



**PWYLLGOR ARCHWILIO A SICRWYDD RISG
AUDIT AND RISK ASSURANCE COMMITTEE**

DYDDIAD Y CYFARFOD: DATE OF MEETING:	15 August 2023
TEITL YR ADRODDIAD: TITLE OF REPORT:	Risk Assurance Report
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Joanne Wilson, Director of Corporate Governance/ Board Secretary
SWYDDOG ADRODD: REPORTING OFFICER:	Charlotte Wilmshurst, Assistant Director of Assurance and Risk Rachel Williams, Head of Assurance and Risk

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Er Sicrwydd/For Assurance

**ADRODDIAD SCAA
SBAR REPORT**

Sefyllfa / Situation

The purpose of this report is to provide assurance to the Audit and Risk Assurance Committee (ARAC) on the effectiveness of the Risk Management Framework, and the implementation of the Risk Management Strategy.

Cefndir / Background

The Risk Assurance report was developed to address feedback received during the ARAC Self-Assessment 2021/22 process where it was identified that Committee required specific assurance on effectiveness of risk management in the Health Board. The Risk Assurance report was first presented to ARAC at its meeting in February 2023, and agreed that the report would be presented every 6 months. This report notes the developments made regarding risk management since February 2023, and how feedback has been addressed.

Asesiad / Assessment

The attached report will aim to provide assurance by outlining the risk management activity that has taken place since the previous report presented to ARAC in February 2023, on the effectiveness of the Risk Management Framework and the implementation of the recently approved Risk Management Strategy.

The Risk Management framework was approved by the Board in July 2022, and sets out the components that provide the foundation and organisational arrangements for supporting risk management processes in Hywel Dda UHB.

The Risk Management Strategy, approved by the Board in January 2023, provides a supportive framework that ensure the integration of risk management into policy making, planning and decision-making processes, and sets the 3 key risk management objectives for 2023:

- Define the Organisation's Risk Appetite and Tolerance Statement;

- Support the Strengthening of Operational Risk Management Arrangements; and
- Strengthen the Assurance that the Board received on Risk Management Activities.

Argymhelliad / Recommendation

The Audit & Risk Assurance Committee is asked to **TAKE ASSURANCE** on the effectiveness of the Risk Management Framework and implementation of the Risk Management Strategy, and the work being undertaken to strengthen risk management as outlined in the report.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	2.4 The Committee's principal duties encompass the following: 2.4.1 Review the establishment and maintenance of an effective system of good governance, risk management and internal control across the whole of the organisation's activities, both clinical and non-clinical. 2.4.3 Work with the Quality, Safety and Experience Committee, the People Organisational Development and Culture Committee, Strategic Development and Operational Delivery Committee and Sustainable Resources Committee to ensure that governance and risks are part of an embedded assurance framework that is 'fit for purpose'.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Included within the report
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	Not Applicable
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	Not Applicable
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Cynllunio Planning Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Datix Risk Module
Rhestr Termau: Glossary of Terms:	Included within the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg Parties / Committees consulted prior to Audit and Risk Assurance Committee:	Director of Corporate Governance/Board Secretary

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	No direct impacts from this report however late or non-reporting of risks could mean that the UHB is not addressing any gaps in control and exploiting opportunities to achieve value for money.
Ansawdd / Gofal Claf: Quality / Patient Care:	No direct impacts from this report however late or non-reporting of risks could mean that the UHB is not addressing any gaps in control in relation to patient quality and care.
Gweithlu: Workforce:	No direct impacts from this report however late or non-reporting of risks could mean that the UHB is not addressing any gaps in control in relation to workforce issues and risks.
Risg: Risk:	Risk implications are inherent within the report.
Cyfreithiol: Legal:	No direct impacts from this report however late or non-reporting of risks could mean that the UHB is less likely to defend itself in a legal challenge which could lead to larger fines/penalties and damage to reputation.
Enw Da: Reputational:	No direct impacts from this report however late or non-reporting of risks could mean that the UHB is less likely to defend itself in a legal challenge which could lead to larger fines/penalties and damage to reputation.
Gyfrinachedd: Privacy:	No direct impacts from this report
Cydraddoldeb: Equality:	No direct impacts from this report

Purpose of the report

The purpose of the report is to provide assurance to the Audit and Risk Assurance Committee (ARAC) on the effectiveness of the Risk Management Framework, as approved by Board in June 2022, and the implementation of the Risk Management Strategy, as approved by Board in January 2023. It was agreed by ARAC at its meeting in February 2023 that the Risk Assurance report will be reported to the Committee bi-annually.

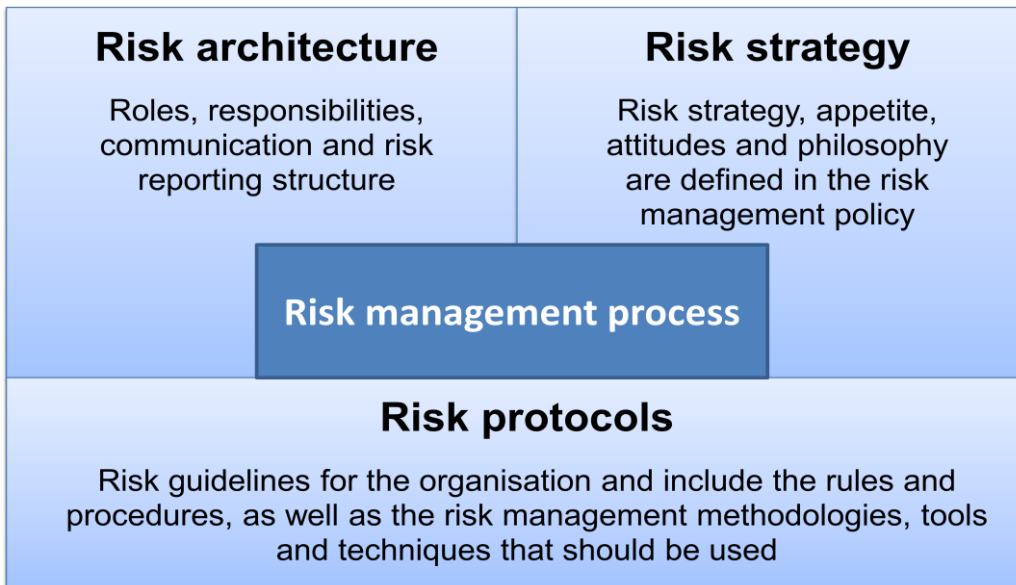
The overall aim of risk management is to:

- Ensure conformity with applicable rules, regulation and mandatory obligations;
- Provide assurance to the Board and the Audit and Risk Assurance Committee (ARAC) that risk management and internal control activities are proportionate, aligned, comprehensive, embedded and dynamic;
- Support decision-making through risk based information; and
- Provide effective and efficient strategy, operations and compliance activities.

