PWYLLGOR CYNLLUNIO POBL A SICRWYDD PERFFORMIAD
PEOPLE PLANNING AND PERFORMANCE ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	30 June 2020
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	Corporate Risk Report
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Steve Moore, Chief Executive Karen Miles, Executive Director of Planning, Performance and Commissioning Andrew Carruthers, Executive Director of Operations
SWYDDOG ADRODD: **REPORTING OFFICER:**	Jo Wilson, Board Secretary Charlotte Beare, Head of Assurance and Risk

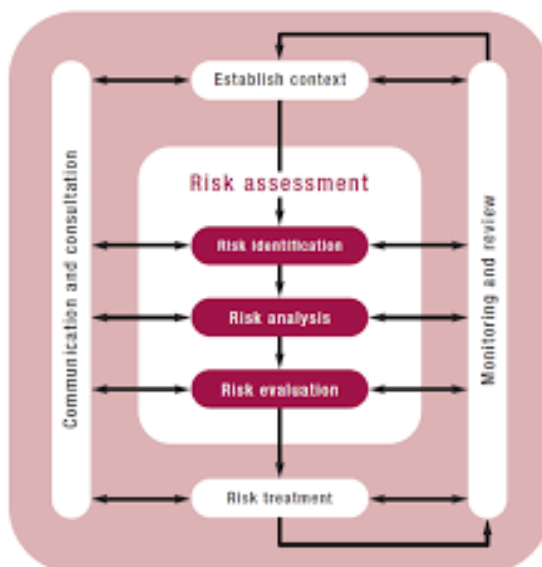| |
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| **Pwrpas yr Adroddiad** (dewiswch fel yn addas)
Purpose of the Report (select as appropriate) |
| Er Sicrwydd/For Assurance |

ADRODDIAD SCAA **SBAR REPORT**
Sefyllfa / Situation
The People, Planning and Performance Assurance Committee (PPPAC) is asked to request assurance from Executive Directors that the corporate risks in the attached report are being managed effectively, in order to provide assurance to the Board at its Public Board Meeting on 30 July 2020.
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)

The Board's Committees are responsible for the monitoring and scrutiny of <u>corporate level</u> risks within their remit. They are responsible for:

- Seeking assurance on the management of principal risks on the Board Assurance Framework (BAF)/Corporate Risk Report (CRR) and provide assurance to the Board that risks are being managed effectively & report areas of significant concern, for example, where risk appetite is exceeded, lack of action, etc.
- Reviewing principal and operational risks over tolerance & where appropriate recommend the 'acceptance' of risks that cannot be brought within the Hywel Dda University Health Board's (HDdUHB's) risk appetite/tolerance.
- Providing annual reports to the Audit, Risk and Assurance Committee (ARAC) on the effectiveness of the risk management process and management of risks within its remit.
- Identifying through discussions any new/emerging risks & ensure these are assessed by management.
- Signposting any risks out of its remit to the appropriate HDdUHB Committee/Sub-Committee/Group.
- Using risk registers to inform meeting agendas.

The Executive Team agreed the content of the CRR. These risks have been identified via a top down and bottom up approach and are either:
- Associated with the delivery of the objectives set out in the HDdUHB's Annual Plan; or
- Operational risks escalated by individual Directors and agreed by the Executive Team as they are of significant concern and require corporate oversight and management.

Each risk on the CRR has been mapped to a Board Level Committee to ensure that risks on the CRR are being managed appropriately, taking into account the gaps, planned actions and agreed tolerances, and to provide assurance to the Board through their Committee update report on the management of these risks.

The Board has delegated a proportion of its role of scrutiny of assurances to its Committees to make the most appropriate and efficient use of expertise. Therefore, Committees should also ensure that assurance reports relevant to the principal risks are received and scrutinised, and an assessment made as to the level of assurance it provides, taking into account the validity and reliability i.e. source, timeliness, methodology behind its generation and its compatibility with other assurances. This will enable the Board to place greater reliance on assurances if they are confident that they have been robustly scrutinised by one of its Committees; and provide them with greater confidence about the likely achievement of strategic objectives, as well as providing a sound basis for decision-making. It is the role of Committees to challenge where assurances in respect of any component are missing or inadequate. Any gaps should be escalated to the Board.

Risk Reporting in the HDdUHB is outlined in Appendix 1.

Asesiad / Assessment

This is the first Corporate Risk Report to be presented to PPPAC following the introduction of the new Committee structure which has been phased in since 1 April 2020, due to COVID-19.

