Report Cover Sheet

Report to:	Trust Board
Date of the Meeting:	29 July 20
Agenda Item:	P1-118-20
Title:	SBAR – Risk Management Committee
Report prepared by:	Gill Murphy, Associate Director of Improvement
Executive Lead:	Sheila Lloyd, Director of Nursing and Quality
Status of the Report:	Public	Private
	x	

Paper previously considered by:	Risk Management Committee
Date & Decision:	22 July 2020

Purpose of the Paper/Key Points for Discussion:	The paper is to inform the board on the trust systems and processes in place to monitor, maintain, mitigate and escalate risks to the trust in the delivery of the strategic objectives as described in the Board Assurance framework (BAF). The paper informs the board of the risk management process and the terms of reference (TOR) for the Risk Management Committee (RMC). The committee is scheduled to provide the required information and assurance to support the quarterly review of the BAF by the Audit Committee and Board. The board is asked to approve the TOR for the RMC.

Action Required:		
	Discuss	
	Approve	
	For Information/Noting	x

Next steps required	For the committee to discuss.

The paper links to the following strategic priorities (please tick)

Deliver **outstanding care locally**	x	Collaborative system **leadership** to **deliver better** patient **care**	x
Retain and **develop outstanding staff**	x	Be **enterprising**	x
Invest in **research & innovation** to deliver	x	Maintain **excellent** quality, operational and financial	x

excellent patient care in the future		performance	

The paper relates to the following Board Assurance Framework (BAF) Risks

BAF Risk	Please Tick
1. If we do not optimise quality outcomes we will not be able to provide outstanding care	x
2. If we do not prioritise the costs of the delivering the Transforming Cancer Care Programme we will not be able to maintain our long-term financial strength and make appropriate strategic investments.	x
3. If we do not have the right infrastructure (estate, communication & engagement, information and technology) we will be unable to deliver care close to home.	x
4. If we do not have the right innovative workforce solutions including education and development, we will not have the right skills, in the right place, at the right time to deliver the outstanding care.	x
5. If we do not have an organisational culture that promotes positive staff engagement and excellent health and well-being we will not be able to retain and attract the right workforce.	x
6. If we fail to implement and optimise digital technology we will not deliver optimal patient outcomes and operational effectiveness.	x
7. If we fail to position the organisation as a credible research partner we will limit patient access to clinical trials and affect our reputation as a specialist centre delivering excellent patient care in the future.	x
8. If we do not retain system-side leadership, for example, SRO for Cancer Alliance and influence the National Cancer Policy, we will not have the right influence on the strategic direction to deliver outstanding cancer services for the population of Cheshire & Merseyside.	x
9. If we do not support and invest in entrepreneurial ideas and adapt to changes in national priorities and market conditions we will stifle innovative cancer services for the future.	x
10. If we do not continually support, lead and prioritise improved quality, operational and financial performance, we will not provide safe, efficient and effective cancer services.	x

Equality & Diversity Impact Assessment		
Are there concerns that the policy/service could have an adverse impact on:	YES	NO
Age		x
Disability		x
Gender		x
Race		x
Sexual Orientation		x
Gender Reassignment		x
Religion/Belief		x
Pregnancy and Maternity		x

If YES to one or more of the above please add further detail and identify if a full impact assessment is required.

SBAR - Risk Management Committee Update

Situation	In spring 2019, following a review of the meeting structure across the trust, the monthly Risk Management Committee (RMC) was introduced, chaired by Liz Bishop, CEO. The meeting was established to review the risk management processes in place and to ensure risks identified, which impact the implementation and delivery of the trust strategic objectives, were being managed, mitigated and / or escalated appropriately. In February 20 the RMC was paused to undertake a review of the TOR, expected outcome, and in line with other committees, the frequency required to convene. Whilst paused: • Integrated Governance committee took responsibility to oversee the Health and Safety committee and Emergency Planning committee • All committees / groups within the CCC governance structure reviewed, managed and escalated risks as required through triple A reporting from operational, directorate and corporate meetings • Risk registers have continued to be reviewed and updated within Datix • Risk register reports, with all risks aligned to committees / groups, have continued to be presented, discussed, and challenged as required • Three risk management workshops were held and 66 staff attended. The feedback was positive and staff have demonstrated increased knowledge and confidence in the management and mitigation of risks. • From January 20, four directorate governance managers are now in place to support the management of risk and quality across the trust.
Background	The achievement of the Trust's strategic objectives is subject to uncertainty, which gives rise to both opportunities and threats. Uncertainty of outcome is how risk is defined. Risk management includes identifying and assessing risks and responding to them. The Trust will take all reasonably practicable steps to protect

