Hertfordshire Partnership NHS
University NHS Foundation Trust

Risk Management Strategy

2014 - 2016

Version:	**9**
Executive Lead:	**Executive Director for Quality and Safety**
Lead Author:	**Compliance and Risk Manager**
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Approved By:	**Integrated Governance Committee**
Ratified Date:	**21st October 2014**
Ratified By:	**Policy Panel**
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Review Date:	**5th November 2016**

Target Audience:
This Policy must be understood by staff working in:
* Risk Management and Practice Governance
* The identification, management and monitoring of risk management at senior or executive level.

Preface - concerning the Trust Policy Management System (PMS)

P1 - Version Control History:
Below notes the current and previous Version details

Version	Date of Issue	Author	Status	Comment
8.2	September 2011	Risk Manager	Current	
9	5th November 2014	Compliance and Risk Manager		

P2 - Relevant Standards:
The Risk Management Strategy is required as part of the Annual Governance Statement

a) Equality and RESPECT: The Trust operates a policy of fairness and RESPECT in relation to the treatment and care of service users and carers; and support for staff.

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P3 - The 2012 Policy Management System and the Policy Format:

- **Policy Template** is the essential format for most Policies. It contains all that staff need to know to carry out their duties in the area covered by the Policy.
- **Operational Policies Template** provides the format to describe our services ,how they work and who can access them
- **Care Pathways Template** is at the moment in draft and only for the use of the Pathways Team as they are adapting the design on a working basis.
- **Guidance Template** is a sub-section of the Policy to guide Staff and provide specific details of a particular area. An over-arching Policy can contain several Guidance's which will need to go back to the Approval Group annually

Symbols used in Policies:

RULE **=internally agreed, that this is a rule & must be done the way described**

STANDARD **= a national standard which we must comply with, so must be followed**

Managers must bring all relevant policies to the attention of their staff, where possible, viewing and discussing the contents so that the team is aware of what they need to do.

Individual staff/students/learners are responsible for implementing the requirements appropriate to their role, through reading the Policy and demonstrating to their manager that they understand the key points.

All Trust Policies will change to these formats as Policies are reviewed every 3 years, or when national Policy or legislation or other change prompts a review. All expired & superseded documents are retained & archived and are accessible through the Compliance and Risk Facilitator Policies@hpft.nhs.uk

All current Policies can be found on the Trust Policy Website via the Green Button or
http://trustspace/InformationCentre/TrustPolicies/default.aspx

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PART 1 Preliminary Issues:

1. Risk

Risk is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted or uncertain action or event.

Risk management is the planned and systematic approach to the identification, evaluation and control of risk. The objective of risk management is to secure the assets and reputation of the Trust and to ensure its continued financial and organisational well-being.

2. Objectives of Risk Management

Good risk management is about identifying what might go wrong, what the consequences might be of something going wrong and finally, deciding what can be done to reduce the possibility of something going wrong. If it does go wrong, as some things inevitably will, making sure that the impact is kept to a minimum.

Risk management should ensure that the Trust makes cost effective use of a risk framework that has a series of well-defined steps. The aim is to support better decision making through a good understanding of risks and their likely impact.

Risk management should be a continuous and developing process which runs throughout the Trusts strategy and the implementation of that strategy, methodically addressing all risks surrounding the Trusts activities past, present and future.

3. External Requirements

As an NHS Foundation Trust the Board is responsible for meeting the requirements set out in their licence regarding the continuity of services and governance.

Within the Risk Assessment Framework (2013/14) Monitor state that Quality Governance is achieved through a combination of structures and processes (at and below board level) which lead on trust-wide quality performance including:

- Ensuring required standards are achieved;
- Investigating and taking action on sub-standard performance;
- Planning and driving continuous improvement;
- Identifying, sharing and ensuring delivery of best-practice;
- Identifying and managing risks to quality of care.

There are four areas and ten questions underpinning Monitors Quality Governance Framework with 1B specifically linking to the risk management agenda:

1B Is the board sufficiently aware of potential risks to quality?

Examples of Good Practice for 1B include:

- The board regularly assesses and understands current and future risks to quality and is taking steps to address them
- The board regularly reviews quality risks in an up-to-date risk register
- The board risk register is supported and fed by quality issues captured in directorate/service risk registers

- The risk register covers potential future external risks to quality (e.g. new techniques/technologies, competitive landscape, demographics, policy change, funding, regulatory landscape) as well as internal risks
- There is clear evidence of action to mitigate risks to quality.
- Proposed initiatives are rated according to their potential impact on quality

The Trust must ensure that it delivers on Monitors Quality Governance Framework and achieves its own strategic goals effectively.