The Health Board's Risk Management Strategy provides a supportive framework that ensures the integration of risk management into policy-making, planning and decision-making processes, and specifically:

- To improve the quality of service and protect patients, carers, staff and others who come in to contact with the Health Board;
- To create awareness through the Health Board about the importance of recognising and managing risk in a timely manner and providing staff with the appropriate knowledge, skills and support;
- To promote positive risk taking in the context of clinical care and in controlled circumstances;
- To provide a robust basis for strategic and operational planning through structured consideration of key risk elements;
- To enhance partnership working with stakeholders in the delivery of services;
- To improve compliance with relevant legislation and national best practice standards; and
- To enhance openness and transparency in decision-making and management.

In order to provide the Committee with assurance that these goals are being met and that the risk management framework is effective, this report will outline the risk management activity that has taken place since the previous meeting. The risk management framework is made up of the **risk architecture, strategy and protocols** (RASP), which wraps round the Health Board's risk management process.

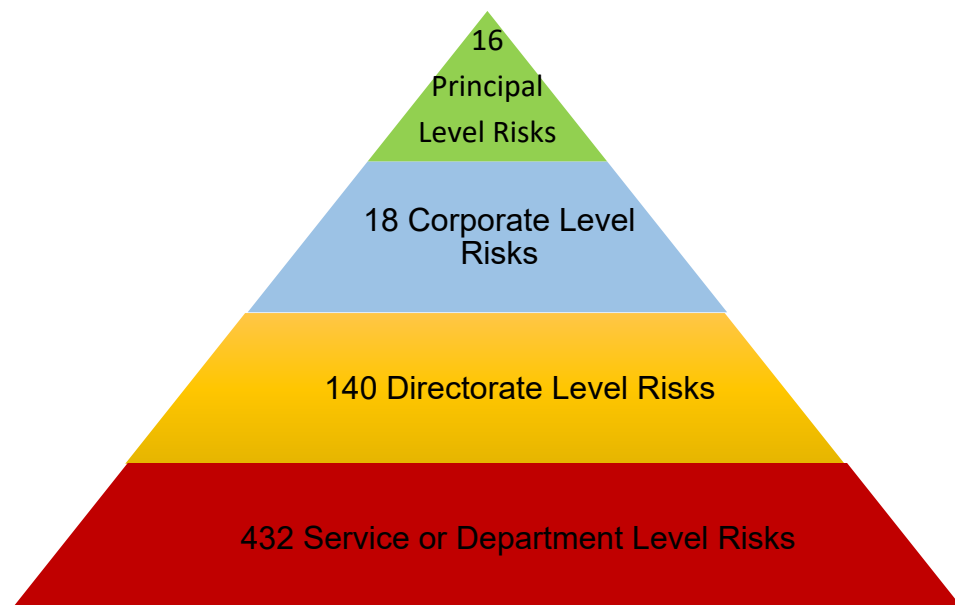


Risk management process

The Health Board’s risk management process is recorded via the Datix Risk Module and reported via risk register reports to both assurance and management meetings. The Datix Risk Module enables risks to be recorded at either Corporate, Directorate or Service level (definitions of which can be found in the [Risk Management Framework](#)), ensuring that risks are reported and scrutinised at the correct forums. The Health Board has an escalation process in place to ensure that risks which require escalation or de-escalation are done via the appropriate approval process. This can also be found within the [Risk Management Framework](#).

The Health Board has 606 open risks on the Datix Risk Module as at 3 July 2023 (February 2023: 568), split as follows:

Risks per Risk Level



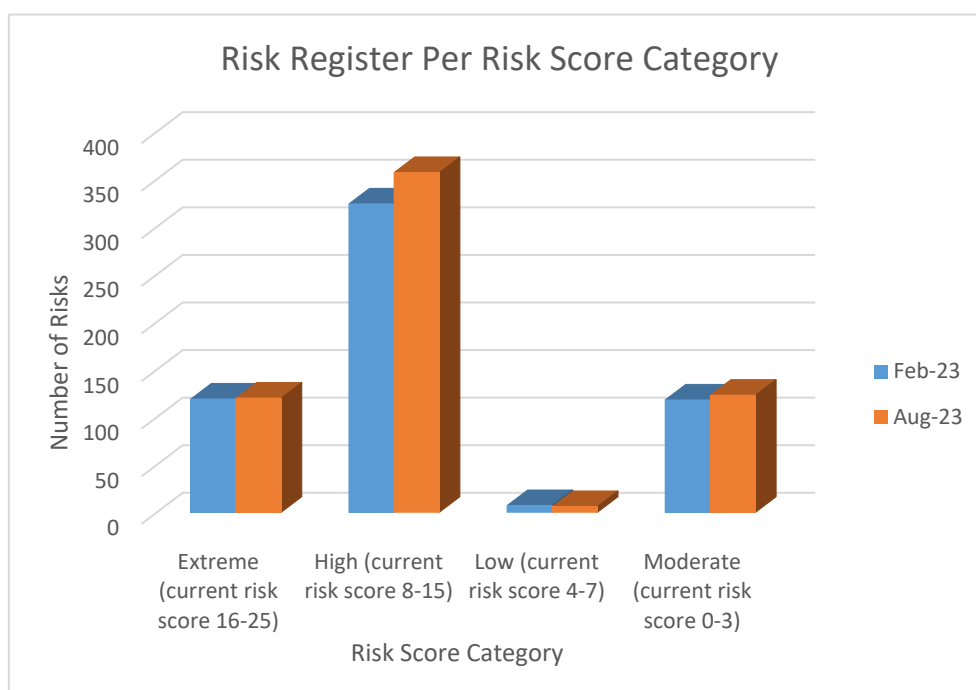
Movements in risk since the previous report to ARAC in February 2023 are detailed in the table below:

