



## PWYLLGOR DATBLYGU STRATEGOL A CHYFLENWI GWEITHREDOL STRATEGIC DEVELOPMENT AND OPERATIONAL DELIVERY COMMITTEE

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	23 February 2023
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Operational Risk Register
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Andrew Carruthers, Director of Operations Lee Davies, Director of Planning
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	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

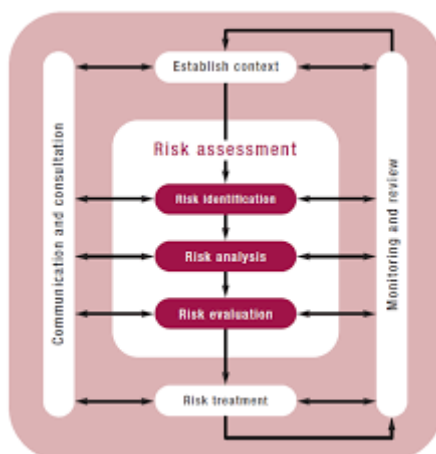
#### Sefyllfa / Situation

The Strategic Development and Operational Delivery Committee (SDODC) is responsible for providing assurance to the Board that risks aligned to the Committee are being identified, assessed and managed effectively.

The Committee is asked to seek assurance from Lead Officers/representatives of the Directorates that the operational risks identified in the attached reports are being managed effectively.

#### 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 must 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, formal monitoring and scrutiny processes are in place within Hywel Dda University Health Board (HDdUHB) to provide assurance to the Board that risks are being managed effectively.

All risks identified within the Datix Risk Module must be assigned to a formal Board Committee, Sub-Committee or Group which will be responsible for securing assurance that risks within their remit are being managed effectively.

Management Leads are asked to review risk assessments and risk actions in line with the following timescales for review:

RISK SCORE	DEFINITION	MINIMUM REVIEW FREQUENCY
15-25	Extreme	This type of risk is considered extreme and should be reviewed and progress on actions updated at least monthly.
8-12	High	This type of risk is considered high and should be reviewed and progress on actions updated at least bi-monthly.
4-6	Moderate	This type of risk is considered moderate and should be reviewed and progress on actions updated at least every six months.
1-3	Low	This type of risk is considered low risk and should be reviewed and progress on actions updated at least annually.

In monitoring the risks associated with their respective areas of activity, each Committee and Sub-Committee is responsible for:

- Scrutinising operational risks within their remit; either 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 actions to mitigate risk;
- Identifying, through discussions, new and emerging risks and ensuring these are assessed by those with the relevant responsibility;
- Providing assurance to its parent Committee, or to the Board, that risks are being managed effectively and reporting risks which have exceeded tolerance through its Committee/ Sub-Committee/ Group Update Report;
- Using Risk Registers to inform meeting agendas.

It is therefore essential that the membership of these Committees and Sub-Committees includes appropriate representation from Directorates and that they are in attendance to provide assurance and to respond to queries.

Relevant discussion should be reflected in the SDODC Update Report to the Board to provide assurance on the management of significant risks. This will include risks that are not being managed within tolerance levels (see [Risk Appetite Statement](#)) and any other risks, as appropriate.

### Asesiad / Assessment

The SDODC's Terms of Reference state that it will:

- 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;

- Recommend acceptance of risks that cannot be brought within the UHB's risk appetite/tolerance to the Board through the Committee Update Report; and
- Receive assurance through Sub-Committee Update Reports and other management/task & finish group reports that risks relating to their areas are being effectively managed across the whole of the Health Board's activities (including for hosted services and through partnerships and Joint Committees as appropriate).

The 2 risks presented in the attached Risk Register (Appendix 1) as at 31 January 2023 have been extracted from Datix, based on the following criteria:

- The Strategic Development and Operational Delivery Committee has been selected by the Risk Lead as the 'Assuring Committee' on Datix;
- The current risk score exceeds the tolerance level, as discussed and agreed by the Board on 27 September 2018;
- Risks have been approved at Directorate level on Datix;
- Risks have not been escalated to the CRR.

Both risks have been scored against the *Business objectives/projects* 'impact' domain.

Below is a **summary** of the risks, ranked highest to lowest by current score, which meet the criteria for submission to the Strategic Development and Operational Delivery Committee on 23 February 2023.

