



## CYFARFOD BWRDD PRIFYSGOL IECHYD UNIVERSITY HEALTH BOARD MEETING

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	26 November 2020
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Corporate Risk Register
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Steve Moore, Chief Executive
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Joanne Wilson, Board Secretary Charlotte Beare, Head of Risk and Assurance

**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 Corporate Risk Register (CRR) is presented to the Board to advise of the corporate risks of Hywel Dda University Health Board (HDdUHB) and provide assurance that these risks are being assessed, reviewed and managed appropriately/effectively.

#### Cefndir / Background

Risk management is a key component of the governance framework, and should underpin organisational strategy, decision-making and the allocation of resources; as such the organisation is required to have effective risk management arrangements in place. The Board should receive sufficient and timely assurance information on the management of risk to enable it to exercise good oversight.

The Board agreed the approach, format and content of the Corporate Risk Register (CRR) and Board Assurance Framework (BAF) at its meeting on 27<sup>th</sup> September 2018, and that it should receive the CRR and the BAF twice a year. The in-depth scrutiny and monitoring of corporate risks was delegated to Board Committees in order that they could provide assurance to the Board, through their Committee Update Reports, on the management of its principal risks.

The Health Board is operating in unprecedented times, and its primary focus at present is responding to the COVID-19 global pandemic and recovery planning with a focus on delivering the Quarterly Operating Framework. At its Board Meeting in Public on 16<sup>th</sup> April 2020, the Board agreed that there needed to be a proportionate response to risk balanced with the current capacity pressures and challenges presented by COVID-19.

Following the Board Meeting in Public in April 2020, the Executive Directors have:

- Reviewed existing risks and updated them to reflect the impact of COVID-19 on them and reflect, where appropriate, any changes in risk score.
- De-escalated/closed existing corporate risks if they did not reflect the current priorities of the Health Board.
- Identified and assessed new and emerging risks relating to the potential impact of COVID-19 planning and management.

- Considered the risks from their Directorate risk registers as to whether they should be considered for escalation to CRR, recognising further work is required in this area.

The Executive Directors are responsible for reviewing and discussing their corporate risks, and agreeing any new risks and the escalation/de-escalation of operational risks that are on directorate risk registers. It is the role of the Executive Directors to review controls and ensure appropriate action plans are in place, which might include the development of corporate risk management strategies to manage risk(s). Effective management of these risks enables the organisation to improve its chances of success and reduce the likelihood of failure.

### Asesiad / Assessment

Since the CRR was previously presented to the Board in July 2020, the principal risks have been discussed in detail at its Board Committees, and reported to the Board via the Committee Update Reports. Where assurance has not been received that principal risks are being managed effectively, the Committees can request a more in-depth report at a subsequent meeting. Examples of this have taken place at Health and Safety Assurance Committee and Quality, Safety and Experience Assurance Committee.

An Executive Risk Workshop will be held on 18<sup>th</sup> November 2020 to identify and assess the principal risks to the delivery of the Health Board's Quarter 3/4 Delivery Plan.

The following changes have taken place since the CRR was previously presented to the Board in July 2020.

Total Number of Risks	23	
New risks	4	See note 1
De-escalated/Closed	11	See note 2
Increase in risk score ↑	3	See note 3
No change in risk score →	11	
Reduction in risk score ↓	5	See note 3

The 23 corporate risks are detailed on the below heat map:

<b>HYWEL DDA RISK HEAT MAP</b>					
	LIKELIHOOD →				
IMPACT ↓	RARE 1	UNLIKELY 2	POSSIBLE 3	LIKELY 4	ALMOST CERTAIN 5
<b>CATASTROPHIC 5</b>	853	634 117	813 1016 1017 956		
<b>MAJOR 4</b>		855 856	628 451 291 894	646 750 684 1018	624
<b>MODERATE 3</b>		854	371 633	129 635	
<b>MINOR 2</b>					
<b>NEGLIGIBLE 1</b>					

Attached to this report to provide the Board with assurance on the management of its principal risks are:

Appendix 1 - CRR Summary

Appendix 2 - Each risk detailing the strategic objective, controls, assurances, performance indicators and action plans to address any gaps in controls and assurances.

