

EAST KENT HOSPITALSUNIVERSITY NHS FOUNDATION TRUST

REPORT TO: **BOARD OF DIRECTORS**

DATE: **29 JANUARY 2015**

SUBJECT: **CORPORATE RISK REGISTER – FULL**

REPORT FROM: **CHIEF NURSE AND DRIECTOR OF QUALITY**

PURPOSE: **Discussion**

CONTEXT / REVIEW HISTORY / STAKEHOLDER ENGAGEMENT

This document provides the Board of Directors (BoD) with an update of progress as at 20 January 2015 with the full Corporate Risk Register (CRR). The top 10 risks were last received by the BoD at the December 2014 meeting; the full register was reviewed by the Board in August. This report includes changes that occurred since the last Quality Assurance Board (QAB) in November. The full register was last presented to the Risk Management and Governance Group (RMGG) on 23 July 2014. The financial risks were also reviewed at the June meeting of the RMGG and were reviewed by the Financial Investment Committee (FIC) in September. The top 10 risks were last reviewed by the Integrated Audit and Governance Committee on 09 October 2014 and the full register was reviewed on 19 January 2015.

SUMMARY

There are four risks with an unmitigated risk score of 25 and five with a score of 20. The top nine include:

- the reputational risk associated with the CQC inspection report;
- the internal financial efficiency programme;
- the deterioration in A&E performance standard and the potential risk to patients waiting longer than four hours;
- the external financial risk associated with CCG demand management, contract negotiations and financial challenges;
- the increased risk to patient safety associated with inefficient clinical pathways/patient flow & delayed transfers of care, resulting in extra beds;
- the consistent poor performance in the staff survey results and staff feeling they are not engaged in decision-making that affects them;
- delays to cancer treatment due to closure of the Aseptic Service and the internal financial operations performance targets.
- a new risk regarding staffing and recruitment was added and this risk is in the top 10.
- the risk associated with the findings of the CQC report is the number one risk affecting the organisation currently.

The emerging risks were discussed at the Quality Assurance Board (QAB) in November and the IAGC in January 2015; these are further explored in the attached paper. The decision taken at that time was not to add these risks onto the register but to maintain a close overview of any significant changes, which may affect that decision.

New	One	<ul style="list-style-type: none"> • Difficulty in recruitment of staff against vacancies and national shortages in some hard to recruit posts
Reduced	One	<ul style="list-style-type: none"> • Complexities of managing the market
Increased	Two	<ul style="list-style-type: none"> • Divisional governance arrangements and the findings of the external review • Failure to meet and sustain the admitted 18 weeks RTT performance standards in all areas
Substantially changed	Three	<ul style="list-style-type: none"> • HCAI – Clostridium difficile infections (CDI) remain above trajectory; the surgical division have exceeded their targets for the year • A&E performance is still not being maintained against the 4-hour standard • Provision of patient transport service – new provider
Removed	Three	<ul style="list-style-type: none"> • Ability to meet CQUIN programme • Healthcare records • Information Governance standards and the annual IG Toolkit
Emerging	Four	<ul style="list-style-type: none"> • Training of staff in the new PPE for potential Ebola infected patients • Staffing issues in Finance • CQC Fundamental Standards - Legal Duty of Candour and fining for breaches • Ultra clean air vertical laminar flow units
<p>Discussions have taken place with the Trust Secretary on the improved integration of the risks outlined within the Board Assurance Framework and the Corporate Risk Register.</p>		
<p>RECOMMENDATIONS: The Board is asked to review the paper and associated attachments and decide if they are a true representation of the top 10 risks affecting the Trust currently.</p>		
<p>NEXT STEPS: A full risk register will be presented to the QAB in February 2015.</p>		
<p>IMPACT ON TRUST'S STRATEGIC OBJECTIVES: The Strategic objectives and BAF will ultimately drive the Annual Governance Statement, which represents the Trusts' ability to identify and manage risks effectively. Failure to demonstrate a consistent approach to the mitigation and control of risks can impact considerably on the effective delivery of the Trust's strategic and annual objectives.</p>		
<p>LINKS TO BOARD ASSURANCE FRAMEWORK: There is an integral link to the Board Assurance Framework that runs through all the risks on the risk register; there is a specific link to A03.</p>		
<p>IDENTIFIED RISKS AND RISK MANAGEMENT ACTIONS: The attached risk register is a distillation of the top 10 risks affecting the Trust and the mitigating actions in place.</p>		