The PPPAC's Terms of Reference state that it will:
4.8   Seek assurance on the management of principal risks within the Board Assurance Framework (BAF) and Corporate Risk Register (CRR) allocated to the Committee and

provide assurance to the Board that risks are being managed effectively and report any areas of significant concern e.g. where risk tolerance is exceeded, lack of timely action.

4.9 Recommend acceptance of risks that cannot be brought within the UHBs risk appetite/tolerance to the Board through the Committee Update Report.

Following the Board meeting in April 2020, Executive Directors were asked to consider their existing corporate risks in light of the COVID-19 pandemic. They were asked to:
- Reflect the impact of COVID-19 on existing risks and how this may reduce/increase the level of risk facing the Health Board.
- De-escalate risks that do not reflect the current priorities of the Health Board.
- Assess new and emerging risks relating to the potential impact of COVID-19 planning and management.
- Consider risks from their Directorate risk registers as to whether they should be considered for escalation to CRR.

Board Committees receive corporate risks at meetings prior to the Board to fully review and receive assurance that corporate risks are being managed effectively. Where the Committee is not provided with this assurance, the Committee is then able to request additional assurance from the risk owners (Executive Directors), by way of a specific report at the following meeting.

The Committee is asked to seek assurance from risk owners that each risk is being managed effectively and will be brought within the HDdUHB tolerance and/or objective will be achieved. The Committee is asked not to devolve its responsibility for seeking assurances on corporate risks to its Sub-Committee structure, however it can reassign risks to another Board level Committee if it is agreed these better fit within their remit.

There are 9 corporate risks that have been aligned to PPPAC following the introduction of the new Committee structure which resulted in the disestablishment of the Business Planning and Performance Assurance Committee. A summary of these risks can be found in Appendix 2, with individual risks found at Appendix 3. Each of these risks have been entered onto a 'risk on a page' template which includes information relating to the strategic objective, controls, assurances, performance indicators and action plans to address any gaps in controls and assurances. The risk scoring matrix is outlined in Appendix 4.

Below is a summary of changes since these 9 risks were last reported to the Board in March 2020:

Total number of risks	9	
New risks	1	See Note 1
De-escalated/Closed risks	2	See Note 2
Increase in risk score ↑	0	
No change in risk score →	7	See Note 3
Reduction in risk score ↓	1	See Note 4

Note 1 – New Risks
Since the previous report to Board in March 2020, one new risk has been added to the CRR and aligned to PPPAC.

Risk Reference and Title	Executive Lead	New/ Escalated	Date	Reason

Risk Ref & Title	Exec Lead		Date	
854 - Risk that Hywel Dda's Response to COVID-19 will be larger than required for actual demand	Steve Moore	New	01/04/20	This risk has reduced from 12 to 9 since it has been identified and is included in the CEO's report to the Board on the UHB's response to COVID-19. Likelihood recognises that limits to our ability to grow our bed base reduces the risk of over-capacity and our modelling is informing the scale of gap. Field hospital development is also staged so later stages may be able to be postponed as real world data becomes apparent.

Note 2 – Closed/De-escalated Risks
Since the previous report to Board in March 2020, two corporate risks aligned to this Committee have been closed or de-escalated.

Risk Ref & Title	Exec Lead	Closed/ De-escalated	Date	Reason
245 - Inadequate facilities to store patient records and investment in electronic solution for sustainable solution	Andrew Carruthers	De-escalated	05/05/20	The Executive Director of Operations de-escalated this risk, as whilst records storage remains a significant risk and the planned work needs to be undertaken, the organisational objective at present is to respond to WG quarterly operating framework during COVID-19.
295 - Inability to maintain routine & emergency services in the event of a severe pandemic influenza event	Ros Jervis	Closed	15/06/20	The Executive Director of Public Health has closed this risk under the current circumstances as the risk has materialised and is being managed for the current pandemic (albeit this is a coronavirus pandemic rather than influenza, however it would be incongruous to keep the pan-influenza risk as it stands on the register).

Note 3 - No change in risk score
There have been no changes in the following risk score since they were reported to the Board in March 2020.