Risk Level	Risk Movement				
	Risks as at Feb 23	New risks *	Re-opened risks	Closed risks *	Risks as at Aug 23
Principal	16	0	0	0	16
Corporate	18	5	0	5	18
Directorate	122	35	0	17	140
Service / Department	412	87	2	69	432
Total	568	127	2	91	606

*The numbers of new and closed risks include those risks which have been escalated or de-escalated since the previous report in line with the Health Board's escalation guidance. Detail of this movement is as follows:

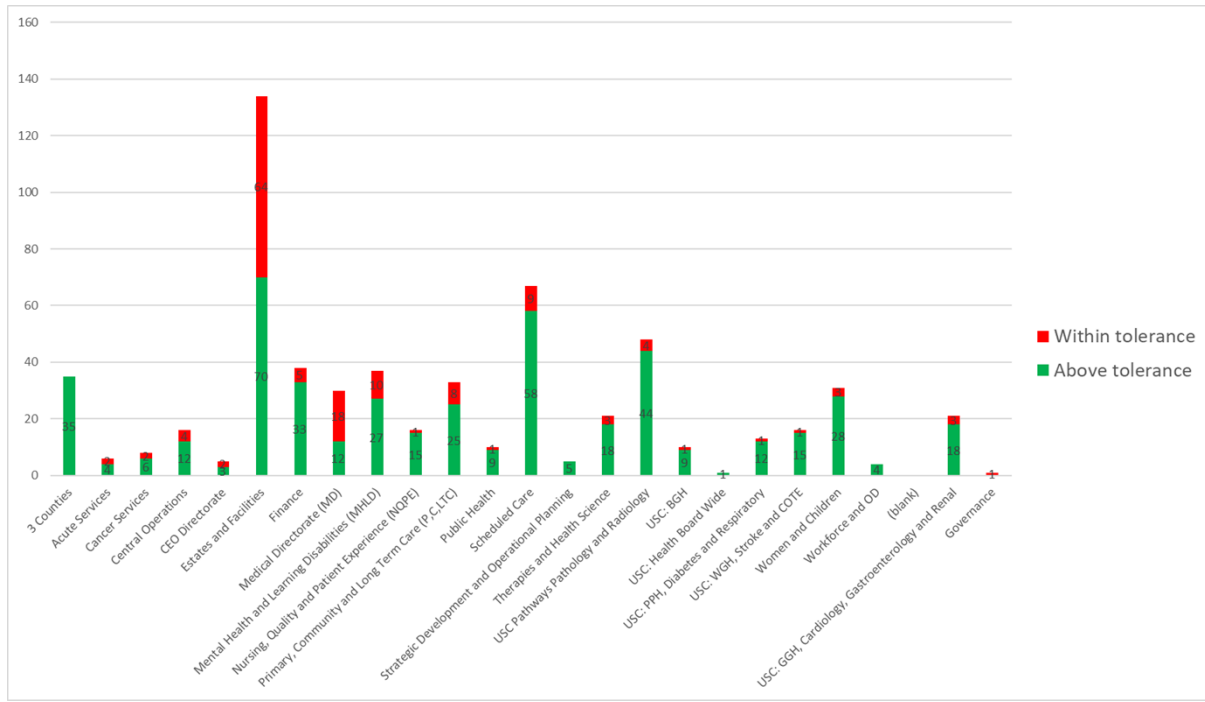
- 2 risks escalated to Corporate from Directorate Level;
- 1 risk de-escalated from Corporate to Directorate Level;
- 13 risks escalated to Directorate from Service Level; and
- 3 risks de-escalated from Directorate to Service Level.

The graph below highlights that the Health Board currently has 477 risks (79%) classified as either Extreme or High (February 2023: 443 (78%)). This level of risk which the Health Board is carrying indicates that it may be taking risks beyond its capacity. The definition of risk capacity is "the maximum level of risk to which the organisation should be exposed, having regard to financial and other resources". Further discussion is needed by the Board on risk appetite and tolerance to better align these to our capacity as an organisation to manage risk, with risk appetite scheduled to be discussed at Board Seminar scheduled for August 2023. This is one of our Risk Management Objectives for 2023 discussed [later in the report](#).



The graph below illustrates the number of risks assigned per Directorate, and highlighting how many are within the Board-accepted tolerance level (as discussed and agreed by the Board at its meeting on 27 September 2018), and how many are in excess of these thresholds. 463 of the 606 (76%) risks as at 3 July 2023 exceed Board tolerance thresholds (no change from February 2023: 76%), further indicating that the Health Board is carrying risk beyond its capacity.

Risks per Service Area



Directorates across the Health Board identify risks that affect their services; however, risks are not always added to Datix in a timely manner due to operational demands and pressures. This also applies with regards to reviewing risks within required timescales. The Assurance and Risk Team continue to support colleagues across the Health Board via a business-partnering approach, and as noted within the Health Board’s [Risk Management Strategy](#).

