Meeting Date	30 April 2020	Agenda Item	
Report Title	Risk Management - Management of operational and Health Board strategic risks during the Covid-19 Pandemic		
Report Author	Hazel Lloyd, Head of Patient Experience, Risk & Legal Services		
Report Sponsor	Pam Wenger, Director of Governance		
Presented by	Pam Wenger, Director of Governance		
Freedom of Information	Open		
Purpose of the Report	The purpose of this report is to provide an update on risk management and should be read with reference to the Board report on Covid-19 and the risks identified by the COVID-19 Coordination Centre (CCC).		
Key Issues	The Executive Team have reviewed the Health Board Risk Register and updated the following risks: ➢ **Risk Ref 1:** Access to Unscheduled Care risk reduced from 25 to 16. ➢ **Risk Ref 3:** Workforce recruitment of medical & dental staff from 16 to 20 ➢ **Risk Ref 16:** Access to Planned Care increased from 20 to 25. ➢ **Risk Ref 50:** Access to Cancer Services increased from 20 to 25. ➢ **Risk Ref 51:** Compliance with Nurse Staffing Levels (Wales) Act 2016 – risk increased from 16 to 20. ➢ **Risk Ref 58:** Access to Ophthalmology Services increased from 12 to 16. ➢ **Risk Ref 68 Covid-19 Pandemic** increased from 15 to 25. Specific risks and issues relating to response to the pandemic are identified and managed through the Gold Command Executive led daily meeting and supported by the Covid-19 Coordination Centre. There is a separate report to the Board, in April, covering the approach taken to the management of the pandemic		

which includes the risks and that a separate risk register will be maintained at this time. All the Covid-19 risks will be linked back to the Health Board Risk Register entry 68 in the risk module in Datix. The themes/high risks which are highlighted relate to:

- COVID Equipment – inc PPE
- COVID Workforce
- COVID Medicines
- COVID Capacity

Two new risks will be added to the HBRR in relation to:

➢ **Increased unmet health needs -** Access to healthcare either delayed as a result of response to the Covid-19 pandemic (either in a planned way in light of new thresholds of urgency, or as a result of patients not presenting at all) and;

➢ **Financial Risk -** The total quantum for funding for addressing Covid-19 across Wales remains fluid and uncertain. There is a risk that the organisation's operational cost of addressing the pandemic cannot be contained within available funding resulting in a potential breach of the planned outturn for 2020-21.

Specific Action Required *(please choose one only)*	Information	Discussion	Assurance	Approval
	☐	☐	☒	☐

Recommendations	Members are asked to: • **NOTE** the updates to the Health Board Risk Register and the further changes being made in recognition of the changing risks facing the Health Board and the uncertainty in terms of modelling required as a result of the impact of a possible 2nd and 3rd wave of Covid-19 cases; and • **CONSIDER** the current risk appetite for the Board and confirm if increasing the risk appetite for the next three months would be acceptable.

RISK MANAGEMENT REPORT - MANAGEMENT OF OPERATIONAL AND HEALTH BOARD STRATEGIC RISKS DURING THE COVID-19 PANDEMIC

1. INTRODUCTION

The purpose of this report is to provide an update on risk management and should be read with reference to the report on Covid-19 and the risks identified by the COVID-19 Coordination Centre (CCC)

2. BACKGROUND

The Health Board is in unprecedented times, responding to a global pandemic of Covid-19. Boards remain accountable at times of national crisis and it is important they are seen to be doing the right thing (Good Governance Institute, 2020) and the rationale behind key decisions is transparent.

Whilst substantial amounts of management time will be focussed on ensuring that the Health Boards response is coordinated and effective, there is a risk that quality governance and oversight may not be as robust as the resource/capacity of our staff resource is stretched in an unprecedented way which is changing on a daily basis.

In addition, the Minister of Health and Social Services announced on 13th March 2020, a framework of actions, within which local health and social care providers could make decisions to ensure that preparations could be made in a planned and measured way for managing Covid-19 and included:

- Suspending non-urgent outpatient appointments and ensure urgent appoints are prioritised;
- Suspending non-urgent surgical admissions and procedures (whilst ensuring access for emergency and urgent surgery);
- Prioritising the use of Non-Emergency Patient Transport Service to focus on hospital discharge and ambulance emergency response;
- Expediting discharge of vulnerable patients from acute and community hospitals;
- Relaxing targets and monitoring arrangements across the health and care system;
- Minimising regulation requirements for health and care settings;
- Fast tracking placements to care homes by suspending the current protocol which give to right to a choice of home;
- Permission to cancel internal and professional events, including study leave, to free up staff for preparations;
- Relaxation of contract and monitoring arrangements for GPs and primary care practitioners; and
- Suspending NHS emergency service and health volunteer support to mass gatherings and events.

