|  |  |  |
| --- | --- | --- |
| Board Meeting: | 20 June 2019 | dual branding.jpg |
| Subject: | Board Risk Register |
| Recommendation: | Board members are asked to:  |  |  | | --- | --- | | Discuss and Note |  | | Discuss and Approve | X | | Note for Information only |  | | |
|  |  | |

## 1 Situation

The Board Risk register is due for review at the June Board meeting. All risk owners have been asked to revise their risks and update for this review.

This paper summarises any changes being proposed to the corporate risks with the revised risk register included as an appendix. Members are asked to endorse the changes being made which prior to presentation at the Board.

## 2 Background

The Board risk register is reviewed via the Strategic Risk Committee and Senior Management Team.

It is recognised that the register requires further review to align with the revised Board Strategy. A workshop is planned for August to support this alongside a refresh of the Board Risk Appetite statement. There will be work with the Divisions ahead of this date to feed into the Board workshop. In addition, Senior Management Team sessions are planned on the Enterprise Risk approach to further embed the use of the Risk Appetite and develop tolerances.

## 3 Assessment

This section outlines risks that have been updated and any changes that are being proposed following review by SMT and the Audit and Risk Committee.

The following updates are noted:

* S6 HAI – the work to support the M.chimera issue has concluded and the risk has been updated to reflect this, closing the additional actions that had been in place.
* O15 Clinical Waste - the contingency arrangements continue and discussions are ongoing with the new supplier to agree a start date. A date has been arranged in June for the SLWG to reconvene and assess the situation; it is proposed the risk remains as is until this further review takes place.
* S14 Electronic Patient Record - as noted in the April update the internal audit review of the risk management arrangements was approved by the Audit & Risk Committee in April with actions underway. The second phase of this review in relation to the Strategic Partnership is ongoing. The project plan has been realigned to focus on ophthalmology and orthopaedics pathway development with go live dates of December 2019 and January 2020. Review of the overall programme risk register is ongoing.
* S11 Expansion - a workshop took place in May to revise the Phase 2 risk register as part of the OBC submission; the Programme Board has not formally met to consider the outputs of this. A further update will follow.

Changes are proposed to the following risks:

* **S12 - EU Withdrawal** - the risk was previously raised to high in preparation for the April exit date. Elections have recently taken place for the European Parliament and discussions in relation to the exit of the UK are ongoing. The preparation made for a no deal exit in early April remain in place but communication has been stepped down at present whilst national discussions are ongoing. Given this it is recommended that we reduce the likelihood to a 3 bringing the overall risk to medium. We will continue to monitor and respond as and when the situation changes.

**Recommendation to reduce the risk to medium level: Note this was accepted by the Audit and Risk Committee but only on the basis that this will be regularly reviewed and adjusted if circumstances were to change.**

* **W7 Workforce capacity and capability** - it is proposed that the level of risk increases from a medium to a high given the workforce pressures linked to the expansion and strategy developments with the likelihood increasing whilst detailed plans and key milestones are developed.

**Recommendation to reduce the increase the risk to high level: This was accepted by the Audit and Risk Committee.**

The following risk is under review:

* O9 Waiting Times – this risk currently links to failure to achieve SLA and is at a medium level; specific pressures have been identified in relation to cardiac surgery and work is underway to undertake a more detailed risk assessment in relation to the potential harm and level of risk that can be tolerated around this.

The following risks are at their target level. It has been acknowledged work is required to refresh the risk register in alignment with the Board strategy review which will identify any Board risks specific to the areas of quality, research and the hotel aspects of the strategy. Previous discussions acknowledge the hotel risk did not reflect the current risks and it is therefore proposed that the following risks are removed from the Board risk register noting the ongoing review work:

|  |  |  |  |
| --- | --- | --- | --- |
| Risk | Current Rating | Target Rating | Ongoing gaps/ actions |
| S1Failure to ensure sustainability of excellence and develop our approach to quality | 2 x 4 = 8 | 2 x 4 = 8 | Quality Strategy development |
| S2 If we fail to strengthen the research portfolio | 2 x 3 = 6 | 2 x 3 = 6 | No additional actions noted |
| S4 Inability to deliver Golden Jubilee Conference Hotel Strategy” as a medium risk at target level. | 2 x 4 = 8 | 2 x 4 = 8 | No additional actions noted |

**Recommendation to remove the above 3 risks: The Audit and Risk Committee agreed this however they asked for further clarification on the local monitoring of risk S1.**

**4 Recommendation**

Members are asked to discuss and approve the risk register updates noting the specific changes recommended.

