

RISK MANAGEMENT FRAMEWORK

NOVEMBER 2022

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| Brief Summary of Document: | This document aims to set out the components that provide the foundation and organisational arrangements for supporting risk management processes in Powys Teaching Health Board. | | | |
| Scope: | <p>This framework applies to Board members; all employees of the health board; agency staff; contractors brought in to undertake work on behalf of the health board, for example capital and estates works; students; locums; volunteers; individuals employed on honorary contracts; and, other third parties engaged in Powys Teaching Health Board business. It applies to all activities of the health board, including those related to the commissioning of services.</p> <p>Managers at all levels within the health board must take an active lead to ensure that risks are managed effectively and to support the development of a risk aware culture within the health board.</p> | | | |
| To be read in conjunction with: | <ul style="list-style-type: none"> • PTHB Assurance Principles • PTHB Strategic Commissioning Framework & Commissioning Assurance Framework • Health & Safety Policies | | | |
| Owning Committee | Audit, Risk & Assurance Committee | | | |
| Document Owner: | Board Secretary | Document Author: | Head of Risk & Assurance | |

Reviews and updates

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| 2.2 | 2017 Version Updated to reflect changes in risk management arrangements and organisational realignment | September 2019 |
| 3.0 | 2019 Version Updated to reflect changes in risk management arrangements and organisational realignment | November 2021 |
| 4.0 | 2021 Version Updated to reflect changes in risk management arrangements and organisational realignment | November 2022 |

Glossary of terms

| Term | Definition |
|---------------------------|---|
| Risk | The effect of uncertainty on objectives. An effect may be positive, negative, or a deviation from the expected. In addition, a risk is often described as an event; a change in circumstance; or, a consequence. |
| Risk management | The process which aims to help organisations understand, evaluate and take action on all their risks, with a view to increasing the probability of success and reducing the likelihood of failure. |
| Risk management framework | Set of components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management processes throughout the organisation. |
| Risk assessment | A systematic process of assessing the likelihood of something happening (frequency or probability) and the consequence if the risk actually happens (impact or magnitude). |
| Risk treatment | The development, selection and implementation of risk treatment strategies and controls. |
| Risk appetite | The amount of risk that an organisation is willing to pursue or retain. |
| Risk tolerance | The organisation's readiness to bear a risk after risk treatment, in order to achieve its objectives. |
| Risk owner | The person with the authority and accountability to make the decision to treat, or not to treat the risk. |
| Strategic risks | Risks that represent a threat to achieving the Health Board's strategic objectives or its continued existence. Strategic risks also include risks that are widespread beyond the local area and risks for which the cost of control is significantly beyond the scope of the local budget holder. |

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| Operational risks | Risks that are by-products of the day-to-day running of the Health Board and include a broad spectrum of risks including clinical risk; financial risk (including fraud); legal risks (arising from employment law or health and safety regulation); regulatory risk; risk of loss or damage to assets or system failures; etc. Operational risks are managed by the department or directorate which is responsible for delivering services. |
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1. The Board's Statement

The Board is committed to the principles of good governance and recognises the importance of effective risk management as a fundamental element of the health board's governance framework and system of internal controls.

The Board is committed to having a risk management culture that underpins and supports the business of the health board; providing and securing high quality care in a safe environment, that is complying with legal and regulatory requirements; meeting objectives; and, promoting its values.

The Board intends to demonstrate an ongoing commitment to improving the management of risk throughout the organisation by:

- Ensuring a dynamic approach to strategic risk management to support achievement of the health board's vision, aims, and strategic objectives;
- Promoting considered risk taking, within authorised and defined limits in-line with the Board's Appetite for Risk (see Risk Appetite Statement at Appendix A);
- Adopting an integrated approach to risk management that includes risks related to clinical care, health and safety, staff wellbeing, financial and business planning, workforce planning, corporate and information governance, performance management, project / programme management, research and development;
- Embedding effective risk management systems and processes within the organisation and promoting the ethos that risk management is everyone's business, with clearly defined roles and responsibilities;
- Creating an environment that is as safe as is reasonably practicable, by ensuring that risks are continuously identified, assessed and appropriately managed, i.e. where possible eliminate, transfer or treat risks to an acceptable level;
- Fostering an organisational culture of openness and willingness to report risks, incidents and near misses that is used for organisation-wide learning;
- Establishing clear and effective communication mechanisms that enable a comprehensive understanding of risks at all levels of the organisation by the use of directorate, specialist and organisational-wide risk registers; and
- Providing appropriate training to staff to ensure effective implementation of risk management arrangements.

