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Bae Abertawe
Swansea Bay University
Health Board



Meeting Date	26 April 2022	Agenda Item	6.4
Report Title	Risk Management Report – Performance & Finance Risks		
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Report Sponsor	Hazel Lloyd, Interim Director of Corporate Governance		
Presented by	Neil Thomas, Assistant Head of Risk & Assurance		
Freedom of Information	Open		
Purpose of the Report	The purpose of this report is to highlight the risks from the Health Board Risk Register (HBRR) assigned to the Performance & Finance Committee for scrutiny.		
Key Issues	<ul style="list-style-type: none"> • The Health Board Risk Register was last presented to the Audit Committee and Board in March 2022. The Board endorsed continuation of the risk appetite score level of 20, but agreed to explore the adoption of a more nuanced approach in future. A future approach to expressing & using risk appetite is being developed. • Since the above, risk entries have been circulated for review and update by Executive Directors and their nominated senior management leads. The March 2022 register reflects revisions made during that period. • Twelve risks are assigned to the Performance & Finance Committee for oversight which includes one new risk and one re-opened risk. Seven risks are at or above the Health Board's current risk appetite score of 20. 		
Specific Action Required <i>(please choose one only)</i>	Information	Discussion	Assurance
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Recommendations	<p>Members are asked to:</p> <ul style="list-style-type: none"> • NOTE the updates to the Health Board Risk Register (HBRR) relating to risks assigned to the Performance & Finance Committee. • DISCUSS the risks assigned to the Performance & Finance Committee and endorse the mitigating action being taken to manage the risks. 		

RISK MANAGEMENT REPORT – PERFORMANCE & FINANCE RISKS

1. INTRODUCTION

The purpose of this report is to highlight the risks from the Health Board Risk Register (HBRR) assigned to the Performance & Finance Committee for scrutiny.

2. BACKGROUND

2.1 Risk Management Framework

The Audit Committee is responsible for overseeing the overall operation of the risk management framework and providing assurance to the Board in that respect. While this is the case, individual risks have been assigned to other Board committees for more detailed scrutiny and assurance. The intention is that committee work programmes are aligned so that progress made to address key risks is reviewed in depth. Regular HBRR update reports are submitted to the Board and the committees of the Board to support this.

Executive Directors are responsible for managing risk within their area of responsibility.

Risk Register management is supported by a Risk Management Group (RMG) which meets quarterly and is responsible for overseeing the operational management of risk, ensuring local systems and processes are in place and are operating effectively to ensure appropriate reporting and escalation. The Group last met in February 2022.

Additionally, a Risk Scrutiny Panel meets monthly, and is responsible for moderating new risks and escalated risks to the Health Board Risk Register (HBRR) and Board Assurance Framework (BAF). Executive Director review and approval is sought, as appropriate, for the escalation and de-escalation of risks. The Panel last met in March 2022.

2.2 Risk Appetite

Risk appetite and tolerance provide clarification on the level of risk the Board is prepared to accept.

Prior to the Covid-19 Pandemic, the Board's risk appetite required that action should be taken as a priority to address risks scored at 16 and above. There is a low tolerance to taking risk where it would have a high impact on the quality and safety of care being delivered to patients.

Following the onset of the Covid-19 pandemic, members of the Board agreed that the risk appetite score would increase to 20 and above for an initial period of 3 months. The risk appetite level of 20 and above has remained in place since the start of the pandemic. These arrangements are reviewed regularly by the Executive Team, Audit Committee and the Board. In accordance with Board wishes, a more nuanced approach to the expression of risk appetite is being developed.

2.3 Health Board Risk Register (HBRR)

The Health Board Risk Register (HBRR) is intended to summarise the greatest organisational risks facing the Health Board and the actions being taken to mitigate them.

Each Health Board risk has a lead Executive Director who is responsible for ensuring there are mechanisms in place for identifying, managing and alerting the Board to significant risks within their areas of responsibility through regular, timely and accurate reports to the Management Board/Executive Team, relevant Board Committees and the Board.