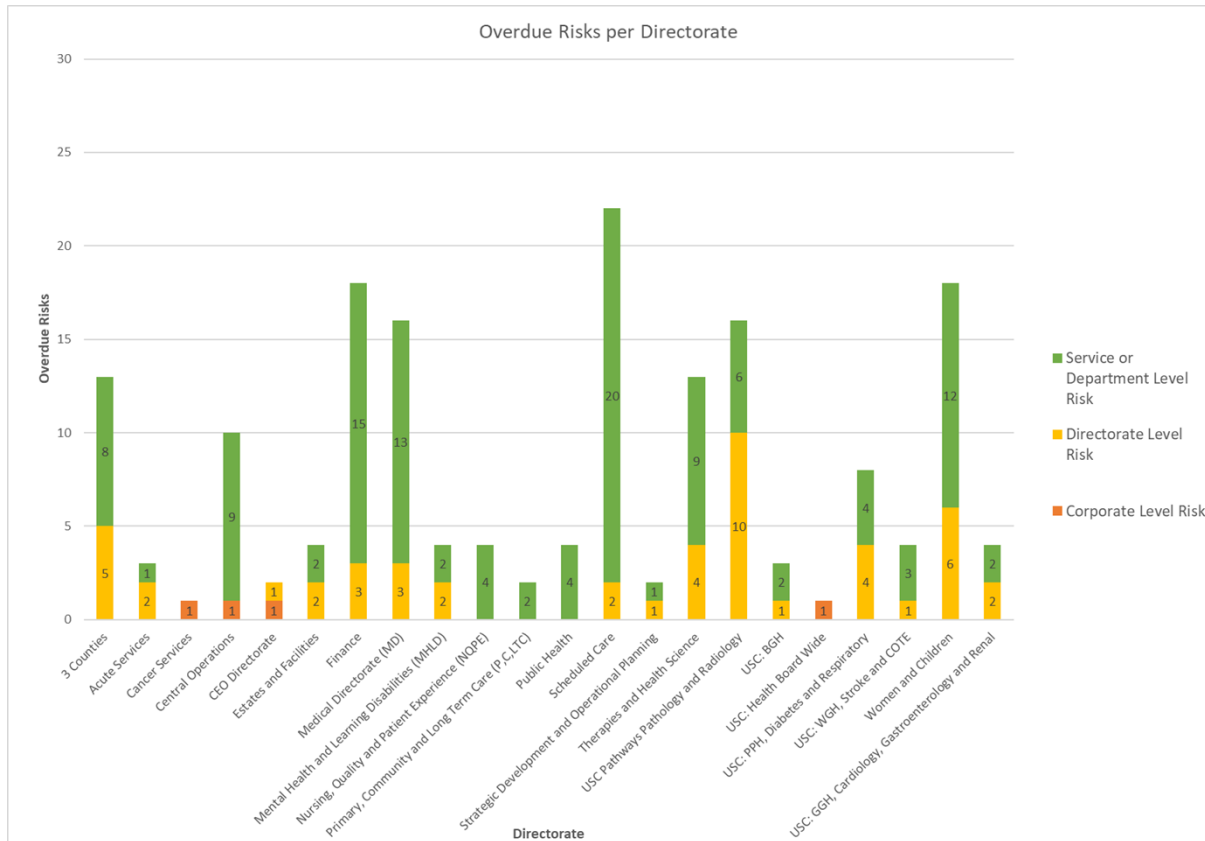
There are 157 risks (26%) currently overdue for review, an increase from the 108 (19%) risks identified in February 2023, broken down as follows:

Overdue by	Number of overdue risks	%age of total risks
1-3 months	123	20%
3-6 months	21	3%
6-9 months	4	1%
9-12 months	0	0%
Greater than 12 months	9	2%
Total	157	26%

Those risks that are overdue by greater than 12 months will be followed up by the Assurance and Risk team with the relevant risk leads, and escalated as appropriate.

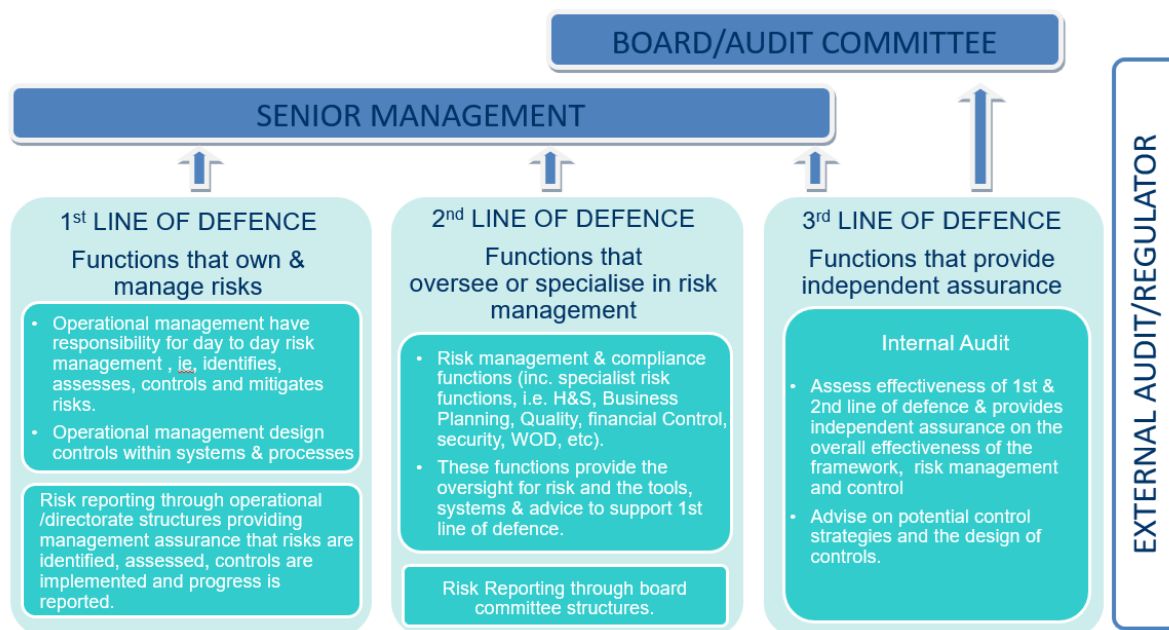
It is recognised at the date of extracting the data, 91 of the risks have only recently surpassed their next review date (i.e in the 30 days prior). This is primarily due to timing issues, and therefore not currently considered to be a cause for concern.

Overdue risks per Directorate as at July 2023 are highlighted in the graph below:



Risk owners are reminded by the Assurance and Risk team to review risks within the required timescales, and provide support where required to update. Overdue risks are reported via local governance meetings and forums, Directorate Improving Together Sessions, and via Board Committee reports.

The Health Board operates within the widely accepted “Three Lines of Defence” model, which provides a simple and effective way to delegate and coordinate risk management roles and responsibilities within an organisation. To ensure the appropriate responsibility is allocated for the management, reporting and escalation of risk.



As part of the second line of defence, risk owners can assign multiple themes to their risks, which allows the Health Board to share risk information on specific areas, such as health and safety, information governance, with the relevant experts within the Health Board. This provides assurance that a holistic approach to risk management is undertaken, support and guidance can be offered to risk owners in the management of risk and that areas of concern or trends can be identified. It also enables the Health Board to better identify its risk appetite, risk capacity and total risk exposure in relation to each risk, group of similar risks or generic type of risk.