2. Purpose of the Risk Management Framework

This document sets out the Health Board's vision for managing risk. Through the management of risk, the Health Board seeks to minimise, although not necessarily eliminate, threats, and maximise opportunities.

The Framework seeks to ensure:

- that the Health Board's risks in relation to the delivery of services (provided and commissioned) and care to patients are minimised;

- that the wellbeing of patients, staff and visitors is optimised;
- that the assets, business systems and finances of the Health Board are protected; and
- the implementation and ongoing management of a comprehensive, integrated (clinical and non-clinical) approach to the management of risk across the organisation.

3. Scope of the Risk Management Framework

This Framework applies to Board members; all employees of the health board; agency staff; contractors brought in to undertake work on behalf of the health board, for example capital and estates works; students; locums; volunteers; individuals employed on honorary contracts; and, other third parties engaged in Powys Teaching Health Board business. It applies to all activities of the health board, including those related to the commissioning of services.

Managers at all levels within the health board must take an active lead to ensure that risks are managed effectively and to support the development of a risk aware culture within the health board.

4. The Board's Appetite for Risk

The Board recognises that risk is inherent in the provision and commissioning of healthcare services, and therefore a defined approach is necessary to articulate risk context, ensuring that the organisation understands and is aware of the risks it is prepared to accept in the pursuit of its aims and objectives.

Risks throughout the organisation will be managed within the Board's risk appetite, or where this is exceeded, action will be taken to reduce the risk.

The Board is not open to risks that materially impact on the quality, safety or access to, services the Health Board provides or commissions; or risks that could result in the organisation being non-compliant with UK law, healthcare legislation, or any of the applicable regulatory frameworks in which the health board operates.

The Board has greatest appetite to pursue innovation, and challenge current working practices and financial risk in terms of its willingness to take opportunities where positive gains can be anticipated, within the constraints of the regulatory environment.

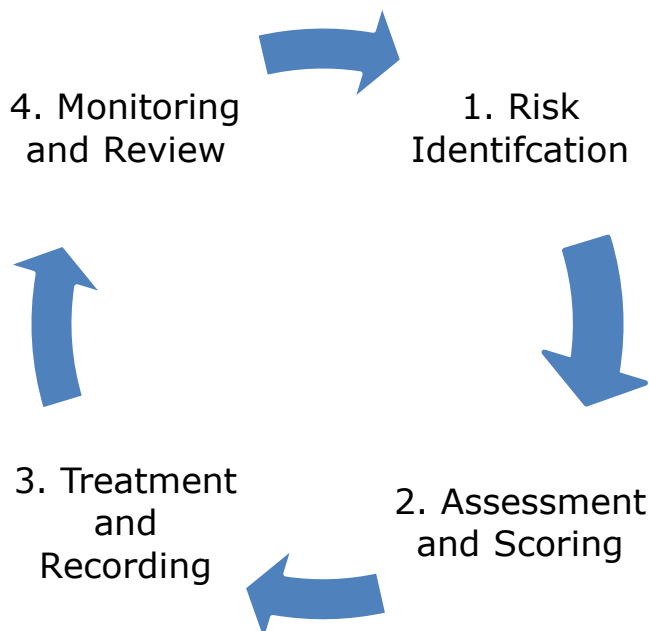
The Board's Risk Appetite Statement, which is included at Appendix A, sets out the Board's strategic approach to risk-taking by defining its risk appetite thresholds. It is a live document that will be regularly reviewed and modified, so that any changes to the organisation's strategy, objectives, or, its capacity to manage risk, are properly reflected.

5. The Risk Management Process

Risk Management is the systematic application of management policies, practices and procedures to the task of identifying, analysing, assessing, treating and monitoring risk in a way that will enable organisations to minimise losses and maximise opportunities.