FINANCIAL IMPLICATIONS: Actions to mitigate certain risks have considerable impact on Trust expenditure; financial risks are now quantified in terms of single or cumulative costs. Failure to mitigate some risks will also result in financial loss or an inability to sustain projected income levels.
LEGAL IMPLICATIONS / IMPACT ON THE PUBLIC SECTOR EQUALITY DUTY: The Trust could face litigation if risks are not addressed effectively. The aim of the Public Sector Equality Duty is relevant to the report in terms of the provision of safe services across the nine protected characteristics.
PROFESSIONAL ADVICE TAKEN ON ANY NOVEL OR CONTENTIOUS ISSUES Not applicable
BoD ACTION REQUIRED: (a) to discuss and determine actions as appropriate
CONSEQUENCES OF NOT TAKING ACTION: The Trust will continue to face unmitigated risks which may result in a worsening of the current position.

Summary

1.1. Explanation

This document provides the Board of Directors (BoD) with the risks on the corporate risk register as at 20 January 2015. The full register was last presented to the Board at the August 2014 meeting, the top ten risks were reported at the meeting on 17 December 2014. The full Corporate Risk Register was received by the Risk Management and Governance Group (RMGG) on 23 July 2014 and the top 10 risks were reported at the meeting of the Quality Assurance Board (QAB) on 26 November 2014. This report includes changes that occurred since the November meeting. The full risk register was reviewed by the Integrated Audit and Governance Committee on 19 January 2015. The financial risks were presented to RMGG at the June meeting and last discussed at the FIC in September 2014. There are changes to the financial risks associated with the recent signing of the capped PbR contract for 2014/15 in terms of the external risks as currently outlined in the Corporate Risk Register. The internal risks around financial efficiencies, their controls and the cost improvement programmes remain. The external risks associated with increased clinical activity over the current contractual performance will require revision. This will be managed by the Finance and Investment Committee (FIC) and the workplan for the committee revised to review the register in December 2014.

The Corporate Risk Register outlines descriptions of the risks, mitigating actions, residual impact following the action, and cumulative outline of action taken. Progress is being made across each area of risk in pursuing the necessary actions to control and mitigate the risks. Risks associated with Health and Safety legislation are as indicated on the register.

The 10 highest areas of risk are:

Rank	Risk Number	Summary
1	57	Quality, safety, financial & reputational consequences associated with the CQC's published report
2	34	A&E performance and emergency pathways
3	27	Internal - Financial Efficiency Improvements and Control
4	29	External - CCG Demand Management, Contract Negotiations and Financial Challenges
5	3	Patient safety, experience & effectiveness compromised through inefficient clinical pathways/patient flow
6	59	Poor staff survey results and evidence of staff engagement
7	60	Difficulty in recruitment of staff against vacancies and national shortages in some hard to recruit posts
8	54	Delays in cancer treatment and potential issues with MHRA compliance due to temporary closure of the aseptic service
9	30	Internal - Operational Performance Targets
10	15	Ability to maintain continuous improvement in reduction of HCAs in the presence of existing low rates

1.2. Significant changes to the Register since December 2014 – Two

- 1.2.1. **Risk 15 - Ability to maintain continuous improvement in reduction of HCAs in the presence of existing low rates.** Currently there is one case of MRSA

bacteraemia assigned to the Trust to date during this financial year. Three cases were reported; both pre-48 hour.

The Trust target for C. difficile for 2014/15 is 47 cases, which is in line with previous targets. There have been 43 reported cases of C difficile within the new financial year at the time of this report. There were three cases of C difficile reported during December 2014, which is one of the lowest reporting months. However, this still equates to eight cases above trajectory for this financial year. The UC<C and the Specialist Divisions are in line with trajectory; the Surgical Division is ahead of target; the Surgical Division has reported 16 cases against a total trajectory of 12 for the year. NHS England has revised their objectives and guidance for C. difficile infections (CDI) for 2014/15. The key change is the linking of each CDI with identifiable lapses in care. Where there is no link with identifiable lapses in care, there is a proposal that such cases are not considered when contractual sanctions are being calculated; agreement for exclusion must be agreed with the co-ordinating commissioner.

