

## BOARD OF DIRECTORS MEETING (Open)

Date: 8<sup>th</sup> November 2017

Item Ref: 

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<b>TITLE OF PAPER</b>	Board Risk Profile
<b>TO BE PRESENTED BY</b>	Margaret Saunders, Director of Corporate Governance (Board Secretary)
<b>ACTION REQUIRED</b>	Discuss and approve the Board Risk Profile. Agree to continue to receive quarterly updates.

<b>OUTCOME</b>	To ensure the Board of Directors is fully informed of the high level risks that are prevalent within the Trust.
<b>TIMETABLE FOR DECISION</b>	The Risk Profile will be presented to the Board of Directors on a quarterly basis.
<b>BAF OBJECTIVE No AND TITLE</b>	A401ii Effectiveness of Trust Governance Systems
<b>LINKS TO OTHER KEY REPORTS / DECISIONS</b>	Internal Audit Reports on Risk Management Corporate Risk Register Board Assurance Framework Directorate Risk Registers
<b>LINKS TO OTHER RELEVANT FRAMEWORKS BAF, RISK, OUTCOMES ETC</b>	Board Assurance Framework (BAF) links to strategic aims and objectives, corporate (organisational) risk register, directorate risk registers. Plus the regulatory requirements of NHS Improvement.
<b>IMPLICATIONS FOR SERVICE DELIVERY AND FINANCIAL IMPACT</b>	Implications of individual risks outlined on the Risk Profile.
<b>CONSIDERATION OF LEGAL ISSUES</b>	Compliance with Governance requirements of NHS Improvement including Trust Provider Licence.

<b>Author of Report</b>	Sam Stoddart
<b>Designation</b>	Deputy Board Secretary
<b>Date of Report</b>	2 <sup>nd</sup> November 2017

## SUMMARY REPORT

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**Report to:** Board of Directors

**Date:** 8<sup>th</sup> November 2017

**Subject:** Board Risk Profile (Open)

**From:** Margaret Saunders, Director of Corporate Governance (Board Secretary)

**Prepared by:** Sam Stoddart, Deputy Board Secretary

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### 1. Purpose

The attached report is the Board Risk Profile produced using the high level risks currently recorded on the Trust's Corporate Risk Register. This report is provided to enable greater awareness and understanding at Board level of the major risks facing the organisation and for the Board to challenge the effectiveness of the controls in place to mitigate these risks.

### 2. Summary

The corporate risk register records the risks that underlie the strategic, overarching risks that are captured on the Board Assurance Framework (BAF); the operational risks that the Trust faces on a day-to-day basis. Risks that cannot be controlled within a single directorate, or that affect more than one directorate, are recorded on the corporate risk register. Risks are evaluated in terms of likelihood and impact using the 5 x 5 matrix where a score of 1 is a very low likelihood or a very low impact and 5 represents a very high likelihood or significant impact. This simple matrix is used to classify risks as very low (green), low (yellow), moderate (amber) or high (red).




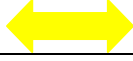


Only those risks rated 12 or above are shown on the Board Risk Profile of which there are currently six.

Consequence						
5	Catastrophic	5	10	15	20	25
4	Major	4	8	12	16	20
3	Moderate	3	6	9	12	15
2	Minor	2	4	6	8	10
1	Negligible	1	2	3	4	5
		Rare	Unlikely	Possible	Likely	Almost Certain
		1	2	3	4	5
<b>Likelihood</b>						

1-4	Very Low Risk
5-8	Low Risk
9-12	Moderate Risk
15-25	High Risk

Once completed, actions are no longer shown on the report. Therefore all actions are either outstanding or on-going. Since this report was last presented to the Board of Directors in July 2017 the following amendments have been made:

**2.1** The table below shows the 7 risks on the register and identifies updates that have been made since its last presentation to the Board.