Risk Reference & Title	Previous Risk Report to Board Mar-20 (LxI)	Risk Score Jun-20 (LxI)	Date of Review	Update
624 - Ability to maintain and address backlog maintenance and develop infrastructure to support long term strategic objectives	4x4=16	4x4=16	06/05/20	The risk has been reviewed in light of COVID-19. Whilst there has been no change in the level of risk, it reflects the uncertainty over the full funding by WG of COVID-19 related capital expenditure which if not fully funded will impact on 2020/21 Discretionary Capital Programme (DCP). It also details that completion of imaging equipment schemes have been delayed due to COVID-19, however these are still expected to be completed in 2020/21. Further digital allocations are anticipated in 2020/21. The digital expenditure related to the COVID-19 response has been the subject of a WG allocation letter to the UHB.
371 - Inability to meet WG target for clinical coding and decision-making will be based on inaccurate/incomplete information	4x4=16	4x4=16	06/05/20	The risk has been reviewed in light of COVID-19, however the level of risk remains unchanged. Due to COVID-19, the coding backlog has reduced to 30,000 as a result of the reduced activity, however the team are only operating at 80% capacity. The backlog generally increases by 2,000 per month. This requires a number of actions to be taken; significant investment in contract coders at the end of the year. This affects the clinical information available for audit/research and the year-end costing returns for the UHB. Due to competing priorities, requests for additional resources have not been agreed by the Executive Team, therefore the UHB will only be able to

				achieve an average of 82% against the required target of 95% episodes coded within 1 month of discharge. A recent WAO follow up review on clinical coding concluded that clinical coding continues to be a low priority for the UHB and non-compliance with completeness is impacting overall improvement in accuracy and staff morale, with the use of coding data as business intelligence being underdeveloped. Previous recommendations to be progressed.
291 - Lack of 24 hour access to Thrombectomy services	4x4=16	**4x4=16**	08/06/20	Mechanical intervention for Stroke is available at North Bristol NHS Trust (NBT) (and Walton Centre NHS Foundation Trust for Bronglais Hospital). However, this service is only available Monday to Friday 9 a.m. - 5 p.m. therefore there is still a risk during out of hours. During the COVID-19 situation there has been no significant changes to the pathway. All 4 sites have been able to transfer patients when required.

Some HDdUHB sites still have delays in CT Angiography. |
| 686 - Delivering the Transforming Mental Health Programme by 2023 | 4x4=16 | **4x4=16** | 04/06/20 | This risk has been reviewed in light of COVID-19. The pandemic has provided the UHB with the opportunity to implement changes earlier than planned, such as merging CMHTs, changing and streamlining ways of working. The UHB has received feedback from WG on the Business Case submitted earlier in the year and is currently coordinating a response. |
| 627 - Ability to implement the UHB Digital Strategy within | 4x4=16 | **4x4=16** | 06/05/20 | The Bronze Digital Implementation Group will be assessing the priorities, and |

current resources to support the UHB's long term strategy	 	 		developing a revised Digital Programme Plan.
451 - Cyber Security Breach	3×4=12	**3×4=12**	06/05/20	There are daily threats to systems which are managed by NWIS and the UHB. Current patching levels within the UHB is on average 88% for desktop/laptops and 81% for the server infrastructure (April 2020). The patching levels fluctuate during the month depending on the number of updates released by the 3rd party vendor. Alongside the fluctuations, there is lack of capacity to undertake this continuous work at the pace required. Impact score is 4 as a cyber-attack has the potential to severely disrupt service provision across all sites for a significant amount of time, however the processes and controls in place have reduced the likelihood due to the improvements in patching.
633 - Ability to meet the 1% improvement target per month for waiting times for 2020/21 for the new Single Cancer Pathway	3x3=9	**3x3=9**	21/05/20	The impact of COVID-19 may increase the risk of being unable to meet the target due to recommendations from the Royal Colleges to suspend diagnostics and some surgery that are aerosol generating. This has affected the following areas; upper GI, lower GI and head and neck. A full COVID-19 cancer escalation plan is in place and is updated when new guidance is issued. There are plans to restart aerosol generating procedures and surgery from week beginning 25 May 2020, phased over a 4 week period for the 4 acute sites.

Note 4 – Increase/Decrease in Current Risk Score
Since the previous report to Board in March 2020, there has been the following change to the current risk score of the following corporate risk.

