC), where they are made active.

## 2.0 Summary of current Operational Risk Position:

In July 2023, the Risk Management team detected 110 open risks dated from 2008 – end of 2019 (pre-COVID – roughly 25% of the open risk register). We have now reviewed all out-of-date risks on the operational risk register, which a number of these having been closed down as the risk was either no longer apparent or having been mitigated. A number of older risks have also been reviewed and rewritten, identifying that the original concerns were now different to those identified originally.

As per the Trust wide CQC 'Must Do' (*'The trust must ensure there is a timely review of all open risks dated from 2009 to 2019'* (Regulation 17: Good governance)), progress of all pre-covid risks is being discussed at the monthly Risk Management Committee meetings.

The table below shows the operational risk position by approval status over Quarter 4 2023/24 and Quarter 1 2024/25.

Rows 1, 2 and 3 capture all open risks. Row 4 captures the number of risks recommended as accepted. Row 5 captures the number of accepted and closed risks. Row 6 captures the number of overdue risk reviews for open risks. Row 7 captures the number of overdue actions for review.

Trust Wide Risk Position by Approval Status	Jan 2024 Total	Feb 2024 Total	Mar 2024 Total	Apr 2024 Total	May 2024 Total	June 2024 Total
1. Total No. of <b>Active Risks</b> (Risk has been acknowledged and agreed by the risk owner, the centre / divisional governance meeting / committee / specialist subject group)	410	441	438	443	449	434
2. Total No. of <b>Newly Identified Risks</b> (Default approval status once risk is populated in Datix and has not been reviewed by anyone other than the risk reporting officer)	57	45	44	41	40	58

3. Total No. of <b>New Risks awaiting Divisional/Directorate review and approval</b> <i>(Not currently 'active' - are awaiting authorisation from member of the Leadership's Team, and/or joint team decision made during a speciality/ divisional/ committee/specialist subject group meeting)</i>	<b>10</b>	<b>6</b>	<b>7</b>	<b>6</b>	<b>4</b>	<b>5</b>
4. Total No. of <b>Risks Recommended as Accepted</b> <i>(Risk has reached its 'target rating' - discussions need to be had with relevant stakeholders with a view to 'accepting' the risk)</i>	<b>18</b>	<b>19</b>	<b>19</b>	<b>20</b>	<b>18</b>	<b>4</b>
5. Total No. of <b>Accepted and Closed Risks</b> <i>(All stakeholders have made an informed decision to take and 'accept' the risk)</i>	<b>260</b>	<b>274</b>	<b>286</b>	<b>295</b>	<b>395</b>	<b>453</b>
6. Total number of <b>Overdue Risk Reviews for Open risks</b>	<b>219</b>	<b>201</b>	<b>162</b>	<b>217</b>	<b>193</b>	<b>111</b>
7. Total number of <b>Overdue Actions Reviews</b>	<b>432</b>	<b>424</b>	<b>358</b>	<b>414</b>	<b>335</b>	<b>296</b>

See Appendix 1 for Divisional risk profile from January, February March 2024 (Q4 2023/24), and Appendix 2 for Divisional risk profile from April, May and June 2024 (Q1 2024/25), both with severity breakdown. N.B. The total numbers in Appendices A and B are points 1, 2 and 3 in the table above added up per month. In addition, the data is live so will change throughout the month, as demonstrated in February 2024's total.

The table below shows the Trust's risk position via 'Risk Type' on 01 June 2024:

Type of Risk	CSS	SACC	M&E	W&C	Corporate	TOTAL per Type
Workforce	11	39	24	15	24	113
Operational	23	32	16	13	58	142
Clinical	22	72	64	18	42	218
Financial	2	1	1	1	9	14
External	0	0	0	2	6	10
<b>TOTAL per Division</b>	<b>58</b>	<b>147</b>	<b>105</b>	<b>49</b>	<b>139</b>	<b>497</b>

#### 4.0 Summary of Corporate Risk Position:

The Trust has created a Corporate Risk Register that categorises all high-level risks scoring  $\geq 15$  risk activity into the five CQC domains and aligns them to the eight categories of risk (corporate goals) – see Appendix 3. This breakdown has allowed for a thematic analysis of the risk position (we will be looking at creating a target risk score that will align with the risk appetite score).

#### 5.0 Next Steps for Risk Management:

- Board to approve the Trust's 2024/25 Risk Appetite statement
- Improve the Risk Management Committee role and function with a greater focus on holding the Divisions to account and assurance flows

- Strengthen Divisional assurance to Risk Management Committee through each clinical division producing a monthly '4As' report (*'Alert', 'Assurance', 'Advise' and 'Actions'*)
- Improve flows to Audit and Risk Assurance Committee (ARAC) through creating a quarterly '4A' report to allow ARAC in turn to assure the Board.
- Undertake Training Needs Analysis for Risk Management to define expectations against which compliance can be monitored