**Julie Carter**

**Director of Finance**

**11 June 2019**

**(Laura Langan Riach, Head of Clinical Governance and Chief Risk Officer)**

**Appendix 1 – Board Risk Register**

| **Ref** | **Risk description** | **Risk Owner** | **Links to Board Objectives** | **Current risk target** | | | **Current Mitigation and current risk level** | | | | **Planned Mitigation** | | **Risk review freq/ date due** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Likelihood (initial)** | **Impact (initial)** | **Risk score (initial)** | **Current controls in place** | **Likelihood (initial)** | **Impact (initial)** | **Risk score (initial)** | **Gaps in controls**  **Additional controls required to reduce risk as far as is practical** | **Actions needed to address gaps** |
| S3 | **Robust framework to support innovation at local, national and international level**  Strategic – Vision of leading quality, innovation & research not achieved  Financial - potential for financial penalties, missed opportunity for income generation  Regulatory – potential non-compliances with OSCR and/ or other standards/ regulations  Reputational – damage to GJF brand and impact on SG and NHSScotland  Safety/ Experience – ensuring protection of staff & patients involved, missed opportunity to improve safety/ experience | DSPGD(AH) | 3.3 | 2 | 3 | 6 | Senior appointments to support delivery of the vision | 3 | 3 | 9 | Strategy to support delivery of innovation at various levels including strategic partnerships, income generation, framework to support funding applications. | Development of strategy underway by DSPDG. | Bi-Monthly/ July 2019 |
| W5 | **If we fail to ensure our culture supports effective organisational change**  Strategic**:** decision making and strategic intent underestimates the impact of this  Financial: Failure to deliver change initiatives may lead to adverse financial impact  Regulation: Unlikely to affect regulation.  Reputation: Potential impact in delivering innovation and change management plans  Operational Delivery: Could impact on implementation of change strategies meaning service changes fail.  Workforce: Staff dissatisfaction due to increased workload pressure; increasing risk of staff absence. and turnover and with further loss of skills and knowledge.within GJF’s workforce. | Director of Q, I & P  (GA) | 2 | 2 | 2 | 4 | Strategic Projects Group in place to support improvement projects and service redesign  iMatter fully implemented across the Board with annual survey and action planning process for teams  Staff Governance action plan in place and reviewed regularly  Full suite of leadership and management training available through Leadership Framework approved by the Board. Coaching framework established to support leaders and managers  Equalities Group which oversees delivery of equalities action plan  Workforce planning and education group to support organizational change through effective workforce planning and organizational learning and development  Quality Improvement training available to staff  New Equality and Diversity Impact Assessment process and paperwork in place | 2 | 3 | 6 | Response to Sturrock Review Recommendations  IMatters  Leadership framework  Diversity Champions  Further development of Quality Improvement training | Action Plan to be developed in response to Sturrock Review Recommendations including new programme of work provisionally named ‘Living our Values’ to promote and embed values across senior management ways of working and teams across organization.  Further work to increase engagement with iMatter, with particular focus on medical workforce  Refresh of Leadership framework to integrate with national project lift talent management and leadership development  Refresh of Diversity Champions network and role  Work ongoing via Quality Strategy Development | Bi-Monthly/ July 2019 |
| S6 | **Susceptibility to Healthcare Associated Infection events, including pandemic, impacting delivery of corporate objectives**  Strategic- unlikely to be change in strategic intent  Financial: Unlikely to significantly affect delivery of financial targets.  Regulation: no significant issues associated with this  Reputation: Prevalence of HAI within GJF would damage the Board’s reputation  Operational Delivery: HAI has the potential to negatively impact patient clinical outcomes and also affect operational delivery through events such as ward closures threatening SLA delivery.  