

## PWYLLGOR CRONFA ELUSENNOL CHARITABLE FUNDS COMMITTEE

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	15 March 2022
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Charitable Funds Risk Register
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Mandy Rayani, Director of Nursing, Quality and Patient Experience
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Mandy Rayani, Director of Nursing, Quality and Patient Experience

**Pwrpas yr Adroddiad (dewiswch fel yn addas)  
Purpose of the Report (select as appropriate)**

Er Sicrwydd/For Assurance

### ADRODDIAD SCAA SBAR REPORT

#### Sefyllfa / Situation

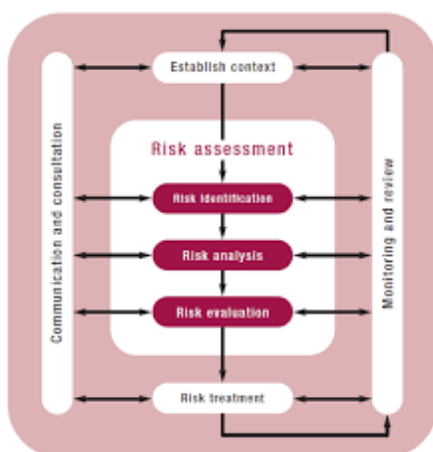
The Charitable Funds Committee (CFC) is responsible for providing assurance to the Board that operational risks aligned to the CFC are being identified, assessed and managed effectively.

This report provides an update on any charitable funds related risks and also details a new risk identified in the domain of charitable funds as well as the proposed actions to be put in place to provide assurance that the risk will be appropriately monitored and mitigated.

The CFC is asked to review and scrutinise the risks to seek assurance that all relevant controls and mitigating actions have been identified and can be implemented.

#### Cefndir / Background

Effective risk management requires a 'monitoring and review' structure to be in place to ensure that risks are effectively identified and assessed, and that appropriate controls and responses are in place.



(Risk Management Process, ISO 31000)

Operational risks are required to be managed within directorates under the ownership and leadership of individual executive directors, who must establish local arrangements for the review of their risk registers, which includes the validation of the information and risk scores, and the prioritisation and identification of solutions to their risks. In addition to these local arrangements, there are formal monitoring and scrutiny processes in place within Hywel Dda University Health Board (HDdUHB) with the aim of providing assurance to the Board that it is managing its risks effectively.

All risks identified within the Datix Risk Module must be aligned to a formal Board Committee, Sub-Committee or Group who will be responsible for the monitoring and scrutiny of risks which relate to their remit.

The CFC is responsible for the monitoring and scrutiny of operational risks within their remit, including:

- Scrutinising operational risks through the receipt of risk registers or service reports.
- Gaining assurance that risks are being appropriately managed, effective controls are in place and planned additional controls are being implemented.
- Challenging pace of delivery of risk actions.
- Identifying, through discussions, new and emerging risks and ensure that these are assessed by those with the relevant responsibility.
- Providing assurance to the Board that risks are being managed effectively and report risks which have exceeded tolerance through its Sub-Committee/Group update report.
- Utilising risk registers to inform meeting agendas.

### Asesiad / Assessment

The CFC Terms of Reference state that it will:

- Contribute to the integration of good governance across the organisation, ensuring that all sources of assurance are incorporated into the Board's overall risk and assurance framework (12.4).

There is one current risk in the domain of charitable funds:

**Risk reference:** 1130

**Risk description:** Failure to increase charitable funds income and expenditure (planning objective 2E)

This risk is associated with the delivery of the Hywel Dda Health Charities planning objective for 2021/22 (2E) and was presented to members at the June 2021 CFC meeting with a risk score of 9.

As the charity's Integrated Performance Report (item 3.1) demonstrates that the charity's overall income from donations, grants and legacies to 31<sup>st</sup> January 2022 has decreased significantly, it is recommended that this risk is closed as the risk has materialised.

A new risk relating to sustaining and increasing the charity's income levels is therefore being brought to the CFC for consideration and to provide assurance that suitable actions will be put in place to minimise or reduce the likelihood of significant impact occurring.

The new risk identified is presented in the risk assessment form, attached at Appendix 1, together with the proposed actions to be put in place to provide assurance that the risk will be

appropriately managed and monitored with planned additional controls to be implemented. The risk has been based on the following criteria:

- CFC has been selected by the risk lead as the 'Assuring Committee' and will feature in this way on Datix.
- The current risk score is 12 which exceeds the CFC's tolerance level of 8.
- The risk has been approved at Directorate level.
- The risk has not been escalated to the Corporate Risk Register.

The risk has scored against the following 'impact' domains':

- Business objectives or projects.

### Argymhelliad / Recommendation

The Charitable Funds Committee is requested to:

- Discuss and confirm whether risk 1130 can be closed as the risk has materialised.
- Review and scrutinise the new risk that has been identified to seek assurance that all relevant controls and mitigating actions have been identified.
- Discuss whether the planned actions for the new risk identified can be implemented within stated timescales and will reduce the risk further and/or mitigate the impact if the risk materialises.

