

Appendix 1 – Escalation and Acceptance of Risk above UHB Tolerance

Escalating a risk

Risks should be managed by a specified risk owner, or a person appointed by the risk owner. There may be circumstances where the ability to manage a risk exceeds the authority of the risk owner/operational team/CCG/Executive Function, or is unable to be fully managed or mitigated within their scheme of delegation. The risk management framework utilised by the UHB allows the opportunity to escalate risks from operational to corporate level.

Where significant risks have been identified which are deemed challenging to manage at CCG/Executive function level, consideration should be given for the escalation of these risks to corporate level.

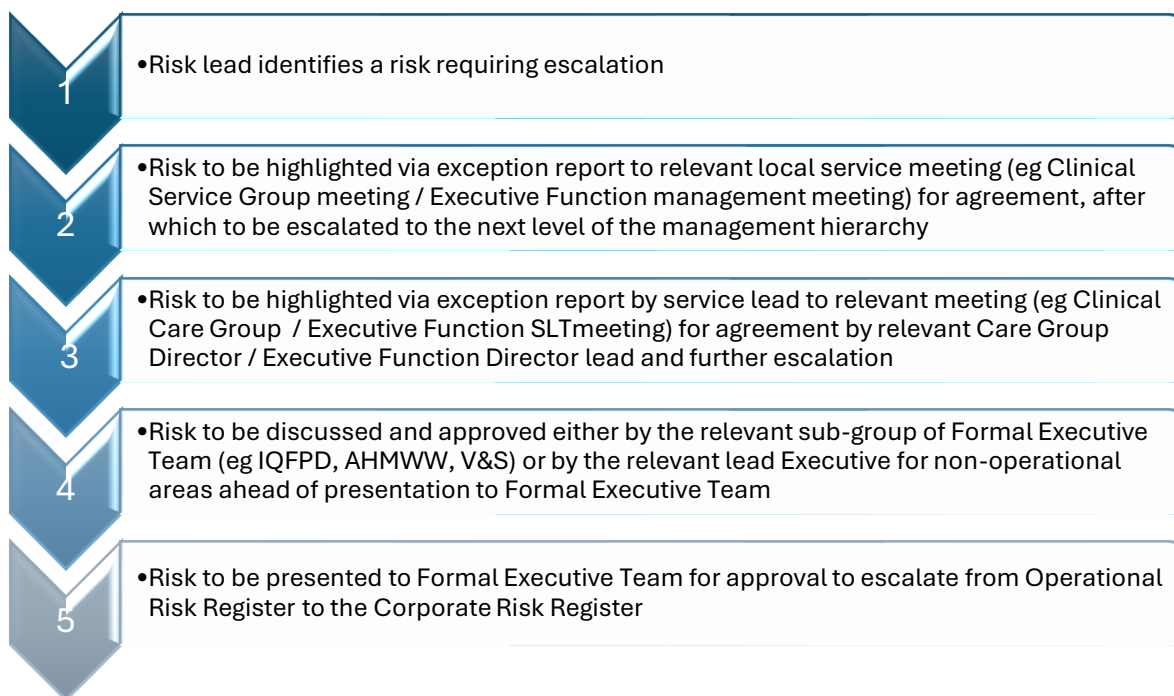
A risk may be considered for escalation to corporate level if it has the potential to **significantly** impact on:

- the UHB's ability to deliver safe services;
- the UHB's ability to deliver short to medium term objectives (in-year delivery);
- the UHB's ability to remain within its financial allocation;
- the reputation of the UHB, particularly in relation to stakeholder and public trust;
- the operational areas' ability to delegate authority or resources to manage the risk effectively;

Significant risks can often be identified when it has either an extreme or high target risk score (TRS), which is used to demonstrate the lowest level of risk exposure that the UHB is prepared to accept following the completion of all planned actions, or where progress in managing the risk has been limited or unsuccessful, or may be reliant on external factors in order to further progress. In essence, escalation should be considered when the risk is too significant, complex or impactful for the Clinical Care Group / Executive Function to address appropriately and within its means.

In such instances, it is the responsibility of the risk owner to escalate a risk via appropriate management structures and local governance arrangements. It will then be the responsibility of the next level of management to decide if further risk treatments can be implemented within their scheme of delegation. If this is not possible, further escalation will be required to inform decision-making on the management of the risk.

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Any risk which requires escalation to corporate level requires the endorsement in the first instance of the Clinical Care Group Director / Executive Function lead via operational governance arrangements ahead of approval by the relevant Lead Executive and the wider Executive Team.

