

# Risk Management Strategy and Policy

## Document No: CO2

Specific staff groups to whom this policy <u>directly</u> applies	Likely frequency of use	Other staff who may need to be familiar with policy
Staff that input and manage risks on the trust wide risk register.	Monthly	All staff in contact with volunteers

This policy can only be considered valid when viewed via the NBT intranet.

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<b>Consultation:</b>	Quality Committee Patient Safety Committee Health & Safety Committee
<b>Ratifying Committee:</b>	Audit & Risk Committee
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<b>Date of Approval:</b>	1 June 2019 (9 May QRMC) (Minor updates approved January 2022)
<b>Next Review Due:</b>	1 June 2022
<b>Version:</b>	V3.1
<b>KEYWORDS:</b>	Risk management, risk register, Datix, risk matrix, trust level risk

<b>Summary of changes since the previous version</b>	Minimal changes to appendices from version 3.0. <ul style="list-style-type: none"> <li>- Reflects updated Accountable Committee structure</li> <li>- Reflects change from Quality &amp; Risk Management Committee to Audit &amp; Risk Committee</li> </ul>
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## COMMITTEE DECISION FORM

*To be completed as appropriate and returned to author after the Committee meeting*

Committee:

**Quality & Risk Management**

Committee Chair and title:

**Prof. John Iredale, NED**

Document name:

**Risk Management Strategy and Policy**

Lead Author/ Clinician:

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Specialty/ Division/ Trust-wide:

**Patient Safety Team**

Committee meeting date at which the document was discussed:

9 May 2019

**DECISION** (please tick appropriate box)

**Approved**

X

**Approved** subject to following minor amendments being made:

**Not approved**, Amendments required by the author – Chair to be sent amended document – approval will be given when changes are made

**Not approved**, Amendments or rewrite required by the author before resubmission to the next Committee meeting

The Committee made the following comments and required these amendments:

For further discussion please contact:

## 1. Executive summary:

- 1.1. The policy aim is to achieve optimum quality care and treatment of patients, and the provision of services which are safe and free of unnecessary risks by making maximum use of available resources and reducing wasteful expenditure.
- 1.2. The policy objectives are as follows:
  - 1.2.1. Embed a systematic approach to the management of risk, integrating risk into the overall arrangements for quality governance;
  - 1.2.2. Support achievement of the Trust’s organisational objectives;
  - 1.2.3. Have clearly defined roles and responsibilities for the management of risk;
  - 1.2.4. Ensure that risks are continuously identified, assessed and minimized;
  - 1.2.5. Provide a high quality service and continuously strive to improve patient and staff safety;
  - 1.2.6. Comply with national standards and key regulators;
  - 1.2.7. Establish clear and effective communication that enables information sharing;
  - 1.2.8. Foster an open culture that allows organisation wide learning.

## Contents

1. Executive summary: .....	3
2. Policy statement .....	4
3. Purpose and scope of the policy .....	4
4. Principles of the policy .....	4
5. Definition of terms .....	4
6. Roles and responsibilities .....	7
7. Process for assessing and approving risks.....	11
8. Accountability.....	21
9. Associated policies/documents .....	22
10. Monitoring effectiveness – Appendix 1 .....	23
11. Risk Scoring Matrix – Appendix 2 .....	24
12. Risk types mapped to the Trust’s governance structure – Appendix 3 .....	28
13. Risk Appetite Statement – Appendix 4 .....	29

## 2. Policy statement

- 2.1. The Trust recognises that the complex nature of health care provision is an inherently risky activity. Whilst acknowledging the skills and dedication of all of the team, accidents, incidents and mistakes can potentially happen.
- 2.2. North Bristol NHS Trust makes every effort to ensure that wherever possible risks are designed out of procedures and practice, to reduce it to the lowest possible level through the introduction of control measures, where it is not possible to eliminate all the risk.
- 2.3. The Trust Board will ensure that there are effective governance and risk management arrangements in place to meet its statutory duties and comply with all appropriate regulations, assessments, accreditation and external reporting requirements.

## 3. Purpose and scope of the policy

- 3.1. Risk Management involves the planned and systematic approach to the identification, evaluation and control of risk. It is concerned with evaluating the measures an organisation has in place already to manage identified risks and then suggesting actions that the organisation should take to control these risks more effectively.
- 3.2. The purpose of the risk management policy is to explain North Bristol NHS Trust's underlying approach to risk management and to document the roles and responsibilities of Trust Board, its sub-committees, the senior management team and other key parties.
- 3.3. To outline key aspects of the risk management process, identifying the main reporting procedures for how the Trust will identify, manage and monitor its risks across all of the Trust services and activities.
- 3.4. The policy applies to all Trust staff and staff who have an honorary contract.

## 4. Principles of the policy

- 4.1. Proactively identify risks.
- 4.2. Applies to staff at all levels.
- 4.3. Promote an open, learning and fair culture.
- 4.4. Empower staff to manage risk locally wherever it is reasonable and where this is not possible, risks are reported to a more senior level of management.
- 4.5. Focus on shared understanding of the trust's approach to risk management.

## 5. Definition of terms

- 5.1. The Trust Board of Directors defines its Risk Appetite as:

- 5.1.1. The Trust Board of Directors has zero tolerance for harm to patients and staff through the actions or omissions of the Trust;
- 5.1.2. The Trust will consider strategic and operational decisions in the context of risk-assessed strategies, business cases and projects to allow for these decisions to be taken with due regard to the quality, safety and sustainability of services to patients; and,
- 5.1.3. Trust Level Risk scores are based on the Trust's annual Risk Appetite Seminar (Appendix 4). The Trust Board requires the reporting of Trust Level Risks (as described in this policy) to the Board by quarterly presentation of the Trust Level Risk Report and the Board Assurance Framework.