A recovery plan is in place including the implementation of Hydrogen Peroxide vapour system (HPV) for high level disinfection of clinical areas Trust wide as appropriate. A revised diarrhoea risk assessment tool has been developed and is fully operational across the Trust. In addition, the IPCT are implementing the HOUDINI protocol to improve the management of urinary catheters with regard to strict criteria for insertion and removal which will be audited. Compliance against the HOUDINI protocol forms a component of the Trust's submitted Patient Safety Programme for the next three years.

- 1.2.2. **Risk 34 - A&E performance targets** – This risk is also linked to risk 47 “lack of a whole systems response to activity pressures” and to risk 3 “patient safety risks associated with inefficient clinical pathways and patient flow”.

The Trust failed to meet the four-hour standard for April, May and June 2014, with performance at 94.7%, 94.5% and 93.8% respectively, which resulted in a failure for quarter 1. The Trust was again non-compliant with the four-hour A&E standard in July 2014 at 92.44%; the standard was met in August at 95% but was non-compliant against the standard for September at 92.9%. There was a further failure to meet the standard in October at 92.8% and a failure to meet quarter 2 overall. The Trust was non-compliant again with the 4 hour A&E standard in November and December 2014 at 90.72% and 88.5% respectively. The standard for quarter 3 performance was at 90.7% and therefore not met.

The main reasons for this continue to be peaks in A&E attendances, ambulance conveyances and an increase in conversion rates on the two A&E sites. Activity levels were above last year (+1.48%), which is a lower increase than that seen in the past six months. There is variation between sites with KCH seeing around the same number as last year (+0.56%). QEH and WHH have seen a larger increase (1.4% and 2.26% respectively). Ambulance attendances have increased to the highest recorded level for the Trust at 5806. This is up 4.56% on last year. It is important to note this number may differ from numbers issued by SECAMB as it

includes patients who are not booked into A&E e.g. pPCI. Once again, this varies between sites with KCH seeing 9.69% an increase of on last year, the QEH by 4.48% and the WHH by 2.37%.

Further updates are provided within the Key Performance Indicator report.

- 1.2.3. **Risk 15** - PTS issues impacting on timely discharges and current service provision. The risk has been re-described on the basis of the rescinding of the existing contract with the current service provider. Notice has been served on the current provider by the West Kent CCG Accountable Officer who is coordinating the project plan. This plan includes the maintenance of services during notice period and re-procuring a new service/provider. Stakeholder sessions planned to build new service specification incorporating lessons learnt and Trust CEO feedback. Discussions are in train with the AO and the current provider to ensure the daily management of the contract during notice period. The key risk is around any impact on delayed transfers of care during the period of notice.

1.3. Risks decreased in December 2014 – One

- 1.3.1. **Risk 26** – Complexities of managing the market. Good progress has been made in services with substantial capacity gaps. The cardiology business case has been approved, the ophthalmology case is due to go to SIG in January 2015 and the elective orthopaedic case is being finalised for inclusion in the public consultation as part of Delivering our Future. The unmitigated risk reduces from 9 to 6 and the mitigated score from 6 to 3.

1.4. Risks increased in December 2014 – Two

- 1.4.1. **Risk 25** – Divisional governance arrangements. The publication of both divisional and ward to board governance reviews are likely to highlight recommendations for action. In the light of both reports the unmitigated risk score increases from 9 to 16; the mitigated score remains at 4. Further updates and mitigating actions will be described on receipt of the reports and the associated recommendations.
- 1.4.2. **Risk 17** - Failure to meet and sustain the admitted 18 weeks RTT performance standards in all areas. October performance shows the Trust was compliant with both the non-admitted and incomplete pathways standards at an aggregate level. Performance against these standards is deteriorating month on month as referrals in key specialties continue to over-perform the agreed contracted levels.