The aim of risk management is not to remove risk altogether, but to manage risk to an acceptable level, considering the cost of minimising the risk and reducing risk exposure (the level of risk that the organisation is exposed to, either in regard to an individual risk or the cumulative exposure to the risks faced by the organisation).

The Board has adopted a structured approach to risk management, whereby risks are identified, assessed and controlled, and if appropriate, escalated or de-escalated through the governance mechanisms of the organisation. The process is defined in four key steps:



1. Risk Identification

The health board cannot manage risk effectively unless it knows what the risks are. Risk identification is therefore vital to the success of the organisation's risk management process, and ultimately the safe delivery of care.

2. Assessment and Scoring

Assessment and scoring of risk are used to determine the level of risk, using the health board's risk matrix to ensure a consistent approach is adopted across the organisation.

3. Treatment and Recording

Treatment is how the risk will be managed, and what the required actions are to achieve an acceptable level of risk. All risks are recorded on a risk

register, which is a formal record of the risks that the health board has identified.

4. Monitoring and Review

Part of managing risk is to continually review and update, and to capture the changes and progress of mitigation.

The health board's detailed guidance in support of the risk management process is included in the risk management toolkit on the staff [intranet](#) and includes guidelines to Identify, Assess, Treat and Monitor risks.

6. Levels of Risk

The Risk Management Framework defines three levels of risk:

1. **Strategic Risks** – Risks that represent a threat to achieving the Health Board's strategic objectives or its continued existence. Strategic risks also include risks that are widespread beyond the local area, and risks for which the cost of control is significantly beyond the scope of the local budget holder.
2. **Operational Risks** – Risks that arise as a result of the day-to-day running of the health board and include a broad spectrum of risks comprising clinical risk (e.g. arising from incidents and complaints), financial risk (including fraud); legal risks (e.g. arising from employment law or health and safety regulation); regulatory risk; risk of loss or damage to assets or system failures; etc.
3. **Project Risks** – Risks that may impact on the delivery of a programme of work or project. All significant projects must be risk assessed before they are progressed, with each project required to have a separate risk register.

Powys Teaching Health Board is predominantly a commissioning organisation, buying services on behalf of the population from a wide range of providers including primary care contractors; independent sector care homes; ambulance services; district general hospitals; and, other specialist hospitals. The health board's **Integrated Performance Framework** helps to identify and escalate emerging patterns of poor performance and risk in health services used by Powys patients. Through this process, risks may be identified for recording in local or directorate risk registers or the Corporate Risk Register, dependent upon the level and type of risk.

7. Risk Recording and Escalation

A risk register is a management tool that provides a comprehensive and dynamic understanding of an organisation's risk profile. Effectively used, a risk register will not only drive risk management but should be used to inform decision-making processes. Risk registers are also used to provide assurance that risks are being managed appropriately and effectively.

Recording of Strategic Risk

Strategic risks are recorded in the Board's Corporate Risk Register. The Corporate Risk Register provides an organisational-wide summary of significant risks that have been in the main escalated from Directorate Risk Registers. The criteria for a risk to be included in the Corporate Risk register are:

- The risk must represent an issue that has the potential to hinder achievement of one or more of the health board's strategic objectives;
- The risk cannot be addressed at directorate level;
- Further control measures are needed to reduce or eliminate the risk;
- A considerable input of resource is needed to treat the risk (finance, people, time, etc).

The risks contained in the Corporate Risk Register are aligned to the Board Assurance Framework. The Board Assurance Framework provides a structure and process that enables the health board to focus on the key control gaps, assurance gaps and risks that may compromise the delivery of its strategic and annual objectives. It ensures that the assurance mechanisms operating across the health board are fully aligned to support the Chief Executive as the Accountable Officer, and the Board, to deliver the organisation's objectives. Further detail on the Board Assurance Framework is provided in the

[**Assurance Principles Document.**](#)