Since the previous risk assurance report presented in February 2023, the following developments have taken place in respect to risk themes:

- A review of digital themes identified four new themes to be added to Datix, and the closure of an existing theme in order to provide clarity, distinction and improved oversight of digital-related risks. Thematic risk registers will be reported to the Digital Senior Team meeting as of August 2023:
 - Cyber Security (new);
 - Digital Transformation (new);
 - Information and Communications Technology (new);
 - Information and Data Capture (new);
- The theme of Consent and Mental Capacity has been added to Datix since the previous report presented to ARAC;
- Work continues with the Workforce Directorate to determine risk themes which will align to the six pillars and will supersede the current wide-ranging Workforce theme to provide improved monitoring and reporting arrangements;
- The Terms of Reference for Capital Sub-Committee (CSC) were amended and endorsed in March 2023, noting its role to provide assurance to Strategic Development and Operational Delivery Committee (SDODC) that risk is considered as part of the prioritisation of capital expenditure items. Risks previously aligned to CSC have been re-allocated to the relevant committee for reporting purposes. Risk theme owners for the following themes are required to provide assurance to CSC that risks which require capital funding in respect of

medical equipment, digital and the estate have been updated to reflect how they will be managed in the absence of being allocated capital funding:

- Capital – Estates (Director of Estates, Facilities & Capital Management);
- Capital – Equipment (Deputy Director of Operations); and
- Capital – Digital (Digital Director); and
- The Assurance and Risk team is liaising with risk theme owners to develop guidance for risk owners across the Health Board to improve the understanding of the purpose of each theme to ensure their correct assignment to risks, and to provide concise definitions to further support this work. As part of this process, work continues to ensure that themes are aligned to the appropriate Committee, and risk theme owners will be required to provide assurance in the relevant operational risk register reports around their processes. This is being introduced for the August 2023 Committees.

Detail on the reporting of themed risk registers can be found below (the Health Board as at July 2023 has 26 risk themes). Each theme has assigned owners, based on their subject matter expertise, and receive notifications when risks are added to the system, and are also provided with the relevant thematic risk register on a bi-monthly basis. Upon receipt, theme risk owners are required to review risks which have been assigned a theme to ensure that they have been correctly allocated, and review the risk, controls and planned actions from an expert perspective, and provide oversight and guidance to the relevant manager of any further controls that need to be undertaken to manage the risk to an acceptable level. The theme owner is also able to utilise a thematic risk register in order to identify trends, or risk clusters, and to consider whether there are gaps in controls in the Health Board's control framework, and to determine whether further action is required to prevent risks from materialising.

Risk Theme	Number of risks assigned to theme – July 2023	Theme owner	Month risks last sent to theme owner	Forum which theme reported to, and date last reported
Business Continuity / Service disruption	153	Emergency Planning Officer	June 2023	<i>Proposed Committee: Operational Quality, Safety and Experience</i>
Capital - Estates	94	Head of Estates Risk and Compliance	June 2023	Capital Sub Committee, December 2022*
Capital - Equipment	40	Deputy Director of Operations	June 2023	Capital Sub Committee, December 2022*
Capital – Digital	16	Digital Director	June 2023	Capital Sub Committee, December 2022*
Consent and Mental Capacity	2	Head of Consent and Mental Capacity	July 2023	<i>Proposed Committee: Operational Quality, Safety and Experience</i>

Risk Theme	Number of risks assigned to theme	Theme owner	Month risks last sent to theme owner	Forum which theme reported to, and date last reported
Cyber Security	11	Cyber Security Senior Specialist	<i>Reporting schedule being finalised</i>	Cyber Security Assurance Group, June 2023 <i>Proposed Committee: Sustainable Resources Committee</i>
Digital Transformation	4	Head of Digital Innovation and Transformation	<i>Reporting schedule being finalised</i>	<i>Proposed Committee: Sustainable Resources Committee</i>
Estates	117	Head of Estates Risk and Compliance	June 2023	Central Compliance and Assurance Audit Meeting, July 2023 <i>Proposed Committee: Health and Safety Committee</i>
Environmental	37	Head of Facilities Information and Capital Management	June 2023	<i>Proposed Committee: Health and Safety Committee</i>
Finance	54	Assistant Director of Finance	June 2023	<i>Proposed Committee: Sustainable Resources Committee</i>
Fire	18	Head of Fire Safety	June 2023	Fire Safety Group, June 2022 <i>Proposed Committee: Health and Safety Committee</i>
Fraud	1	Local Counter Fraud Specialist	July 2023	<i>Proposed Committee: Sustainable Resources Committee</i>
Health and Safety	89	Head of Health, Safety and Security	July 2023	Health & Safety Committee, May 2023
Information and Communication Technology	32	Head of Digital Business and Engagement	June 2023	<i>Proposed Committee: Sustainable Resources Committee</i>
Infection Control	23	Senior Nurse, Infection Prevention	June 2023	<i>Proposed Committee: Operational Quality, Safety and Experience</i>
Information and Data Capture	6	Head of Information Services	<i>Reporting schedule being finalised</i>	<i>Proposed Committee: Sustainable Resources Committee</i>

Risk Theme	Number of risks assigned to theme	Theme owner	Month risks last sent to theme owner	Forum which theme reported to, and date last reported
Information Governance	26	Head of Information Governance	June 2023	Information Governance Sub-Committee, April 2023 <i>Proposed Committee: Sustainable Resources Committee</i>
Medical Devices	33	Assistant Director of Therapies and Health Sciences	June 2023	Medical Devices Group, June 2023 <i>Proposed Committee: Operational Quality, Safety and Experience</i>
Medication	22	Clinical Pharmacy Lead for Patient Services	June 2023	<i>Proposed Committee: Operational Quality, Safety and Experience</i>
NICE/National Guidance	19	Head of Effective Clinical Practice and Quality Improvement	July 2023	Clinical Standards and Guidelines Group, June 2023 <i>Proposed Committee: Operational Quality, Safety and Experience</i>
Patient Safety	257	Head of Quality and Governance	July 2023	<i>Proposed Committee: Operational Quality, Safety and Experience</i>
Quality	176	Head of Quality and Governance	July 2023	<i>Proposed Committee: Operational Quality, Safety and Experience</i>
Reputation	127	Communications Director	January 2023	Managed outside of Committee as agreed with the Director of Communications
Safeguarding	20	Head of Safeguarding	June 2023	<i>Proposed Committee: Operational Quality, Safety and Experience</i>
Security	15	Head of Health, Safety and Security	July 2023	<i>Proposed Committee: Health and Safety Committee</i>
Workforce	154	Assistant Director of Workforce and Organisational Development	June 2023	People, Organisational Development and Culture Committee, August 2023

* The terms of reference for the Capital Sub-Committee were revised and approved in March 2023, further detail of which can be found [later in the report](#).