December performance shows the Trust remains compliant with the non-admitted standard however as has been raised as a risk for several months the incomplete pathways standard has now moved to a non-compliant position along with continued non-compliance in the admitted standard. The deterioration of the incomplete pathways position is as a direct result of significant growth in the admitted backlog, particularly in Dermatology which has grown by 90 in month and Orthopaedics which grew by 89 in month. As agreed by the Trust Board, the Trust will continue to be non-compliant for the admitted standard. Trauma &

Orthopaedics, Dermatology and General Surgery remain non-compliant with the incomplete pathways standard in December with Ophthalmology also moving into non-compliant positions. As previously stated it is unlikely that these specialties will move back to a compliant position until the admitted backlog reduces to a sustainable level. The issues in Ophthalmology relate to the non-admitted pathway and capacity is being sought to treat long waiters in this area since plans to use the Independent Sector fell through in early January.

The unmitigated risk score is unchanged at 15 and the mitigated score increases from 6 to 12.

1.5. Risks removed from the Register in December 2014 – Three

- 1.5.1. **Risk 4** – Ability to meet CQUIN programme and other quality standards. The Trust has met the CQUIN programme targets in most respects since the inception. The capped PbR means that the associated financial risk of non-compliance has been fully mitigated.
- 1.5.2. **Risk 7** – Healthcare records management and clinical documentation. The Healthcare Records Group has overseen a programme around access and storage of healthcare records, which have reduced the management component of the risk. There is an existing risk regarding the professional duty carried by all professional healthcare employees to ensure their standards for record keeping follow that of their registration body. This is a risk that needs to be managed at divisional, rather than at a corporate level.
- 1.5.3. **Risk 20** – Information Governance (IG) and IG Toolkit compliance. The Trust has met the requirement for level 2 compliance for the past four years. Evidence has been externally tested, verified and found to be robust. The only area of concern is the 95% compliance annually for IG training for staff. This will be monitored through the Information Governance Steering Group and the divisional risk register.

1.6. Risks added to the Register in December 2014 – One

- 1.6.1. **Risk 60 - Difficulty in recruitment of staff against vacancies and national shortages in some hard to recruit posts** – A decision was taken to add a new risk regarding the ability of the Trust to recruit into some clinical posts. The Trust is finalising the six-monthly review into nurse staffing and acuity; the results of which will be presented at the BoD in January 2015. This includes a review of specialist areas as well as general ward based. The vacancy rate for each professional group is being monitored as part of the CQC Improvement Plan and there are targets agreed for each profession and for key specialty areas e.g. A&E, paediatrics and non-obstetric ultrasound. This will be reported at the monthly Monitor performance review meeting. The Trust is 85 per cent through the £2.9 million investment into staffing, which was approved at the Board in November 2013. The HR director has reviewed the recruitment pathway and there is a close working relationship with HEKSS and the local Universities to develop innovative approaches to training in some areas to release registered staff from some activities.

NICE are planning to publish guidance for staffing levels in A&E department; the consultation document is yet to be released for comment. This may result in a reassessment of staff, and the type of staff, required in this area. The expected date of issue is May 2015.

1.7. Emerging risks

- 1.7.1. There is an emerging risk on the Finance Risk Register as a consequence of the high number of staff vacancies and the loss of key skills with staff leaving the Trust. The risk is that this may impact on the achievement of current and future plans and financial stability. Gaps within key personnel are being identified and covered, in the short-term with temporary staff before permanent recruitment. This risk has yet to be discussed and approved at the F&IC. The pre-mitigation score is currently 15 and the post mitigation score is 10.

It was agreed at the IAGC to record this as a separate risk on the corporate risk register to differentiate between clinical and non-clinical staffing.