	patients, staff, visitors and contractors from the risk of harm.
	The Trust's governance framework shall be supported by an effective risk management system that delivers continuous improvements in safety and quality, and maximises opportunity for growth and development. Risk management provides a solid foundation upon which to build a culture of high reliability wherein clinical and organisational excellence can flourish.
Assessment	There are different operational levels ensuring the governance of risk in the Trust.
	These are:
	• Board of Directors
	• Executive Management Team
	• Directorate/Departmental Management
	Risk management by the Board is underpinned by a number of interlocking systems of control. The Board reviews risk principally through the following three related mechanisms:
	1. The Board Assurance Framework (BAF) sets out the strategic objectives, identifies key risks in relation to each strategic objective and identifies the controls in place and assurances available on their operation. Additionally, the BAF is cross-referenced with the Operational Risk Register. The BAF is used to drive the Board agenda.
	2. The High Level Risks comprises those risks that have a residual risk score of 15 or more and is used as a tool for managing risks and monitoring actions and plans against them. Due to complex nature of risk management it may be necessary to escalate risks with a residual risk score of less than 15 to the Executive Management team and the Board of Directors.
	3. The Operational risk registers facilitates the recording and management of risks to the routine daily activities of each directorate or department. Local risks are discussed at team meetings, risks that cannot be managed at the local level may be escalated upwards in the governance hierarchy for review and decision.
	Additionally, the annual governance statement is signed by the Chief Executive as Accounting Officer. It sets out the organisational approach to internal control. This is produced at the year-end, following regular reviews of the internal control environment during the year, scrutinised as part of the annual accounts process and overseen by the Board.
	Risk management begins with the Trust Board agreeing their risk

	appetite and risk tolerance for each strategic priority. All directorates/departments must then evaluate their services to identify what risks they have that would lead to the Trust not meeting those priorities, and these risks should be identified on the risk register, aligned to the appropriate priority and be scored accordingly. Every risk is aligned to the appropriate subcommittee of the Trust Board, so each subcommittee has responsibility to review and discuss all risks pertaining to their goals of achieving the priorities set by the Board. Any concerns will be escalated to the Board via the subcommittee chair's Triple A report. A detailed review of the risk management process is described in Appendix A
Recommendation	The RMC will move to being a quarterly meeting, the agenda of which will be driven by the strategic priorities of the Trust against all risks scoring 12 and over. The terms of reference for the meeting will change as proposed in Appendix B. Following the RMC the risk register will be updated by the Risk Management Facilitator and the updated BAF with supporting risk report will be presented at Audit Committee and Board.

Appendix A RISK MANAGEMENT PROCESS

INTRODUCTION
The achievement of the Trust's strategic objectives is subject to uncertainty, which gives rise to both opportunities and threats. Uncertainty of outcome is how risk is defined. Risk management includes identifying and assessing risks and responding to them.

The Trust will take all reasonably practicable steps to protect patients, staff, visitors and contractors from the risk of harm.

The Trust's governance framework shall be supported by an effective risk management system that delivers continuous improvements in safety and quality, and maximises opportunity for growth and development. Risk management provides a solid foundation upon which to build a culture of high reliability wherein clinical and organisational excellence can flourish.

The overall purpose of risk management at the Trust is to:
- Reduce the level of exposure to harm for patients, colleagues or visitors by proactively identifying and managing personal risk to a level as low as is reasonably practicable.
- Promote success and protect everything of value to the Trust, such as high standards of patient care, safe working environment, the Trust's safety record, reputation, community relations, equipment or sources of income.
- Ensure the Trust complies with all relevant statutory provisions.
- Continuously improve performance by proactively adapting and remaining resilient to changing circumstances or events.