## **6.0 Longer term plans to support the change of Risk Management Culture:**

- Four modules of separate Risk Management E-Learning have been made available on LMS since December 2023 as part of the Getting to Good strategy
- A large majority of SaTH staff have had no formal risk management training. This is being remedied by the onsite risk management training sessions at RSH and PRH and evening risk management training sessions for night shift workers via Microsoft Teams
- Ensure 'Risk Management' is a standing agenda item at all divisions' Governance meetings in order to ensure risks are reviewed as per their severity (where divisions do not currently hold specific 'risk management' meetings)
- All senior staff members to encourage staff to: raise / assess risks in their areas; involve staff in the management of risk; regularly update staff on progress of the management of risks; feed-back to staff the upshot of risks upon closure; and review the efficacy of risks' action plans 6-12 months after the risks have been closed
- All senior staff members to ensure that risks' action plans are closed before the risk itself can be closed
- Produce annual report linking themes of clinical and non-clinical risks with 2023/24 data from Complaints, Claims, Incidents, Freedom to Speak Up contacts, Staff Survey data, Clinical Audit activity and Quality Improvement projects to recommend areas for improvement

## Appendices

### Appendix 1 - Divisional risk profile from January, February March 2024 (Q4 2023/24) with severity breakdown:

Open Risks by Division and Level of risk	January 2024 LOW (1-3)	February 2024 LOW (1-3)	March 2024 LOW (1-3)	January 2024 MODERATE (4-6)	February 2024 MODERATE (4-6)	March 2024 MODERATE (4-6)	January 2024 HIGH (8-12)	February 2024 HIGH (8-12)	March 2024 HIGH (8-12)	January 2024 EXTREME (15-25)	February 2024 EXTREME (15-25)	March 2024 EXTREME (15-25)	January 2024 Total	February 2024 Total	March 2024 Total
SA&C	4	4	4	9	9	10	93	92	91	32	35	35	138	140	140
M&E	1	1	1	6	6	6	56	59	55	36	38	38	99	104	100
W&C	0	0	0	6	5	5	38	36	37	9	9	10	53	50	52
CSS	1	0	0	10	10	10	28	30	31	20	21	24	59	61	65
CORP	10	11	11	27	34	33	75	76	73	16	15	15	128	136	132
<b>Total</b>	16 ⇆	16 ⇆	16 ⇆	58 ⇆	64 ⇆	64 ⇆	290 ⇆	293 ⇆	287 ⇆	113 ⇆	118 ⇆	122 ⇆	477	491	489

### Appendix 2 - Divisional risk profile from April, May and June 2024 (Q1 2024/25) with severity breakdown:

Open Risks by Division and Level of risk	April 2024 LOW (1-3)	May 2024 LOW (1-3)	June 2024 LOW (1-3)	April 2024 MODERATE (4-6)	May 2024 MODERATE (4-6)	June 2024 MODERATE (4-6)	April 2024 HIGH (8-12)	May 2024 HIGH (8-12)	June 2024 HIGH (8-12)	April 2024 EXTREME (15-25)	May 2024 EXTREME (15-25)	June 2024 EXTREME (15-25)	April 2024 Total	May 2024 Total	June 2024 Total
SA&C	4	3	3	11	13	11	93	90	86	35	39	46	143	145	146
M&E	1	1	1	7	8	8	56	58	58	37	39	38	101	106	105
W&C	0	1	0	4	4	3	38	36	36	12	12	10	54	53	49
CSS	0	0	0	9	9	8	29	28	28	23	22	22	61	59	58
CORP	11	11	11	33	30	30	71	72	76	16	17	22	131	130	139
<b>Total</b>	16 ⇆	16 ⇆	15 ⇆	64 ⇆	64 ⇆	60 ⇆	287 ⇆	284 ⇆	284 ⇆	123⇆	129 ⇆	138 ⇆	490	493	497

**Appendix 3 – Summary of Corporate Risk Register Position at 24/07/2024**

Theme	CQC Domain(s)	BAF ID	Initial Risk Score	Current Risk Score (with controls in place)	Risk Appetite score
Risk to the quality of care provided to patients	Safe	BAF 1 BAF 2 BAF 8	20	16	TBC
Poor patient experience	Caring	BAF 1 BAF 2 BAF 8	20	16	TBC
Overcrowding in ED	Safe / Responsive	BAF 1 BAF 2 BAF 8 BAF 10 BAF 11	20	20	TBC
Increased pressure on health services	Safe / Responsive	BAF 1 BAF 2 BAF 9 BAF 10 BAF 11 BAF 12	20	20	TBC
Insufficient staffing capacity / skills	Effective / safe	BAF 3 BAF 4 BAF 5	20	16	TBC
Inability to meet regulatory and legislative performance requirements	Well Led	BAF 8 BAF 13	16	16	TBC
Inappropriate use of expired, outdated or substandard equipment or lack of appropriate equipment	Safe / Responsive	BAF 6 BAF 7b	20	16	TBC
Increasing Cyber Threat	Responsive / Well Led	BAF 7A	25	15	TBC
Poor / ageing estate	Safe / Responsive	BAF 6 BAF 11	20	16	TBC