Risk No	Risk Description	Residual Risk Rating	Changes to Risk Rating	Risk Owner	Changes
2175	Failure to deliver required levels of CIP and disinvestments recurrently.	12 (4x3) Moderate		Phil Easthope	Actions updated
3659	Risk of cyber security attack	12 (4x3) Moderate	NEW RISK	Phil Easthope	Agreed by EDG 31/8/17
3679	Risk of harm to service users via ligatures.	15 (5x3) High		Mike Hunter	Controls and actions updated
3718	Risk of uncertainty around pension liability for the Trust following the ending of the Section 75 agreement with Sheffield City Council	12 (4x3) Moderate		Phil Easthope	Actions removed that do not relate to the risk and remaining risk updated.
3788	Breach of EMSA	12 (4x3) Moderate		Clive Clarke	No amendments required
3831	Risk that high levels of staffing vacancies will impact on quality in acute and rehab wards.	12 (4x3) Moderate		Mike Hunter	Controls and actions updated
3842	Failure to effectively meet demand for patient access at Clover Group	9 (3x3) Moderate		Phil Easthope	Actions closed and updated, controls added, de-escalated from 3x5. REMOVED.
3858	Potentially unsafe clinical decisions, staff attrition and sickness on inpatient wards due to lack of senior clinical cover out of hours.	12 (4x3) Moderate	NEW RISK	Clive Clarke	Agreed for inclusion on the CRR by EDG on 2/11/17.

## 2.2 New Risk

Risk 3659 cyber security has been added to the corporate risk register.  
Risk 3858 relating to lack of nursing cover out of hours on inpatient wards was escalated by both specialist and inpatient directorates and agreed by EDG on 2/11/17 to be included on the corporate risk register.

## 2.3 De-escalated risks

Risk 3439: (Clover Group risk to successful transformation agenda). This was closed and replaced with a more specific risk to reflect the changing nature of the situation. The new risk number 3842 identified the risk of failing to meet demand for patient access. This was placed on the risk register on 29/09/2017 at a residual risk rating of 15 (3x5). However, since September a number of actions have been completed which provide assurance about the ability to meet demand. This has resulted in a reduction of the risk rating to 9. EDG agreed at its meeting of 2/11/17 that this risk would be removed from the corporate risk register for management and oversight at directorate level.

## 2.4 Risk Profile

Below is the Trust's risk profile which shows the spread of high level risks on the Board Risk Profile and gives an overall impression of the Trust's total exposure to risk.

<u>Consequence</u>						
Catastrophic (5)			1			
Major (4)			6			
Moderate (3)						
Minor (2)						
Negligible (1)						
		(1) Rare	(2) Unlikely	(3) Possible	(4) Likely	(5) Almost Certain
		<u>Likelihood</u>				

## 3. Next Steps

- New corporate risks will be discussed with risk leads, to ensure accurate recording of risks, controls and actions, prior to inclusion on the corporate register, where EDG agrees appropriate for inclusion;
- The Director of Corporate Governance (Board Secretary) will maintain the corporate risk register on the Board's behalf;
- Following discussion at EDG regarding directorate escalated risks, additional risks may be added to the Profile, prior to presentation at the next Board meeting;
- The Executive Directors' Group (EDG) will review the Risk Profile prior to Board meetings;
- The Corporate Risk Register will continue to be presented to the EDG on a quarterly basis. Relevant risks will be presented to Audit Committee, QAC, FIC and WODC at least four times a year.

## 4. Required Actions

The Board of Directors is asked to discuss and approve the Board Risk Profile.

## 5. Monitoring Arrangements

The corporate risk register will be maintained by the Director of Corporate Governance (Board Secretary). EDG, the Audit Committee and the Board of Directors will receive and monitor high level risks on a quarterly basis. Other Board committees will receive relevant risks for monitoring purposes on a quarterly basis.