The Trust will establish an effective risk management system which ensures that:
- All risks are identified that have a potential adverse effect on quality of care, safety and wellbeing of people, and on the business, performance and reputation of the Trust.
- Priorities are determined, continuously reviewed and expressed through objectives that are owned and understood by all staff.
- Risks to the achievement of objectives are anticipated and proactively identified.
- Controls are put in place, effective in their design and application to mitigate the risk, and are understood by those expected to use them.
- Gaps in control are rectified by the Directorate Management Team or, where further support is required, are escalated to the Integrated Governance Committee.
- Risk management systems and processes are embedded locally across all directorates and within corporate services including business planning, service development, financial planning, project and programme management and education.

The Trust shall achieve this by:

- Identifying future opportunities or threats through horizon scanning the landscape regarding changes within the national, regional and local guidance. Staff should also draw on a systematic proactive consideration of reasonably foreseeable failures such as incident trends, complaints, claims histories, patient/staff surveys, observations, formal notices, audits or national reports to identify risk.
- Ensuring regular, effective and sufficient assessments of risk are carried out in all areas of the Trust's operations.
- Ensuring effective oversight of risk management through team and committee structures.
- Ensuring effective reporting, and having robust processes in place to ensure compliance with the risk management process and to hold to account the risk owner if the process is not adhered to.
- Ensuring formulation and implementation of policies and procedures for all significant hazards arising from the Trust's undertakings.
- Providing risk management training to keep risk under prudent control.
- Regular liaison with enforcing authorities, regulators and assessors to ensure the Trust is safe, effective and always striving for improvement.
- Investigating thoroughly, learning and acting on any identified defects in care.

RISK APPETITE AND RISK TOLERANCE
Before any of this can be achieved, the Trust Board must determine and agree both its risk appetite and its risk tolerance.

Risk appetite, defined as 'the amount and type of risk that an organisation is prepared to pursue, retain or take` in pursuit of its strategic objectives, is key to achieving effective risk management. It represents a balance between the potential benefits of innovation and the threats that change inevitably brings, and therefore should be at the heart of an organisation's risk management strategy – and indeed its overarching strategy.
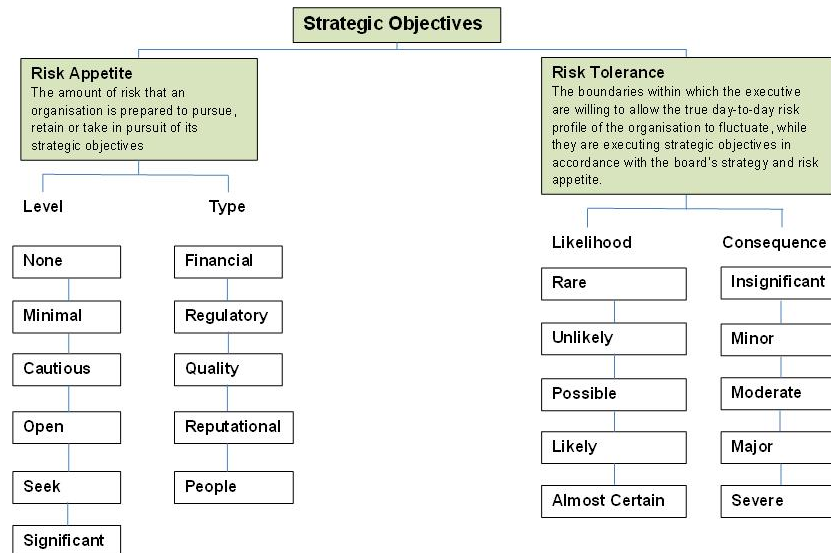
Risk tolerance is subtly different to risk appetite in that it reflects the boundaries within which the executive management are willing to allow the true day-to-day risk profile of the organisation to fluctuate while they are executing strategic objectives in accordance with the board's strategy and risk appetite. It is the level of residual risk within which the board expects sub-committees to operate and management to manage. Breaching the tolerance requires escalation to the board for consideration of the impact on other objectives, competing resources, and timescales.

The Trust Board must identify their risk appetite and risk tolerance for each strategic objective and agree what is sufficient in terms of controls and the assurances that the controls are operating effectively. The greater the risk appetite, the more controls should be put in place by management to avoid or mitigate the risk.