Workforce: Increased incidence of HAI may negatively impact staff both morale and productivity through ward closures and additional scrutiny | Nurse Director  (AMC) | 4.4 | 2 | 4 | 8 | Annual work plan approved and progress monitored at PICC meeting;  Surveillance in place for   * Monitoring of alert organisms; * Surgical site infection; * Enhanced SAB surveillance; * E-Coli;   Appropriate clinical risk assessment and patient screening for MRSA and CPE;  Monitoring and analysis of HEAT target data for SAB and CDI supported by multidisciplinary reduction interventions;  SCNs fully engaged via weekly visits and monthly peer reviews and HEI preparedness committee;  HAI reports presented to all relevant Board and management committees  HAI Scribe process in place that ensures Infection Control built in to all building / estates issues. | 2 | 4 | 8 | The GJNH supported the national and international issue with regard to invasive cardiovascular infection by M.chimera associated with 3T heater-cooler systems used during open heart surgery. The risk remains low with the quantifiable risk of endocarditis as 0.6-16 episodes per 10,000 patient years.  The risk of cancellation of cardiac surgery remains a higher risk than progressing with surgery with an air positive potentially contaminated cooler.  Currently our equipment has been tested as negative and this is being closely monitored through ongoing water sampling fortnightly  All adaption’s to existing equipment by supplier are now complete. | HPS attended the GJF and reviewed the decontamination process. National guidance for decontamination process published and reviewed by Decontamination Group. Process matched against guidance and the risk assessment document to reflect guidance and amended requirement for air sampling. | Quarterly/Aug 2019 |
| W7 | **Insufficient workforce capability and capacity to support corporate objectives**  Strategic: Unlikely to be any significant strategic change workforce planning  Financial: may have an impact on use of agency, locum or waiting list initiative payments to cover short term gaps  Regulation: Unlikely to affect regulation  Reputation: Potential impact on recruitment.  Operational Delivery: lack of appropriately trained staff would undermine the Board’s ability to operate.  Workforce: Staff dissatisfaction due to increased workload pressure; increasing risk of staff absence and turnover and with further loss of skills and knowledge. | D of Q, I & P  (GA) | 6, 8.5 | 2 | 4 | 8 | Annual Workforce Plan and workforce monitoring report  Recruitment data monitored on a regular basis and presented to the Board twice a year via the Workforce Monitoring Report;  Full programme of training and education reviewed annually and underpinned by training needs analysis across the Board; and  Board local HR/strategic policy mirrors national guidance and policy on terms and conditions.  Approved Phase 1 expansion workforce plan  Draft Phase 2 expansion workforce plan | 3 | 4 | 12 | Workforce planning approach  Support to GJNH expansion  Workforce elements of revised strategy including elective treatment centres | New approach to workforce planning to be established in 2019/2020 to support longer term planning and new national approach to 3 year workforce planning to be introduced in 2021  Phase 2 expansion workforce plan to be finalised  Implementation of phase 1 workforce plan  NHS Scotland Academy proposal to be developed to support expansion of elective care and NHS workforce  Participation in national elective centres workforce planning group to plan national demand for workforce | Bi-monthly/ July 19 |
| F8 | **Failure to deliver the Board’s financial plan and maximise effective use of the Board’s resources and assets**  Strategic: Risk in strategic decision making that impacts on financial position  Financial: Failure to deliver financial targets would result in a recovery plan being put in place with a likely impact on services  Reputation: Failure to deliver financial targets would damage the Board’s reputation as an effective healthcare provider with SGHD and with the public.  Operational Delivery: Recovery plan is likely to impact on some operational delivery. Non clinical vacant posts would be held, reviews of stock, purchasing and services would be undertaken .  Workforce: Would impact on vacancies in non clinical posts and possible skill mix reviews of clinical services | Finance Director  (JC) | 5 | 2 | 3 | 6 | 2018-19 financial plan submitted with plans to achieve financial balance  Efficiency and productivity plans agreed for 2018-19  Specific risks highlighted within the financial plan are being closely monitored;  Monthly financial reviews are in place to identify any variations from the plan;  A recovery plan will be actioned immediately if this is required; and  A detailed forecast will be from month 3 onwards with a balanced financial position delivered for the year. | 2 | 3 | 6 | Efficiency and Productivity schemes for £4.2m required to achieve financial balance.  Total of £2.7m schemes identified to date and plans agreed. Budgets Now finalised and savings plans on track  Contingency plans are in place if cost pressures are increasing and/or efficiency schemes start to slip  Work is ongoing to review the shortfall in efficiency schemes with forecasts being produced from month 3 | Ongoing rigorous monitoring of financial position.  Financial position and forecasts presented to Senior Management Team and Board on a monthly basis.  A recovery plan Will be initiated if schemes now in place by October 2018 | Quarterly/ March 19 |