To achieve this the Trust is required to have a Board approved Risk Management Strategy which ensures that there are processes in place to identify significant risks to the corporate objectives, that an understanding of the nature of the risk is sought and that remedial measures are rapidly put into action.

The Trust recognises that risk management as part of quality must be embedded in order for the organisation to function safely and effectively.

The Trust Board is therefore committed to ensuring that risk management forms an integral part of the organisation's philosophy, practices, activity and planning, and should not be viewed as a separate programme of work at any level within the organisation.

The Trust recognises that as a result of the proposed changes outlined in Liberating the NHS (2010) it has a responsibility to ensure that strategies are in place to manage the risks associated with organisational change and the Trust Board will have assurance that quality is maintained by having robust plans in place during a period of change.

4. Scope of this Risk Management Strategy

The Risk Management Strategy details the relationship between the Trusts strategic goals, principal risks and the Board Assurance Framework.

The Risk Management Policy outlines the process for assessing, prioritising and managing all types of risk through risk registers and includes:

- Risk Assessment and Risk Register flow charts
- Risk definitions including Risk Appetite
- Duties and responsibilities of individuals and committees
- The risk assessment process
- The risk management process
- The Integrated Governance and Risk Management Structure
- Board assurance framework and risk register templates

The Risk Management Plan outlines how certain aspects of the risk management policy will be implemented with a number of risk management process changes being introduced.

PART 2 What needs to be done and who by:

5. Board Assurance Framework

The Board Assurance Framework (BAF) is a structure within which the Trust which identifies the principle risks of not delivering on its vision and values and not achieving its **strategic goals**; establishes the systems and controls necessary to manage and mitigate those risks; and receives assurances about the effectiveness of those systems and controls.

Positive assurances will be noted as the year progresses. Where there are identified gaps or weaknesses in control or assurance, actions to address this are noted and progress updated quarterly.

Whilst this framework identifies the significant potential risks which may threaten achievement of the Trust's strategic objectives, any related short term risks requiring specific mitigating actions are cross referenced and documented fully within the Trust's Risk Register.

The Board Assurance Framework is reviewed quarterly ensuring that the **principal risks**, actions being taken and all other aspects of the framework are thoroughly reviewed.

Hertfordshire Partnership NHS Foundation Trust Strategic Goals

Customers and Community

- To deliver high quality integrated health and social care services in accordance with recovery principles.
- To be the provider of choice for our service users, carers, the community and commissioners.
- To work in partnership with the community to promote the wellbeing of others, whilst making a positive contribution to the environment.

People

- To be the employer of choice where staff are highly valued, well supported and rewarded.
- To create a dynamic and flexible working environment where staff are motivated and committed to providing high quality care.
- To embed a learning culture where staff develop their full potential and deliver excellent care.

Sustainability

- To ensure a sustainable future through income growth and efficient use of resources.
- To be an innovative and learning organisation that embraces new and modern approaches to health and social care.

Hertfordshire Partnership NHS Foundation Principle Risks

- Failure to deliver, recovery orientated, clinically effective and best value services within an environment or reduced resources and new financial pressures

- Failure to maintain high quality and safe services leading to regulatory sanctions or prosecutions
- Failure to adequately engage service users, carers, Governors, commissioners and other key stakeholders

- Failure to achieve real partnerships within the community whilst positively promoting well-being

- Not demonstrating an adequate positive contribution to the environment

- Failure to secure and retain the best individuals to deliver the Trust business objectives and service delivery plans.

- Failure to deploy the Trust resource in an efficient and effective manner to achieve the Trust business objectives and service delivery plans.

- Risk is that the Trust does not develop an appropriately skilled workforce to deliver the Trust business objectives and service delivery plans/ high quality care.

- Failure to sustain income necessary to deliver Trust strategy.

- Failure to manage expenditure and thus fail to achieve financial targets.

- Failure to deliver cost improvement plans (CIP).

- Failure to harness innovation and to learn from all external and internal sources

- Failure to meet the requirements of external compliance frameworks.

- Failure to develop and maintain the appropriate infrastructure necessary to deliver the Trust Strategy

- Failure to monitor and react to the external environment, eg Regional and National Policy.

In order to identify the risks against the delivery of principal objectives and gaps in control / assurance the Trust Board has a reporting assurance framework.