The Trust Board must agree its risk appetite and risk tolerance for each strategic priority:
- Strategic Priority 1 – Transforming Cancer Care
- Strategic Priority 2 – Retaining and Developing our Outstanding Staff

- Strategic Priority 3 – Investing in Patient Focused Research and Innovation
- Strategic Priority 4 – Leadership Role in Collaboration with Regional Bodies
- Strategic Priority 5 – Be Enterprising
- Strategic Priority 6 – Maintaining Excellent Quality, Operational and Financial Performance

Strategic Objectives

Risk Appetite
The amount of risk that an organisation is prepared to pursue, retain or take in pursuit of its strategic objectives

Risk Tolerance
The boundaries within which the executive are willing to allow the true day-to-day risk profile of the organisation to fluctuate, while they are executing strategic objectives in accordance with the board's strategy and risk appetite.

Level — Type
- Level: None, Minimal, Cautious, Open, Seek, Significant
- Type: Financial, Regulatory, Quality, Reputational, People

Likelihood — Consequence
- Likelihood: Rare, Unlikely, Possible, Likely, Almost Certain
- Consequence: Insignificant, Minor, Moderate, Major, Severe

Risk Appetite and Tolerance Matrix

RISK APPETITE LEVEL / RISK TYPES	0 - NONE Avoidance of risk is a key organisational objective	1 - MINIMAL Preference for very safe delivery options that have a low degree of inherent risk and only a limited reward potential	2 - CAUTIOUS Preference for safe delivery options that have a low degree of residual risk and only a limited reward potential	3 - OPEN Willing to consider all potential delivery options and choose while alos providing an acceptable level of reward	4 - SEEK Eager to be innovative and to choose options offering higher business rewards (despite greater inherent risk)	5 - SIGNIFICANT Confident in setting high levels of risk appetite because controls, forward scanning and responsive systems are robust.
FINANCIAL How will we use our resources?	We have no appetite for decisions or actions that may result in financial loss	We are only willing to accept the possbility of very limited financial risk	We are prepared to accept the possibility of financial risk. However, VFM is our primary concern.	We are prepared to accept some financial risk as long as appropriate controls are in place. We have a holistic understanding of VFM with price not the overriding factor.	We will invest for the best possible return and accept the possibility of increased financial risk	We will consistently invest for the best possible return for stakeholders, recognising that the potential for substantial gain outweighs the inherent risks.
REGULATORY How will we be perceived by our regulator?	We have no appetite for decisions or actions that may compromise compliance with statutory, regulatory or policy requirements	We will avoid any decisions that may result in heightened regulatory challenge unless absolutely essential	We are prepared to accept the posibility of limited regulatory challenge. We would seek to understand where similar actions had been successful elsewhere before taking any decision.	We are prepared to accept the possbility of some regulatory challenge as long as we can be reasonably confident that we would be able to challenge this successfully.	We are willing to take decisions that will likely result in regulatory intervention if we can justify these and where the potential benefits outweigh the risks	We are comfortable challenging reguglatory practice. We have a significant appetite for challenging the status quo in order to improve outcomes for our stakeholders
QUALITY How will be deliver safe services?	We have no appetite for decisions that may have an uncertain impact on quality outcomes	We will avoid anything that may impact on quality outcomes unless absolutely essential. We will avoid innovation unless established and proven to be effective in a variety of settings	Our preference is for risk avoidance. However, if necessary we will take decisions on quality where there is a low degree of inherent risk and the possibility of imporved outcomes, and appropriate controls are in place.	We are prepared to accept the possibility of a short term impact on quality outcomes with potential for longer term rewards. We support innovation	We will pursue innovation wherever appropriate. We are willing to take decisions on quality where there may be higher inherent risks but the potential for significant longer term gains	We seek to lead the way and will prioritise new innovations, even in emerging fields. We consistently challenge current working practices in order to drive quality improvement
REPUTATIONAL How will we be perceived by the public and our partners?	We have no appetite for decisions that could lead to additional scrutiny or attention on the organisation	Our appetite for risk taking is limited to those events where there is no chance of significant repercussions	We are prepared to accept the possibility of limited reputational risk if appropriate controls are inplace to limit any fallout	We are prepared to accept the possibility of some reputational risk as long as there is the potential for imporved outcomes for our stakeholders	We are willing to take decisions that are likely to bring scrutiny of the organisation. We outwardly promote new ideas and innovations where potential benefits outweigh the risks	We are comfortable to take decisions that may expose the organisation to significant scrutiny or criticism as long as there is commensurate opportunity for improved outcomes for our stakeholders
PEOPLE How will we be perceived by the public and our partners?	We have no appetite for decisions that could have a negative impact on opur workforce development, recruitment and retention. Sustainability is our primary interest	We will avoid all risks relating to our workforce unless absolutely essential. Innovative approaches to workforce recruitment and retention are not a priority and will only be adopted if established and proven to be effective elsewhere	We are prepared to take limited risks with regard to our workforce. Where attempting to innovate, we would seek to understand where similar actions had been successful elsewhere before taking any decisions	We are prepared to accept the possibility of some workforce risk, as a direct result from innovation as long as there is the potential for improved recruitment and retention, and developmental opportunites for staff	We will pursue workforce innovation. We are willing to take risks which may have implications for our workforce but could improve the skills and capabilities of our staff. We recognise that innovation is likely to be disruptive in the short term but with the possibility of long term gains.	We seek to lead the way in terms of workforce innovation. We accept that innovation can bhe disruptive and are ahppy to use it as a catalyst to drive a positive change.