## 5.2. Risk

Risk is defined as “the effect of uncertainty on objectives”. An ‘effect’ may be positive, negative or a deviation from the expected position. Risk is measured as a combination of the likelihood and the impact of an event occurring.

## 5.3. Risk appetite

The amount of risk exposure an organisation is willing to accept in connection with delivering a set of objectives.

## 5.4. Trust risk register

The formal record of risks across the trust, in a prescribed format, that details what the risk is, its related controls, gaps and actions. This is maintained on the Datix Risk Module.

## 5.5. Trust level risk

These are risks that have an impact at trust level. For the purposes of clarity and reporting these are:

- All approved extreme risks
- All approved risks that meet/exceed to the risk appetite / tolerance score for each risk type (refer to 8.8)
- All risks that have been determined to be Trust Level Risk as part of the process of aggregation as noted in sections 6 & 7 & 8.7 of this policy.

## 5.6. Risk aggregation

The process used to review and consider Trust Level Risks. Possible Trust Level Risks are identified and assessed by the Patient Safety Team by ≤ quarterly Trust risk profiling. The process includes identification of risks that are very similar in nature and appear on more than one divisional risk register with at least one risk graded as “high risk”.

## 5.7. Board Assurance Framework (BAF)

The Board Assurance Framework defines and assesses the principle strategic risks to the Trust's objectives and sets out the controls and assurances in place to mitigate these.

### 5.8. Strategic risk

The principal risks to the trust's objectives.

### 5.9. Accountable committees

For the purposes of this policy, these are Board sub-committees that receive risk reports by risk types as defined within this policy. They receive approved, Trust Level Risks at every meeting for the risk type appropriate to that committee. Each committee can (but is not limited to):

- Offer advice / guidance / challenge
- Request further information
- Request reassessment of the risk score
- Escalate to Board
- Consider as being part of a wider, trust level risk
- Note / identify potential risks and request assessment

The role of Accountable Committee is supported by the committees and groups that report into it (Executive Assurance Committees). For example, the Patient Safety and Clinical Risk Committee shall review, scrutinise and challenge patient safety risks.

### 5.10. Executive Assurance Committees

Report to an Accountable Committees and may receive Trust Level Risks for relevant risk types. For example, the Patient Safety and Clinical Risk Committee shall review, scrutinise and challenge patient safety risks.

### 5.11. Executive Assurance Forum

Is a monthly meeting of the Executive Team with the Associate Director of Patient Safety, where the Trust Level Risks are reviewed, scrutinised and challenged.

### 5.12. Division / Divisional

This refers to all Clinical Divisions **and** Corporate Directorates.

### 5.13. Risk scoring matrix

A document used to assess risk scores. It lists descriptions of the impact of a risk by the type of risk (e.g. financial) and descriptions to assess the probability or likelihood of the risk occurring.

### 5.14. Risk score

This is the total number when multiplying impact by likelihood.

### 5.15. Risk grade

This is the descriptor that the risk score relates to; low, moderate, high, extreme.

### 5.16. Risk type

A risk may impact on several areas of business, for example finance, health and safety. The risk type reflects the main impact of the risk and the area that planned actions will be based on. The main risk type must be identified in order to accurately score the risk.

**5.17. Open risk**

Actions are planned or underway to improve control or to mitigate the identified risk. The risk is reviewed at regular intervals in line with the timeframes set out in this policy.

**5.18. Closed risk**

The risk has been eliminated or controlled, or in some cases sufficiently reduced to an acceptable level of risk; judged in the context of the demands on the Trust’s resources, the potential for harm against individuals, the Trust’s reputation and any statutory obligations. The risk will no longer be reviewed and there must be no outstanding actions. A trust level risk or a risk graded as ≥ high cannot be a “closed risk”.

**5.19. Accepted risk**

The risk cannot be eliminated completely, or does not justify further investment of resource.

**5.20. Risk owner**

The member of staff responsible for managing the risk and keeping the risk entry up-to-date. The risk owner co-ordinates completion of actions.

**5.21. Action owner**

Responsible for completing risk actions and liaising with the risk owner to provide progress updates on risk actions.

**5.22. Executive Risk Sponsor (ERS)**

Each approved Trust Level Risk will have an executive director sponsor who will provide support and challenge to effectively progress control of the risk. The ERS is not responsible for managing the risk.

**6. Roles and responsibilities**

6.1. Summary of our Risk Management Structure from the top down

Visibility	Trust Board	
<b>Executive and Non-Executive Directors</b>	<b>Trust Level Risks:</b> Extreme Risks Aggregated risks  <b>Accountable committees:</b> Patient Experience Committee People Committee Quality Committee	<b>Board Assurance Framework (BAF)</b>
<b>Executive Directors</b>	Executive Risk Sponsor	Strategic Risks

<b>Patient Safety Team</b>	Trust Level risks Aggregated risks	
<b>Divisional Quality Governance Groups</b>	Divisional Governance Approval	All potential risks identified at committees must have a risk assessment to ensure that the risk is understood and approved
<b>Divisional Management Teams</b>	Divisional Risk Registers	
<b>Risk identification and assessment</b>	Proactive and reactive identification: e.g. incidents, complaints, audit, committees, reports, etc.	