- 1.7.2. CQC fundamental standards, which replace the current 16 essential standards for quality and safety. Two standards came into force on 27 November 2014 for the acute sector; these are the duty of candour and the fit and proper person's requirements. The remainder come into force from April 2015. The duty of candour places a legal duty on the Trust to notify patients and relatives in writing when an incident resulting in moderate or severe harm or death occurs during an episode of care. Once the patient has been told in person about the notifiable patient safety incident, the organisation must provide the patient with a written note of the discussion, and copies of correspondence must be kept. The statutory duty of candour will be brought about through CQC registration regulations. There is a potential for any NHS organisation to be fine for any confirmed breach of this regulation equivalent to £2,500 per breach.
- 1.7.3. Changes to the national guidance for the management of patients with suspected viral haemorrhagic fever / Ebola have increased the amount of personal protective equipment (PPE) that staff need to wear for contact with high-risk patients. This means that staff need re-training, as the removal process is much more complicated, there is a greater risk of staff potentially self-contaminating. It will take approximately 10 minutes to get one staff member out of this PPE, and it involves an additional person directing proceedings who is the "Safe Undressing Assistant", which is a new role for staff to learn. Approximately 200 members of staff require training; this covers the two A&Es, the ECC, MIU at Buckland, and Oxford, Sandwich Bay, Rainbow and Padua wards.

Training will take around an hour and half, will need to be undertaken at designated mandatory training sessions away from the clinical areas, and the Infection Control Team has capacity for a maximum of 10 staff per session.

Due to business continuity pressures staff in the A&E/ECC cannot be released for this training. Staff have all been trained in the use of the existing PPE and this is all readily available.

- 1.7.4. The current ultraclean air (UCA) vertical laminar flow units within theatres 7 and 8 at the QEOMH are not working to 100% efficacy. The use of UCA is considered essential by the British Orthopaedic Association (BOA) elective primary and revision joint surgery and major orthopaedic procedures. Whilst the UCAs are only working at 85% efficacy, this poses an infection risk to patients and the provision of elective joint surgery is at risk.

The divisional medical director and director met on 19 January 2015 with the Infection Control Team. The shortfalls in performance were not known until January 2015 and consequently, elective patients have been treated in these theatres over the past three months. A review of the infection risk associated with this patient cohort has shown no infections, which could have been avoided by the use of a UCA function; one patient did have an E coli infection over the past six month period. An interim contingency is planned in order to allow the planned lists to continue whilst a full assessment and repair of the UCA laminar flow is made, however no elective joints will be done in these theatres and they will be used for any procedure which does not require a UCA function.

The current provision of UCA laminar flow at the WHH does not allow all patients requiring elective primary or revision joint surgery to undergo their procedures in an operating theatre dedicated for this purpose. This means that there is a different standard of treatment for these patients. The Trust is one of the very few hospitals in the UK and Europe not undertaking all elective primary or revision joint surgery UCA laminar flow environment. A review of the literature shows a marginal increase in the rate of infection for patients treated under a UCA laminar flow function; however failure to provide this environment may place the Trust at risk from the ability to defend any claim arising from this surgery.

2. Risk Register and impact on the Annual Governance Statement

- 2.1. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of East Kent Hospitals University NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
- 2.2. The gaps in controls identified for the revised performance risks will impact on the Annual Governance Statement for 2014/15 and the internal systems currently in place to control and manage risk effectively.