Any significant gaps in assurance or control within reports will be identified, translated onto the Board Assurance Framework and remedial action agreed

It is important for the Trust Board to be able to evaluate the quality and robustness of the Assurance Framework and has arrangements in place to keep it updated in light of evidence from reviews and actual achievements.

The Framework identifies the principal risks facing the Trust and informs the Trust Board how each of these risks is being managed and monitored effectively.

Each principal risk has an identified owner who is responsible for managing and reporting on the overall risk. The identified owner is normally an Executive Director.

An Assurance Committee is also identified to assure the Trust Board that each principal risk is being monitored, gaps in controls identified, and processes put into place to minimise the risk to the organisation

It is the responsibility of the Assurance Committees to report to the Trust Board, on a quarterly basis any new risks identified, gaps in assurance/control, as well as positive assurance on an exception basis. If a significant risk to the Trust's service delivery or gap in

control/assurance is identified then this should be reported immediately via the Executive Directors

6. The Trusts Assurance Committees

The Audit Committee

The Audit Committee provides the Trust Board with a means of independent and objective review of financial and operational systems and compliance with law, guidance, and codes of conduct.

It provides assurance to the Board through oversight of the probity and internal financial control of the Trust, working closely with external and internal auditors. Key activities include reviewing governance, risk management and assurance functions.

The Committee approves the annual plans for external and internal audit, and for counter fraud, receiving and reviewing regular reports, monitoring the implementation of recommendations, issues of risk and their mitigation.

Its primary role is to independently oversee the governance and assurance process on behalf of the organisation and to report to the Trust Board on the soundness and effectiveness of the systems in place for risk management and internal control.

In order for the Audit Committee to provide this assurance to the Board, Internal Audit undertakes objective reviews of the Trust systems.

- It reviews the Internal Audit Strategy and Plan ensuring sufficient time is being allocated to verify that suitable and effective systems for Risk Management and controls assurance are in place
- It reviews the relevant elements of the Assurance Framework, and receives reports from the Chief Internal Auditor on audit reports completed and management's response
- Agrees the annual work plan for the Local Counter Fraud Specialist and receives progress reports.
- Reviews the annual report of the Chief Internal Auditor and ensures the content satisfies the requirements of the Trust's Annual Governance Statement signed annually by the Chief Executive as the Trust's Accountable Officer.

The Finance and Investment Committee

The overall purpose of the committee is to provide assurance to the Board that key financial issues have had adequate scrutiny. It is responsible for providing independent and objective review of the financial and investment policy of the Trust, and performance against the associated targets and requirements.

The Committee will commission and receive the results of in-depth reviews and reports in relation to key financial issues and business cases to support investment decisions.

The Integrated Governance Committee

The purpose of the Integrated Governance Committee is to assure the Trust Board and the Chief Executive that high quality care is provided throughout the Trust.

The key objectives are to ensure the Trust delivers and drives the key principles of quality it should assure safe, clinically effective, patient centred care, identifying where improvements may be required. The committee leads on the development and monitoring of quality and risk

systems within the Trust to ensure that quality, patient safety and risk management are key components of all activities of the Trust.

The Committee ensures that appropriate risk management processes are in place to assure the Board that action is taken to identify and manage risks within the Trust. It is responsible for ensuring that the Trust fulfils its governance and associated risk management duties.

Regular reports are made to the Board on the management of the most serious risks on the Trust Risk Register and all aspects of risk management and the Board Assurance Framework.

It is also responsible for the development of systems and processes to ensure that the Trust implements and monitors compliance with the registration requirements of the Care Quality Commission. The Committee makes sure that treatments and services provided are appropriate, reflect best practice, represent best value for money and are responsive to service user needs and that the views and experiences of service users and carers are reflected in service delivery.

The Annual Governance Statement includes a description of the key risks currently faced by the Trust and as the rest of this report makes clear the Trust is still in implementation phase of a major transformation programme. All risks are monitored and managed through the Board's committees and by the Board.

7. Trust Risk Register

All units/services will continue to carry out Risk Assessments and manage risk registers which feed into the Service Line and Strategic Business Unit Risk Registers.