## 6. Contact Details

For further information, please contact:

Margaret Saunders

Director of Corporate Governance (Board Secretary)

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# RISK REGISTER

## CORPORATE (PUBLIC)

AS AT: November 2017

**Risk No. 2175**    **Risk Type:** Financial    **Directorate:** Finance    **Last reviewed:**  
**BAF Ref: A401i**    **Risk Source:** Risk Assessment    **Monitoring Group:** Finance & Investment Committee    26/10/2017

**Details of Risk:** Failure to deliver required levels of CIP and disinvestments recurrently.

INITIAL RISK	CONTROLS IN PLACE	RESIDUAL RISK	ACTIONS PLANNED
<p><b>16 HIGH</b></p> <p><b>S:</b> 4 Major <b>L:</b> 4 Likely</p>	<ul style="list-style-type: none"> <li>CIPs and disinvestments for 2017/18 are being managed and monitored by EDG. All clinical and corporate CIP plans are quality impact assessed (QIA).</li> <li>Transformational Operational Group (TOG) will shortlist, prioritise and recommend for decision schemes to support the Trust achieve its savings challenge / strategic change programmes.</li> <li>The Director of Finance is managing directorate performance via the Trust's performance framework, requesting action plans as appropriate to report to EDG.</li> <li>Trust business planning cycle and processes.</li> <li>Redeployment Group established to ensure processes are in place to mitigate loss of services/income Trust wide.</li> <li>Executive oversight of recruitment through vacancy control panel.</li> </ul>	<p><b>12 MODERATE</b></p> <p><b>S:</b> 4 Major <b>L:</b> 3 Possible</p>	<p>Corporate CIP plans agreed and are scheduled for QIA in August and September. This has been delayed into November.</p> <p>Recovery plans are being developed and monitored under the performance review process.</p> <p>TOG - Planning for 18/19 CIP including review of CIP allocation processes.</p> <p>Ongoing monitoring of LD disinvestment schedule/timing (8 month delay), expecting full disinvestment by Nov 17.</p>
			<p>30/11/2017 Phillip Easthope</p> <p>31/12/2017 James Sabin</p> <p>31/12/2017 Phillip Easthope</p> <p>30/11/2017 Phillip Easthope</p>

**Risk No. 3659**    **Risk Type:** Safety    **Directorate:** ICT    **Last reviewed:**  
**BAF Ref: A404**    **Risk Source:** Risk Assessment    **Monitoring Group:** Quality Assurance Committee    05/10/2017

**Details of Risk:** Risk of cyber security attacks which could have a detrimental impact on clinical operations, result in adverse publicity, potential data loss and financial implications.

# RISK REGISTER CORPORATE (PUBLIC)

AS AT: November 2017

INITIAL RISK	CONTROLS IN PLACE	RESIDUAL RISK	ACTIONS PLANNED
<b>20 HIGH</b> <b>S:</b> 5 Catastrophic <b>L:</b> 4 Likely	<ul style="list-style-type: none"> <li>High level security roadmap is in place.</li> <li>Password Policy developed.</li> <li>Light PEN test conducted through NHS Digital to check system security.</li> <li>End user education and awareness plan developed and approved by ICT Strategy Group.</li> <li>360 Assure undertaking cyber security audit.</li> <li>Cyber security response plan being developed by external consultant, ASM Global, in conjunction with ICT Services Manager.</li> </ul>	<b>12 MODERATE</b> <b>S:</b> 4 Major <b>L:</b> 3 Possible	<p>Business case to support requirement for annual PEN test to be developed. 31/03/2018 Chris Hone</p> <p>End user education and awareness plan including communications and training to roll out and be completed by the end of March 2018. 29/03/2018 Anthony Poole</p> <p>360 Assure to provide feedback from Cyber Security audit and if appropriate, provide recommended action plan. 30/11/2017 Chris Hone</p> <p>ASM Global to complete first iteration of Cyber Security response plan by March 2018. 30/03/2018 Chris Hone</p> <p>Password policy actions to be completed by end of November 2017. 30/11/2017 Chris Hone</p>

**Risk No. 3679**      **Risk Type:** Safety      **Directorate:** Inpatient      **Last reviewed:**  
**BAF Ref: A101i**      **Risk Source:** Risk Assessment      **Monitoring Group:** Quality Assurance Committee      18/10/2017