Risk Reference & Title	Previous Risk Report to Board Mar-20 (LxI)	Risk Score Jun-20 (LxI)	Date of Review	Update
632 - Ability to fully implement WG Eye Care Measures (ECM).	4x4=16	3x4=12 ↓	20/05/20	The response to COVID-19 has resulted in the prioritisation of urgent treatment whereby the Ophthalmology Service is providing treatment for sight threatening conditions only (risk factor 1 (R1)). This has seen a reduction in the number of overall patients waiting for treatment (February 2020 - 18716, March 2020 - 18334, April 2020 - 16756) and the overall cohort number for R1's is also reducing (February 2020 - 13671, March 2020 - 13170, April 2020 - 11660) as the clinicians have been triaging all patients; those who have been waiting over 25% of their target date have been offered an appointment first through clinical prioritisation.

Argymhelliad / Recommendation

PPPAC is asked to seek assurance that:
- All identified controls are in place and working effectively.
- All planned actions will be implemented within stated timescales and will reduce the risk further and/or mitigate the impact, if the risk materialises.
- Challenge where assurances are inadequate.

This in turn will enable PPPAC to provide the necessary assurance (or otherwise) to the Board through its Update Report, that HDdUHB is managing these risks effectively.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	Included in the report
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Included in the report

Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2019-19	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Underpinning risk on the Datix Risk Module from across HDdUHB's services reviewed by risk leads/owners
Rhestr Termau: Glossary of Terms:	Current Risk Score - Existing level of risk taking into account controls in place Target Risk Score - The ultimate level of risk that is desired by the organisation when planned controls (or actions) have been implemented Tolerable risk – this is the level of risk that the Board agreed for each domain in September 2018 – Risk Appetite Statement
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Cynllunio Pobl a Sicrwydd Perfformiad: Parties / Committees consulted prior to People Planning and Performance Assurance Committee:	Relevant Executive Directors

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:**	No direct impacts from report however impacts of each risk are outlined in risk description of individual risks.

Appendix 1 – Committee Reporting Structure

Legend:
- ▬▬▬ Reporting to provide assurance
- ▬▬▬ Monitors actions

BOARD
- Overall responsibility for risk management
- Approve framework and strategy for risk
- Determine its risk appetite to underpin strategy, decision making and the allocation of resources, and ensure the right focus on risk management and reporting within the organisation
- Set the Health Boards tolerance for risk and deciding what level of risk is acceptable
- Agree strategic objectives and reviews the Board Assurance Framework (6

EXECUTIVE TEAM (every formal ET)
- Discuss and agree risks for inclusion on CRR and those to be de-escalated
- Consider risks escalated from Performance Reviews which could affect achieving the UHB's corporate/annual objectives for inclusion on CRR
- Develop risk management strategies for the more challenging risks that threaten the Health Board's corporate/annual objectives/operations.
- Use risk information from performance reviews to inform prioritisation of resources, decision-making, feed into different business processes, ie budget

ARAC
- Seek assurance on the effectiveness of the risk management processes & framework of internal control
- Recommend Board approval of the Risk Management Framework & Strategy
- Agree internal and external audit plans to gain assurances on the controls in the BAF/CRR
- Oversight of the adequacy of assurance of principal risks and ensuring Internal Audit Plan is aligned to BAF/CRR
- Seek assurance of management of risks exceeding appetite and tolerance on the

BOARD COMMITTEES
- Seek assurance on the management of principal risks on the BAF/CRR and provide assurance to the Board that risks are being managed effectively & report areas of significant concern, eg, where risk appetite is exceeded, lack of action.
- Review principal and operational risks over tolerance & where appropriate recommend the 'acceptance' of risks that cannot be brought within the UHB's risk appetite/ tolerance
- Provide annual reports to ARAC on the effectiveness of the risk management process and management of risks within its remit
- Identity through discussions any new/emerging risks & ensure these are assessed by management

PERFORMANCE REVIEWS
- Enable Executive oversight of risks in respect of corporate/annual objectives, strategic objectives & operational delivery and compliance
- Provide a conduit of escalation for risks that cannot be managed within directorate

DIRECTORATE RISK MANAGEMENT
- Identify, assess and control risks
- Have process in place for escalation/de-escalation of service/directorate risks
- Prepare & maintain up to date directorate risk register
- Monitor & review directorate risks, including the controls and management action, in line with

SUB-COMMITTEES
- Scrutinise operational risks within their remit either through receiving the standard operational risk report, Service Reports or Assurance Reports
- Gain assurance that the risks are being appropriately managed, effective controls are in place and planned additional controls are being implemented
- Identity through discussions new risks emerging risks & ensure these are assessed by management
- Provide assurance to parent Committee that risks are being managed effectively and report risks which have exceeded tolerance through Update Reports
- Signpost any risks out of its remit to the appropriate