## 6.2. Board Responsibilities

<b>Trust Board</b>	Corporate responsibility for ensuring appropriate standards and policies are available to provide guidance and for receiving reports of risk as per the process set out in this policy.  Each strategic risk recorded within the Board Assurance Framework is owned and reviewed by the Board with an identified Executive Director Owner.
<b>Chief Executive</b>	Overall responsibility for ensuring the Trust has an effective risk management system in place, for meeting all statutory requirements and adhering to guidance issued by the Department of Health in respect of Governance.
<b>Executive Directors</b>	Executive Directors are responsible for managing risk as delegated by the Chief Executive and set out in this document.  Sponsor for risks allocated to them on the Trust Risk Register as described in this document.
<b>Director of Corporate Governance and Trust Secretary</b>	Responsible for ensuring that the Trust Board of Directors is cognisant of its duties as set out in this document and for coordinating the annual cycle of Board business to ensure these duties are incorporated on the Board's agenda. As such, leads on the identification and management of strategic risks facing the Trust and their inclusion and update within the Board Assurance Framework.

## 6.3. Other key roles/ responsibilities:

Associate Director  
of Patient Safety

The development and maintenance of a robust integrated risk management strategy and framework that meets internal and external requirements.

Responsible for operational management of the systems, processes and policies that support risk management across the trust.

Act as expert in risk management and risk registers.

Associate Director  
of Quality  
Governance

To provide general management support to the Chief Nurse and the Medical Director across a range of functions.

The key objective of this role is to steer the Trust to successfully implement and maintain requirements of quality governance and compliance with standards as per local and national requirements.

The development and maintenance of a robust integrated governance framework that meets internal and external requirements.

Head of Health &  
Safety Services

To assist in the management of health and safety in an advisory capacity by participating in development of risk control strategies and risk assessment.

Supporting Directors, Designated Managers, Line Managers, Competent Persons and Risk Assessors to undertake their role including the provision of information and training.

Planning and developing health and safety related policies / procedures to support the Trust's safety and risk programmes in liaison with the Trust's Health & Safety Committee.

Patient Safety  
Manager

Management of system that supports risk management (Datix).

To support the development of risk registers and work with teams across the trust to ensure the processes for risk identification, assessment and reporting are being implemented.

Executive  
Assurance  
Committees

These are committees that report to Board sub-committees. For the purposes of this policy, the Board sub-committees are "Accountable Committees" as described above.

Executive Assurance Committees form an integral role in risk management by reviewing, scrutinising and challenging risks on the trust risk register. They may also identify areas of emerging risk and request assessment.

Executive Assurance Committees include:

- Patient Safety and Clinical Risk Committee

- Health & Safety Committee
- Safeguarding Committee
- Workforce Steering Group
- Clinical Audit and Effectiveness Committee
- Drugs and Therapeutics Committee
- Equality and Diversity Committee

While note an Executive Assurance Committee (as it does not formally report to an Accountable Committee) the Executive Assurance Forum also plays a role in risk management by reviewing, scrutinising and challenging risks on the trust risk register.

#### 6.4. Divisional Management Teams responsibilities:

6.4.1. The DMT is accountable for risk management in all their areas of responsibility. They are responsible for:

- Ensuring that the systems and processes of governance within their Division are sufficient and effective.
- Ensuring that a systematic approach to identifying, approving and managing risks is in place.
- A member of the DMT is identified as the “risk owner” for all approved Trust Level risks within their Division.
- Managing and controlling specific risks within their Division.
- Ensuring that appropriate resources are allocated to adequately control risk, which will include the provision of suitable information, instruction, training and supervision.

#### 6.5. Divisional Governance Team responsibilities:

Day-to-day management of the systems and processes that support risk management. For example, facilitating the process of reviewing new risk entries and ensuring accuracy in the risk approval process.

Managers	Responsible for risk assessment and prioritisation of risk (Departmental/ assessment findings in their area.
(Departmental / Ward Managers and equivalents)	<p>Taking any risks or problems that cannot be resolved at a local level to Senior Managers.</p> <p>Ensuring sufficient training and supervision (including coverage of Trust and Divisional policies, hazards, risks) and information is given to all staff to enable them to work safely</p>

and that this has been recorded. Ensuring that staff, within their area, are aware of the Trust's processes for managing risk.

Expectations of ALL staff

In carrying out their normal duties, report to their managers any staff potential risks identified and work in accordance with policy and documented protocols to reduce and mitigate risk.

## 6.6. Risk Management Training

- 6.6.1. The Trust has a mandatory and statutory training policy and training prospectus that details what risk training is available and what the training requirements are for each staff group / type.
- 6.6.2. At annual staff appraisal and development reviews Line Managers review staff compliance with mandatory and statutory training requirements and identify any other risk management training needs.
- 6.6.3. Trust Board members and senior managers will receive appropriate training on risk awareness every two years, as detailed in the Trust's training needs analysis (TNA), attendance will be documented in MLE via signed attendance sheets and any non-attendance followed up by the Trust Secretary, until training has been attended.

## 7. Process for assessing and approving risks

### 7.1. Table: Process for assessing and approving risks

Step	Owner	Action	
Step 1	Staff Member	<b>Carry out a risk assessment</b> Discuss with Specialty/ Department Governance Lead	
Step 2	Specialty/ Department Governance Lead	<b>Review Risk Assessment</b> Decision: Is it a risk?	No – Provide feedback to staff  Yes - Input risk into Datix Risk Register
Step 3	Divisional Governance Lead/ Team	<b>Review Risk Entry</b> Decision: Approve Risk entry?	Reject: Provide feedback to Specialty / Department

Step	Owner	Action
		Approve: follow next step
Business as usual	Risk Owner	<p><b>Continue to manage risk</b></p> <p><b>Progress actions and record risk reviews</b></p> <p>Update committees when required</p>
Trust Level Risks	Accountable Committee	<p>Receive a report on approved Trust Level Risks for the risk type relevant to each committee (as per Section 9.2 of this document).</p> <ul style="list-style-type: none"> <li>• Provide support and challenge</li> <li>• Request additional information or re-assessment</li> <li>• Provide assurance to Board that these risks are well managed</li> </ul>

## 7.2. Detailed procedural guidance

7.2.1. This policy states the key steps for managing risk at NBT.

7.2.2. Detailed guidance for staff with specific risk management responsibilities within their specialty or division is available from the Patient Safety Team and is published on their intranet pages.