3. The BoD are requested to:

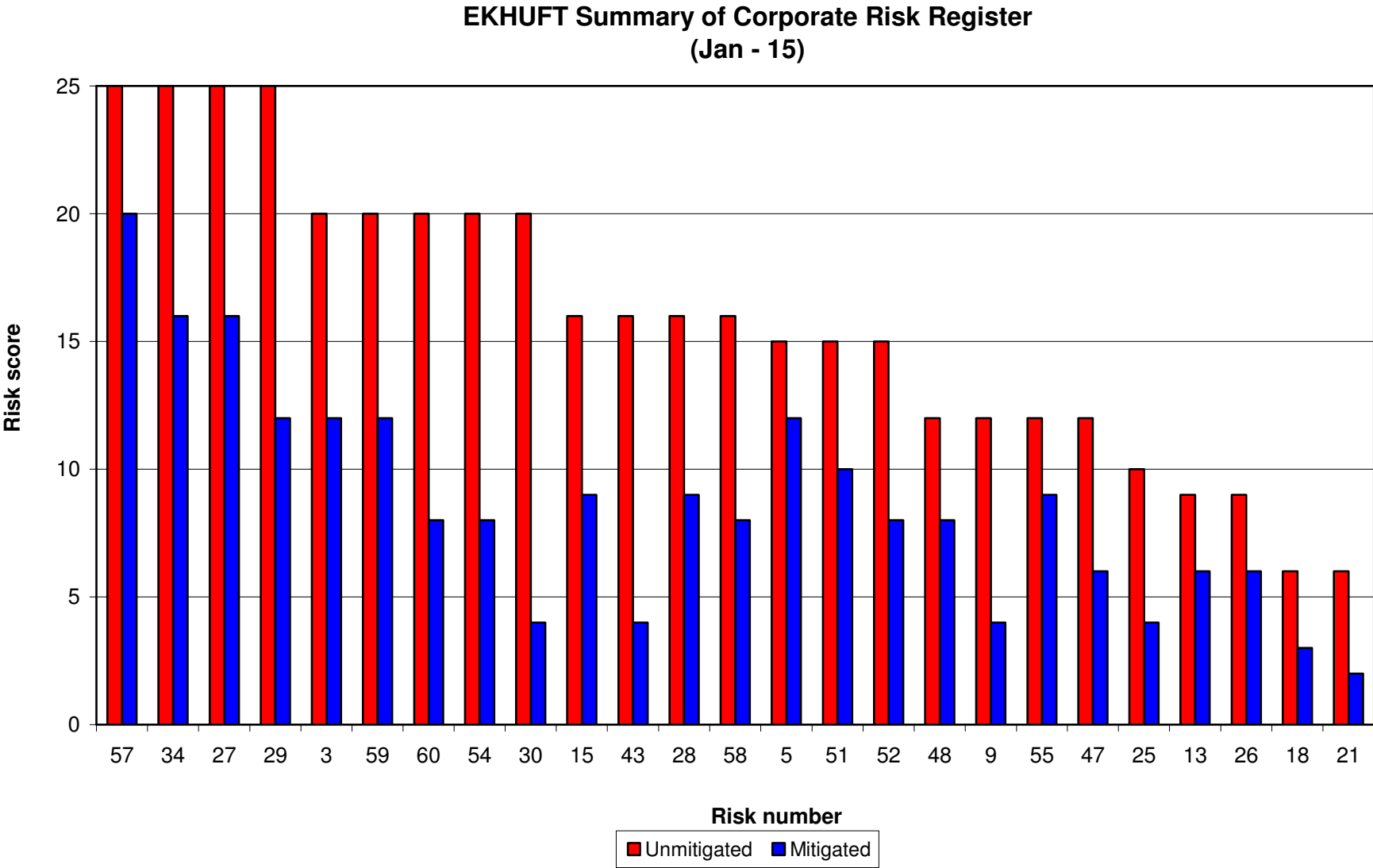
- 3.1. Note the report, discuss and determine actions as appropriate and approve the revised risk register.