RISK PROCESS - GENERAL

Risk is defined as the effect of uncertainty on objectives. The risk appetite and risk tolerance to the strategic priorities documented in the BAF is the starting point for risk management. In order for this to be incorporated across a Trust it is essential that there are clear objectives for each service in relation to the strategic priorities and to express these in specific, measurable, achievable ways with timescales for delivery.

Identify Risk
Risk will be identified by anticipating what is stopping, or could stop, the Trust from achieving stated objectives/strategic priorities. Risk identification involves anticipation of failure and is based upon consideration of strengths, weaknesses, opportunities or threats. The identification of risk is an on-going process and is never static, but is particularly aligned to the annual planning process. In order to do this the Board of Directors and Senior Directorate Management Teams should identify what is uncertain (the risk); consider how it may be caused and what impact it may have on the objective.

Assess Risk
Evaluate the magnitude of the risk by multiplying the severity of impact by the likelihood of the risk occurring, with any existing controls in place. It is important to be realistic in the quantification of severity and likelihood and use, where appropriate, relative frequency to consider probability. Use the risk scoring matrix provided to calculate the risk score.

Respond to the Risk
There are a number of different options for responding to a risk. These options are referred to as risk treatment. The main options most likely to be used include:

- **Seek** - this strategy is used when a risk is being pursued in order to achieve an objective or gain advantage. *Seeking risk must only be done in accordance with the Board's appetite for taking risk.*
- **Accept** - this strategy is used when no further mitigating action is planned and the risk exposure is considered tolerable and acceptable. Acceptance of a risk involves maintenance of the risk at its current level (any failure to maintain the risk may lead to increased risk exposure which is not agreed).
- **Avoid** - this strategy usually requires the withdrawal from the activity that gives rise to the risk.
- **Transfer** - this strategy involves transferring the risk in part or in full to a third party. This may be achieved through insurance, contracting, service agreements or co-production models of care delivery. *Staff must take advice from the Executive Team before entering into any risk transfer arrangement.*
- **Modify** - this strategy involves specific controls designed to change the severity, likelihood or both. This is the most common strategy adopted for managing risk at the Trust.

For this reason, the nature of control can be modified as follows:

- **Prevention/Treatment** - these controls are core controls and are designed to prevent a hazard or problem from occurring. They typically involve policies, procedures, standards, guidelines, training, protective equipment/clothing, pre-procedure checks.
- **Detection** - these controls provide an early warning of core control failure, such as incident/complaint reports, performance reports, audits etc.
- **Contingency** - these controls provide effective reaction in response to a significant control failure or overwhelming event. Contingency controls help to maintain resilience.

A combination of all 3 types of control is usually required to keep risk under prudent control.

Risk Monitoring
There are different operational levels ensuring the governance of risk in the Trust.
These are:
- Board of Directors
- Executive Management Team
- Directorate/Departmental Management

Risk management by the Board is underpinned by a number of interlocking systems of control. The Board reviews risk principally through the following three related mechanisms:

1. The Board Assurance Framework (BAF) sets out the strategic objectives, identifies key risks in relation to each strategic objective and identifies the controls in place and assurances available on their operation. Additionally, the BAF is cross-referenced with the Operational Risk Register. The BAF is used to drive the Board agenda.