## 7.3. Risk identification

7.3.1. Risks are generally identified either proactively or reactively.

7.3.2. Proactively: For example, but not limited to

- As part of a part of business planning, objective setting or preparedness for new regulations, systems, processes or environments.
- Implementation of new systems, interventions or processes.

7.3.3. Reactively: For example, but not limited to:

- Outcomes from inspections
- Incident trends

- Patient feedback
- Staff feedback
- Loss of service
- By existing committees
- By individual staff, for example executive directors

7.3.4. When potential risks are identified, it is important that they are assessed to understand their nature, impact, existing controls and gaps. Depending on the outcome of this process, they may or may not be approved for entry onto the trust's risk register.

7.3.5. This decision is made by the specialty / department governance lead or the divisional governance lead, according to the grade and scope of the risk.

#### 7.4. Risk assessment

7.4.1. A risk assessment can be performed by completing the mandatory fields within the electronic risk register entry form on the Datix Risk Register. This record can be held as a 'draft' risk entry on the electronic system prior to approval.

7.4.2. Risk assessments must:

- a) Clearly and succinctly describe the risk. The description should be written in a cause and effect style, e.g. "There is a risk that patients will fall resulting in  $\geq$  moderate harm".
- b) List all controls currently in place; things that reduce the likelihood of the risk happening.
- c) List all the gaps in controls; things that should be in place that are not (these will indicate what your actions should be).
- d) Score the risk using the risk matrix; what is likely to happen and how likely is this to occur?
- e) It is important that the risk score is based on the actual risk. Using the example above, the scoring is based on how likely it is that a patient will fall resulting in  $\geq$  moderate harm, it is NOT assessing how often patients fall over as that is a different risk.
- f) A simple way to do this is always try to agree the impact first and then consider the likelihood. Doing it this way focuses on the risk being the likelihood of the impact that you have identified as opposed to the likelihood of any event with varying impacts.
- g) State what actions are required to fill the gaps to reduce the likelihood of the risk happening. Risk actions are SMART (Specific, Measurable, Attainable Relevant and Time-bound) and state the date of the next planned milestone, if not, the overall action completion date.

Possible risk identified	
<p style="text-align: center;">Can be through (but not limited to):</p> <ul style="list-style-type: none"> <li>Incident Reporting themes and trends</li> <li>Committees see examples 1 &amp; 2 below</li> <li>Complaints</li> <li>Audit, Reports</li> <li>Individuals</li> <li>Inspections (including internal)</li> <li>Investigations</li> </ul>	
<p style="text-align: center;">To fully understand the risk, with clarity of description, controls, gaps and grade, <b>the possible risk must be assessed in line with policy before it can be an “approved risk”</b>.</p> <p style="text-align: center;">The Datix Risk Module can be used to do this. It will be entered as a “draft” risk and will be reviewed and validated by the responsible Division.</p>	
<p><b>Risk Validated</b> through Divisional approval process</p>	
<p><b>Risk approved</b> on Risk Register (Datix Risk module)</p>	
<p><b>Managed</b> in line with policy</p>	
<p style="text-align: center;"><b>Example 1</b></p> <p>The Workforce Steering Group receives a report that highlights a potential risk. The Group requests that the People and Transformation Division assess the risk to determine its type, grade and required actions.</p> <p>The assessment determines that it is high risk (type: workforce) and that should be on the risk register.</p>	<p style="text-align: center;"><b>Example 2</b></p> <p>Using the same process in Example 1, the Workforce Steering Group receives a report that highlights a potential risk. On this occasion the risk type appears to be Health and Safety as it relates to violence and aggression towards staff. Health and Safety is part of the Facilities Division, therefore the Group requests that the Facilities Division assess the risk to determine its type, grade and required actions.</p>

<p>It is reviewed and validated by the People and Transformation Division and approved.</p> <p>This approved risk is subject to quarterly review as it is graded “high”.</p>	<p>The assessment determines that it is high risk (type: health and Safety) that should be on the risk register.</p> <p>It is reviewed and validated by the Facilities Division and approved.</p> <p>This approved risk is subject to quarterly review as it is graded “high”.</p>
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### 7.5. Risk score

7.5.1. The risk score is calculated by multiplying the impact by likelihood scores. We use a risk scoring matrix to determine the impact and likelihood score.

	Likelihood				
	1	2	3	4	5
Impact	Rare	Unlikely	Possible	Likely	Almost certain
5 Catastrophic	5	10	15	20	25
4 Severe	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

7.5.2. Descriptions of the potential risk impact are grouped into types of risk, for example, patient safety, patient experience, performance, health and safety. The risk scoring matrix with risk impact descriptions is available in Appendix 2 of this policy.