4. Pre and Post Mitigation Scores

Current order	Risk number	Unmitigated	Mitigated	Description	Last Reviewed	Review Contact
1	57	25	20	Quality, safety, financial & reputational consequences associated with the CQC's published report	Jan-15	Stuart Bain
2	34	25	16	A&E performance and emergency pathways	Dec-14	Giselle Broomes
3	27	25	16	Internal - Financial Efficiency Improvements and Control	Sep-14	David Bains
4	29	25	12	External - CCG Demand Management, Contract Negotiations and Financial Challenges	Sep-14	David Bains
5	3	20	12	Patient safety, experience & effectiveness compromised through inefficient clinical pathways/patient flow	Nov-14	Julie Pearce
6	59	20	12	Poor staff survey results and evidence of staff engagement	Nov-14	Sandra Le Blanc
7	60	20	8	Difficulty in recruitment of staff against vacancies and national shortages in some hard to recruit posts	Dec-14	Sandra Le Blanc
8	54	20	8	Delays in cancer treatment and potential issues with MHRA compliance due to temporary closure of the aseptic service	Oct-14	Mary Tunbridge/Obafemi Shokoya
9	30	20	4	Internal - Operational Performance Targets	Sep-14	David Bains
10	15	16	9	Ability to maintain continuous improvement in reduction of HCAs in the presence of existing low rates	Nov-14	Sue Roberts
11	43	16	4	Embedding Divisional Quality Governance	Nov-14	Helen Goodwin
12	28	16	9	External - Cost and Income Pressures including Technical Changes	Sep-14	David Bains
13	58	16	8	Effective diagnosis and management of sepsis	Jan-15	Michelle Webb
14	5	15	12	Failure to meet 18 weeks RTT	Nov-14	Jane Ely
15	51	15	10	Business continuity and disaster recovery solutions for Trust wide telephony	Oct-14	Andy Barker
16	52	15	8	Clinical and patient safety risk associated with the delayed implementation of the PACS/RIS	Aug-14	Mary Tunbridge
17	48	12	8	Transport Service to a new national provider - possible DTOC during transition phase	Jan-15	Finbarr Murray
18	9	12	4	Loss of clinical reputation due to unmitigated patient safety risks	Oct-14	Michelle Webb
19	55	12	9	Failure to meet and sustain the 62 day cancer targets for urgent GP and screening referrals	Nov-14	Jane Ely
20	47	12	6	Winter planning and capacity management	Sep-14	Jane Ely
21	25	10	4	Management of complaints and patient experience	Nov-14	Sally Smith
22	13	9	6	Age and Design of Trust constraint EKHUFT being top 10 in England	Jan-15	Finbarr Murray
23	26	9	6	Profile and effectiveness of the clinical audit function	Oct-14	Robin Upton
24	18	6	3	Complexities of Managing the Market	Jan-15	Rachel Jones
25	21	6	2	Blood transfusion process - vulnerable to human error	Mar-14	Angela Green

Highest risk post mitigation

5. Highest risk post mitigation



Appendix 1 - scoring methodology

Risk Scoring Matrix (Financial values have been added to these levels)

CONSEQUENCE / IMPACT FOR THE TRUST	
LEVEL	DETAIL DESCRIPTION
1	Negligible - no obvious harm, disruption to service delivery or financial impact. Reputation is unaffected.
2	Low - The Trust will face some issues but which will not lower its ability to deliver quality services. Minimal harm to patients; local adverse publicity unlikely; minimal impact on service delivery. Financial impact up to £1 million non recurrent/one off or up to £2 million over 3 years.
3	Moderate – The Trust will face some difficulties which may have a small impact on its ability to deliver quality services and require some elements of its long term strategy to be revised. Level of harm caused requires medical intervention resulting in an increased length of stay. Local adverse publicity possible. Financial impact between £1 million and £3 million non recurrent/one off, or between £2million and £ 6million over 3 years.
4	Significant – The Trust will face some major difficulties which are likely to undermine its ability to deliver quality services on a daily basis and / or its long terms strategy. Major injuries / harm to patients resulting in prolonged length of stay. External reporting of consequences required. Local adverse publicity certain, national adverse publicity expected. Likelihood of litigation action. Temporary service closure. Financial impact between £3million and £5million non recurrent/one off or between £6 million and £10million over 3 years.
5	Extreme – The Trust will face serious difficulties and will be unable to deliver services on a daily basis. Its long term strategy will be in jeopardy. Serious harm may be caused to patients resulting in death or significant multiple injuries. Extended service closure inevitable. Protracted national adverse publicity. Financial impact at least £5 million non recurrent/one off, or at least £10 million over 3 years.
LIKELIHOOD OF RISK CRYSTALLISING	
LEVEL	DETAIL DESCRIPTION
1	Rare - may occur only in exceptional circumstances. So unlikely probability is close to zero.
2	Unlikely - could occur at some time although unlikely. Probability is 1 - 25%.
3	Possible – reasonable chance of occurring. Probability is 25 – 50%.
4	Likely – likely to occur. Probability is 50 – 75%.
5	Almost Certain – Most likely to occur than not. Probability is 75 -100%.

		Impact				
		1	2	3	4	5
Likelihood	1	L	L	M	H	H
	2	L	L	M	H	E
	3	L	M	H	E	E
	4	M	M	H	E	E
	5	M	H	E	E	E

E	Extreme Risk - immediate action required
H	High Risk - senior management attention required
M	Moderate Risk - management responsibility must be specified
L	Low Risk - manage by routine procedures