3. GOVERNANCE AND RISK

The purpose of risk management is to fulfil the following requirements:

- Conformity with mandatory obligations;
- Assurance to the Board that internal control activities are proportionate, aligned, comprehensive, embedded and dynamic;
- Support decision-making; and
- Achieve effective and efficient strategy, operations and compliance to ensure best outcome and reduce uncertainty.

At present, the Risk Module on Datix holds 731 open and accepted risks, of which 30% relate to risks over the Board's agreed tolerance level ie risks rated as 16 and above.

The Health Board Risk Register contains 33 strategic risks and the operational risks of 16 and above are linked to the strategic risks. The 33 risks on the Health Board Risk Register are set out in the heat map below:

		Likelihood				
C X L		**1**	**2**	**3**	**4**	**5**
Impact/Consequences	**5**				4: Infection Control 49: TAVI Service 63: Screening for Fetal Growth Assessment in line with Gap-Grow (G&G) 65: CTG Monitoring in Labour Wards 70: Data Centre outages	16: Access to Planned Care Services 50: Access to Cancer Services 66: SACT Treatment 67: Target breeches to Radical Radiotherapy Treatment 68: Coronavirus Pandemic
	4				1: Access to Unscheduled Care Service 11: Healthcare Model for Aging Population 37: Operational and strategic decisions are not data informed 43: DOLS Authorisation and Compliance with Legislation 45: Discharge information 48: Child & Adolescence Mental Health Services 57: Non-compliance with Home Office Controlled Drug Licensing requirements 58: Ophthalmology Clinic Capacity 61: Paediatric Dental GA Service – Parkway 69: Adolescents being admitted to Adult MH wards	03: Workforce Recruitment of Medical and Dental Staff 39: IMTP Statutory Responsibility 51: Compliance with Nurse Staffing Levels (Wales) Act 2016 60: Cyber Security 62: Sustainable Corporate Services 64: H&S Infrastructure
	3				13: Environment of Health Board Premises 36: Electronic Patient Record 27: Sustainable Clinical Services for Digital Transformation 41: Fire Safety Regulation Compliance 52: Engagement & Impact Assessment Requirements	15: Population Health Improvement 53: Compliance with Welsh Language Standards
	2					
	1					

These risks, which relate to potential events or impacts, will continue to remain whilst the Health Board responds to the evolving Covid-19 pandemic, and may become more of a reality over the next few months whilst the Health Board experiences increased demand for services and their management needs to be balanced with the Health Board's ability to respond to the pandemic, as the Board remains accountable for the risks that is carrying. These risks need to be crucially considered and included into the Health Boards response to recovery from the Covid-19 pandemic.

To enable Services to prepare and deal with the Covid-19 pandemic, all Executive Team Performance Reviews have been stood down to the end of June 2020, and only essential Committee meetings are going ahead with reduced membership. However, it is important that while these changes have been made the management of risks must still be carried out and mitigating action taken where appropriate as the accountability for the risks remains for the services we provide.

Whilst there is recognition of the significant pressure on services, there needs to be a proportionate response to risk balanced with the current capacity pressures and challenges presented by the COVID pandemic and managing the 'business as usual' issues and risks. This assessment needs to be undertaken by management, as they have the ownership (accountability and authority) and depth of understanding to make the right decision for the right reason.

Management of Health Board Risk Register
The Health Board Risk Register (HBRR) is agreed by the Executive Team and is scrutinised by the Board level Committees on a quarterly basis in terms of the risks aligned to each sub committee of the Board with the Audit Committee overseeing the complete HBRR on behalf of the Board.

As the Board and Committee cycle has been amended to allow for COVID planning, it proposed that the HBRR is reviewed and agreed by Executive Team on a monthly basis prior to Audit Committee/Board, with the Quality & Safety risks being overseen by the Quality & Safety Governance Group and reported through to the Quality & Safety Committee.