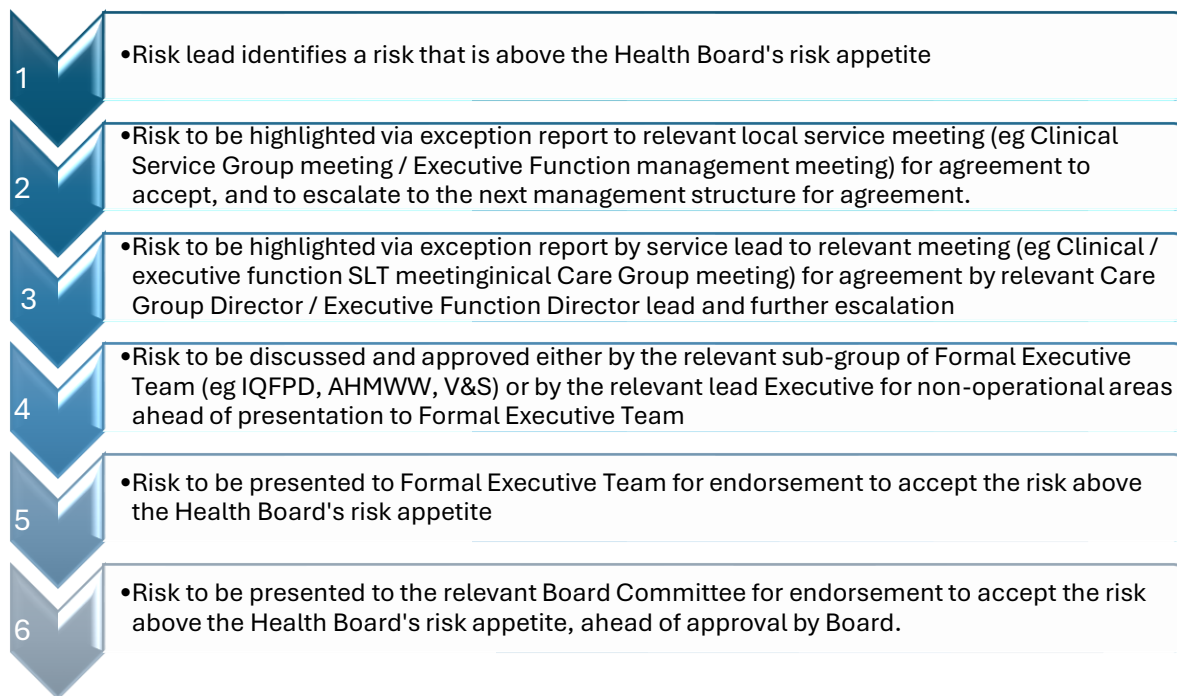
Risks that are escalated to from operational risk to corporate level) should remain within the risk profile of the relevant Clinical Care Group (CCG) / Executive Function that is responsible for the management of the risk. For example, a CCG / Executive Function may have a risk profile/register that includes risks at both corporate and operational levels.

Risks can be de-escalated when the management of the corporate risk has brought the risk within risk appetite, e.g. the risk has been reduced, the risk has been accepted above the UHB's risk appetite and there is no further benefit of higher-level oversight (see table below).

Accepting a risk

There may be circumstances where there is no alternative other than to accept a risk above the UHB's risk appetite, (for example no further actions can be taken by the UHB to reduce the risk, or it is not proportionate to reduce the risk taking into account current capacity/resources available). It is the responsibility of risk owners to highlight such risks via their local governance structures to determine if it should be considered to be formally accepted by the Board, ([see appendix 4](#) and diagram below).

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The Executive Risk Owner will recommend the acceptance of the risk to the Executive Team for specified timeframe (e.g., to review the risk treatment ahead of the next round of planning), ahead of reporting to the appropriate Committee through the relevant assurance and risk report for consideration and to agree to make a recommendation to the Board to accept the risk. Once the Board agrees to accept a risk above the UHBs risk appetite, the risk decision on Datix will be changed from 'Treat' to 'Tolerate'*. The rationale and timeframe for accepting the risk will be added, as well as noting the 'Date of Decision' on Datix. Risks will remain noted as 'Tolerate' on Datix will still need to be included on risk registers and be reviewed regularly by risk owners, who will need to establish if risk treatment can be made ahead of acceptance timeframe expiring, or any further escalation required.

**The Datix Risk Module uses the 4Ts of risk treatment – Terminate, Treat, Tolerate, Transfer. Tolerate is a risk profession term for accepting a risk.*