REPORT TO:	**BOARD OF DIRECTORS**
DATE:	**8 SEPTEMBER 2017**
SUBJECT:	**PRINCIPLE CORPORATE AND STRATEGIC RISKS**
BOARD SPONSOR:	**CHIEF NURSE AND DIRECTOR OF QUALITY**
PAPER AUTHOR:	**DEPUTY DIRECTOR OF RISK, GOVERNANCE AND PATIENT SAFETY**
PURPOSE:	**DISCUSSION**
APPENDICES:	**APPENDIX 1 – PRINCIPAL RISKS REPORT** **APPENDIX 2 – EMERGING RISKS REPORT** **APPENDIX 3 – PRINCIPLE STRATEGIC RISKS REPORT** **APPENDIX 4 – EMERGING STRATEGIC RISK REPORT**

BACKGROUND AND EXECUTIVE SUMMARY

This report provides the Board of Directors' Committee (BoD) with an update of the Principal risks (rated as 'Extreme' and 'High' post mitigation) on the Corporate Risk Register at 31 August 2017 (attached as Appendix 1) and a new risk approved for inclusion to the Corporate Risk Register (attached as Appendix 2). Appendix 3 outlines the Principal Risks on the Strategic Risk Register and Appendix 4 an emerging strategic risk. The Principle Risks on the Strategic Risk Register and the full Corporate Risk Register were reviewed by the Board on 11 August 2017 and by the Integrated Audit and Governance Committee on 28 July 2017. The Principal risks on the Corporate Risk Register were reviewed and discussed at the Quality Committee on 09 August 2017. The Management Board meeting on 30 August 2017 approved the changes and the new corporate risk and discussed some emerging risks which are outlined below.

The Executives remain engaged in the risk management process, meeting on a monthly basis with the Trust Risk Manager to review the scoring, existing controls, actions and the specific wording for each strategic and corporate risk.

Delegated risk owners and Action owners for Corporate Risks are continuously being reminded to provide progress updates on risk actions on 4Risk and where they are delegated risk owners provide updates on progress of the risks on 4Risk. This is to ensure that the Executives are well informed of progress of operational actions that impact on the management of Strategic and Corporate risks.

It has not been possible to provide a more up to date risk summary to the BoD as the 4Risk system has been unavailable to access for several days as the Insight website is currently under maintenance

Corporate Risk Register Heat Map (by Residual risk score)
Heat map below shows the 34 live (Open) Corporate risks for EKHUFT:

Key Changes to Quality Risks on the Corporate Risk Register

Changes to residual risk scores

1 The changes to residual risk scores during the period under review, and agreed at Management Board, are presented in the table below. The text in italics in the risk title column summarises the rational for the change:

Risk Ref.	Risk Title	Residual Score July 17	Residual Score August 17	Direction of travel	Target Score
CRR 28	Current delays in treatment of patients requiring Emergency Care *The risk title has been revised and residual likelihood score increased to reflect the current likelihood of this risk (daily overcrowding in both EDs. Weekly site meetings have been introduced to improve ownership of the emergency care pathway, reduce overcrowding and serve as a forum to generate new ideas to mitigate this risk.*	**20 Extreme**	**25 Extreme**	↑	**10 Moderate**
CRR 51	Patient safety may be compromised as a result of the move of acute medicine, acute geriatric medicine and Stroke from the K&C site *The residual likelihood score has increased to reflect the current likelihood of this risk. This risk is related to CRR 28 as both risks involve the overall performance at the front door. Strategies to mitigate this risk will have benefit for the*	**15 High**	**20 Extreme**	↑	**10 Moderate**

	likelihood of both but at present because of continued overcrowding in both A&E departments the likelihood of this risk occurring has also increased.				
CRR 32	Inability to share information about children and young people *The residual likelihood score has increased to reflect the current likelihood of this risk. E-Cascard is currently unable to send alerts. Therefore this is being done manually by the Child Safeguarding team. This issue is being fixed and the risk score will be reviewed following implementation of the outstanding action.*	**12 Moderate**	**16 High**		**8 Moderate**
CRR 47	Inability to prevent deterioration in the number of healthcare associated infection metrics *The residual risk score has reduced due to the improvement in the control environment. The Infection Prevention & Control (IPC) nursing team is now fully established and the first antimicrobial pharmacist has commenced in post. Data from Q1 suggests that the HAI rates are stable and the likelihood of this risk crystallising has therefore reduced. NHSI review took place on the 8/9 August 2017. The review was led by NHSI but involved PHE, CCGs and external DIPCs and IPC nursing from independent Trusts together with AMS Pharmacist.*	**16 High**	**12 Moderate**		**8 Moderate**