2. The High Level Risks comprises those risks that have a residual risk score of 15 or more and is used as a tool for managing risks and monitoring actions and plans against them. Due to complex nature of risk management it may be necessary to escalate risks with a residual risk score of less than 15 to the Executive Management team and the Board of Directors.

3. The Operational risk registers facilitates the recording and management of risks to the routine daily activities of each directorate or department. Local risks are discussed at team meetings, risks that cannot be managed at the local level may be escalated upwards in the governance hierarchy for review and decision.

Additionally, the annual governance statement is signed by the Chief Executive as Accounting Officer. It sets out the organisational approach to internal control. This is produced at the year-end, following regular reviews of the internal control environment during the year, scrutinised as part of the annual accounts process and overseen by the Board.

RISK REPORTING PROCESS

As previously stated; risk management begins with the Trust Board agreeing their risk appetite and risk tolerance for each strategic priority. All directorates/departments must then evaluate their services to identify what risks they have that would lead to the Trust not meeting those priorities, and these risks should be identified on the risk register, aligned to the appropriate priority and be scored accordingly.

Every risk will also be aligned to the appropriate subcommittee of the Trust Board, so each subcommittee has responsibility to review and discuss all risks pertaining to their goals of achieving the priorities set by the Board.

Completing Risk in Datix

Recording of risks into the Datix system will continue as per current process:

The **risk identification** (ID) is the unique identifier to distinguish the risk from the other risks in the register. The ID will not change throughout the life of the risk.

The **risk owner** is the individual who is accountable and has overall responsibility for a risk; it may or may not be the same person as the action owner. The risk/action owner must be informed that they are the owner and accept the action.

Risk description as the name suggests, allows the risk to be described. It is important that risks are clearly articulated. If not, then it is difficult to put effective controls, or actions, in place to reduce the risk materialising and contingency plans. Using the following subheadings will help to clearly describe risk:

- **Risk Title** (*a description of something uncertain that may happen and could prevent the Trust from meeting its objectives*)

- **If…..** (is the problem or issue that 'could' cause the risk to happen)

- **Then**….. (is what `could` happen if the issue arises)

- **Resulting in**….. (*the result of the threat or opportunity, the effect and impact or outcome of something occurring*)

Getting the risk description right is important as the key controls relate directly to the description of the risk.

Controls (mitigation) are the measures put in place as preventative measures to lessen or reduce the likelihood or consequence of the risk happening and/or the severity if it does. Each control (or action where a gap in control has been identified) must have an owner and target completion date.

Once a new risk has been documented in the risk register it will be placed into a `Pending` file and an electronic notification will be sent to the relevant senior management team for their review. Once the senior team are satisfied that the risk

description, risk score and actions are correct and owned by the correct people, the risk can be `approved` and will then appear in the live risk register.

Risks will be reviewed and monitored in accordance with their residual risk score:

Risk level	Score	Frequency of Review
Very low	Under 4	Annually
Low	4 – 8	Quarterly
Moderate	9 – 12	Bi-monthly
High	15 and over	Monthly

The current Risk Register module is under review in line with the changes proposed in this report. The Risk Management Facilitator will be setting up training for all appropriate staff in the use of the new fields once this process is approved.

Provision of Assurance
A key element of the Trust's risk management system is providing assurance that we manage risks effectively by ensuring the effectiveness of controls and actions being put in place to mitigate the impact of any risks.

Assurance is defined as: - confidence based on sufficient evidence, that internal controls are in place and are operating effectively and objectives are being achieved.

Or put simply
It provides: - Evidence/Certainty/Confidence.
To: - Staff/Management/Directors/Organisation.
That: - What we are currently doing is making an impact on risks.

The provision of good assurance adds value to the Trust by eliminating duplication of effort and resources, reducing the burden of bureaucracy. Assurance is underpinned by a number of elements: a robust governance framework with clearly defined and understood strategic objectives, a developed maturity in relation to risk management and effective internal control. It is acknowledged that it is never possible to provide complete and absolute assurance and as such the concept of reasonable assurance is adopted.