A single framework for the assessment, rating, and management of risk is used throughout the Trust; this process is described in detail within the Risk Management Policy

Each Strategic Business Unit (SBU) will continue to maintain a comprehensive risk register, which will be formally reviewed quarterly (as a minimum) through the SBU Quality and Risk Meetings. At these meetings the SBUs will be expected to report on their risk register, highlight any new or emerging risks to service delivery and present action plans for minimising and managing these risks. The meeting should identify those service risks which also pose a corporate threat and so require inclusion on the Trust Risk Register. The risk register should be seen as a dynamic process as ranking/prioritisation of risks will change as risk reduction practices take place

The SBU risk registers will be collated to form the Trust risk register. These risks will be combined with the corporate risks thus allowing for a bottom up top down approach to identifying the Trust's principal risks and informing the Assurance Framework. This proactive approach to risk management should be holistic and identify all risks to the organisation, including clinical, organisational, health and safety, business, marketing and financial.

8. Risk Management Strategy

The following sets out the Trust's Risk Management Strategy for implementation

- To ensure that the Trust remains within its licensing authorisation as defined by Monitor and to deliver a risk management framework which highlights to the Executive Team and Trust Board any risks which may prevent the Trust from complying with its provider licence

- Continued development of the Board Assurance Framework as the vehicle for informing the Annual Governance Statement.

- To ensure that Risk Management policies are implemented ensuring that: all risks, including principal risks, service development risks, and project risks, are being identified through a comprehensive and informed Risk Register and risk assessment process

- To monitor the effectiveness of the Risk Management Policy

- To develop a Risk Management Plan to improvement the internal management and process on risk management , which is agreed by the Integrated Governance Committee and reviewed and monitored by the Quality and Risk Management Committee.

- To ensure that all individuals within the organisation are aware of their role, responsibilities and accountability with regard to Risk Management.

- To ensure that the structure and process for managing risk across the organisation is reviewed and monitored annually

9. Risk Management Plan

The Risk Management Plan will be developed by the Compliance and Risk Manager and will be reviewed and monitored by the Quality and Risk Management Committee.

The plan will include objectives to address key risk process and management issues in order to ensure continuity and progression in the Trust's strategic direction for risk management.

10. Training/Awareness

STANDARD

Any Training linked to risk management is outlined in the Risk Management Policy

11. Embedding a culture of Equality & RESPECT

The Trust promotes fairness and RESPECT in relation to the treatment, care & support of service users, carers and staff.

RESPECT means ensuring that the particular needs of 'protected groups' are upheld at all times and individually assessed on entry to the service. This includes the needs of people based on their age, disability, ethnicity, gender, gender reassignment status, relationship status, religion or belief, sexual orientation and in some instances, pregnancy and maternity.

Working in this way builds a culture where service users can flourish and be fully involved in their care and where staff and carers receive appropriate support. Where discrimination, inappropriate behaviour or some other barrier occurs, the Trust expects the full cooperation of staff in addressing and recording these issues through appropriate Trust processes.

RULE: Access to and provision of services must therefore take full account of needs relating to all protected groups listed above and care and support for service users, carers and staff should be planned that takes into account individual needs. Where staff need

further information regarding these groups, they should speak to their manager or a member of the Trust Inclusion & Engagement team.

Where service users and carers experience barriers to accessing services, the Trust is required to take appropriate remedial action.

12. Process for monitoring compliance with this document

Action:	Lead	Method	Frequency	Report to:
Internal Audit review of Assurance Framework and Risk Management	Compliance and Risk Manager / Company Secretary	Internal Audit	Annually	Integrated Governance Committee and Audit Committee
The Risk Management Plan	Compliance and Risk Manager	Progress Report	Six Monthly	Quality and Risk Management Committee

PART 3 – Associated Issues

13. Version Control

STANDARD

Version	Date of Issue	Author	Status	Comment
8.2	September 2011	Risk Manager	Superseded	Archived
9	5th November 2014	Compliance and Risk Manager	Current	

14. Archiving Arrangements

STANDARD: All policy documents when no longer in use must be retained for a period of 10 years from the date the document is superseded as set out in the Trust Business and Corporate (Non-Health) Records Retention Schedule available on the Trust Intranet

A database of archived policies is kept as an electronic archive administered by the Compliance and Risk Facilitator. This archive is held on a central server and copies of these archived documents can be obtained from the Compliance and Risk Facilitator on request.