Risks approved for closing on the Corporate Risk Register (30 August 2017 - Management Board)

2 The following risk was approved for closure on the Corporate Risk Register. The text in italics in the risk title column summarises the rationale for closing:

Risk Ref.	Risk Title	Residual Score July 17	Residual Score August 17	Direction of travel	Target Score
CRR 42	Inappropriate management/use of pre-labelled medicines (over-labelled products) *The target risk has been met. The key actions have been implemented (including policy now in place) to mitigate this risk and the risk is being recommended for*	**15 High**	**9 Moderate**		**9 Moderate**

	de-escalation to the Medicine Safety risk register on 4Risk. Progress has not been reported against the remaining action at the time of writing this report.				

Risk closed on the Corporate Risk Register

3 The following risk has been closed from the Corporate Risk Register following approval at the 2 August 2017 Management Board meeting. The text in italics in the risk title column overleaf, summarises the rationale for closing:

Risk Ref.	Risk Title	Residual Score July 17	Residual Score August 17	Direction of travel	Target Score
CRR 54	Inability to provide an anticoagulant drug (Enoxaparin) to patients *The Management Board agreed the de-escalation of this risk to the CSSD/Pharmacy risk register. A new consolidated supply chain risk has been added to the CRR as CRR 57 (see Appendix 1). This new risk is still being populated/revised.*	**15 High**	**15 High**	=	**10 Moderate**

New Corporate Risk approved by the Management Board on 30 August 2017 (attached as Appendix 2)

4 **CRR 58 – Failure to embed Risk Management within the Divisions (Executive Lead – Chief Nurse and Director of Quality)**

This risk (attached as Appendix 2) is being escalated to the Corporate Risk Register due to concerns that risk management is not being embedded across the Divisions. The key causes/triggers for this risk include:

- The need for improved engagement from Divisions in the Trust Risk Management process; this is reflected in the failure to provide assurances on risks escalated to the Corporate Risk Register;
- Inconsistency in risk governance arrangements across Divisions;
- Poor usage of the 4Risk system;
- Absence of risk registers in some Wards, Specialties and Departments.

The key controls in place to mitigate this risk include:

- Risk Management Policy and Handbook in place and available to Staff on Staff Zone;
- 4Risk training resources in place and communicated to staff;
- Dedicated risk management resource for the Trust;
- Quarterly risk review meetings with divisional Risk Owners.

The key actions required to mitigate this risk include:

- Divisions to ensure all Local Risk Registers are transferred to 4Risk;
- Divisions to consider introducing Divisional/Local Risk Champions to support embedding risk management;
- Carry out and implement actions from Internal Audit review of Risk

Management arrangements in Divisions, which is scheduled for later in this financial year.
- Support offered by the Corporate Team for training and engagement.

The risk is one associated with failure to deliver the Trust Strategic Priorities (4Ps – Patients, Provision, People and Partnerships) and potential patient safety concerns. This risk also links to the revised NHS Improvement Leadership and Improvement Capability Themes (Well-Led) within the Single Oversight Framework (SOF), where risk management is now specifically expressed.

Emerging Risk discussed at Management Board on 30 August 2017

5 **Lack of out-patient clinic capacity to meet the increased referral and follow up demands which may result in delays in patients being seen (Executive lead – Jane Ely, Chief Operating Officer)**

There is an increasing demand for new and follow up appointments affecting some specialties. This position can be calculated accurately in the specialties offering a partial booking process, but the true position for specialties not using a partial booking model may be more difficult to calculate. The CQC has been focusing on this area in their recent inspection regimen.

The key causes/triggers for this risk include:
- Increased number of referrals and demand;
- Lack of capacity to increase the number of clinic slots available;
- Inadequate staff to cover additional clinics to meet demand.

The key controls in place to mitigate this risk include:
- Regular review of capacity and demand by specialty reported in performance meetings;
- Process in place for data validation.

The key actions required to mitigate this risk include:
- Senior review of current demand in each specialty, led by the Clinical Support Services Division and profiling of future demand with a trajectory to reduce the current backlog;
- Review of current out-patient capacity at each site with a plan to ensure efficiencies in all clinics;
- Working with commissioners to review patient pathways to ensure a greater community-based follow up process within Ophthalmology.

The risk is one associated with the potential for patient harm as a direct consequence of such delays in patients being seen regularly for their conditions. There is a separate risk, CRR 12 -Inadequate Ophthalmology follow up arrangements and the number of patients on out-patient follow-up lists is increasing due to demand.