### 7.6. Risk approval

7.6.1. Risks are approved within each division. Entry to the risk register and approval of risks is managed as part of each division’s governance procedures. Divisions are responsible for ensuring that all approved risks:

- simply and clearly describe the risk, controls and gaps
- are correctly scored
- have appropriate risk owners
- have appropriate action owners, who may be separate from the risk owner
- have planned actions that are adequately progressed
- are approved promptly, within a month

7.6.2. **For Trust Level Risks:** Divisional Management Teams must demonstrate through the 15

Risk Register entry that the risk has been scored in line with the Risk Scoring Matrix (Appendix 2).

### 7.6.3. Authority to approve risk is based on risk grade as follows:

Risk Grade	Approval authority
Low	Divisional Risk Lead
Moderate	Divisional Risk Lead
Non-Trust Level, High	Divisional Risk Lead
Trust Level, High	Divisional Management Team
Extreme	Divisional Management Team

## 7.7. Risk ownership

- 7.7.1. Risk entries will be owned by the Division approving and inputting the risk to the trust's risk register. It is therefore imperative that risks identified are discussed with managers that are best placed to manage and control the risk to ensure they are initiated and approved by the most appropriate divisional governance team.
- 7.7.2. Risk ownership can change if, during the life of the risk, a more suitable risk owner or division is identified to manage the risk.
- 7.7.3. An Action Owner, who may be separate from the risk owner, will be assigned to each planned action. The Risk Owner will be responsible for monitoring progress of the risk overall.

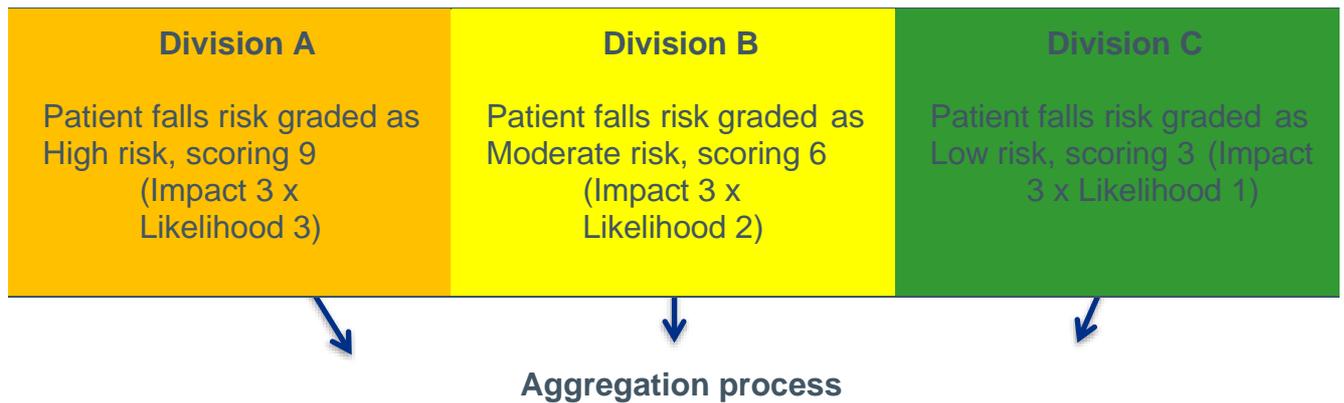
## 7.8. Trust level risks

7.8.1. Trust Level Risks refers to:

- All approved extreme risks
- All approved risks that meet/exceed to the risk appetite / tolerance score for each risk type (refer to 8.8)
- All risks that have been determined to be Trust Level Risk as part of the process of aggregation as noted in sections 6 & 7 of this policy (example below)

## 7.9. Aggregation Process example

7.9.1. There may be risks that affect more than one division or risks that are considered to have a 'trust wide' impact. The Patient Safety Team will perform thematic reviews of the trust's risk register on a quarterly basis to identify these risks (this is the aggregation process).



Reported incidents are reviewed re. Falls. Review considers most common level of harm and frequency across NBT – determines that the frequency of falls with a harm level of “moderate” (scoring 3 in the matrix) or greater is weekly.

Therefore, the likelihood of the impact of  $\geq$  moderate harm for the Trust is 4 and the Trust Level Risk is 12 (Impact 3 x Likelihood 4).

### Aggregated Risk

Patients may fall resulting in  $\geq$  moderate harm = 12 / High Risk / Trust Level Risk

- 7.9.2. Divisional Governance Teams may highlight to the Patient Safety Team any new risks they identify within their division that should be considered as a Trust Level Risk, i.e. where the risk also affects activity and / or patients for another division. These will be considered for inclusion in the aggregation process.
- 7.9.3. Risks recorded on the trust’s risk register can only be assigned to one risk owner and one division.
- 7.9.4. For Trust Level risks, the Patient Safety Team will identify an Executive Risk Sponsor as per the table in 8.9. A quality assurance review against the risk matrix will be conducted by Patient Safety Team prior to assigning the risk to the ERS.
- 7.9.5. Ownership of trust level risks can change if, during the life of the risk, a more suitable risk owner or division is identified to manage the risk.

## 7.10. Risk Appetite / Tolerance

- 7.10.1. The annual Trust Board Risk Seminar agreed the following risk appetite and tolerance scores for each risk type:
- Finance:  $\geq 12$
  - Health & Safety:  $\geq 12$
  - IM&T:  $\geq 12$
  - Patient Experience:  $\geq 12$
  - Patient Safety:  $\geq 12$

- Performance:  $\geq 15$
- Reputation:  $\geq 15$
- Service Delivery:  $\geq 15$
- Statutory Duty:  $\geq 15$
- Workforce:  $\geq 12^*$

\*At the February 2020 meeting the Board agreed to lower the threshold for trust level risks of Workforce type from  $\geq 15$  to  $\geq 12$

## 7.11. Executive Risk Sponsors

- 7.11.1. The table below provides a guide for Executive Risk Sponsorship. There may be occasions where a risk is more appropriately sponsored by a different ERS. This must be agreed by the receiving ERS.