**Details of Risk:** Risk of harm to service users via ligatures.

INITIAL RISK	CONTROLS IN PLACE	RESIDUAL RISK	ACTIONS PLANNED
<b>20 HIGH</b> <b>S:</b> 5 Catastrophic <b>L:</b> 4 Likely	<ul style="list-style-type: none"> <li>Service user individual risk assessments.</li> <li>Annual formal ligature risk assessments.</li> <li>Weekly Health and Safety checks.</li> <li>Reviews following ligature incidents.</li> <li>Ligature risk reduction policy and procedures.</li> </ul>	<b>15 HIGH</b> <b>S:</b> 5 Catastrophic <b>L:</b> 3 Possible	<p>A number of stakeholder sessions with clinical staff, estates and the Design Team have taken place. As a result we have agreed the zoning of the wards and communal areas in terms of ligature risk. We have also specified which furniture items need to be anti-ligature. This will continue through the next stages of detailed design and specification. 29/12/2017 Lisa Johnson</p>

<ul style="list-style-type: none"> <li>• Management of equipment and estates work.</li> <li>• Clinical risk training.</li> <li>• Clinical practice including observations as directed by observation policy.</li> <li>• Risk identified at directorate level on risk register.</li> <li>• Design of new clinical environments.</li> <li>• Engagement in collaborative care planning with service users.</li> <li>• Observation policy reviewed and approved 5/10/17 by EDG.</li> <li>• Directorate leads identified to implement new Observations policy. Shirley Lawson (Inpatient), Anthony Bainbridge (Specialist), Maxine Statham (Learning disabilities).</li> </ul>	<p>All staff to receive update information session with regard to revised observation policy as part of implementation following sign off.</p> <p>Observation policy disseminated and communicated at team level</p> <p>Observation policy to go live</p> <p>Amend electronic observation tablets</p>	<p>30/11/2017 Lorena Cain</p> <p>30/11/2017 Lorena Cain</p> <p>01/12/2017 Lorena Cain</p> <p>01/12/2017 Simon Robinson</p>
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<b>Risk No. 3718</b>	<b>Risk Type:</b> Financial	<b>Directorate:</b> Finance	<b>Last reviewed:</b>
<b>BAF Ref: A401i</b>	<b>Risk Source:</b> Risk Assessment	<b>Monitoring Group:</b> Finance & Investment Committee	26/10/2017

**Details of Risk:** Risk of uncertainty around pension liability for the Trust, following the ending of the Section 75 agreement with Sheffield City Council.

INITIAL RISK	CONTROLS IN PLACE	RESIDUAL RISK	ACTIONS PLANNED
<p><b>16 HIGH</b></p> <p><b>S:</b> 4 Major <b>L:</b> 4 Likely</p>	<ul style="list-style-type: none"> <li>• Outline plan agreed with the Council and the Board in January 2017.</li> <li>• All SCC contracts with novate across to sit under joint budget from the end of June 2017.</li> <li>• SCC contract monitoring meetings will be incorporated within the CCG Contract Monitoring Group, in line with joint commissioning arrangements.</li> </ul>	<p><b>12 MODERATE</b></p> <p><b>S:</b> 4 Major <b>L:</b> 3 Possible</p>	<p>Memorandum of Understanding has been reviewed by SHSC and is awaiting feedback from SCC. This has now moved on and is with SHSC Finance Department to ratify the revised wording and financial figures regarding pensions. However, Trust is now seeking legal advice with regards to pension liability due to organisational restructuring which has resulted in staff predominantly working in health-funded services.</p> <p style="text-align: right;">31/12/2017 James Sabin</p>

**Risk No. 3788**    **Risk Type:** Statutory    **Directorate:** Inpatient    **Last reviewed:**  
**BAF Ref: A101i**    **Risk Source:** Risk Assessment    **Monitoring Group:** Quality Assurance Committee    29/09/2017