This in turn will enable the CFC to provide the necessary assurance to the Board, or otherwise, that HDdUHB is managing any risks effectively.

<b>Amcanion: (rhaid cwblhau)</b>	
<b>Objectives: (must be completed)</b>	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	12.4 In doing so, the Committee shall contribute to the integration of good governance across the organisation, ensuring that all sources of assurance are incorporated into the Board's overall risk and assurance framework.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	743 - There is a risk of reputational damage if the Health Board becomes implicated by default, in events outside of the HB's control, due to association, or perceived association with any external charitable organisations
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: <a href="#">Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019</a>	10. Not Applicable

<b>Gwybodaeth Ychwanegol: Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	Underpinning risk registers on the Datix Risk Module from across HDdUHB's services, reviewed by risk leads/owners
Rhestr Termau: Glossary of Terms:	Risk Appetite - <i>the amount of risk that an organisation is willing to pursue or retain</i> (ISO Guide 73, 2009) Risk Tolerance - <i>the organisation's readiness to bear a risk after risk treatment in order to achieve its objectives</i> (ISO Guide 73, 2009)
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Cronfa Elusennol: Parties / Committees consulted prior to Charitable Funds Committee:	Head of Hywel Dda Health Charities Head of Assurance and Risk

<b>Effaith: (rhaid cwblhau) Impact: (must be completed)</b>	
<b>Ariannol / Gwerth am Arian: Financial / Service:</b>	No direct impacts from report, however, impacts of each risk are outlined in risk description.
<b>Ansawdd / Gofal Claf: Quality / Patient Care:</b>	No direct impacts from report, however, impacts of each risk are outlined in risk description.
<b>Gweithlu: Workforce:</b>	No direct impacts from report, however, impacts of each risk are outlined in risk description.
<b>Risg: Risk:</b>	No direct impacts from report, however organisations are expected to have effective risk management systems in place.
<b>Cyfreithiol: Legal:</b>	No direct impacts from report, however proactive risk management including learning from incidents and events contributes towards reducing/eliminating recurrence of risk materialising and mitigates against any possible legal claim with a financial impact.
<b>Enw Da: Reputational:</b>	Poor management of risks can lead to loss of stakeholder confidence. Organisations are expected to have effective risk management systems in place and take steps to reduce/mitigate risks.
<b>Gyfrinachedd: Privacy:</b>	No direct impacts
<b>Cydraddoldeb: Equality:</b>	Not Applicable

## Hywel Dda UHB - Risk Assessment Form

<b>Datix ref. and date of entry:</b>	Not applicable (n/a) – new risk	<b>Any previous risk reference:</b>	n/a – new risk
<b>Name of person identifying risk:</b>	Nicola Llewelyn, Head of Hywel Dda Health Charities	<b>Contact email or phone:</b>	Nicola.Llewelyn@wales.nhs.uk

### Risk Ownership

<b>Executive Director:</b>	Rayani, Mandy - Director of Nursing, Quality and Patient Experience
<b>Directorate lead:</b>	Llewelyn, Nicola - Head of Hywel Dda Health Charities
<b>Management or service lead:</b>	Llewelyn, Nicola - Head of Hywel Dda Health Charities

### Risk Location

<b>Directorate:</b>	Nursing, Quality and Patient Experience (NQPE)	<b>Service or Department:</b>	NQPE: Charitable Funds
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### Risk Identification

<b>Title of risk:</b>	Failure to sustain or increase charitable funds income levels (planning objective 2E)				
<b>Date risk identified:</b>	01/03/2022	<b>How risk was identified (risk source):</b>		Risk assessment	
<b>Type of Risk: (Choose one ✓)</b>	Operational	✓	Strategic		Project

### Risk Statement

Describe the risk, work activity, environment or process being assessed. What is the risk to the Health Board?					
Planning Objective 2E: There is a risk that the charity will not sustain its income levels or meet its income generation target of +10% annually.					
This is caused by:					
<ul style="list-style-type: none"> <li>• General decline in income across the UK charitable sector as a result of the COVID-19 pandemic.</li> <li>• Uncertainty of the effects on individual giving as a result of the pandemic as well as increasing pressures on households as the cost of living rises.</li> <li>• Uncertainty of the effects on community fundraising and mass participation events as a result of the pandemic.</li> <li>• Unpredictability of legacy income as well as significant delays at probate.</li> <li>• Uncertainty on the future funding priorities of grant giving trusts and foundations from 2022/23 and beyond, as many key funders have re-focused their efforts on response funding to alleviate the effect of the pandemic on disadvantaged groups.</li> <li>• Public perception of the NHS and supporting NHS charities.</li> </ul>					
This could lead to an impact on the charity's ability to improve experiences for, and make a positive difference to, the health and wellbeing of HDdUHB patients, service users and staff. This could also lead to an impact on the charity's resources and sustaining the charity's current staffing structure.					
<b>Location of the risk:</b>	HDdUHB				
<b>What is the financial cost if the risk materialises:</b>	£ not known	<b>What is the financial cost based on?</b>		n/a	
Please ✓ the one DOMAIN under which this risk lies:					
<b>Safety, patient, staff or public</b>		<b>Quality, Complaints or Audit</b>		<b>Workforce &amp; OD</b>	
<b>Statutory Duty or Inspection</b>		<b>Adverse Publicity or Reputation</b>		<b>Business Objectives or Projects</b>	
<b>Finance including Claims</b>		<b>Service/Business interruptions/disruptions</b>		<b>Environmental</b>	
					✓