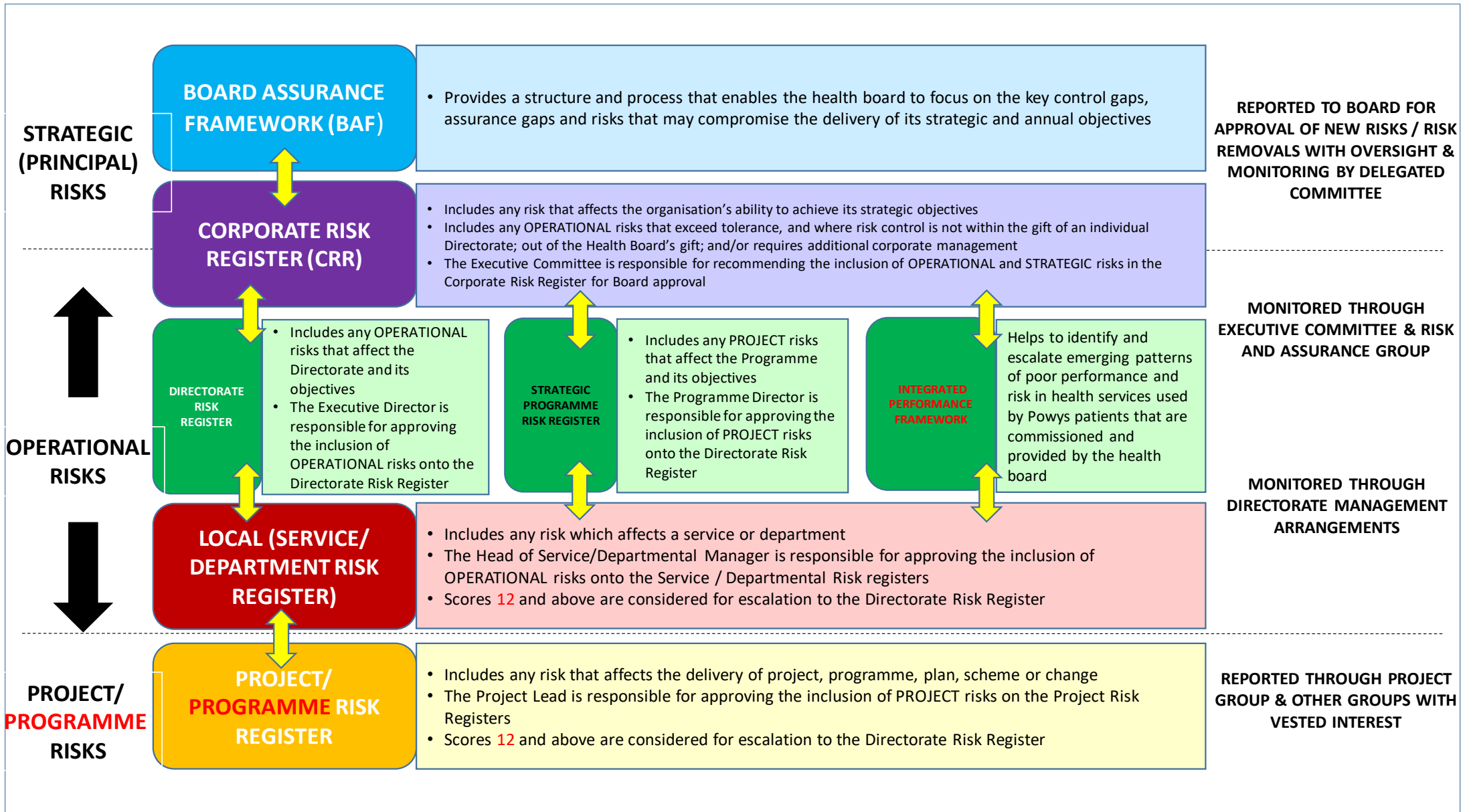
The Corporate Risk register and Board Assurance Framework are reviewed by the Executive Committee in advance of presentation to the Board at each of its meetings.

Recording of Operational Risk

Operational risks, where they cannot be immediately addressed, are managed by the department or directorate that is responsible for delivering services, and are captured in local risk registers. If risks cannot be managed to a level that is acceptable at a local level, they are escalated to the relevant Directorate Risk Register. Each Directorate will maintain a comprehensive Directorate Risk Register, which will be informed by relevant local Risk Registers, and is formally reviewed at an appropriate Directorate meeting.

The Risk and Assurance Group will review Directorate Risk Registers bi-monthly to: consider risks that remain at a score of 12 or above after action to treat the risk is taken; and, highlight any new and emerging risks and present action plans for minimising and managing these risks. The Risk and Assurance Group will make recommendations to the Executive Committee on any risks that should be considered for inclusion in the Corporate Risk Register.