**Note 1 – New Risks**

Since the previous report in July 2020, 4 new risks have been added to the CRR:

<b>Risk Reference and Title</b>	<b>Executive Lead</b>	<b>New/ Escalated</b>	<b>Date</b>	<b>Reason</b>
956 - Risk that the Health Board will be breach its Capital Resource Limit in 2020/21	Director of Finance	New	17/08/20	This risk was added to the CRR to reflect the significant financial impact of the pandemic on the UHB's capital funding streams. This risk is overseen by the Finance Committee.
1016 - Delivery of Q3/4 Operating Plan - Increased COVID-19 infections from poor adherence to Social Distancing	Director of Nursing, Quality and Patient Experience	New	12/11/20	This risk was entered on to the CRR to reflect the risk of poor adherence to social distancing guidance by patients, staff and others and its impact to the UHB's ability to deliver Q3/4 Operating Plan.
1017 - Delivery of Q3/4 Operating Plan - Test, Trace and Protect Programme being able to quickly identify & contain local outbreaks	Director of Therapies and Health Science	New	12/11/20	This risk was entered on to the CRR to reflect the risk that delays in accessing timely tests for COVID-19 could have on the UHB's ability to rapidly identify local outbreaks and take appropriate action promptly.
1018 - Delivery of Q3/4 Operating Plan – Insufficient workforce to support delivery of essential services	Director of Workforce and OD	New	12/11/20	This risk was entered on to the CRR to reflect the risk in respect of insufficient numbers within workforce to support the delivery of essential services, staffing field hospitals, surge capacity with general hospitals, delivering a mass vaccination programme and delivery of planned care.

**Note 2 - De-escalated/Closed Risks**

Since the previous report to Board in July 2020, the following 11 corporate risks have been closed/de-escalated:

<b>Risk</b>	<b>Lead Director</b>	<b>Close/De-escalated</b>	<b>Date</b>	<b>Reason</b>
627 - Ability to implement the UHB	Director of Finance	De-escalated	05/08/20	This risk was de-escalated to reflect the additional funding

Digital Strategy within current resources to support the UHB's long term strategy				provided by the UHB to support taking forward the digital plan and ensuring that the fundamentals of cyber security, and a robust infrastructure are maintained.
733 - Failure to meet its statutory duties under Additional Learning Needs and Education Tribunal Act (Wales) 2018 by Sept 2021	Director of Therapies and Health Science	De-escalated	07/10/20	This risk was de-escalated as the Executive Team agreed this was not a current priority for the UHB whilst it is prioritising its response to COVID-19 and restarting essential services.
91 - Insufficient number of Consultant Cellular Pathologists to meet 14 day timescale set out in the new Single Cancer Pathway	Director of Operations	De-escalated	11/11/20	The Executive Team agreed to de-escalate the risk to Directorate level as this is only one of the factors that make delivering the Single Cancer Pathway challenging notwithstanding COVID-19. In addition, the UHB is not being performance managed currently due to COVID-19. This will be discussed as part of the wider risks of delivering essential services in Q3/4.
686 - Delivering the Transforming Mental Health Programme by 2023	Director of Operations	De-escalated	05/11/20	The Executive Team agreed to de-escalate this risk as the Business Case for capital funding has been submitted to WG and is currently awaiting a decision. The Directorate has managed to make a number of services changes during COVID-19 in line with Transforming Mental Health (TMH) Programme. If the Business Case is not supported, the UHB will need to review the TMH programme.
632 - Ability to fully implement WG Eye Care Measures (ECM).	Director of Operations	De-escalated	11/11/20	The Executive Team agreed to de-escalate this risk as the UHB is not currently being performance managed by WG and is currently clinically prioritising patients in line with the ECM. This will be discussed as part of the wider risks of delivering essential services in Q3/4.
718 - Failure to undertake proactive	Director of NQPE	De-escalated	11/11/20	The Executive Team agreed to de-escalate this risk as it