Risk Type	Executive Risk Sponsor (ERS)
Patient Safety	Chief Nurse or Medical Director
Patient Experience	Chief Nurse
Health and Safety	Chief Finance Officer
Reputational	Will be determined by nature of the subject; as a guide: <ul style="list-style-type: none"> <li>• Patient Safety - Chief Nurse or Medical Director</li> <li>• Performance - Chief Operating Officer</li> <li>• Health and Safety - Director of Estates, Facilities and Capital Planning</li> </ul>
Workforce	Director of People and Transformation
IM&T	Director of Informatics
Performance	Chief Operating Officer
Service Delivery	Chief Operating Officer
Finance	Chief Finance Officer
Statutory Duty	Will be determined by nature of statute; as a guide: <ul style="list-style-type: none"> <li>• CQC - Chief Nurse</li> <li>• MHRA - Medical Director</li> <li>• HSE – Chief Finance Officer</li> </ul>

## 7.12. Process for risk review

- 7.12.1. Approved risks shall be reviewed in accordance with the minimum frequencies set out below according to their current risk score / grade. Risk reviews and any changes made to the risk entry should be recorded within the electronic risk register record.

Risk Score/ grade	Review Frequency	Reporting Level
1-3 Low	At least annually	Within the Department / Specialty
4-6 Moderate	At least annually	Within the Department / Specialty
8-12 High, non-Trust-Level	At least quarterly	Within the Division
12 High, Trust-Level	At least monthly	Divisional Governance (management of risk is owned at this level)  <i>Accountable Committee to be received at each meeting</i>  <i>Audit &amp; Risk Committee to be received at each meeting</i>  <i>Trust Board to be received quarterly</i>
15-25 Extreme	At least monthly	Divisional Governance (management of risk is owned at this level)  <i>Accountable Committee to be received at each meeting</i>  <i>Audit &amp; Risk Committee to be received at each meeting</i>  <i>Trust Board to be received quarterly</i>

### 7.13. Process for reporting through the organisation

7.13.1. As a minimum, risks shall be reported to the following levels within NBT (in line with frequencies in section 7.12).

7.13.2. For example, all approved Trust Level risks shall report to:

- Divisional Governance (monthly)
- Accountable Committee (every meeting)
- Quality and Risk Management Committee (every meeting)
- Trust Board (quarterly)

7.13.3. For example, all approved moderate risks shall report to Specialty Governance annually.

## 8. Accountability

8.1. Ownership of each risk will reside with the responsible Division.

### 8.2. Accountable Committees

8.2.1. Accountable committees are sub-committees of the Board. They shall receive approved trust level risks determined by type as set out in the table below. All approved, Trust Level Risks shall be received at each Accountable Committee.

8.2.2. As a minimum, the Trust Board shall receive approved Trust Level Risks on a quarterly basis.

Accountable Committee	Risk Type
Finance & Performance Committee	Finance IM&T Performance Service delivery Reputational (related to above types)
Patient Experience Committee	Patient experience Reputational (Patient experience related)
People Committee	Workforce Health and Safety Statutory duty (HSE) Reputational (People and Digital related)
Quality Committee	Patient safety Statutory duty (CQC, MHRA) Reputational (Quality related)

8.2.3. Accountable Committees may request that certain types of Trust Level Risks are also reported to an appropriate sub-committee. For example, the Patient Safety and Clinical Risk Committee shall receive a report of all patient safety Trust Level Risks and report on these risks to their parent committee, the Quality and Risk Management Committee.

8.2.4. Appendix 3 sets out which Executive Assurance committees shall receive trust level risks by risk type.



### 8.3. Board Assurance Framework

- 8.3.1. The Board Assurance Framework (BAF) defines and assesses the principle strategic risks to the Trust's objectives and sets out the controls and assurances in place to mitigate these. Each of the strategic risks in the BAF have been aligned to the objectives within the Trust Strategy, have their original, current and target risk scores reported, and information showing the anticipated changes in scoring over time.
- 8.3.2. Gaps or areas where controls can be improved are identified which are translated into actions.
- 8.3.3. The BAF is reviewed by the Board in an ongoing quarterly cycle with key risk changes highlighted, and updates provided on any ongoing actions to improve risk control and mitigation. The BAF is also used to inform the Internal Audit work programme, and audit outcomes are used to inform further actions, or are used by the Board as part of its assurance process that the risk is adequately controlled. The risks are also used to inform the Board's committees' work programmes to ensure they are focusing on the key risks to the delivery of the Trust's Strategy.

## 9. Associated policies/documents

- 9.1. Health and Safety Policy, HS01
- 9.2. Health and Safety Risk Assessments Policy, HS19
- 9.3. Incident Reporting Policy, CG01a
- 9.4. Serious Incident Reporting Policy and Procedures, CG01b

**10. Monitoring effectiveness – Appendix 1**

**10.1.** The Patient Safety Team will conduct an annual assessment to monitor compliance with the policy. The results of this exercise will be reported annually to the Quality and Risk Management Committee.