<b>Risk Matrix</b>	Likelihood →				
Impact ↓	Rare - 1	Unlikely - 2	Possible - 3	Likely - 4	Almost certain - 5
<b>Catastrophic - 5</b>	5	10	15	20	25
<b>Major - 4</b>	4	8	12	16	20
<b>Moderate - 3</b>	3	6	9	12	15
<b>Minor - 2</b>	2	4	6	8	10
<b>Negligible - 1</b>	1	2	3	4	5

## Hywel Dda UHB - Risk Assessment Form

### Inherent Risk Score (Likelihood x Impact = Risk Score)

What is the score **WITHOUT** any control measures?

Using the risk matrix overleaf, evaluate the <b>inherent</b> risk rating. This is the risk score <b>WITHOUT</b> control measures in place.					
<b>Inherent likelihood</b>	4	<b>× Inherent impact</b>	4	<b>= Inherent risk rating</b>	16

**Control Measures Currently in Place** - List the current control measures in place to minimise the potential impact of harm and reduce the risk. These must be **IN PLACE AND WORKING** to be a control.

<b>Control measures</b>
Key deliverables for 2022/23 included in the 'plan on a page' for the HDdHC's planning objective 2E. Delivery to be reported to CFC and Public Board.
Operational work plans for each of the objectives within the HDdHC three-year plan (2020-23), led by the Head of Hywel Dda Health Charities, Fundraising Manager and Senior Finance Business Partner.
Charitable income performance reported to the Charitable Funds Committee (CFC) on a quarterly basis for scrutiny and assurance.
Monthly income reports from all income sources available to the Head of Hywel Dda Health Charities (HDdHC) and Fundraising Team.
Fundraising Manager has monthly 1-2-1s with the Fundraising Team to discuss operational issues and progress against the fundraising workplan.
Head of Hywel Dda Health Charities has a monthly 1-2-1 with the Fundraising Manager to discuss operational issues and progress against the fundraising workplan.

### Current Risk Score (Likelihood x Impact = Risk Score)

Using the risk matrix below, identify the <b>current</b> risk rating. This is the risk score <b>WITH</b> control measures in place.					
<b>Current likelihood</b>	4	<b>× Current impact</b>	3	<b>= Current risk rating</b>	12

**Risk Action Plan** - Please specify actions that address the cause of the risk (**These should be clear and concise**).

Actions must be <b>SMART</b> : Specific, Measurable, Achievable, Realistic and Time-bound.	By whom	By when	Cost of action
Monthly financial income reports to include more detailed comparison data from previous years to better understand any trends or areas of concern.	Finance Business Partner	30/06/2022	
Implement the key phases from the 2022/23 'plan on a page' document.	Head of HDdHC	31/03/2023	
Develop operational work plans for each of the charity's income sources, ensuring the best use of resources and a high return on investment.	Fundraising Manager	30/06/2022	
Implement the charity's 2022/23 marketing and communications plan.	Senior Comms Officer	31/03/2023	
Utilise the NHS Charities Together 'development grant' to commission an external review of the charity's strategic objectives, structure and resources to develop the longer-term strategy.	Head of HDdHC	28/02/2023	

### Target Risk Score (Likelihood x Impact = Risk Score)

Using the risk matrix, identify the <b>target</b> risk rating. This is the risk score you are trying to achieve when the actions are put in place.					
<b>Target likelihood</b>	2	<b>× Target impact</b>	3	<b>= Target risk rating</b>	6

### Risk Review & Monitoring (for management completion)

Risk Matrix	Likelihood →				
Impact ↓	Rare - 1	Unlikely - 2	Possible - 3	Likely - 4	Almost certain - 5
<b>Catastrophic - 5</b>	5	10	15	20	25
<b>Major - 4</b>	4	8	12	16	20
<b>Moderate - 3</b>	3	6	9	12	15
<b>Minor - 2</b>	2	4	6	8	10
<b>Negligible - 1</b>	1	2	3	4	5

## Hywel Dda UHB - Risk Assessment Form

Identify the Lead Assurance Committee or Sub-Committee this risk should be reported to:	Charitable Funds Committee		
Identify the local management group this risk should be monitored at:	No		
Is this risk to be entered onto your service risk register in Datix? (yes/no)	Yes	Frequency of review:	Bi-monthly

Risk Matrix	Likelihood →				
Impact ↓	Rare - 1	Unlikely - 2	Possible - 3	Likely - 4	Almost certain - 5
Catastrophic - 5	5	10	15	20	25
Major - 4	4	8	12	16	20
Moderate - 3	3	6	9	12	15
Minor - 2	2	4	6	8	10
Negligible - 1	1	2	3	4	5