The hierarchy of risk registers used in the health board and the relationship between strategic and operational risks is provided below:



8. Accountabilities and Responsibilities

8.1 The Board

The Board (Executive Directors and Independent Members) have collective responsibility for the setting and ensuring delivery of strategic objectives. Key strategic risks are identified and monitored by the Board. The BAF and CRR provide a central record of risks to the delivery of its strategic objectives. It is the duty of the Board to discuss and advise on the format and content of the BAF. It is also the duty of the Board to appropriately monitor Powys THB's significant risks, associated controls and assurances.

The Board is also responsible for ensuring that the health board consistently follows the principles of good governance; ensuring that the systems, policies and people in place to manage risk are operating effectively, focused on key risks and driving the delivery of the health board's strategic objectives. This is the meaning of 'assurance' and is a fundamental principle of good management and accountability.

The workplans for the Board and each of its Committees will be aligned to the BAF and CRR, ensuring appropriate focus on areas of risk.

In the context of this Framework the Board will:

- demonstrate its continuing commitment to risk management through the endorsement of this Framework;
- ensure, through the Chief Executive, that the responsibilities for risk management outlined in this document are communicated, understood and maintained;
- take a lead role in 'horizon scanning' for emerging threats/risks to the delivery of the health board's strategic objectives, and ensuring that controls put in place in response, manage risks to an acceptable level;
- oversee and participate in the risk assurance process;
- ensure communication with partner organisations on problems of mutual concern including risks;
- ensure that appropriate structures are in place to implement effective risk management;
- commit financial, managerial, technological and educational resources necessary to adequately control identified risks;
- ensure that lessons are learned and disseminated into practice from complaints, claims and incidents, and other patient experience data; and
- receive reports from the committees of the Board in line with terms of reference and workplans of those committees.

The Terms of Reference for the Committees that report to the Board are included on the health board's website:

[Powys Teaching Health Board Committees - Powys Teaching Health Board \(nhs.wales\)](#)

8.2 Individual Responsibilities

All members of staff, and those working on behalf of the health board, have an individual responsibility for managing risk. They must understand and adhere to this Risk Management Framework.

The following individuals have specific responsibility, accountability and authority for risk management, as part of their existing roles:

Chief Executive Officer (CEO)

The CEO is the Accountable Officer of the health board and has overall accountability and responsibility for ensuring it meets its statutory and legal requirements, and adheres to guidance issued by the Welsh Government in respect of Governance. This responsibility encompasses risk management; health and safety; financial and organisational controls; and, governance. The CEO has overall accountability and responsibility for:

- ensuring the health board maintains an up-to-date Risk Management Framework endorsed by the Board;
- promoting a risk management culture throughout the health board;
- ensuring that there is a framework in place, which provides assurance to the Board in relation to the management of risk and internal control;
- ensuring that risk issues are considered at each level of business planning, from the corporate process to the setting of staff objectives;
- setting out their commitment to the risk management principles, which is a legal requirement under the Health and Safety at Work Act 1974.

The Welsh Government requires the Chief Executive to sign a Governance Statement annually on behalf of the Board. This outlines how risks are identified, evaluated and controlled, together with confirmation that the effectiveness of the system of internal control has been reviewed.

Board Secretary

The Board Secretary is the delegated lead for risk management in the health board, and is accountable for leading on the design, development and implementation of the integrated Board Assurance Framework and Risk Management Framework. The Board Secretary will:

- lead the embedding of an effective risk management culture throughout the health board;
- work closely with the Chair; Chief Executive; Chair of the Audit, Risk and Assurance Committee; and, Executive Directors, to implement and maintain an appropriate Risk Management Framework and related processes, ensuring that effective governance systems are in place;
- develop and communicate the Board's risk awareness, appetite and tolerance;
- lead and participate in risk management oversight at the highest level, covering all risks across the organisation on a health board basis;
- lead the development of, and Chair, the Risk and Assurance Group (established by the Executive Committee);

- work closely with the Chief Executive and Executive Directors to support the development and maintenance of Corporate and Directorate level risk registers;
- develop and oversee the effective execution of the health board's Assurance Framework;
- develop and implement the health board's Risk Management Framework; and
- produce the health board's Annual Governance Statement.