Since the previous report, the Assurance and Risk team has been liaising with risk theme owners in order to include assurance statements in the Operational Risk Reports to the relevant Committee on the management of this process, and this

process is currently being embedded. The reporting structures regarding thematic risk registers continue to be reviewed in order to address gaps in reporting as noted above, with proposed committee alignment noted in italics.

Third Line of Defence

The third line of defence are those who provide independent assurance over the risk management arrangements in place, and where appropriate can advise on control strategies. Since the previous risk assurance report presented to ARAC, the following reviews relating to governance arrangements, which included a review of risk management processes, have been undertaken by external regulators and inspectorates:

- Audit Wales – Review of Mental Health and Learning Disabilities Directorate Governance Arrangements: The audit sought to assess whether the Directorate had effective governance arrangements in place to enable it to carry out its role efficiently and effectively to ensure the delivery of high-quality services. It was found that there are generally good governance arrangements at a Directorate level with oversight at Board, with governance arrangements clear and appear to be working well, providing assurance on the management of risk. Recommendations raised in the report included the improvement of understanding the escalation and de-escalation of risks, and clarity on mitigating actions and expected outcomes of risks noted on the risk register. Timescales for these recommendations range from July 2023 to December 2023, and oversight on progress made against these recommendations is monitored via the Tracker report which is presented at each ARAC meeting.

Risk Management Framework

Risk Architecture

Risk architecture is the organisational arrangements for risk management which details the roles, responsibilities and the lines of communication for reporting on risk management.

Committee and Reporting Structures

Effective risk management requires a reporting and review structure to ensure that risks are effectively identified and assessed, and that appropriate controls and responses are in place. The Health Board's risk reporting structure is outlined in Appendix 3 of the [Risk Management Strategy](#).

1. The Board

The Board is responsible for oversight of the Health Board's principal risks, which are those that affect its ability to achieve its strategic objectives. The 6 strategic objectives are included within the Board Assurance Framework (BAF):

1. Putting people at the heart of everything we do	4. The best health and wellbeing for our communities
2. Working together to be the best we can be	5. Safe, sustainable, accessible, and kind care
3. Striving to deliver and develop excellent services	6. Sustainable use of resources

Principal risks are reported to the Board 3 times a year, with the last report provided in [July 2023](#), as part of the BAF Dashboard. The 16 principal risks were reviewed and updated following submission of the Health Board's 2023/24 Annual Plan at Executive Team in June 2023. The review reflected the priorities (the 2023/24 planning objectives) as agreed by the Board for the next year, as these are likely to have an impact on the Health Board's ability to implement its strategic objectives and manage its principal risks.

The Board is also responsible for oversight of the corporate risks, defined as significant risks that affect the Health Board's ability to deliver the healthcare services in the 'here and now'. Corporate risks are reported to the Board 3 times a year, with the last report provided in [May 2023](#). The Health Board have 17 corporate risks as at July 2023.

Monthly Executive Risk Group (ERG) meetings are held to review the corporate risk register. ERG are able to:

- approve new risks for addition to the register;
- escalate risks to corporate level;
- approve the closure of corporate risks; and
- de-escalate corporate risks to directorate level.

A risk workshop was held in the June 2023 ERG meeting to review the existing corporate risk register, their alignment to the 2023/24 Annual Plan as approved by Board in March 2023, and to identify any additional risks which may impact on the ability to achieve these objectives. As a result of the workshop, a further 3 risks were identified for addition to the corporate risk register:

- Risk of accommodation challenges due to an ageing estate;
- Risk of inability to meet demand due to insufficient capacity in social care; and
- Risk of unsustainable primary care services due to operational challenges

2. Board Committees and Sub-Committees

Terms of References (TORs) are in place for each committee at the Health Board, which outline their responsibility to review and to seek assurance that risks aligned to their Committee are being effectively managed across the Health Board, and report any areas of significant concern. All corporate risks are reported and operational risks on Datix that are at Directorate level and above tolerance are reported to the Board Committees. The table below outlines recent reporting activity:

Committee	Risk Reporting frequency	Reports presented since Feb 2023	Number of risks reported	Matters arising from last meeting
Charitable Funds Committee (CFC)	<p>Corporate Risks Assigned to CFC (reported to every other meeting)</p> <p>Operational Risks Assigned to CFC (reported to every other meeting)</p>	No risks currently assigned to CFC	N/A	N/A
Health and Safety Committee (HSC)	<p>Corporate Risks Assigned to HSC (reported to every other meeting)</p> <p>Operational Risks Assigned to HSC (reported to every other meeting)</p>	<p>May 2023</p> <p>May 2023</p>	<p>Corporate Risks: 3</p> <p>Operational Risks: 4</p>	<p>Corporate Risks: No specific actions. Risk on compliance with requirements of Regulatory Reform Order was discussed under the Fire Safety Update agenda item.</p> <p>Operational Risks: No specific actions. Discussions focused on existing risk regarding installation of reinforced autoclaved aerated concrete (RAAC) planks given the number of high profile incidents in the UK.</p>

Committee	Risk Reporting frequency	Reports presented since Feb 2023	Number of risks reported	Matters arising from last meeting
People, Organisational Development and Culture Committee (PODCC)	Corporate Risks Assigned to PODCC (reported to every meeting)	April 2023	Corporate Risks: 1	Corporate risk: To ensure that the corporate risk is included in the workplan to ensure it is reviewed at each PODCC meeting
		June 2023	Corporate Risks: 1	Corporate risk: the risk needs to be developed further as it is focussed on the nursing profession, and further detail on other staff groups would be beneficial.
	Operational Risks Assigned to PODCC (reported to every other meeting)	April 2023	Operational Risks: 0	N/A
Quality, Safety and Experience Committee (QSEC)	Corporate Risks Assigned to QSEC (reported to every other meeting)*	April 2023	Corporate Risks: 8	Corporate risk: Following discussion at the March Executive Risk Group, a piece of work to be undertaken on the assessment and prioritisation of fragile services, and the development of a matrix in which the assessment of risk will be based, with a report presented at the QSEC meeting held June 2023.
	<p><i>Operational risks are discussed via the Operational Quality, Safety and Experience Committee (OQSEC) at every other meeting, with updates provided to QSEC via the sub-committee report</i></p> <p>Deep dive on risks when requested</p>	N/A		