15. Associated Documents

STANDARD

- Risk Management Policy
- Risk Management Plan

16. Supporting References

STANDARD

- Monitor – Risk Assessment Framework

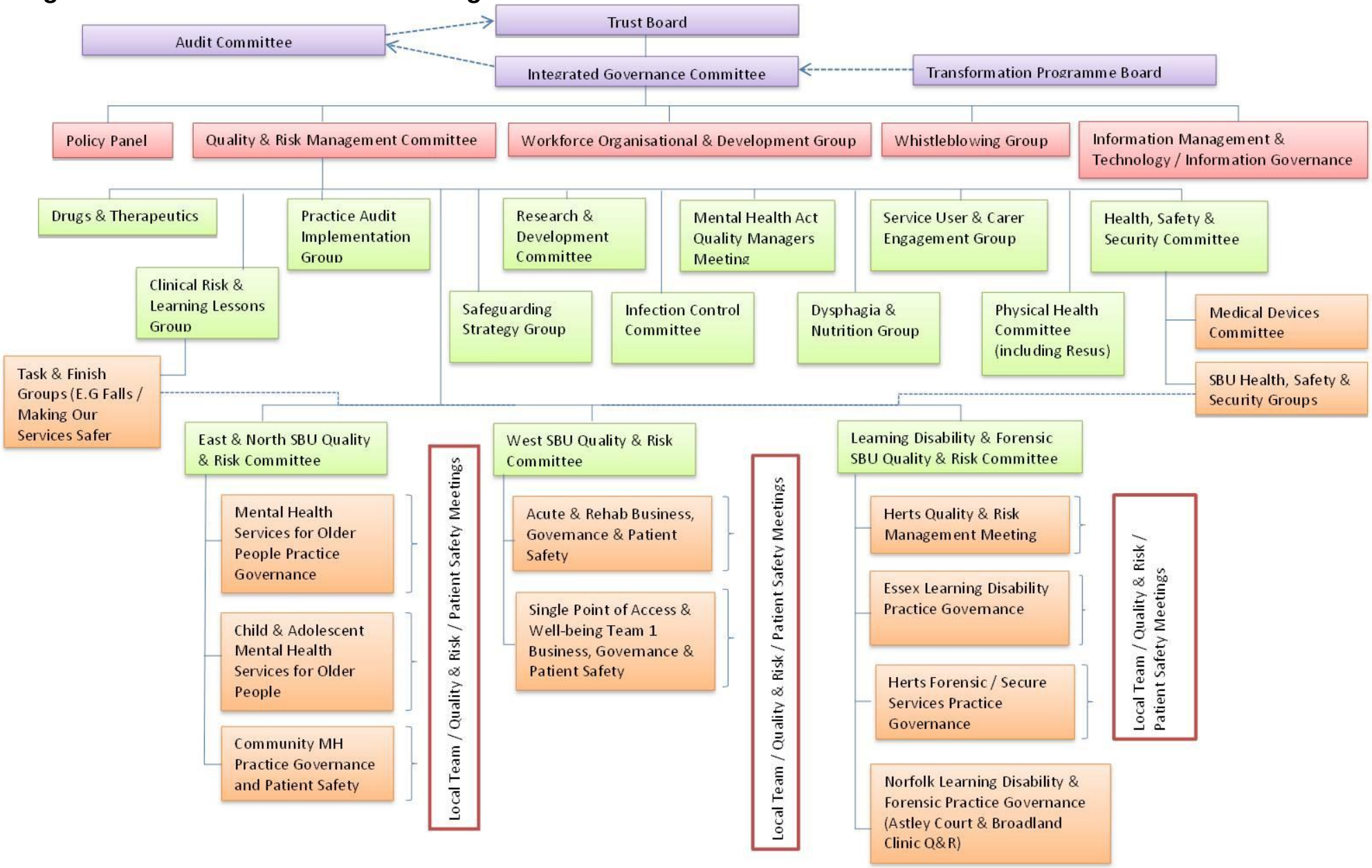
17. Comments and Feedback – List people/ groups involved in developing the Policy.