**10.2.** Policy monitoring tool:

What will be monitored	Monitoring / Audit method	Monitoring responsibility (individual / group / committee)	Frequency of monitoring	Reporting arrangements (committee / group the monitoring results are)	How will actions be taken to ensure improvements and learning where the monitoring has identified deficiencies
Quarterly reporting of the BAF to Trust Board	Review Board papers to ensure BAF is present.	Patient Safety Team	Annually	Audit & Risk Committee	<p>To be determined through discussion with</p> <ul style="list-style-type: none"> <li>- the Director of Corporate Governance and Trust Secretary</li> <li>- the Associate Director of Patient Safety</li> </ul> <p>And approval at Audit &amp; Risk Committee.</p> <p>Report and learning and actions planned to be shared with:</p> <ul style="list-style-type: none"> <li>- Accountable Committees</li> <li>- Divisional Governance Teams</li> </ul>
Quarterly reporting of the Trust-level risks to Trust Board.	Review Board papers to ensure risk report is present.				
Ensure that all risks from the Accountable Committees are reported to Trust Board.	Compare the risk reports provided to the Accountable Committees with the Trust-level risk report provided to Trust Board.				
That risk approval permissions have been granted to staff with the appropriate authority.	Review DMT and Divisional Governance Team user accounts in Datix.				
Divisions will promptly approve risks.	Review sample of risk records using the audit trail function in Datix.				
Divisions review risks in line with frequency stated in this policy.	Review sample of risk records in Datix.				

## 11. Risk Scoring Matrix – Appendix 2

11.1. **Table 1: Impact Score** (severity of potential harm)

	1	2	3	4	5
Risk Type	Negligible	Minor	Moderate	Severe	Catastrophic
<b>Patient Experience</b>	<p>Unsatisfactory patient experience not directly related to patient care</p> <p>Peripheral element of treatment or service suboptimal</p> <p>Informal complaint / inquiry</p>	<p>Unsatisfactory patient experience – readily resolvable</p> <p>Overall treatment or service suboptimal</p> <p>Formal complaint (stage 1)</p> <p>Local resolution</p> <p>Minor implications for patient safety if unresolved</p>	<p>Mismanagement of patient care</p> <p>Repeated failure to meet internal standards</p> <p>Formal complaint (stage 2) complaint</p> <p>Local resolution (with potential to go to independent review)</p> <p>Major patient safety implications if findings are not acted on</p>	<p>Serious mismanagement of patient care</p> <p>Multiple complaints/ independent review</p> <p>Non-compliance with national standards with significant risk to patients if unresolved</p>	<p>Totally unacceptable level or quality of treatment/service</p> <p>Inquest/ombudsman inquiry</p> <p>Gross failure of patient safety if findings not acted on</p>
<b>Patient Safety</b>	<p>Minimal injury requiring no/minimal intervention or treatment.</p>	<p>Low harm injury or illness, requiring minor/short-term intervention.</p> <p>Increase in length of hospital stay by 1-3 days</p>	<p>Moderate injury requiring professional intervention</p> <p>Increase in length of hospital stay by 4-15 days</p>	<p>Severe injury leading to long-term incapacity / disability</p> <p>Increase in length of hospital stay by &gt;15 days</p> <p>Mismanagement of patient care with long-term effects</p>	<p>Incident leading to death</p> <p>Multiple permanent injuries or irreversible health effects</p>
<b>Health &amp; Safety</b>	<p>No time off work</p>	<p>Requiring time off work for &lt;3 days</p>	<p>Requiring time off work for 4-14 days</p> <p>RIDDOR / MHRA / agency reportable incident</p>	<p>Requiring time off work for &gt;14 days</p>	<p>Multiple permanent injuries or irreversible health effects</p>

	1	2	3	4	5
Risk Type	Negligible	Minor	Moderate	Severe	Catastrophic
<b>Financial</b>	No or minimal impact on cash flow	Readily resolvable impact on cash flow Loss of 0.1–0.25 per cent of Trust's annual budget	Individual supplier put Trust "on hold" Loss of 0.26–0.5 per cent of Trust's annual budget	Major impact on cash flow Purchasers failing to pay on time Uncertain delivery of key objective Loss of 0.6–1.0 per cent of Trust's annual budget	Critical impact on cash flow Failure to meet specification/slippage Non-delivery of key objective/ Loss of >1 per cent of Trust's annual budget
<b>IM&amp;T</b>	Information system issue affecting one service user	Information system issue affecting one department  Poor functionality of trust wide system, readily resolvable and not impacting service delivery	Information system issue affecting one division  Poor functionality of trust wide system impacting service delivery, but readily resolvable.	Information system issue affecting more than one division.  Poor functionality of trust wide system impacting service delivery, not readily resolvable	Complete failure of trust wide information system that directly impacts service delivery.
<b>Workforce</b>	Short term low staffing level temporarily reduces service quality (< 1 day)	Ongoing low level reduces service quality.	Late delivery of key objective / service due to lack of staff.  Minor error due to insufficient training.  Ongoing unsafe staffing level.	Uncertain delivery of key objective / service due to lack of staff.  Serious error due to insufficient training.	Non-delivery of key objective / service due to lack of staff. Loss of key staff.  Very high turnover. Critical error due to insufficient training.
<b>Performance</b>	Interim and recoverable position  Negligible reduction in scope or quality  Insignificant cost increase	Partial failure to meet subsidiary Trust objectives  Minor reduction in quality / scope  Reduced performance rating if unresolved	Irrecoverable schedule slippage but will not affect key objectives  Definite reduction in scope or quality  Definite escalating risk of non-recovery of situation Reduced performance rating	Key objectives not met  Irrecoverable schedule slippage  Low performance rating	Trust Objectives not met  Irrecoverable schedule slippage that will have a critical impact on project success  Zero performance rating