Levels of Assurance
The Trust will assess the provision of assurance using the following criteria

Acceptable Assurance	General confidence in delivery of existing mechanisms / objectives
Partial Assurance	Some confidence in the delivery of existing mechanisms / objectives
No Assurance	No confidence in delivery

These fields will be added to the Risk Register module within Datix.

Escalation of Risks

Risk will be escalated or de-escalated within the specified tolerances and authority to act for each stage. Due to complex nature of risk management, it may be necessary to escalate risks with a residual risk score of less than 15 to the Subcommittees of the Board and the Board of Directors, for example risks which have a rare chance of occurring but would be catastrophic for the Trust if they materialised. This escalation can be achieved in conjunction with the approval of the appropriate Executive Manager. All risks with a residual risk score of 15 or greater, with appropriate approval, will be escalated to the High Level risk register for monitoring by the Board.

Risk escalation is not intended to replace routine reporting or monitoring, rather it is there to be used in circumstances where an integrated or Trust wide response is required to manage the risk.

This is a process that ensures risks identified that are deemed impossible or impractical to manage by a local team or function, are escalated appropriately following the Trust management hierarchy.

The nature of risks that require escalating include:
- Significant threat to achievement of the Trust objectives and or standards
- Assessed to be a substantial or intolerable risk, above the agreed risk appetite
- Widespread beyond local area's span of control
- Significant cost of control beyond scope of budget holder
- Potential or significant adverse publicity

The Table below sets out the stages of escalation levels and the ownership and oversight of risk within the Trust.

Residual Risk Score	Stages and Escalation
VERY LOW - between 1 and 3	Managed at local level with General Manager approval **Or** Risks that the directorate/department cannot adequately mitigate are escalated to the relevant Directorate/Department Quality & Safety or Performance meeting and included in the Triple A report presented at the appropriate board subcommittee meeting for discussion.
LOW – between 4 and 8	
MODERATE – between 9 and 12	Risks are considered by the board subcommittees and a decision is made as to: (a). **Approve the risk*.** (b). Escalate the risk to the High Level Risk Register (≥10) (c). De-escalate the risk back to the directorate/department The risks approved for escalation to the High Level Risk Register are included in the Triple A report presented at the board committee meetings.
HIGH – between 15 and 25	All new or escalated risks (residual risk ≥15 or warrant inclusion due to impact) are evaluated by the appropriate board committee and a decision is made as to **approve the risk*** or de-escalate to be managed at board subcommittee or local level.

*The term **approve the risk** includes approval of the risk description, risk scores, timeframes and mitigation.*

All risks scoring 15 or more will be escalated and considered for inclusion on High Level risk register. In a case whereby the risk is to be escalated to the High level risk register, the current key controls and action plan to reduce the risk will be scrutinised by the Board of Directors who will consider the risk control options advised and review the actions proposed. In addition the risk will be monitored at subcommittee and local level.

The decisions taken by subcommittees and committees of the board must be documented in Datix within the `progress notes`.

Closure of Risk
Risk registers need to be current and up to date. It is therefore essential that risks are continually monitored and fully reviewed in line with review schedule.

They should be closed under the following circumstances:

- The Risk has materialised (a management plan will be developed or existing contingency plans enacted to mitigate the impact).
- The Risk has reached its target score and has remained stable for an acceptable period of time (following appropriate authorisation)
- The Risk is no longer applicable, stating the reason why.

All closed risks will be archived and not deleted on Datix.

Risk Profile
The current risk matrix will remain in use.

A summary risk profile is a simple visual mechanism that can be used in reporting to increase the visibility of risks; it is a graphical representation of information normally found on an existing risk register. A risk profile shows all key risks as one picture, so that managers can gain an overall impression of the total exposure to risk. The Trust Datix system will be used to ensure all risk reports include a risk profile.

For example :- (Profile represents number of risk and a certain level)

Likelihood→ Severity↓	1 Rare	2 Unlikely	3 Possible	4 Likely	5 Almost certain
5 Catastrophic	0	1	5	0	0
4 Major	0	0	4	2	2
3 Moderate	0	4	4	15	1
2 Minor	1	2	0	0	0
1 Negligible	0	4	0	0	0

Risk Report Template
A new risk report template will be used for all subcommittee and committee meetings.

Risk Management Committee (RMC)
The RMC will move to being a quarterly meeting, the agenda of which will be driven by the strategic priorities of the Trust against all risks scoring 12 and over. The terms of reference for the meeting will change as proposed in Appendix B.

