Risk Management Strategy
2017-20

INTRODUCTION

The Board of Directors of Sherwood Forest Hospitals NHS Foundation Trust (the Trust) approved a revised Risk Management Policy in January 2016, which introduced some significant changes to the way in which the organisation uses the principles and techniques of risk management in order to manage risks to its objectives.

This Risk Management Strategy has been developed to provide a structured basis for the continued evolution of risk management within the Trust over the next 3 years.

BACKGROUND

Towards the end of the financial year 2016/17 the Trust is in a strong position with regard to its risk management practice. An internal audit carried out by 360 Assurance during 2016 provided a Substantial assurance rating, and feedback from the Care Quality Commission (CQC) re-visit was also positive with regard to the extent of improvement that had been made in the previous year.

With a clear policy and process now established, and the Datix Risk Management System providing a suitable host function for corporate risk registers, the priority for the Trust is now to focus on consistent application of its policy across all clinical and corporate functions.

OBJECTIVES

The primary objectives which this Risk Management Strategy aims to achieve by the end of the 2019/20 financial year are as follows:

1. Integration of risk management within corporate objective setting and decision making, measured through annual reviews of Board and Committee effectiveness
2. Integration of risk management within operational governance arrangements, measured through regular assurance reporting to the Board Risk Committee (BRC)
3. Routine review of corporate risk registers by all clinical and corporate services, measured against the review requirements stipulated in the Policy and reported to the BRC
4. Active engagement of staff at all levels in the risk management process, measured through an annual online staff survey

STRATEGY OVERVIEW

The Trust's Risk Management Strategy 2017-20 is based on a 3-stage approach:

1. Design and introduce a suitable risk management framework
2. Train and support those with risk management responsibilities to work within the framework
3. Integrate routine monitoring of risk management effectiveness within existing governance arrangements

Specific actions required to deliver this Strategy will be incorporated within a Risk Management Improvement Plan that is maintained by the Risk Manager.

RISK MANAGEMENT FRAMEWORK

The purpose of the Risk Management Framework is to establish a clear and consistent approach to the definition of risks, to enable effective comparisons to be drawn and prioritisation decisions to be made. It also provides the Trust with an overview of the extent of its risk exposure at any one time.

Whilst the Risk Management Framework defines a broad range of risks and is intended to be comprehensive, it is always possible that previously unforeseen risks will emerge, the nature of operational activities may change, or it may make sense to define certain risks differently in order to support more effective management. Therefore the Framework must be robust whilst remaining flexible enough to be able to respond to necessary change.

So as to prevent inconsistencies from being introduced which may destabilise and reduce the effectiveness of the Risk Management Framework, any fundamental changes to the way in which risks are described will require the approval of the Board Risk Committee (BRC).

Risk perspectives

The Trust's Risk Management Framework is designed to operate at 5 distinct levels, or perspectives, at which risks are identified, evaluated and managed. Those risk perspectives are as follows:

1. Strategic risk profile
2. Corporate risk profile
3. Operational risk profiles
4. Programme and project risk logs
5. Individual risk assessments

The **strategic risk profile** is comprised of the Principal Risks that populate the Board Assurance Framework (BAF). These are defined by the Board of Directors and managed through the work of Lead Committees and Lead Directors.

The **corporate risk profile** consists of a broad range of compliance and reputational risks that cover both clinical and corporate functions. These risks are managed through the work of multi-disciplinary groups and lead professionals. They are recorded and maintained on Datix as part of the organisational risk register.

Operational risk profiles are defined at service level and vary dependent upon the specific activities that take place within each service. They are also recorded and maintained on Datix as part of the organisational risk register. The current Operational Risk Profile (as of January 2017) is attached as **Appendix I**.

Programme and project risk logs are used by programme and project managers as part of a suite of formal documents that support delivery of major work-streams. They can be recorded on Datix but do not form part of the organisational risk register.

Individual risk assessments are not recorded on Datix; however they can be attached to the organisational risk register where they inform current understanding of a particular risk within the risk profile.

Risk indicators

A key element in effective corporate risk management is the integration of performance indicators within the risk framework so that data analysis can be used routinely to provide meaningful insight into emerging and declining areas of risk.

The following Key Risk Indicators (KRIs) may be used to inform understanding of defined risks within the Risk Management Framework:

- Patient safety incidents
- Referral to Treatment (RTT) performance

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- A&E performance
- Financial forecasts
- Business continuity incidents
- Health, safety & security incidents
- Information governance incidents
- Sickness absence levels
- Staff survey results
- Clinical audit results
- Internal audit results

TRAINING AND COMMUNICATION

Practical implementation of the Risk Management Policy requires an appropriate level of knowledge and awareness of requirements that is commensurate with individual roles and responsibilities. In order to achieve and maintain these levels, a formal programme of risk management training and communication will be established.

Good Governance Training Programme

So that risk management continues to be seen as a key component within the wider context of good governance, and to provide appropriate training to new starters and the existing workforce, formal training in risk management will be incorporated within the Good Governance Training Programme of classroom-based sessions. In addition, e-learning packages will provide supplementary training available through the Trust intranet.

Learning Matters

Alongside the value of training in raising skill levels and knowledge, it is essential that Trust employees are kept informed about risk management matters that affect them. This involves maintaining widespread awareness of significant areas of risk as well an appreciation of where and when effective risk management activities have taken place along with any lessons that have been learned to inform better risk management in the future.

The Trust has an established bulletin entitled Learning Matters, which will be utilised to provide regular monthly communications to all staff on risk management issues.

Risk Management Intranet

To provide a single reference point for risk management guidance, information and support the existing Trust intranet pages dedicated to risk management will be fully revised and kept up to date with the latest communications and support materials.

GOVERNANCE ARRANGEMENTS

The role of the Board Risk Committee (BRC) is to provide the Board of Directors with assurance as to the effectiveness of the Trust's risk management arrangements. The BRC carries out its responsibilities through a structured annual work programme incorporating regular reports from the Risk Manager; assurance reporting from clinical divisions and corporate services; and annual reports from risk management specialisms such as business continuity and information governance.

So as to provide effective governance over the delivery of this Risk Management Strategy, the BRC will also carry out a 6 monthly review of progress against the Risk Management Improvement Plan, as part of the Committee's Annual Work Programme.

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OPERATIONAL RISK PROFILE

The Trust's operational risk profile includes the following defined risks:

Risk title	Risk type
Safe & effective care	Patient harm
Medicines safety	Patient harm
Deteriorating patient	Patient harm
Referral to treatment	Patient harm
Outpatient follow-up appointment	Patient harm
Referral for suspected cancer	Patient harm
Referral for diagnostic test	Patient harm
Patient transfer or discharge	Patient harm
Staff engagement & morale	Patient harm
Staffing levels – medical	Services
Staffing levels - nursing	Services
Staffing levels – corporate	Services
Access to premises	Services
Availability of essential equipment	Services
Availability of essential information	Services
Confidentiality of information	Public harm
Public health, safety & security	Public harm
Staff health, safety & security	Staff harm
Annual budget	Finances
Regulatory duties / compliance	Reputation
Accreditation	Reputation