	1	2	3	4	5
<b>Risk Type</b>	<b>Negligible</b>	<b>Minor</b>	<b>Moderate</b>	<b>Severe</b>	<b>Catastrophic</b>
<b>Service Delivery</b>	Loss / interruption of >1 hour	Loss / interruption of >8 hours	Loss / interruption of >1 day	Loss / interruption of >1 week	Permanent loss of service or facility
<b>Reputational</b>	Rumours	Local Media – short term	Local Media – long term	National Media < 3 days	National Media ≥ 3 days. MP Concern (Questions in House)
<b>Statutory Duty &amp; Inspections</b>	No or minimal impact or breach of guidance/ statutory duty  Minor recommendations	Non-compliance with standards reduced rating.  Recommendations given.	Single breach in statutory duty  Challenging external recommendation  Improvement notice	Enforcement Action  Multiple challenging recommendations  Improvement notices  Critical report	Prosecution  Multiple breaches in statutory duty  Complete systems change required  Severely critical report

11.2. **Table 2: Likelihood Score** (consider which measure works best for the risk that is being assessed)

<b>Likelihood score</b>	1	2	3	4	5
<b>Descriptor</b>	<b>Rare</b>	<b>Unlikely</b>	<b>Possible</b>	<b>Likely</b>	<b>Almost certain</b>
<b>Broad descriptor</b>	This will probably never happen/recur	Do not expect it to happen / recur	Might happen or recur occasionally	Will probably happen / recur but it is not a persisting issue	Will undoubtedly happen / recur, possibly frequently
<b>Frequency</b> Very useful for recurring events such as incidents. Commonly used measure for patient safety and patient experience risks.	Not expected to occur for years	Expected to occur at least annually	Expected to occur at least monthly	Expected to occur at least weekly	Expected to occur at least daily
<b>Probability</b> Will it happen or not?  Very useful for a one-off or infrequent events such as delivery of a project.	<0.1 per cent	0.1–1 per cent	1.1–10 per cent	11–50 per cent	>50 per cent

11.3. **Table 3 Risk Score = Impact x Likelihood**

Likelihood score	1	2	3	4	5
	Rare	Unlikely	Possible	Likely	Almost certain
<b>5 Catastrophic</b>	5	10	15	20	25
<b>4 Severe</b>	4	8	12	16	20
<b>3 Moderate</b>	3	6	9	12	15
<b>2 Low</b>	2	4	6	8	10
<b>1 Negligible</b>	1	2	3	4	5

11.4. **Table 4 Risk Grade**

1-3	Low Risk
4-6	Moderate Risk
8-12	High Risk
15 - 25	Extreme Risk

## 12. Risk types mapped to the Trust’s governance structure – Appendix 3

12.1. An Accountable Committee may nominate one of their sub-committees to also receive reports on trust-level risks if the risk type is appropriate to that lower level committee. Relevant examples are set out below.

Risk Type	Executive Assurance Committee	Accountable Committee
Finance	-	Finance and Performance Committee
Health and Safety	Health & Safety Committee	People Committee
IM&T	IM&T Board	Finance and Performance Committee
Patient experience	-	Patient Experience Committee
Patient safety	Patient Safety and Clinical Risk Committee	Quality Committee
Performance	-	Finance and Performance Committee
Reputational <i>finance and performance related</i>	-	Finance and Performance Committee
Reputational <i>patient experience related</i>	-	Patient Experience Committee
Reputational <i>people and digital related</i>		People Committee
Service delivery	-	Finance and Performance Committee
Statutory duty <i>HSE</i>	Health & Safety Committee	People Committee
Statutory duty <i>safeguarding</i>	Safeguarding Committee	Quality Committee
Workforce	Workforce Steering Group	People Committee

### 13. Risk Appetite Statement – Appendix 4

The Trust recognises the complex nature of health care provision is an inherently risky activity. Whilst acknowledging the skills and dedication of all of the team, accidents, incidents and mistakes can potentially happen.

North Bristol NHS Trust makes every effort to ensure that there is a systematic approach to the identification, evaluation and control of risk and, wherever possible, risks are designed out of procedures and practice, to reduce it to the lowest possible level through the introduction of control and mitigation measures.

The Board received and approved the updated Risk Management Strategy and Policy on 30 May 2019.

The Risk Management Strategy and Policy describes North Bristol NHS Trust’s approach to risk management.

This Statement sets out the Board’s strategic approach to risk-taking by defining its boundaries and risk tolerance thresholds. It supports delivery of the Trust’s Risk Management Strategy and Policy.

The Board is assured that for risks that do not meet these thresholds, there is a robust approach to risk management across North Bristol Trust. The Board also recognises and supports the ongoing work to improve our approach to risk management to ensure that North Bristol Trust is at the forefront of good governance.

#### Trust Board Risk Seminar

At its Annual Risk Seminar on 30 May 2019, the Board agreed the tolerances highlighted opposite for each of the main risk types described in the Risk Management Strategy and Policy. These risk types and scores are referred to as “Trust Level Risks.”

The Board, as a minimum, will receive a report on risks that meet these thresholds on a quarterly basis. This reporting is in conjunction with the Board Assurance Framework and is supported by Board sub-Committees described in the policy receiving a report at each committee.

Additionally, the Board is assured that all Trust Level Risks will have an associated Executive Risk Sponsor.

#### Trust Level Risk - Tolerance Thresholds

- Finance: ≥12
- Health & Safety: ≥12
- IM&T: ≥12
- Patient Experience: ≥12
- Patient Safety: ≥12
- Workforce: ≥12
- Performance: ≥15
- Service Delivery ≥15
- Reputation: ≥15
- Statutory Duty: ≥15