Existing risks are being worked through and updated to reflect the impact of Covid-19 on them and may reduce/increase in risk score. Current changes seen relate to:

- **Risk Ref 1: Access to Unscheduled Care risk reduced from 25 to 16**
  Due to current measures related to COVID 19 including the cancelled all non-urgent activity, Emergency Department and Minor Injury Unit (MIU) attendance have reduced by nearly 50%, red call performance is at 65% and 4hr handover for the last 3 weeks has been in excess of 75%. Both Morriston and Singleton have been risk level 1 for the past 2 weeks. It is recognised that this is not likely to be maintained and therefore remains a high risk.

- **Risk Ref 3: Workforce recruitment of medical & dental staff**
  Risk covers all hospitals and multiple specialties. Participated in BAPIO in November, appointed 25 doctors. Working with Medacs to replace long term locums. Developing an Invest to Save Bid for international overseas recruitment

for nursing to upscale the activity for 20/21. Recruitment remains a challenge but is also a national problem. The problem persists and due to Covid 19 we can no longer on board overseas doctors due to the travel restrictions. Supply issues to the Covid areas however have been mitigated by using doctors from other specialties where demand is currently low.

➢ **Risk Ref 16: Access to Planned Care increased from 20 to 25;**
The cancellation of all non-urgent activity has increased the backlog of planned care cases across the organisation. Whilst mitigating measures such as virtual clinics have been put in place new referrals are still being accepted which is adding to the outpatient volumes. The significant reduction in theatre activity is obviously increasing the number of patients now breaching 36 and 52 week thresholds.

➢ **Risk Ref 50: Access to Cancer Services increased from 20 to 25**
Whilst every effort is being made to maintain cancer treatment, surgical cancer activity in particular is being impacted upon by both the reduction in elective theatre capacity and availability in critical care beds.

➢ **Risk Ref 58: Access to Ophthalmology Services increased from 12 to 16**
Although routine outpatients appointment are not being undertaken those patients at high risk i.e. Wet age-related macular degeneration (AMD) are still being seen and receiving treatment and those patients in other high risk specialties such as glaucoma are being reviewed virtually and if deemed necessary attending for urgent appointments.

➢ **Risk Ref 51: Compliance with Nurse Staffing Levels (Wales) Act 2016** – risk increased from 16 to 20.
Increased risk as a result of reduction in staff availability in relation to staff isolation/sickness - Covid-19.   Frequently below minimum staffing number requirements. Additional Controls have been introduced in March to mitigate the risk, although the risk has increased at this time. Additional actions include:
- Daily staffing meetings chaired by Executive Director of Nursing & Patient Experience to discuss hot spots and the staff available across the Health Board.
- Nurse Bank fully utilised and Units are able to contact agency nursing direct to maintain a safe service.
- Corporate Nursing 7 day rota introduced.
- Staff who have recently retired have been brought back into the workforce.
- Administration staff utilised to release nurses into providing care.
- Students being utilised.

A specific update report on the Nurse Staffing Act will be on the agenda for the Board in May 2020.

➢ **Risk Ref 68 Covid-19 Pandemic** increased from 15 to 25. Specific risks and issues relating to response to the pandemic are identified and managed through the Gold Command Executive led daily meeting and supported by the Covid-19 Coordination Centre. There is a separate report to the Board, in April, covering the approach taken to the management of the pandemic which includes the risks and that a separate risk register will be maintained at this time. All the Covid-19

risks will be linked back to the Health Board Risk Register entry 68 in the risk module in Datix. The themes/high risks which are highlighted relate to:

- COVID Equipment – inc PPE
- COVID Workforce
- COVID Medicines
- COVID Capacity

Two new risks will be added to the HBRR in relation to:

> **Increased unmet health needs**
> Access to healthcare either delayed as a result of response to the Covid-19 pandemic (either in planned way in light of new thresholds of urgency, or as a result of patients not presenting at all).

> **Financial Risk**
> The total quantum for funding for addressing Covid-19 across Wales remains fluid and uncertain. There is a risk that the organisation's operational cost of addressing the pandemic cannot be contained within available funding resulting in a potential breach of the planned outturn for 2020-21. **Examples of mitigating actions:**

- Modelling of anticipated patient flows, and the resultant workforce, equipment and operational requirements is managed through Gold command;
- Financial modelling and forecasting is co-ordinated on a regular basis;
- Financial reporting to Welsh Government on local costs incurred as a result of Covid-19 to inform central and local scrutiny, feedback and decision-making;
- Oversight arrangements in place at Board level and through the command structure;
- Exploring alternative funding sources;
- Local Health Board funding arrangements, including confirmed additional support from Welsh Government;
- Funding arrangements through the Regional Partnership Board and Local Authority partners.