2.4 Covid-19 Risk Register

The Covid-19 risk register is managed within the Covid-19 Gold Command structure. It has not been included in recent reports as its operational risk scores were below the Board's current appetite of 20. Where scores rise above this level risks are summarised within this report. Consideration is being given to the future of Covid Command arrangements and the approach to the management of risks currently remaining on the Gold Command risk register.

3. MANAGEMENT OF PERFORMANCE & FINANCE RISKS

3.1 Action to Update the HBRR

Health Board risk register entries were circulated to lead Executive Directors during March for review and update where required.

Comments received from Directors and their senior management leads have been reflected within the extract of the revised March 2022 HBRR attached at **Appendix 1**. Key changes made since the February 2022 HBRR received by the Board in March 2022 are highlighted in red font.

3.2 HBRR Performance & Finance Risks

Twelve risks are assigned to the Performance & Finance Committee for oversight, seven of which are at or above the Health Board's current risk appetite score of 20. The status of these risks is summarised below and presented in more detail within the Health Board Risk Register extract included at **Appendix 1**.

Since the Board meeting:

- One new risk has been added: *HBR 83 Release of Bed Capacity Savings*, and assessed to score 20.
- One previously closed risk has been re-opened and refreshed: HBR 72 Capital Plan for 2022 – 2023, assessed to score 20.
- One risk has decreased since the last meeting from a score of 25 to 20: *HBR 16 Access and Planned Care*. Another risk has decreased from a score of 20 to 15: *HBR 75 Whole Service Closure*.

There are no other changes to the performance & finance risk profile.

Table 1 below highlights actions taken or planned in respect of the highest risks (ie risk score at or above the current appetite of 20) allocated to the Committee:

Table 1 – HBRR High Risks Assigned to the Performance & Finance Committee

Risk Reference	Risk Description	Current Score	Executive Lead & Key Actions
1 (738)	<p>Access to Unscheduled Care If we fail to provide timely access to Unscheduled Care then this will have an impact on quality & safety of patient care as well as patient and family experience and achievement of targets. There are challenges with capacity/staffing across the Health and Social care sectors.</p>	25	<p>Executive lead: Chief Operating Officer</p> <p>Risk description and actions were refreshed and reported to Board as follows:</p> <ul style="list-style-type: none"> • Re-establish short stay unit on ward D at Morriston. • Increase SDEC (Same Day Emergency Care) working hours and throughput of patients. • Third phase of procurement to be undertaken to commission additional care home beds. <p>Further notes: While a zero tolerance target of 4 hours was agreed and standard operating procedure in place, this was not being achieved due to Omicron surge and increased pressures at Morriston. Patient pathways that can bypass ED have been identified, but the Executive Medical Director has been working with WAST and SBU clinicians to maximise the number of patients receiving Same Day Emergency Care. Acute hub relocated to TAWE as planned in December. Estates works commenced in Enfys ward.</p>
16 (840)	<p>Access and Planned Care. There is a risk of harm to patients if we fail to diagnose and treat them in a timely way.</p> <p>Reduced from 25 to 20</p>	20	<p>Executive lead: Chief Operating Officer</p> <p>Actions were refreshed and reported to Board as follows:</p> <ul style="list-style-type: none"> • Implement demand management initiatives between primary and secondary care to reduce the number of new patients awaiting outpatient appointments. • Implement a full range of interventions to support patients to be kept active and well whilst on a waiting list. The focus will be on cancer patients awaiting surgery and long waiting orthopaedic patients. • Develop robust demand and capacity plans for delivery in 2022/23 <p>Further notes:</p>