Following the RMC the risk register will be updated by the Risk Management Facilitator and the updated BAF with supporting risk report will be presented at Audit Committee and Board.

Datix Update
As previously reported the trust has invested in the new Datix icloud system which will support the risk management process going forward and provide a more integrated and effective process across all key strands of quality and risk management including Incidents, complaints, Claims and litigation, Pals, management of CAS alerts, compliance and lessons learned.

The project implementation meeting took place with key members from Datix and CCC on 21st July 2020, and a timeline of implementation is in place.

All modules, which will have been customised for CCC will be ready to test at the end of August 2020.

Testing will then commence with a planned go live date of 1st October 2020.

Since joining the organisation in January 2020, the new risk management facilitator, (who is a registered Datix administer), has worked with governance leads to:
- update notification lists across all modules
- reviewed committee structures and alignment of risks
- added in 'help' text to support end users in using risk modules

Whilst reviewing the current Datix risk register module it also became apparent that the email notification functionality was not in place. This is a process to:

- Inform leads of new risks within their responsibility
- Remind leads / owners of risks that require review
- Remind leads / owners of actions that require review

This has now been activated to support the appropriate management or risks.
All these improvements will be transferred over and further enhanced with the implementation of Datix icloud.

APPENDIX B - DRAFT RMC TERMS OF REFERENCE

Title:	Risk Management Committee – Terms of Reference
Aim:	1.1 The Risk Management Committee has overall responsibility for establishing the strategic approach to risk management and is therefore authorised to make executive decisions regarding the management of risks in the delivery of Board Assurance Framework. 1.2 The committee is a safety net process for all risks across CCC and will include review and full oversight of all risks aligned to the subsidiaries (CPC, PharmaC, Propcare).
Specific Work Areas:	2.1 The role of the Risk Management Committee is to generate a culture of open, pro-active, responsive and anticipatory risk awareness in which all staff are actively engaged in the assessment and management of risk. In particular, the Risk Management Committee will: • On behalf of the Board, keep risk under control in accordance with the Board's approved risk appetite statement • Agree and monitor the Trust's risk management strategy and associated policies • Advise the Board in defining acceptable risk within the Trust • Ensure that adequate organisational systems are in place for implementing, monitoring and reviewing assurances on controls • Make any recommendations to the Trust Board on priority risk areas and any action required as necessary • Approve any escalation of risk to the Corporate Risk Register • Ensure the identification, evaluation and monitoring of key risks that threaten achievement of the Trust's objectives and ensure appropriate escalation to the Board Assurance Framework • Review and monitor the risks rated 12 or above in line with the Board Assurance Framework, trust strategic priorities • Anticipate and respond to changing political, environmental, social, technological and legislative requirements and or opportunities that are likely to

	impact on the risk profile of the Trust • Review and approve risk-related policies
Reporting Arrangements:	3.1 The minutes of all meetings of the Risk Management Committee shall be formally recorded by a member of the corporate quality team 3.2 The Risk Management Committee will receive an integrated risk report from the Risk Management Facilitator based on the Trust strategic objectives. 3.3 The Risk Management Committee will report to the Audit Committee and the Chair of the Committee will bring to the attention of the Audit Committee any items that the Risk Management Committee considers it should be aware of.
Membership:	4.1 The Risk Management Committee will comprise of: • Chief Executive (Chair) • Director of Nursing (Deputy Chair) • All executive leads of the strategic objectives • Associate Director for Improvement • Associate Director for Corporate Governance • Head of Risk and Compliance In attendance: • Risk Management Facilitator • Any subject matter expert / member of the operational teams that the executive director might require to support discussion / presentation of risks Members of the Risk Management Committee may send a deputy in exceptional circumstances following approval of the Chair. Members are required to attend 75% of the meetings in any one financial year. The effectiveness of the meeting will be monitored on an annual basis via the following: ➢ Review of the Terms of Reference ➢ Review of the attendance rate of members ➢ Production of an Annual Report (to the Audit Committee) and Work Plan
Quorate:	The Risk Management Committee will be deemed quorate

	to the extent that the following are present: Chair or Deputy Chair and the lead or appropriate representative for each strategic objective.