health and safety (H&S) management				has been reduced to the tolerance level following the work undertaken to address the outstanding HSE improvement notices which remain under the oversight of the Health and Safety Assurance Committee.
810 - Poor quality of care within the unscheduled care pathway	Director of Operations	Closed	11/11/20	The Executive Team agreed to close this risk as the risk of delivering unscheduled care needs to be assessed as part of the wider service/system risk(s) to delivering the Q3/Q4 Plan.
890 - Delivery of Q2 – Ability to respond effectively and swiftly to changes in workforce demand as COVID-19 progresses	Director of Workforce and OD	Closed	11/11/20	The Executive Team agreed to close this risk as it relates to delivery of the Q2 plan and workforce needs to form part of the wider service/system risk(s) to delivering the Q3/Q4 Plan.
891 - Delivery of Q2 Operating Plan - Delayed Discharges affecting whole HB	Director of Operations	Closed	11/11/20	The Executive Team agreed to close this risk as the risk of delayed discharges needs to be assessed as part of the wider service/system risk(s) to delivering the Q3/Q4 Plan.
892 - Delivery of Q2 Operating Plan - Inability to recruit sufficient Registered Nurses affecting the whole HB	Director of Operations	Closed	11/11/20	The Executive Team agreed to close this risk as the risk of insufficient numbers of registered nurses needs to be assessed as part of the wider service/system risk(s) to delivering the Q3/Q4 Plan.
893 - Delivery of Q2 Operating Plan – Estate Capacity required for Social Distancing Measures	Director of Nursing, Quality and Patient Experience	Closed	11/11/20	The Executive Team agreed to close this risk as it is no longer relevant. Screens were used to minimise the closure of beds due to social distancing measures. A new risk has been assessed in relation to the risk of poor social distancing and its impact on the delivery of Q3/Q4 plan (1016 above) .

**Note 3 – Increase/decreases in Current Risk Score**

Since the previous report to Board in July 2020, the following risks have been reduced.

Risk	Risk Owner	Previous risk Score	Risk Score Jul-20	Date	Reason
646 - Ability to achieve financial sustainability over medium term.	Director of Finance	3x4=12	4x4=16 ↑	11/11/20	The Health Board has not developed a full long term financial base-case model, which can then be used to assess the impact of A Healthier Mid and West Wales and other medium term changes. The Health Board's underlying deficit also requires further work to fully explore and understand the opportunities for improvement which can be realised over the medium term. The forecast financial impact of COVID-19 on the underlying position is currently informed by modelling intelligence due to the fluid nature of the pandemic and the multitude of unknown variables inherent in such a situation. Furthermore, the funding from WG in response to the pandemic in FY21 has been confirmed on a non-recurrent basis; the recurrent funding position remains uncertain.
750 - Lack of substantive middle grade doctors affecting Emergency Department in WGH	Director of Operations	3x4=12	4x4=16 ↑	29/07/20	The risk has therefore increased to 16 to reflect the fragility of the middle grade doctor rota at WGH. The rota remains under constant review and management as the department are fully reliant on temporary staff.
628 - Fragility of therapy provision across acute, community and primary care services	Director of Operations	4x4=16	3x4=12 ↓	03/11/20	This risk has been reduced following review. Across all therapy services, current demand does not align to current capacity and whilst this is being managed flexibly as far as possible by the controls in place, it is not a sustainable model.
291 - Lack of 24 hour access to Thrombectomy services	Director of Operations	4x4=16	3x4=12 ↓	10/08/20	This risk has been reduced following review as there have been no reports of harm to date. There is a plan for a 9-5, 7 day a week service to be available at North Bristol NHS Trust however this is not yet in place.

Risk 635 - No deal Brexit affecting continuity of patient care	Director of Finance	4×2=8	4×3=12 ↑	26/05/20	The UK left the European Union on 31 January 2020. Since then the UHB has been responding to the impact of the COVID-19 pandemic. The compounding effect of a Brexit no-deal scenario with winter plans, maintaining the Covid-19 response and the increasing concern regarding the fragility of the independent social care sector requires the likelihood to remain at 4 however the impact score has increased to 3 to reflect the additional mitigating actions required at a national, regional and local level.
371 - Inability to meet WG target for clinical coding and decision-making will be based on inaccurate/incomplete information	Director of Finance	4×4=16	3×3=9 ↓	06/11/20	This risk has been further reduced to reflect the additional funding that has been utilised to secure additional trainee clinical coders.
855 - Risk that UHB's normal business will not be given sufficient focus	Chief Executive Officer	3×4=12	2×4=8 ↓	28/10/20	The risk score has been reduced to reflect the quarterly planning process now in place and the expansion/restarting of non-COVID-19 services being implemented.