Head of Risk and Assurance

The Head of Risk and Assurance is accountable to the Board Secretary, and in relation to risk management will specifically:

- provide specialist advice in relation to controls and assurances for a range of functions at all levels in the organisation to support the effective management of clinical and non-clinical risk and governance;
- ensure a central system is in place to collate risk registers across the health board, which link to the health board's Assurance Framework;
- support the management and development of the health board's Assurance Framework and Risk Management Framework;
- work with directorates and Heads of Service to ensure risks are escalated in accordance with the Risk Management Framework;
- compile the Corporate Risk Register and Board Assurance Framework, for Executive Committee and Board;
- support the development and functioning of the Risk and Assurance Group; and
- provide training, information and advice to operational staff and corporate functions on risk management and risk registers, ensuring linkage to the Assurance Framework of the organisation.

Executive Directors

Executive Directors are accountable and responsible for ensuring that their respective directorates are implementing this Framework, and related policies/procedures. Each Director is accountable for the delivery of their particular area of responsibility, and will therefore ensure that the systems, policies and people are in place to manage, eliminate or transfer the key risks related to the health board's strategic objectives.

Specifically, they will:

- lead the embedding of an effective risk management culture throughout the health board;
- communicate to their directorate, the Board's strategic objectives; and, ensure that directorate, service and individual objectives and risk reporting are aligned to these;
- ensure that a forum for discussing risk and risk management is maintained within their area, which will encourage integration of risk management;

- co-ordinate the risk management processes which include: risk assessments; incident reporting; the investigation of incidents/near misses; and, the management of the risk register;
- ensure there is a system for monitoring the application of risk management within their area, and that risks are treated as required;
- provide reports to the appropriate committee of the Board that will contribute to the monitoring and auditing of risk;
- ensure staff attend relevant mandatory and local training programmes;
- ensure a system is maintained to facilitate feedback to staff on risk management issues and the outcome of reporting; and
- ensure the specific responsibilities of managers and staff in relation to risk management are identified within the job description for the post, and that those key objectives are reflected in the individual performance review/staff appraisal process.

In addition, **Clinical Executive Directors** (Medical Director, Director of Nursing & Midwifery, Director of Therapies & Health Sciences, and the Director of Public Health) have collective responsibility for clinical quality governance, which will include patient safety, incident management and patient experience, and will therefore have a responsibility to ensure that clinical risks are appropriately managed in-line with this Framework.

Independent Members

Independent Members have an important role in risk management. This role is restricted to seeking assurance on the robustness of processes and the effectiveness of controls through constructive, robust and effective challenge to Executive Directors and senior management. The role of Independent Members is not to manage individual risks, but to understand and question risk on an informed and ongoing basis.

Additionally, Independent Members chair Board level committees, and in line with the relevant committee Terms of Reference, should provide assurance to the Board that risks within its remit (determined by the CRR and BAF), are being managed effectively by the risk owners, and report any areas of concern to the Board.

Clinical Directors, Assistant Directors and Heads of Service

Clinical Directors, Assistant Directors and Heads of Service are responsible for implementation of the Risk Management Framework and relevant policies and procedures, which support the health board's risk management approach.

As Senior Managers of the organisation, Clinical Directors, Assistant Directors and Heads of Service take the lead on risk management, and set an example through visible leadership of their staff. These responsibilities include:

- Taking responsibility for managing risk;
- Ensuring that risks are assessed where they are:
 - Identified within the working activities carried out within their management control;

- Identified within the environment within their control;
- Reported from the staff within their management control.
- Identifying and managing risks that cut across delivery areas;
- Ensuring all incidents/accidents and near misses are reported;
- Monitoring mitigating actions and ensuring action owners are clear about their roles, and what they need to achieve;
- Discussing risks on a regular basis with staff, and through discussions at meetings to help improve knowledge about the risks faced; increasing the visibility of risk management and moving towards an action focussed approach;
- Ensuring risks are updated regularly and acted upon;
- Communicating downwards what the health board's strategic risks are;
- Using the risk management process to support prioritisation and decision making;
- Ensuring staff are suitably trained in risk management;
- Promoting a risk aware culture in which staff are encouraged to identify and escalate risk;
- Ensuring that risk management is included in appraisals and development plans where appropriate;
- Ensuring the adoption and operation of the risk management framework across their work area.