TOTAL NUMBER OF RISKS	2
NEW RISKS ENTERED ON DATIX (1126- re-opened)	1
INCREASE IN CURRENT RISK SCORE ↑	0
NO CHANGE IN RISK SCORE ⇔	1
REDUCTION IN RISK SCORE ↓	0
REMOVED RISKS	0
EXTREME (RED) RISKS (based on 'Current Risk Score')	0
HIGH (AMBER) RISKS (based on 'Current Risk Score')	2

#### NEW RISKS BEING REPORTED:

Since the previous report, 1 risk has been re-opened to the risk register:

Risk Reference & Title	Date re-opened	Directorate / Service	Current Risk Score	Rationale for Current Risk Score (Extracted from Datix)	Target Risk Score
1126 - Women & Children Phase II Project Risk	03/11/22	Women and Children	8	Further monitoring of contractors until Phase 2 is completed. The contractor is working hard to complete the scheme and there is currently no indication of them not completing, however	8

				further works have been identified. Regular reviews are in place. There is no change to situation as reported in November 2022. If the risk materialised, this would have a significant implication both financially, and with a time delay in the completion of the project.	
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**NO CHANGE IN RISK SCORE**

Since the previous report, the following risk has had no change in risk score:

Risk Reference & Title	Date Risk Identified	Directorate	Current Risk Score	Rationale for the Current Risk Score (Extracted from Datix)	Target Risk Score
1301 - Strategic Planning Resource and Capacity.	01/06/21	Strategic Development and Operational Planning	8 ↔	Additional staffing required to reduce this risk to a tolerable level.	4

The Risk Register at Appendix 1 details the response to this risk, ie the Risk Action Plan.

The heatmap below has been obtained from the [Risk Performance dashboard](#). The information reflects the risk information extracted from Datix on 31st January 2023:

HYWEL DDA RISK HEAT MAP					
	LIKELIHOOD →				
IMPACT ↓	RARE 1	UNLIKELY 2	POSSIBLE 3	LIKELY 4	ALMOST CERTAIN 5
CATASTROPHIC 5					
MAJOR 4		1126, 1301			
MODERATE 3					
MINOR 2					
NEGLIGIBLE 1					

The table below details when the two Directorate level risks assigned to the SDODC were last updated on Datix. Risks are required to be updated along the following timescales, dependant on their risk level:

- Extreme Risks – Monthly.
- High Risks – Bi-monthly.
- Moderate Risks – Six-monthly.
- Low Risks – Annually.

	Risks updated in last month	Risks updated within last 1-2 months	Risks updated within last 3-6 months	Risks updated within last 6-12 months
<b>Extreme</b>				
<b>High</b>	1301, 1126			
<b>Moderate</b>				
<b>Low</b>				

### Argymhelliad / Recommendation

SDODC is asked to:

- Review and scrutinise the risks included within this report to seek assurance that all relevant controls and mitigating actions are in place.
- Discuss whether the planned action will be implemented within stated timescales and will reduce the risk further and/ or mitigate the impact, should the risk materialise.

This in turn will enable the Committee to provide the necessary assurance to the Board that these risks are being managed effectively.

### **Amcanion: (rhaid cwblhau)**

#### **Objectives: (must be completed)**

Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	2.6 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.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Contained in the report
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	All Health & Care Standards Apply

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: <a href="#">Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019</a>	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 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)
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Datblygu Strategol a Chyflenwi Gweithredol: Parties / Committees consulted prior to Strategic Development and Operational Delivery Committee:	N/A

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 impacts of each risk are outlined in risk description.
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.

<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 from report however impacts of each risk are outlined in risk description.
<b>Cydraddoldeb: Equality:</b>	Has EqIA screening been undertaken? No Has a full EqIA been undertaken? No