| O9 | **Failure to meet SLA and waiting times activity targets**  Strategic**:** Impact of change in strategy for Scottish Government  Financial: Failure to deliver operational targets may lead to loss of income but likely to be minimal impact  Regulation: Unlikely to affect workforce  Reputation: Seen as unable to deliver operational targets and negative impact on reputation  Operational Delivery: review of pathways and capacity would be undertaken and a recovery plan put on place  Workforce: impact on existing services and short term recovery planning | DoO | 7.1 | 1 | 3 | 3 | Waiting Time pressures are monitored within the Divisional Operational Team, at weekly and monthly operational meetings and monthly at Performance & Planning & Senior Managers Meetings; and  Engagement with referring Boards continues with a national Leads meeting established. | 3 | 3 | 9 | Challenges within critical care and cardiology affecting flow and activity. Currently reporting waiting time breaches but managing within our 5% threshold.  Delivery of the expanded ophthalmology programme is presenting challenges due to availability of ophthalmic surgeons.  Cardiac surgery waiting times pressure | Work underway to review  The situation is under review with recruitment and opportunities for improved productivity being explored.  Fuller review underway with separate paper to be presented for discussion. | Bi-Monthly/ July 19 |
| S10 | **Information and Technology resilience to potential IT security breaches and attacks**  Strategic**:** Decision making exposes risk to Board  Financial: Potential for financial impact should a breach occur.  Regulation: Potential for sanctions and, or litigation should a breach occur.  Reputation: A data security breach is likely to negatively impact GJF’s reputation and damage brand perception among patients, the media and Scottish Government.  Operational Delivery: Disrupted access to electronic systems such as TrakCare and SCI would impact day to day operations in wards, clinics, theatres and admin functions resulting in disrupted patient care and loss of productivity.  Workforce: Unlikely to affect workforce significantly | DoF  (JC) | 5.2, 5.3 | 2 | 4 | 8 | Information Technology security measures and controls are in place across the organisation and supported by the wider NHS network;  Further controls implemented following recent IT security attacks on private sector organisations;  Board wide review of information security established with self assessment against NHS Scotland IT Security Framework completed and action plan developed; and  Realtime cyber attack took place with the Board not infected. Internal and external controls were tested with a formal debrief highlighting some lessons learnt. These have been implemented.  A Cyber Security maturity review was undertaken by PwC; Cyber essentials Accreditation gained Oct 18. | 3 | 4 | 12 | Implementation of Public Sector Action Plan for Resilience. Review of current status undertaken with some areas of improvement highlighted. | A detailed action plan has been completed for the areas identified for further improvement and monitored via SMT. | Bi-Monthly/ July 19 |
| S11 | **Inability to achieve the objectives of the Expansion programme**  Strategic**:** Key strategic objective, ability to deliver wider commitments of programme and added value at national level. Impacts on national government strategy of failure to deliver.  Financial: Potential for financial impact should a breach occur. VFM.  Regulation:  Reputation: negative impact on brand/ reputation and credibility of clinical models if unable to deliver.  Operational Delivery: Ability to deliver TTG and operational demands.  Workforce: importance of developing workforce to support programme; failure to deliver would impact on this. | Director of Ops  (JR) | 8 | 2 | 3 | 6 | National Programme Board chaired by Chief Executive  Project Team in place with project plan and key milestones agreed; supporting governance structure in place for programme.  Risk appetite developed for programme to support discussion on tolerance and escalation of risk and risk framework in place.  FBC approved for stage 1  IA approval or Stage 2 | 2 | 4 | 8 | OBC Approval Stage 2 | OBC underway. | Bi-Monthly/ July 19 |