Line Managers

The identification and management of risk requires the active engagement and involvement of staff at all levels, as staff are best placed to understand the risks relevant to their areas of responsibility, and must be supported and enabled to manage these risks within a structured risk management framework. Managers at all levels of the organisation are therefore expected to take an active lead to ensure that risk management is embedded into the way their service/team/ward operates. Managers must ensure that their staff understand and implement this Framework and supporting processes, ensuring that staff are provided with the education and training to enable them to do so.

Managers must be fully conversant with the health board's approach to risk management and governance. They will support the application of this Framework and its related processes, and participate in the monitoring and auditing process.

All Staff

All staff will:

- accept personal responsibility for maintaining a safe environment, which includes being aware of their duty under legislation to take reasonable care of their own safety, and all others that may be affected by the health board's business;
- report all incidents/accidents and near misses;
- comply with the health board's incident and near miss reporting procedures;
- be responsible for attending mandatory and relevant education and training events;

- participate in the risk management system, including the risk assessments within their area of work, and the notification to their line manager of any perceived risk that may not have been assessed; and
- be aware of the health board's Risk Management Framework and processes, and the local strategy and procedures, and comply with them.

Contractors employed by the health board e.g. capital and estates specialists

It is the responsibility of each contractor employed by the health board to ensure that any staff working on their behalf is fully conversant with the risk management requirements for the activity for which they are engaged.

8.3 Internal Audit

The relationship between risk management and Internal Audit is critically important. Risk management is concerned with the assessment of risk and the identification of existing and additional controls, whereas Internal Audit's role is to evaluate these controls and test their efficiency and effectiveness. This is undertaken through the Internal Audit programme of work. Accordingly, the Head of Internal Audit will:

- a. Provide an overall opinion each year to the Accountable Officer of the organisation's risk management, control and governance; to support the preparation of the Annual Governance Statement;
- b. Focus the internal audit work on the significant risks as identified by management, and audit the risk management processes across the organisation;
- c. Audit the organisation's risk management, control and governance through operational audit plans, in a way that affords suitable priority to the organisation's objectives and risks;
- d. Provide assurance on the management of risk and improvement of the organisation's risk management, control and governance; by providing line management with recommendations arising from audit work.

8.4 Local Counter Fraud Services

The health board's nominated Local Counter Fraud Specialist (LCFS) provides assurance to the Board regarding risks relating to fraud and/or corruption. The health board's Annual Counter Fraud Work Plan, as agreed by the Audit, Risk and Assurance Committee, identifies the arrangements for managing and mitigating risks as a result of fraud and/or corruption. Where such issues are identified they are investigated by the LCFS, and then reported to the Audit, Risk and Assurance Committee as appropriate.

The LCFS works with the Chief Executive, Executive Directors and Board Secretary to review any fraud or corruption risks. Such risks are referred to the relevant risk register for the Directorate concerned, and are then escalated through the health board's escalation process.

8.5 Committee Duties & Responsibilities

Effective risk management requires a reporting and review structure to ensure that risks are effectively identified and assessed, and that appropriate controls and responses are in place.

The Audit, Risk and Assurance Committee

The Audit, Risk and Assurance Committee is responsible for overseeing risk management processes across the organisation, and will have a particular focus on seeking assurance that effective systems are in place to manage risk; that the organisation has an effective framework of internal controls to address strategic (principal) risks (those likely to directly impact on achieving strategic objectives); and, that the effectiveness of that framework is regularly reviewed.

The Committee is responsible for monitoring the assurance environment and challenging the levels of assurance in respect of key risks across the year, ensuring that the Internal Audit Plan is based on providing assurance that controls are in place and can be relied upon, and reviewing the internal audit plan in-year as the risk profiles change.

The Executive Committee

The Executive Committee has responsibility for ensuring implementation of the risk management process, and has responsibility for agreeing the risks on the CRR and the BAF, prior to consideration and approval by the Board.