**Details of Risk:** Breach of EMSA.

INITIAL RISK	CONTROLS IN PLACE	RESIDUAL RISK	ACTIONS PLANNED
<p><b>16 HIGH</b></p> <p><b>S:</b> 4 Major <b>L:</b> 4 Likely</p>	<ul style="list-style-type: none"> <li>• EMSA lead for wards.</li> <li>• Effective ward management.</li> <li>• Bed management.</li> <li>• Estates work.</li> <li>• Plans for new design of wards.</li> <li>• Engagement with CCG.</li> <li>• Recording systems.</li> <li>• Risk assessments and management.</li> <li>• Monitoring of complaints and service user feedback.</li> <li>• Quality and dignity survey.</li> <li>• Patient safety survey.</li> <li>• Monthly reporting.</li> <li>• Incident reporting.</li> <li>• New PICU - improved EMSA compliant environment.</li> <li>• Continue to reinforce recording and reporting and continue with regular EMSA reviews of environments.</li> </ul>	<p><b>12 MODERATE</b></p> <p><b>S:</b> 4 Major <b>L:</b> 3 Possible</p>	<p>Work to implement single sex accommodation at MCC (i.e. Stanage and Burbage become single sex wards) to be completed November 2017    30/11/2017                      Rhodri Hannan</p> <p>Finalise plans for work to Dovedale ward at MCC to make it EMSA compliant and complete work by Feb 2018    28/02/2018                      Rhodri Hannan</p>



**Risk No. 3831**    **Risk Type:** Quality    **Directorate:** Inpatient    **Last reviewed:**  
**BAF Ref: A101ii**    **Risk Source:** Risk Assessment    **Monitoring Group:** Quality Assurance Committee    19/10/2017

**Details of Risk:** Risk that high levels of staffing vacancies will impact on the quality of service provided to service users on the acute and rehabilitation wards.

INITIAL RISK	CONTROLS IN PLACE	RESIDUAL RISK	ACTIONS PLANNED	
<p><b>16 HIGH</b></p> <p><b>S:</b> 4 Major <b>L:</b> 4 Likely</p>	<ul style="list-style-type: none"> <li>• Microsystems process focussing on nursing recruitment</li> <li>• Consultant telephone cover available where unable to attend ward</li> <li>• Section 17 leave requests covered by email from Consultant (on occasion) with insight note reviews for agreement</li> <li>• Locum consultant provided cover Burbage from Monday 24th July until 9th September.</li> <li>• Rachel Warner and Helen Crimlisk are now in post covering Burbage Ward. In addition to this a speciality doctor is covering the ward.</li> <li>• Two weekly discussion at both SMT and ward managers meeting</li> <li>• Weekly and daily tracking of staffing and identifying shortfalls</li> <li>• Open advert - with regular schedules recruitment - band 5 nurses</li> <li>• Proactive recruitment - band 5 and band 6</li> <li>• Regular updates and escalation to directors.</li> <li>• All other wards have substantive consultant and ward manager</li> <li>• Creative ways of filling vacancies have been undertaken e.g. 2 band 5 OTs to Stanage Ward</li> </ul>	<p><b>12 MODERATE</b></p> <p><b>S:</b> 4 Major <b>L:</b> 3 Possible</p>	<p>Potential staff redistribution amongst teams being considered.</p>	<p>31/01/2018 Richard Bulmer</p>

- Ongoing review of staffing
- Coverage of qualified shifts across acute and inpatient system by staff redistribution
- Block booking bank or agency staff can be considered by wards to cover predicted extended periods of vacancy

**Risk No. 3858**      **Risk Type:** Safety      **Directorate:** Specialist Services      **Last reviewed:**  
**BAF Ref: A102i**      **Risk Source:** Risk Assessment      **Monitoring Group:** Quality Assurance Committee      / /

**Details of Risk:** During out of hours the most senior clinical cover (other than on call medical) is a band 6 nurse. As a result there is a lack of clinical leadership on the wards/bedded units, a lack of support in the clinical management of complex challenging patients, a lack of clinical gate-keeping and frequent escalation to senior management on-call re clinical decisions.  
 This results in potentially unsafe clinical decisions, staff attrition and sickness.

INITIAL RISK	CONTROLS IN PLACE	RESIDUAL RISK	ACTIONS PLANNED	
<b>16 HIGH</b> S: 4 Major L: 4 Likely	• Risk held by Senior Manager on call.	<b>12 MODERATE</b> S: 4 Major L: 3 Possible	Proposal to implement band 7 senior nurse cover out of hours taken to Business Planning Group on 17/10/2017. Recommended to and approved by EDG on 19/10/2017. Recruitment process to commence.  Change to be integral with larger scale consultation	31/12/2017 Richard Bulmer  / /

**Total 7**