Risk Ref	Status of Risk	Health and Care Standards	Directorate	Directorate lead	Management or service lead	Date risk Identified	Risk Statement	Existing Control Measures Currently in Place	Domain	Risk Tolerance Score	Current Likelihood	Current Impact	Current Risk Score	Additional Risk Action Required	By Whom	By When	Progress Update on Risk Actions	Lead Committee	Target Likelihood	Target Impact	Target Risk Score	Detailed Risk Decision	Review date
1126	Directorate Level Risk		Women and Children	Jones, Keith	Humphrey, Lisa	01-Apr-21	<p>There is a risk that the supply chain partner and their financiers could choose to walk away from the contract to deliver the last few sections of the W&amp;C Phase II scheme in Glangwili.</p> <p>This is caused by due to the time delays on the scheme which is a performance issue for the Supply Chain Partner and are currently operating in pain/without payment for the last months of the contract.</p> <p>This will lead to an impact/affect on the HB having to find another contractor to complete the scheme. This could also impact on the financial cost of delivering the scheme within the existing resources identified.</p> <p>Risk location, Glangwili General Hospital.</p>	<p>Monthly meetings are being held between the Estates Director and National Leads at Tilbury Douglas (TD).</p> <p>Assurance being sought from Tilbury Douglas by NWSSP Estates around their commitment to deliver the scheme and a formal response has been requested by the Health Board.</p> <p>Meetings are being held between Tilbury Douglas and NWSSP Estates around Performance and the Designed for Life Framework.</p> <p>Impact of Tilbury Douglas being removed from the national framework in Wales if they pulled out of this project. This would be a consequential risk of them losing the opportunity to bid for future work in NHS Wales.</p>	Business objectives/projects	6	2	4	8	<p>Escalate this risk through the structure to the appropriate Committee.</p> <p>Continued monitoring and escalation in place during final phase of project</p>	Humphrey, Lisa	Completed	<p>Completed. Report presented to SDODC in Oct21.</p> <p>Meetings have been held with TD on the 15/10/21, 08/11/2021, 26/11/2021 and 06/12/2021. TD handed over Section 2 21st December 2021 and the final phase will commence on 4th April 2022. A further meeting is to be organised as progress is being made on the final phase. The current scheme completion date is June 2023. Meetings have also been held with the DfL Framework managers from NWSSP to discuss TD and confirmed that TD continue to bid successfully for work on the BfW Framework. Managers from NWSSP to discuss TD and confirmed that TD continue to bid successfully for work on the BfW Framework. Progress on the current phase of the project is going well. We are seeing an improving position on performance and programming from TD. This is also being recognised in current Audit report.</p>	Strategic Development and Operational Delivery Committee	2	4	8	Treat	20-Jan-23



Risk Ref	Status of Risk	Health and Care Standards	Directorate	Directorate lead	Management or service lead	Date risk Identified	Risk Statement	Existing Control Measures Currently in Place	Domain	Risk Tolerance Score	Current Likelihood	Current Impact	Current Risk Score	Additional Risk Action Required	By Whom	By When	Progress Update on Risk Actions	Lead Committee	Target Likelihood	Target Impact	Target Risk Score	Detailed Risk Decision	Review date
1301	Directorate Level Risk		Strategic Development and Operational Planning: Planning	Warm, Daniel	Warm, Daniel	01-Jun-21	<p>There is a risk of insufficient capacity within the existing Planning Team to deliver Health Board objectives with regard to plans.</p> <p>This is caused by the scope and extent of the planning function as being exceptionally large and a review of capacity to meet National and Board objectives is required.</p> <p>This will lead to an impact/affect on delivering objectives as agreed in the Annual Plan/IMTP; Health Board/Regional/National Planning; support for Business Cases; and being able to provide sufficient project/programme support, providing commissioning support and compliance with best practice standards.</p> <p>Risk location, Health Board wide.</p>	<p>Permanent full time band 8c and 8a.</p> <p>We continue to work with other corporate teams, in particular Finance and Workforce, to develop the content of IMTPs/Annual plans.</p> <p>New Deputy Director of Operational Planning and Commissioning started January 2023.</p>	Business objectives/projects	6	2	4	8	Agree staffing resource required for strategic and operational planning team.	Warm, Daniel	30/06/2022 30/09/2022 31/03/2023	Commissioning team has been brought into the Planning team as of January 2023, bringing some additional resource. The capacity and capability of the planning team has been highlighted in the targeted Intervention escalation of the Health Board (Planning and Finance). Now the Commissioning Team has been brought into the Planning Directorate's remit a further review of the staffing resource requirement will be undertaken by the new Deputy Director of Operational Planning and Commissioning.	Strategic Development and Operational Delivery Committee	1	4	4	Treat	04-Jan-23