The Executive Committee has the responsibility to discuss the BAF and any amendments, to ensure there is appropriate scrutiny and challenge of principal risks, the current controls and assurances in place and the actions to address any gaps in these, prior to the BAF being submitted to the Board for consideration and approval.

It is also the role of the Executive Committee to agree that risks are being managed to an acceptable level, balancing priorities, resources and the risk to the health board, and recommending the best course of action to manage the risks, to the Board. The Board must be provided with assurance that everything that can be done is being done to reduce the risk, and that there are effective plans and controls in place to manage the situation should the risk materialise. This will help limit damage, control loss and contain costs for the health board. Whilst a risk may be accepted by the Board, the risk owner must ensure that the current control measures will be regularly reviewed to ensure that they remain effective.

The Risk and Assurance Group

The Risk and Assurance Group is a management group of the Executive Committee. The Group reports to the Executive Committee and advises on any risk management issues, including all significant risks arising from activities within the organisation.

The Group is responsible for leading the implementation of the risk, control and assurance processes established within the organisation. The Group will review the processes and report on any weaknesses identified to ensure that the Board has in place effective systems for the reporting of risk, and the management of risk registers (local, directorate and corporate) and the Board's Assurance Framework.

Specifically, the Group is responsible for:

- Coordinating the achievement of the objectives of the Risk Management Framework through the organisation's directorates, by embedding risk management and establishing local risk reporting procedures to ensure the effective integrated management of risk and assurance;
- Coordinating all clinical and non-clinical risk management issues affecting the health board (scored 12 and above), making recommendations to, and advising the Executive Committee and Board accordingly;
- Reviewing, updating and monitoring the Corporate Risk Register (CRR), and maintaining clear links with the Assurance Framework;
- Recommending the escalation and de-escalation of risks from/to the CRR for Executive Committee approval, ensuring significant risks are appropriately prioritised;
- Reviewing proposed significant risks from risk leads, escalating to the Executive Committee for inclusion in the CRR where appropriate;
- Reviewing risks arising from the results of investigations into losses, untoward incidents, near misses and accidents;
- Reviewing high risk recommendations made by the Internal Audit Service, ensuring that where appropriate they are acted upon and recorded through risk registers and the assurance framework appropriately.

Directorate Risk Management Arrangements

All directorates must have the necessary arrangements in place for good governance, quality, safety and risk management.

Directorates, through management, have responsibility for risks to their services and for putting in place appropriate arrangements for the identification, assessment and management of risks. Directorates are also responsible for developing local arrangements for monitoring risk registers and communicating risk information.

9. Risk Management Toolkit

To support delivery of the Risk Management Framework, a toolkit is available for staff on the [intranet](#). The toolkit is a means by which the Risk Management Framework is operationalised to put into effect the full range of activities outlined. The toolkit includes:

- Risk Management Process
- Risk Assessment Procedure

- Risk Scoring Matrix
- Risk Register Procedure
- Risk Register Template & Guidance

10. Risk Management Training

Knowledge of how to manage risk is essential to the successful embedding and maintenance of effective risk management. To support this, a programme of training will be delivered as follows:

| Staff Group | Training Need | Frequency |
|--|---|----------------------|
| Board Members | Risk Awareness Training & Review of Risk Appetite | Annual |
| Risk & Assurance Group / Senior Managers | Risk Awareness Training, including Risk Assessment and Risk Register Training | Every 3 Years |
| All Staff | Risk awareness training and an understanding of the role of risk management in the organisation | Every 2 Years |
| Service Managers / Risk Owners | Bespoke training delivered on a needs-based approach | Ad hoc / as required |

11. Monitoring the Effectiveness of the Risk Management Framework

Compliance with this Framework is monitored by the Executive Committee and the Audit, Risk & Assurance Committee.

The Annual Governance Statement is signed by the CEO and sets out the organisational approach to internal control. This is produced at the end of the financial year and is scrutinised as part of the annual accounts process and presented to the Board with the accounts, as part of the Annual Accountability Report.

The Head of Internal Audit will also provide an opinion together with the summarised results of the internal audit work performed during the year. The health board's risk management arrangements are also subject to review annually, as part of the Audit Wales Structured Assessment process.

12. References

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