The Executive Team will continue to review the HBRR focussing on:

- Existing risks which may need to be de-escalated from the HBRR as they do not reflect the current priorities of the Health Board;
- New and emerging risks relating to the potential impact of COVID planning and management will need to be assessed;
- Executive Directors/Directors will also need to consider their risks from their Directorate risk registers as to whether they should be considered for escalation to HBRR.

Management of Operational Risks

Executive Directors (Corporate functions) and Unit Service Directors supported by Unit Nurse and Unit Medical Directors remain responsible for risks outside of the Covid-19

Risk Register lined to the HBRR entry Risk Ref 68. Self-governance, transparency and management of these risks is crucial at a time when external scrutiny is at its lowest ie Healthcare Inspectorate Wales, Health & Safety Executive, Internal and External Audit unprecedented reduction in activity,

Managers will also need to decide whether they have the capability (available resources and skills) to implement their planned actions, and maintain the effectiveness of their existing controls.

To do this, The Director of Governance will ask for Executive Directors/Unit Directors to review their existing operational risks on Datix Risk Module (taking into account the positive /negative impacts that Covid-19 may have had on them) and

- Agree the risks that remain a priority to manage and mitigate during the Covid-19 pandemic;
- Agree (archive) the risks that do not present a significant risk during the Covid-19 pandemic (however they must ensure that existing controls are in place and remain effective otherwise risk could increase); and
- Consider new and emerging risks to their service as a result of the Covid-19 pandemic (including potential risks in respect of returning to normal business)

Risk Appetite and Tolerance
The Board may wish to review its Risk Appetite and Tolerance levels and set new levels for the staff to follow during the Covid-19 pandemic. Currently the Board's risk appetite is that risks of 16 and above are considered high risks and risks which the Board considered actions should be taken as a priority to mitigate the risk and there is a low threshold to taking risk where it will have a high impact on the quality and safety of care being delivered to patients. Risk appetite and tolerance acts as a guidance as to the risk boundaries that are acceptable and how risk and reward are to be balanced, as well as providing clarification on the level of risk the Board is prepared to accept.

Members are asked to consider increasing the risk appetite whilst dealing with COVID-19.   It is proposed that risks of **20** and above are considered high risks for the next three months.   It is proposed that these arrangements are reviewed regularly by the Executive Team, Audit Committee and the Board.

4. **RECOMMENDATION**

Members are asked to:
- **NOTE** the updated Health Board Risk Register and the further changes being made in recognition of the changing risks facing the Health Board and the uncertainty in terms of modelling required as a result of the impact of a possible 2nd and 3rd wave of Covid-19 cases; and
- **CONSIDER** the current risk appetite for the Board and confirm if increasing the risk appetite for the next three months would be acceptable.

Governance and Assurance		
Link to Enabling Objectives *(please choose)*	**Supporting better health and wellbeing by actively promoting and empowering people to live well in resilient communities**	
	Partnerships for Improving Health and Wellbeing	☐
	Co-Production and Health Literacy	☐
	Digitally Enabled Health and Wellbeing	☐
	Deliver better care through excellent health and care services achieving the outcomes that matter most to people	
	Best Value Outcomes and High Quality Care	☒
	Partnerships for Care	☒
	Excellent Staff	☒
	Digitally Enabled Care	☒
	Outstanding Research, Innovation, Education and Learning	☒

Health and Care Standards		
(please choose)	Staying Healthy	☒
	Safe Care	☒
	Effective Care	☒
	Dignified Care	☒
	Timely Care	☒
	Individual Care	☒
	Staff and Resources	☒

Quality, Safety and Patient Experience

Ensuring the organisation has robust risk management arrangements in place that ensure organisational risks are captured, assessed and mitigating actions are taken, is a key requisite to ensuring the quality, safety & experience of patients receiving care and staff working in the UHB.

Financial Implications

The risks outlined within this report have resource implications which are being addressed by the respective Executive Director leads and taken into consideration as part of the Board's IMTP processes.

Legal Implications (including equality and diversity assessment)

It is essential that the Board has robust arrangements in place to assess, capture and mitigate risks faced by the organisation, as failure to do so could have legal implications for the UHB.

Staffing Implications

Staff will be briefed on the changes through workshops and also meetings held with Executive Directors and Assistant Directors to support the changes required to meet the recommendations made by the Wales Audit Office.

Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)

No implications for the Team to be notified of.

Report History	• Senior Leadership Team bi monthly • Quarterly report to the Audit Committee
Appendices	• No appendices