856 - Risk to delivery of the Financial Plan for 2020/21	Director of Finance	4x5=20	2x4=8 ↓	11/11/20	<p>The additional costs incurred in months 1-7 in 2020/21 in response to the pandemic were significant and current demand modelling and corresponding forecast would suggest a continuation and potential acceleration of these costs over the Winter months. However, in Month 6, the Welsh Government confirmed non-recurrent funding to support the financial impact of the pandemic in addition to the cost reductions driven by lower patient activity. The net impact of the funding and cost reductions mean that the UHB is currently forecasting to deliver a planned deficit of £25m.</p> <p>However, the financial forecast is dependent on assurances provided by a range of teams across the UHB and across the Regional Partnership Board on the drivers of spend. There is a risk that these assurances do not reflect future expenditure profiles and that the financial outturn differs from our current forecast.</p>
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**'Acceptance' of Risk**

At QSEAC on 6<sup>th</sup> October 2020, the Committee received a detailed report in respect of corporate risk 129 - Ability to deliver an Urgent Primary Care Out of Hours Service for Hywel Dda patients, and discussed the tolerance level which is consistently above the agreed level. The Board is asked to agree and 'accept' that the risk can only be reduced at this time to the target risk score (4x3=12) and will remain above the UHB agreed tolerance level (6).

Risk	Risk Owner	Current Risk Score	Target Risk Score	Agreed Tolerance level (impact domain)	Discussion
129 - Ability to deliver an Urgent Primary Care Out of Hours Service for Hywel Dda patients	Director of Operations	4x3=12	4x3=12	6 (Service/ Business Interruption/ Disruption)	The Committee was advised that given the current shortfalls in capacity and increase in demand, the risk score cannot currently be reduced. The Committee agreed to accept that it would be challenging to reduce the risk to the UHB agreed tolerance level and to review the risk again in 6 months-time.



## Argymhelliad / Recommendation

The Board is asked to

- Consider whether they have sufficient assurance that principal risks are being assessed, managed and reviewed appropriately/effectively through the risk management arrangements in place, noting that these (with the exception of the new risks relating to the operating framework quarter 3 and 4) have been reviewed by Board level Committees.
- Approve QSEAC's recommendation that the aforementioned risk (Risk 129) can only be reduced to the target risk score at this time and will remain above the UHB agreed tolerance level for the next 6 months.
- Request that the Quarter 3 /4 risks are reviewed by the relevant Committees prior to Board in January 2020.

<b>Amcanion: (rhaid cwblhau) Objectives: (must be completed)</b>	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s): <a href="#">Hyperlink to NHS Wales Health &amp; Care Standards</a>	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives: <a href="#">Hyperlink to HDdUHB Strategic Objectives</a>	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: <a href="#">Hyperlink to HDdUHB Well-being Statement</a>	Not Applicable

<b>Gwybodaeth Ychwanegol: Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	Corporate Risk Register
Rhestr Termiau: 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. Risk appetite can be defined as <i>'the amount of risk that an organisation is willing to pursue or retain'</i> (ISO Guide 73, 2009). ISO (2009) define risk tolerance as <i>'the organisation's readiness to bear a risk after risk treatment in order to achieve its objectives'</i> , however it can be simpler to see it as a series of limits such as lines in the sand beyond which the organisation does not wish to proceed.

Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Executive Team
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<b>Effaith: (rhaid cwblhau)</b> <b>Impact: (must be completed)</b>	
<b>Ariannol / Gwerth am Arian:</b> <b>Financial / Service:</b>	No direct impacts from report however impacts of each risk are outlined in risk description of individual risks.
<b>Ansawdd / Gofal Claf:</b> <b>Quality / Patient Care:</b>	No direct impacts from report however impacts of each risk are outlined in risk description of individual risks.
<b>Gweithlu:</b> <b>Workforce:</b>	No direct impacts from report however impacts of each risk are outlined in risk description of individual risks.
<b>Risg:</b> <b>Risk:</b>	No direct impacts from report however impacts of each risk are outlined in risk description of individual risks.
<b>Cyfreithiol:</b> <b>Legal:</b>	No direct impacts from report however impacts of each risk are outlined in risk description of individual risks.
<b>Enw Da:</b> <b>Reputational:</b>	No direct impacts from report however impacts of each risk are outlined in risk description of individual risks.
<b>Gyfrinachedd:</b> <b>Privacy:</b>	No direct impacts from report however impacts of each risk are outlined in risk description of individual risks.
<b>Cydraddoldeb:</b> <b>Equality:</b>	No direct impacts from report however impacts of each risk are outlined in risk description of individual risks.