Committee	Risk Reporting frequency	Reports presented since Feb 2023	Number of risks reported	Matters arising from last meeting
Strategic Development and Operational Delivery Committee (SDODC)	Corporate Risks Assigned to SDODC (reported to every other meeting)	April 2023	Corporate Risks: 2	Corporate Risks: To review the narrative on the risk relating to meeting the 75% waiting times target on the single cancer pathway
	Operational Risks Assigned to SDODC (reported to every other meeting)	June 2023	Operational Risks: 5	Operational Risks: The risk relating to accommodation for the Director of Nursing, Quality and Patient Experience teams was approved the risk treatment for this to be “tolerated” in line with Health Board escalation guidance.
Sustainable Resources Committee (SRC) <i>Note: Risks relating to Cyber Security are presented and discussed via in-committee due to the sensitive nature of the risks</i>	Corporate Risks Assigned to SRC (reported at every meeting)	April 2023	Corporate Risks: 4	Corporate Risks: No specific matters arising
		June 2023	Corporate Risks: 3	Corporate Risks: No specific matters arising
	Operational Risks Assigned to SRC (reported at every meeting)	April 2023	Operational Risks: 18	Operational risks: deep dive on one of the County risk registers in relation to failing to remain within allocated budget, to be presented at August SRC.
		June 2023	Operational Risks: 18	Operational Risks: Discussion on the ownership of operational finance risks and concerns on their timely review and update.

Sub-committees, each of whom have delegated authorities from the parent committee, support Board-level committees. Risks are reported to sub-committees at regular intervals (detailed in the table overleaf), with sub-committee update reports presented to the parent committee at each meeting.

Sub-Committee	Parent Committee	Risk Reporting	Reports presented since Feb 2023	Number of risks reported
Information Governance Sub Committee (IGSC)	SRC	Operational Risks (reported at every other meeting)	April 2023	1
Operational Quality, Safety and Experience Sub Committee (OQSESC)	QSEC	Operational Risks (reported at every other meeting)	July 2023	89
Research and Innovation Sub Committee (RISC)	PODCC	Operational Risks (reported at every meeting)	July 2023	9

NB there are other sub committees, however not included above as currently there are no risks aligned to them.

Since the previous report, the TORs of the Capital Sub Committee (CSC) were amended in March 2023, and approved by SDODC in April 2023. It was agreed that the risk reporting arrangements to CSC needed to be reviewed to add value to existing processes associated with capital investment for estates, medical and non-medical equipment and digital services, noting that the role of CSC is to provide assurance for identifying, assessing and effectively managing risks affecting the development and delivery of capital implementation plans.

3. Management and Directorate Monitoring Arrangements

In addition to the formal committee structures noted above, Directorates and Services should review and monitor their risks through their own committee structures, and relevant risks reported through the Board Committee structure for oversight and scrutiny.

Directorate Improving Together Sessions

The Health Board has implemented Directorate Improving Together sessions since January 2023. The purpose of these sessions is to embed performance improvement through the Health Boards governance, with the aim of improving outcomes for our patients, staff, visitors and those living within Hywel Dda. Its successful implementation will help us to focus on what is important to the Health Board and enable us to provide efficient and effective services. Risk forms a key part of discussion at these sessions.

The sessions are held for individual directorates within the Health Board, and attended by service management and Executives. The Assurance and Risk team supports the production of information for these sessions by providing analysis and highlighting any key matters for consideration on risk to facilitate discussion with key staff regarding risk actions and their progress.

Service and Directorate Level Monitoring Arrangements

Risks are discussed by services and directorates via quality governance meetings for operational areas, or senior management meetings. These forums allow for the discussion of existing risks in detail by service leads and relevant Directors, and the identification of any new or emerging risks. The frequency of these meetings vary dependant on the service. For operational services, corporate risks are also reported to the Director of Operations' Senior Operational Business (SOB) meetings which are held monthly.

Directorate	Forum of risk presentation	Frequency of risk reporting	Meeting risks presented since February 2023
Acute Services	No formal governance meeting	N/A	N/A
Bronglais General Hospital	BGH Quality Forum	Monthly	March, April, May, June, July 2023
Cancer Services *	Oncology Quality and Safety Meeting	Bi-monthly	April 2023
Carmarthenshire - County	Quality Assurance Senior Management Team / Nursing Quality Assurance Senior Management Team	Monthly	March, April, May, June, July 2023
Carmarthenshire – system-wide (GGH, PPH and Carmarthenshire)	Carmarthenshire System Operational Group (<i>commenced March 2023</i>)	Monthly	March, April, May, June, July 2023
Central Operations	No formal governance meeting	N/A	N/A
Communications	No formal governance meeting	N/A	N/A
Ceredigion	Ceredigion Community County Management Meeting	Monthly	April, May, June, July 2023
Digital	Finance, Digital and Performance Senior Management Meeting	Monthly	March, May, July 2023
Facilities	Central Compliance and Assurance Audit Meeting	Monthly	March, April, May, June, July 2023
Finance	Finance, Digital and Performance Senior Management Meeting	Monthly	March, May, July 2023
Glangwili General Hospital (<i>includes Cardiology and Gastroenterology</i>)	GGH Quality, Safety and Assurance Meeting	Bi-monthly	March, May, July 2023
Governance	Risk and Assurance Governance Meeting	Monthly	August 2023
Medical	Research and Development Leadership Group	Bi-monthly	April, June 2023