Other key issues for the Quality Committee's attention and/or discussion (in relation to Principal Corporate Risks)

6 **Risk Ref. CRR 49 – Negative impact of the implementation of the new HRMC – IR35 tax regime**

This risk remains static. A process is now in place with Divisions for a standard return using job types instead of individual assessments of IR35 status. A revised deadline for developing the policy to reflect the agreed process is mid-October 2017. Although the Trust has seen a small number of people who came under the IR35 status being engaged in a different way, there remains fragility in the Emergency Departments. A deep dive was carried out into the operational management of the staffing risk faced by

Urgent Care and Long Term Conditions (UCLTC) as a result of IR35, at the Integrated Audit and Governance Committee (IAGC) in July 2017. This risk has now been added to the UCLTC Risk Register as Risk Ref. 1113 (Inability to attract temporary staff to the Trust's Emergency Departments).

7 **Risk Ref. CRR 3 – Inability to respond in a timely way to changing levels of demand for elective services**

This risk remains static. Meetings with the CCGs to agree the New Operation Plan for 2017 – 2019 are still continuing. Monthly Contract Performance meetings for Referral to Treatment (RTT) to discuss capacity and alternative providers are planned. The first meeting was held in August 2017. The quarterly plans for 2017/18 linked to the recruitment of new consultants are reviewed at the regular Confirm and Challenge meetings with the Divisions. Job plans are still in progress with 72% signed off across the Trust.

8 **Risk Ref. CRR 22 – Failure to record/carry out timely Venous Thromboprophylaxis (VTE) risk assessments**

This risk remains static. It remains a high risk to the Trust due to the potential contract penalty of £7.2million (linked to the Trust's Financial Recovery Plan). Progress notes have not been provided by some Action Owners. Action Owners have been reminded to update 4Risk on progress. There has been a sustained improvement in performance with the July 2017 VTE performance Trust-wide being at 92% (highest figure for over 12 months), which remains below the required national level of 95%.

9 **Risk Ref. CRR 57 – Inadequate supply of essential drugs/vaccines**

This is the new consolidated supply chain risk approved for addition to the Corporate Risk Register by the Management Board on 02 August 2017. This risk replaces CRR 54 (Inability to provide an anticoagulant drug (Enoxaparin) to patients). This risk record is still being populated/revised by the Delegated Risk Owner at the time of writing this report.

10 **Risk Ref. CRR 4 – Failure to recognise or treat Patients with sepsis in a timely way**

This risk remains static. Proposals for mandatory training have been approved in principle by Management Board on 2 August 2017. However, the costs are being reviewed prior to implementation. The performance data for July 2017 shows improvement in screening patients for sepsis in the Emergency Departments but a slight dip in the timeliness of initiating treatment. Evidence of sepsis screening for patients with an elevated Early Warning Score (EWS) of >=4, requires further embedding with the Critical Care Outreach Teams supporting ward-based staff to achieve this process. A sepsis awareness education campaign for Pharmacists is being undertaken in September entitled 'Sepsis September' and there is a Trust wide initiative to support "World Sepsis Day" on 13 September 2017.

IDENTIFIED RISKS AND MANAGEMENT ACTIONS:	The attached risk register reflects the Principal risks on the Corporate Risk Register and the mitigating actions in place.
LINKS TO STRATEGIC OBJECTIVES:	The Corporate risks align to all of the four Strategic Priorities: **Patients:** Help all patients take control of their own health. **People:** Identify, recruit, educate and develop talented staff. **Provision:** Provide the services people need and do it well. **Partnership:** Work with other people and other organisations to give patients the best care.

LINKS TO STRATEGIC OR CORPORATE RISK REGISTER	This paper provides an update on the Principal risks on the Corporate Risk Register for the Trust.
RESOURCE IMPLICATIONS:	None specifically identified other than identified in the Corporate Risk Register.
COMMITTEES WHO HAVE CONSIDERED THIS REPORT	The Management Board reviews the Corporate Risk Register and approves the addition and closing/de-escalation of Corporate risks.

PRIVACY IMPACT ASSESSMENT: NO	**EQUALITY IMPACT ASSESSMENT:** NO

RECOMMENDATIONS AND ACTION REQUIRED:

The BoD are invited to;

- Review the Principal risks relating to Quality on the Corporate Risk Register and consider the sufficiency of the corrective actions identified in relation to the risks and provide positive challenge where necessary;
- Approve the new format of the covering report;
- Note/discuss the new Quality risk added to the Corporate Risk Register and the emerging risk.