

**PWYLLGOR CRONFA ELUSENNOL
CHARITABLE FUNDS COMMITTEE**

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| DYDDIAD Y CYFARFOD: DATE OF MEETING: | 30 th June 2021 |
| TEITL YR ADRODDIAD: TITLE OF REPORT: | Charitable Funds Risk Register |
| CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR: | Mandy Rayani, Director of Nursing, Quality and Patient Experience |
| SWYDDOG ADRODD: REPORTING OFFICER: | Mandy Rayani, Director of Nursing, Quality and Patient Experience |

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Penderfyniad/For Decision

**ADRODDIAD SCAA
SBAR REPORT**

Sefyllfa / Situation

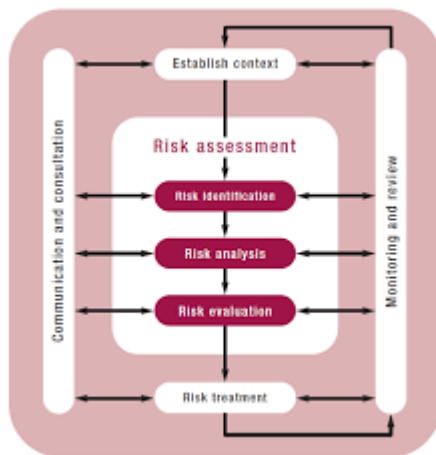
The Charitable Funds Committee (CFC) is responsible for providing assurance to the Board that operational risks aligned to the CFC are being identified, assessed and managed effectively.

This report details a new risk identified in the domain of charitable funds and 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 new risk that has been identified to seek assurance that all relevant controls and mitigating actions have been identified.

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 receiving the risk registers or through 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 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.
- Using 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).

The new risk in the domain of charitable funds is associated with the delivery of the Hywel Dda Health Charities planning objective for 2021/22 (2E). The risk identified is presented in the attached risk assessment form together with the proposed actions to be put in place to provide assurance that the risk will be appropriately monitored and mitigated. 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 9 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.

Operational risks associated with the delivery of the planning objective's key phases have been identified and captured within the objective's workplan. The delivery of the planning objective will be reported to future CFC and Public Board meetings in line with corporate reporting processes.

Argymhelliad / Recommendation

The Committee is requested to:

- 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 will 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.

| Amcanion: (rhaid cwblhau) Objectives: (must be completed) | |
|--|--|
| 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 Risk Register Reference: | 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: | 9. To improve the productivity and quality of our services using the principles of prudent health care and the opportunities to innovate and work with partners. |
| Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement | Not Applicable |

| Gwybodaeth Ychwanegol: Further Information: | |
|---|--|
| Ar sail tystiolaeth: Evidence Base: | Underpinning risk registers on the Datix Risk Module from across HDdUHB's services reviewed by risk leads/owners |
| Rhestr Termiau: 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) |
| Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Cronfa Elusennol: Parties / Committees consulted prior to Charitable Funds Committee: | Not applicable |

| Effaith: (rhaid cwblhau) Impact: (must be completed) | |
|---|---|
| Ariannol / Gwerth am Arian: Financial / Service: | No direct impacts from report, however impacts of each risk are outlined in risk description. |
| Ansawdd / Gofal Claf: Quality / Patient Care: | No direct impacts from report, however impacts of each risk are outlined in risk description. |
| Gweithlu: Workforce: | No direct impacts from report, however impacts of each risk are outlined in risk description. |
| Risg: Risk: | No direct impacts from report, however organisations are expected to have effective risk management systems in place. |
| Cyfreithiol: Legal: | 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. |
| Enw Da: Reputational: | 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. |
| Gyfrinachedd: Privacy: | No direct impacts |
| Cydraddoldeb: Equality: | Not required |

Hywel Dda UHB - Risk Assessment Form

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

Risk Ownership

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

Risk Location

| | | | |
|---------------------|--|-------------------------------|------------------------|
| Directorate: | Nursing, Quality and Patient Experience (NQPE) | Service or Department: | NQPE: Charitable Funds |
|---------------------|--|-------------------------------|------------------------|

