

'You matter, we care'

Trust Board Meeting (Part 1)	Date: 26 February 2014
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Title:	Trust-wide Risk Register
Item:	BD/13/336

Executive Director lead and presenter	Emma Roberts, Company Secretary
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History:	<i>ET, 11 February 2014 & SMT, 19 February 2014</i>
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This report is for:	
Decision	X
Discussion	
To Note	

Executive summary of key issues:
<p>The Trust-wide Risk Register is presented for review and challenge by the Board. All Executive Risk Registers have been reviewed at the meeting of SMT on 19 February 2014.</p> <p>No risks were identified by Executive Directors as requiring escalation in this month. This was approved by SMT. Two risks have been de-escalated from the Trust-wide risk register. This is discussed in detail below.</p> <p>In addition, this report provides a risk profile for the Trust, illustrated using the Trust's risk matrix. This is analysed below.</p> <p>The following appendices are provided with this report:</p> <ol style="list-style-type: none"> 1. Trust-wide Risk Register, January 2014 – risks divided by area 2. Trust-wide Risk Register, January 2014 – risks sorted from high to low scoring <p>It is recommended that the Board note the report and appendices and therefore the current risk position of the Trust.</p>

This report addresses these Strategic Priorities:	
We will deliver the best care	X
We will support and develop our staff	X
We will continually improve what we do	X
We will use our resources wisely	X
We will be future focussed	X

1. Trust-wide Risk Register – Risk Profile

The risks currently captured on the Trust-wide risk register are plotted on the risk matrix below to illustrate the distribution of our risks:

		RISK RANKING MATRIX				
SEVERITY		VERY LOW 1	MINOR 2	MODERATE 3	HIGH 4	VERY HIGH 5
PROBABILITY	ALMOST CERTAIN 5					
	LIKELY 4			IBP05		
	POSSIBLE 3		IBP01 IBP03	IBP02 IBP12 IBP16	IBP09 IBP13	
	UNLIKELY 2			IBP15 IBP14 IBP08 IBP04	IBP17	
	RARE 1					

As reported in January 2014, is clear that the Trust is managing the majority of its risks to a moderate level.

The Trust's highest red rated risks currently are IBP09 and IBP13, both of which have been subject to detailed risk reviews in September and November 2013 respectively. These risks require the Board's continued oversight. IBP05 is also scored at a 12 but amber rated as it has a lower severity score. This was also subject to a detailed review in July and October 2013.

2. Detailed Review

2.1. Scope

Since July 2013 the Board has received detailed reviews of a rolling programme of risks captured on the Trust-wide risk register. These detailed reviews have highlighted in recent months that, due to the continued changes both in the Trust internally and in the external environment, the risks captured on the Trust-wide risk register may not relate

to the risks the Trust now faces. The Corporate Governance and Risk Manager has met with each Executive risk owner to review in full each risk and, where required, redefine these to capture the current risk to the Trust clearly.

2.2. Key changes

The key changes to the Trust-wide risk register are:

- Risk IBP02 was defined as “Failure to establish effective and responsive working relationships with CCGs as they develop their locality understanding”. This has been redefined as “Failure to establish effective and responsive working relationships with CCGs to understand their commissioning intentions and timeframes.”
- Risk IBP16 had a current risk score of 6, with a probability of 2 and a severity score of 3. This has been rescored to a current risk score of 9, recognising that although the Trust has worked to improve its reputation with commissioners over the past 18 months there is still some improvement to be seen.
- Risk IBP04 had a current risk score of 6 also, and has been rescored to a current risk score of 9, with additional planned controls identified as the embedding of the investment planning framework and improved understanding of cost drivers.
- Risk IBP12 had a current risk score of 4, with a probability of 2 and a severity score of 2. This has been rescored to both a probability and severity of 3 and therefore a total risk score of 9. This score exceeds the inherent risk score of 6, and reflects a need for a strategic Trust-wide estates review to evaluate whether our estate can be used effectively to deliver the services required in the future.
- The IBP description of the risk against risk IBP08 was defined as “Inability to innovate service delivery, which impacts on delivery of existing contracts (CQUIN or winning new contracts.” It was recognised that the risk relates more specifically to new contracts where innovation is key in winning new work, and this was redefined to “Inability to innovate and design new ways of working to delivery commissioner requirements in line with best practice, NICE guidance and national findings.”

2.3. De-escalation of risks

The following risks were de-escalated as these were felt to be departmental, rather than strategic, Trust-wide risks at this time:

- Risk IBP01, defined as “Failure to gather and utilise market intelligence which informs the Trust’s ability to recognise and respond quickly, effectively and appropriately to market threats and opportunities”, has been de-escalated to the Business Executive risk register. It was noted that the risk related to any qualified provider (AQP) contracts which are zero activity contracts and the risk is working to win and entering into a contract which may provide no return. The risk is scored at a 6, with a probability of 3 and a severity of 2, and has been de-escalated to be monitored on the Business Executive risk register as it is recognised that a significant element of this risk is externally controlled and specific responses will continue to be necessary. It was not seen that this presented a strategic risk to the Trust at this time.
- Risk IBP14 was de-escalated to the Resilience risk register within the Business Executive risk register. It is defined as “Inability to effectively plan for emergencies and develop effective business continuity plans.” This risk was also scored as a 6 and it was felt sufficient controls were in place to maintain this

level, with planned controls of testing and additional training managed at a departmental level and expected to reduce the risk further over time.

Both risks may be escalated should the future need arise.

3. Recommendation

The Board should **note** the current risk position, supported by the attached appendices.