| S12 | **The impact of EU Withdrawal on the Boards ability to continue to meet its corporate objectives**  Strategic**:** ability to deliver corporate objectives and on long term strategy  Financial: Financial consequences possible in relation to funding and budget impact.  Regulation: impact as EU regs transferred; loss of access to MHRA; R&D impact of not being part of EU  Reputation: not specific to GJF  Operational Delivery: pharmaceutical and market impacts that may affect supplies of key items  Workforce: high risk areas within medical staffing and hotel housekeeping identified | Nurse Director (AMC) | All | 2 | 2 | 4 | Brexit Horizon scan commenced 2015 and updated regularly.  Preparedness assessment undertaken for SG supported by existing work and key risk areas identified and monitoring arrangements confirmed.  Executive and Operational Leads agreed to oversee. | 3 | 3 | 9 | Uncertainty of exit position and what circumstances will be | SLWG established with input from key areas. Group stepped down at present with virtual updates ad will be reconvened as required with direct report to Executive Group. | Bi-Monthly/ July 19 |
| S13 | **Misalignment between the Board's strategy and national and regional strategies**  Strategic**:** inability to deliver objectives, need for revision of strategy  Financial: impact on national funding and regional SLAs  Regulation:  Reputation: impact on GJF reputation if not represented appropriately within strategy  Operational Delivery: potential for disruption  Workforce: impact on morale, potential for wider workforce impact of strategy review | Chief Exec (JY) | 1 | 1 | 4 | 4 | Executive team representation on national and regional groups – as chair or members.  Delivery of Expansion Programme.  Development of Board Strategy | 3 | 4 | 12 | GJF Strategy Development | GJF Strategy consultation underway with aim of approval at Board summer 2019. Risk will be reviewed on completion of this. | Bi-monthly/ July 19 |
| S14 | **If we do not fully achieve the EPR programme within timescale there is potential for impact on corporate objectives, namely the hospital expansion**  Strategic**:** potential impact on expansion programme, designed for EPR environment; failure to realise benefits of programme and objective  Financial: Potential costs associated in additional spend; impact on value for money if benefits not fully realised  Reputation: potential for impact on GJ reputation  Operational Delivery: Could vary from little impact to moderate if system issues  Workforce: Impact on future workforce plans if not realised; low morale amongst staff may impact on engagement with system; education & awareness needs  Safety/ Experiences  Benefits not realised | Dir of Ops  (JR) |  | 2 | 1 | 2 | EPR Programme Board chaired by Executive Lead.  EPR Operational Group in place.  EPR Team consisting of E-Health and seconded clinical staff in place.  Syncrophi, OrderComms, Medicines Management implementations underway as part of wider project.  Risk Register in place; master supported by operational level. | 3 | 2 | 6 | Development of strategic partnership with contractor to develop pathways with upskill of GJF staff  Revised project plan with agreement to pilot on ophthalmology and orthopaedics then review. | Agreement of Strategic Partnership  Revised project plan to be agreed via Programme Board  Internal Audit Review | Bi-Monthly/ March 19 |
| O15 | **Impact of ongoing clinical waste management in absence of national contract**  Strategic**:** potential to impact of delivery of service  Financial: additional costs incurred by contingency  Regulation: breach in handling/ storage regulations could result in action  Reputation: impact on GJF reputation  Operational Delivery: Contingency impact to portering service and waste service to clinical areas  Workforce: impact on porters undertaking role long term; ability to sustain long term | Nurse Director  (AMC) |  | 1 | 3 | 3 | Major Incident Procedure activated to support initial response. SLWG continuing to meet and review led by Nurse Director.  Contingencies in place with waste bagged and placed in secure clinical waste area then uplifted by porters and transferred to an articulated lorry located at the loading bay. This is uplifted and replaced as required generally every 2-3 days. A risk assessment has been undertaken with support from staff and partnerships.  Waste Officer participating in regular calls with NSS to monitor and update on situation. | 3 | 3 | 9 | Confirmation of national contract commencement on 1st April 2019 | Details awaited  Review of sustainability of contingency in event of contract delay. | Bi-Monthly/ March 19 |

**Board Risk Register HEAT Map**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Likelihood | Consequence/ Impact | | | | |
| 1 | 2 | 3 | 4 | 5 |
| 5 |  |  |  |  |  |
| 4 |  |  |  |  |  |
| 3 |  | **S14** | **S3: O9: O15: S12** | **S10: S13: W7** |  |
| 2 |  |  | **W5: F8** | **S6: S11** |  |
| 1 |  |  |  |  |  |