Risk Identification

| | | | | | |
|-------------------------------------|---|---|-----------|-----------------|---------|
| Title of risk: | Failure to increase charitable funds income and expenditure (planning objective 2E) | | | | |
| Date risk identified: | 19/05/2021 | How risk was identified (risk source): | | Risk assessment | |
| Type of Risk: (Choose one ✓) | 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 meet its annual income generation (+10%) and charitable expenditure targets (+15%). | | | | | |
| This is caused by: | | | | | |
| <ul style="list-style-type: none"> • General decline in income across the UK charitable sector as a result of the COVID-19 pandemic. • Uncertainty of the effects of the pandemic on individual giving and how this may affect the charity's income from this source. • Uncertainty of the effects of the pandemic and continued social distancing measures and how this may affect the charity's income from community fundraising and mass participation events. • Uncertainty on the future funding priorities of grant giving trusts and foundations from 2021/22 and beyond, as many key funders have re-focused their efforts on response funding to alleviate the effect of the pandemic on disadvantaged groups. • Hywel Dda University Health Board (HDdUHB) colleagues not understanding how to apply for charitable funds, our eligibility criteria and the decision-making process. | | | | | |
| 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. | | | | | |
| Location of the risk: | HDdUHB | | | | |
| What is the financial cost if the risk materialises: | £ not known | What is the financial cost based on? | | n/a | |
| Please ✓ the one DOMAIN under which this risk lies: | | | | | |
| Safety, patient, staff or public | | Quality, Complaints or Audit | | Workforce & OD | |
| Statutory Duty or Inspection | | Adverse Publicity or Reputation | | Business Objectives or Projects | |
| Finance including Claims | | Service/Business interruptions/disruptions | | Environmental | |
| | | | | | ✓ |

| Risk Matrix Impact ↓ | Likelihood → | | | | |
|-------------------------|--------------|--------------|--------------|------------|--------------------|
| | 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 |

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 inherent risk rating. This is the risk score WITHOUT control measures in place. | | | | | |
| Inherent likelihood | 4 | × Inherent impact | 3 | = Inherent risk rating | 12 |

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.

| Control measures |
|---|
| Monthly income reports from all income sources available to the Head of Hywel Dda Health Charities (HDdHC) and Fundraising Team. |
| Charitable income and expenditure performance reported to the Charitable Funds Committee (CFC) on a quarterly basis for scrutiny and assurance. |
| Dedicated Charitable Funds Accounts Assistant to process charitable funds expenditure requests and support HDdUHB colleagues with expenditure queries and the charitable funds application process. |
| 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. |
| Key deliverables for 2021/22 included in the 'plan on a page' for the HDdHC's planning objective 2E. Delivery to be reported to CFC and Public Board. |
| Fundraising Manager has monthly 1-2-1s with the Fundraising Team to discuss operational issues and progress against the fundraising workplan. |
| Close working relationships with HDdUHB Finance Business Partners to encourage appropriate expenditure and support their client departments to deploy charitable funding effectively in areas where it can make the biggest difference. |
| New membership of Charitable Funds Sub-Committee (CFSC) to support the promotion of the availability of charitable funds support and encourage further expenditure. |

Current Risk Score (Likelihood x Impact = Risk Score)

| | | | | | |
|---|---|-------------------------|---|------------------------------|---|
| Using the risk matrix below, identify the current risk rating. This is the risk score WITH control measures in place. | | | | | |
| Current likelihood | 3 | × Current impact | 3 | = Current risk rating | 9 |

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

| Actions must be SMART: Specific, Measurable, Achievable, Realistic and Time-bound. | By whom | By when | Cost of action |
|--|--------------------------|------------|----------------|
| Implement the 10 key phases from the 'plan on a page' document. | Head of HDdHC | 31/03/2022 | |
| Monthly income reports to also include comparison data from previous years to highlight any areas of concern. | Finance Business Partner | 31/08/2021 | |
| Monthly expenditure reports to highlight any areas of concern. | Finance Business Partner | 31/08/2021 | |
| Finalise the Power BI financial reports and dashboard ensuring that the information is shared across directorates. | Finance Business Partner | 31/08/2021 | |

Target Risk Score (Likelihood x Impact = Risk Score)

Using the risk matrix, identify the **target** risk rating. This is the risk score you are trying to achieve when the actions are put in place.

| 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 |

Hywel Dda UHB - Risk Assessment Form

| | | | | | |
|--------------------------|---|------------------------|---|-----------------------------|---|
| Target likelihood | 2 | × Target impact | 3 | = Target risk rating | 6 |
|--------------------------|---|------------------------|---|-----------------------------|---|

Risk Review & Monitoring (for management completion)

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|--|----------------------------|-----------------------------|------------|
| 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 |