Directorate	Forum of risk presentation	Frequency of risk reporting	Meeting risks last presented
Medicines Management	Medicines Management Operational Group (MMOG)	Monthly	March, May, July 2023
Mental Health and Learning Disabilities	MH&LD Quality, Safety and Experience Group / Business, People and Planning Assurance Group	Monthly	March, April, May, June, July 2023
Nursing, Quality and Patient Experience	Nursing Core Team Meeting	Monthly	March, April, May, July 2023
Pathology	Pathology Strategy Group Meeting / Pathology Business Operations	Bi-monthly	April, May, July 2023
Pembrokeshire	Pembrokeshire Community County Management Meeting	Monthly	March, April, May, June 2023
Performance	Finance, Digital and Performance Senior Management Meeting	Monthly	March, May, July 2023
Prince Philip Hospital <i>(includes Respiratory and Diabetes service)</i>	PPH Governance Meeting	Bi-monthly	April, June 2023
Primary Care and Long Term Care	Primary Care Quality and Safety / service specific Q&S meetings	Bi-monthly	July 2023
Public Health	Public Health & Wellbeing Directorate Quality, Safety & Experience Meeting	Every 4 months	April, June 2023
Radiology*	Radiology Quality, Safety and Patient Experience Meeting	Bi-monthly	June 2023
Scheduled Care*	Scheduled Care Quality, Safety and Experience Meeting	Bi-monthly	April 2023
Strategic Development and Operational Planning	Directorate currently reviewing reporting structures - TBC	TBC	TBC
Therapies	Therapies Directorate Risk Meeting	Bi-monthly	March, May 2023
Withybush General Hospital <i>(includes Stroke service)</i>	WGH Quality and Governance Meeting	Bi-monthly	March, May 2023
Women and Children's	Women and Children's Quality, Safety and Experience Meeting	Monthly	March, April, May, June, July 2023
Workforce and Organisational Development	Directorate currently reviewing reporting structures - TBC	TBC	TBC

*Meetings stood down due to staff availability and operational pressures

In the absence of formal arrangements being in place in some areas, regular meetings with service leads are in place to review and update risks with the relevant Assurance and Risk Officer, who support these services as part of their role as business partners across all Directorates, and is a process which works well.

Risk Management Strategy

The [Risk Management Strategy](#) (the Strategy), approved by Board in January 2023, sets out the Health Board's risk management policy statement and objectives in respect of strengthening risk management over the next 12 months.

The Strategy aims to support a dynamic and systematic approach to risk management, and to ensure prompt and comprehensive identification, assessment and management of risks that threaten the delivery of its strategic objectives and day-to-day operations.

The Strategy contains the following three objectives:

1. Define the Organisation's Risk Appetite and Tolerance Statement

The Health Board's risk appetite will be reviewed and updated, and to be approved by Board in 2023. This will be an annual process.

It is anticipated that a Board seminar will be held in Summer/Autumn 2023 to discuss and agree risk appetite, before formal approval at the Board.

Revised definitions of the four methods of treating risks (commonly referred to as the 4Ts) were approved by the Executive Team in December 2022, and support the discussion on whether risks are actively being treated or tolerated by the Health Board. Risks which were previously noted as tolerated on Datix Risk Module were reported to the March 2023 Executive Risk Group for retrospective approval. Any risks requiring approval for the risk treatment option to be amended to "tolerate", in line with the Health Board's Escalation Guidance will be presented on a monthly basis to Executive Risk Group prior to reporting to Committees and the Board. This process commenced in March 2023.

2. Support Operational and Corporate Functions to strengthen their Risk Management Arrangements

The Assurance and Risk Team is comprised of:

- Assistant Director of Assurance and Risk (ADAR);
- Head of Assurance and Risk (HAR);
- 3 x Assurance and Risk Officers (ARO); and
- 1 x Assurance and Risk Administrator.

The team operates within a business-partnering approach, with each Directorate within the Health Board assigned a dedicated Assurance and Risk Officer (A&R Officer). The ADAR, HAR and 2 AROs are accredited members of the Institute of Risk Management (IRM), having successfully completed the IRM Certificate in

Enterprise Risk Management. 1 ARO is currently studying towards accreditation with the IRM, and supported by the Annex 21 framework adopted by the Health Board.

AROs support the Health Board by preparing risk reports and risk registers for the relevant directorate or service governance meetings, and also attend meetings in order to facilitate and support discussions on risk identification and risk assessments in order to improve outcomes. These forums are also utilised to confirm if the risks as noted on the risk registers are at the correct level, and to support the escalation or de-escalation of risks in line with Health Board guidance where required.

AROs provide training to staff across the Health Board on using the Datix Risk Management System, and technical risk assessment and risk management training where appropriate. In undertaking their role, AROs provide general support to services in the regular risk management and review process, continually embedding the principles of the revised Risk Management Framework, to ensure a consistent approach is adopted across the Health Board to risk management, and risk language. Work continues to improve the understanding of risk tolerance across the Health Board.

Services are encouraged to link risks on their risk registers where appropriate to encourage a holistic approach to risk management, and AROs are able to share examples of best practice where necessary in the aim to further improve the managing and mitigation of risk. Members of the Assurance and Risk team continue to support services in the linking of risks, particularly when they may be owned by another service or directorate to which they may not have sight of.

The development of performance dashboards, which includes data from the Datix Risk Module, allows staff across the organisation to view all risks, thus increasing the visibility and awareness of risks facing the Health Boards. The [risk-specific dashboard](#) is updated twice a month, and risk data in the [Health Board wide dashboard](#) is refreshed on a monthly basis and provides a snapshot of the risk landscape.

The Datix Risk Module is due to be upgraded, with a current projected date of launch by 30 November 2024. The availability of the current system will remain live until this date. The ADAR is a member of the All-Wales group and is involved with the project planning of the upgrading process. A risk assessment has been undertaken, and a risk is included on the Governance risk register relating to the implementation of the new Datix system. It looks likely that the current web-based system will not be supported after 30 November 2024, and it is not yet clear whether the new Once for Wales Risk Management system will be able to address our needs for reporting risks.

3. Strengthen the Assurance that the Board receives on Risk Management Activities

A risk maturity exercise will be undertaken during Q2 2023/24, once an approved revised risk appetite statement is in place, with a report to be presented to ARAC in October 2023. The risk maturity exercise will be assessed against a recognised

standard, the outcomes of which will inform a plan to enable the Health Board to continue to strengthen its risk management arrangements, culture and attitude. This will be undertaken annually to help inform the Health Board's Risk Management Strategy and objectives which is due to be revised by December 2023.

The Risk Assurance Report aims to provide assurance to the Board, via ARAC, that the risk management framework is effective and outline the risk management activities that are being undertaken, and where any gaps are identified, these will be addressed and implemented. It will also provide assurance that the objectives outlined in the Risk Management Strategy are being progressed.