STANDARD

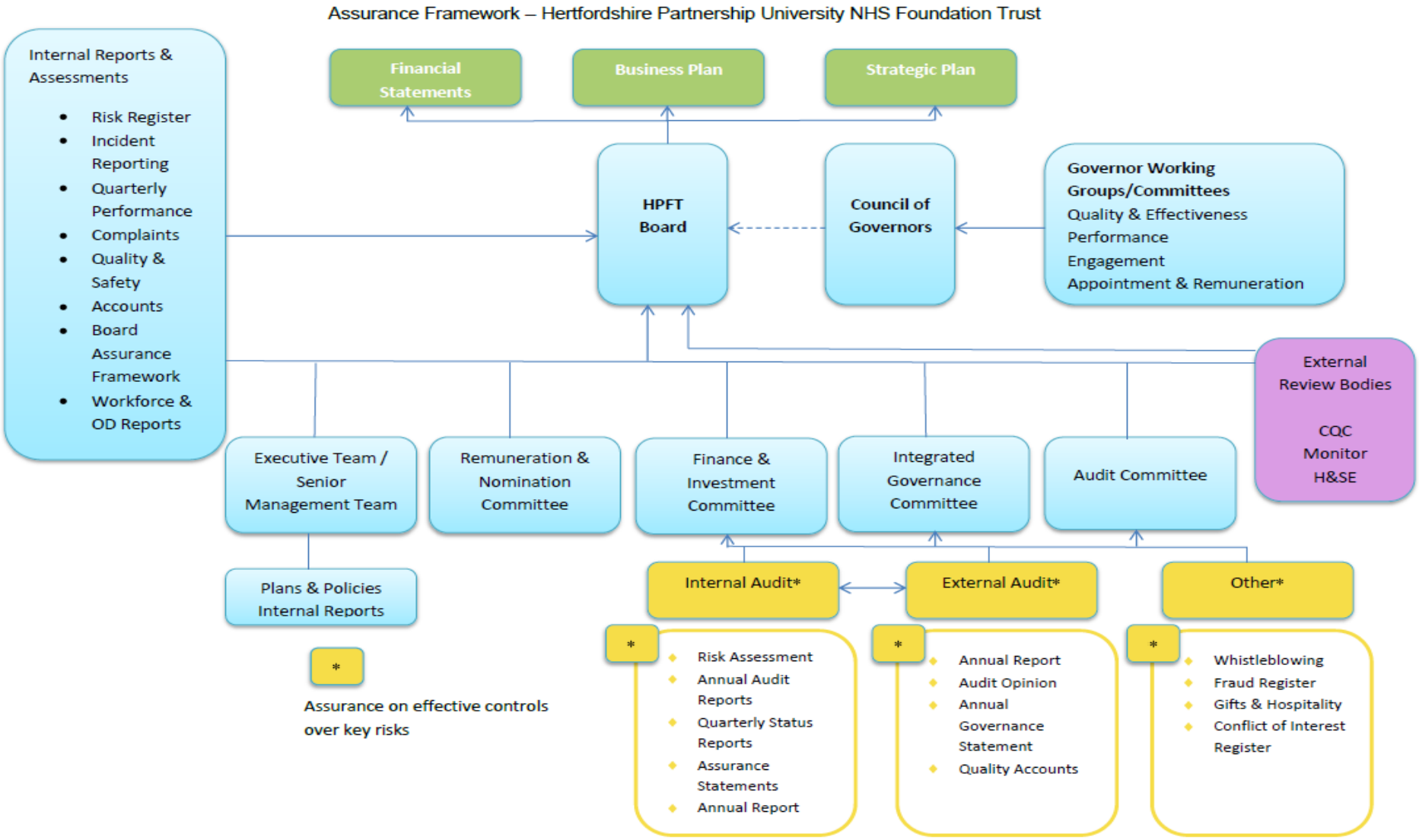
Executive Director for Quality & Safety	All other Executive Directors
Company Secretary	Head of Nursing and Patient Safety
Compliance and Risk Manager	Practice Governance Leads
Compliance and Risk Facilitator	
Head of Practice Governance	

Appendix 1

Integrated Governance and Risk Management Structure



Appendix 2


Assurance Framework – Hertfordshire Partnership University NHS Foundation Trust
Internal Reports & Assessments
Risk Register
Incident Reporting
Quarterly Performance
Complaints
Quality & Safety
Accounts
Board Assurance Framework
Workforce & OD Reports
Financial Statements
Business Plan
Strategic Plan
HPFT Board
Council of Governors
Governor Working Groups/Committees
Quality & Effectiveness
Performance
Engagement
Appointment & Remuneration
External Review Bodies
CQC
Monitor
H&SE
Executive Team / Senior Management Team
Remuneration & Nomination Committee
Finance & Investment Committee
Integrated Governance Committee
Audit Committee
Plans & Policies Internal Reports
*
Assurance on effective controls over key risks
Internal Audit*
External Audit*
Other*
*
Risk Assessment
Annual Audit Reports
Quarterly Status Reports
Assurance Statements
Annual Report
*
Annual Report
Audit Opinion
Annual Governance Statement
Quality Accounts
*
Whistleblowing
Fraud Register
Gifts & Hospitality
Conflict of Interest Register

Our Values

we are...	you feel...
Welcoming	Valued as an individual
Kind	Cared for
Positive	Supported and included
Respectful	Listened to and heard
Professional	Safe and confident

Our Values

Welcoming Kind Positive Respectful Professional