Risk Reference	Risk Description	Current Score	Executive Lead & Key Actions
			<p>An additional ophthalmology day case theatre in Singleton will also be operational early in 2022/23.</p> <p>Work has commenced in cardiology, ENT, dermatology and colorectal surgery. Other areas are being developed.</p>
<p>50 (1761)</p>	<p>Access to Cancer Services A backlog of patients now presenting with suspected cancer has accumulated during the pandemic, creating an increase in referrals into the health board which is greater than the current capacity for prompt diagnosis and treatment. Because of this there is a risk of delay in diagnosing patients with cancer, and consequent delay in commencement of treatment, which could lead to poor patient outcomes and failure to achieve targets.</p>	<p>25</p>	<p>Executive lead: Chief Operating Officer</p> <p>Further actions are presented below:</p> <ul style="list-style-type: none"> • Phased and sustainable solution for the required uplift in endoscopy capacity that will be key to supporting both the Urgent Suspected Cancer backlog and future cancer diagnostic demand on Endoscopy Services. • Implement a process for clinical harm review (Waiting on all Wales decision of patient pathway reviews & framework). • Cancer Programme Board to be established <p>Further notes: The CEO requested zero waits over 100 days by the end of March 2022. The Deputy Chief Operating Officer has been meeting with teams with longest waits.</p>
<p>72 (2449)</p> <p>Re-opened risk</p>	<p>Capital Plan Impact of COVID-19 pandemic on the Health Board Capital Resource Limit (CRL) and Capital Plan for 2022-23.</p>	<p>20</p>	<p>Executive lead: Director of Finance</p> <p>Actions status as follows:</p> <ul style="list-style-type: none"> • A formal review of existing capital plan to revise schemes and scheduling of schemes to move to balance was approved by Management Board for consideration by full Board. • Welsh Government has been apprised of content of revised capital plan to consider possibilities of support for key areas. <p>Further notes: The risks of not being able to deliver a balanced CRL has been mitigated through the balanced plan (subject to Board approval in March 2022). The ongoing risk reflected in this risk score relates to the capital available being considerably less than the expenditure required to meet the Health Board's needs in 2022/23.</p>

Risk Reference	Risk Description	Current Score	Executive Lead & Key Actions
73 (2450)	<p>Finance The Health Board underlying financial position may be detrimentally impacted by the COVID-19 pandemic. There is a potential for a residual cost base increase post COVID-19 as a result of changes to service delivery models and ways of working.</p>	20	<p>Executive lead: Director of Finance</p> <p>Previous actions complete:</p> <ul style="list-style-type: none"> • Apprise Welsh Government of content of revised revenue plan to consider possibilities of support for key areas. • All Wales work through Directors of Finance to benchmark costs and work with Welsh Government on solutions. <p>New action raised:</p> <ul style="list-style-type: none"> • WG has informed health boards that reasonable COVID response costs can be assumed to be covered by additional financial allocation in 2022/23. This will be shared with Welsh Government and Finance Delivery Unit through April 2022 and May 2022. Final outcome expected at the end of this period. <p>Further notes: The risk remains at 20 as whilst Welsh Government has confirmed allocations can be assumed, this is based on funding available for 5 categories of cost. The scrutiny of these categories of cost will inform the level of funding to be allocated. There remains a risk that the funds to be allocated may not meet the cost within the Health Board and this will affect the balance of the financial plan if it cannot be mitigated.</p>
75 (2522)	<p>Whole-Service Closure Risk that services or facilities may not be able to function if there is a major incident or a rising tide that renders current service models unable to operate</p> <p>Reduced from 20 to 15</p>	15	<p>Executive lead: Chief Operating Officer</p> <p>Action remains as follows:</p> <ul style="list-style-type: none"> • Business Continuity plans in place to be reviewed by operational silver command. <p>Further notes: The risk score has been reduced as based on the latest epidemiology the health board does not expect an imminent threat that would result in a whole service closure. Business Continuity Plans and the local choices framework have been tested a number of times in previous waves and have provided robust mitigation.</p>

Risk Reference	Risk Description	Current Score	Executive Lead & Key Actions
83 (2961) New Risk	Release of Bed Capacity Savings There is a risk that the health board will not be able to release sufficient bed capacity to meet the requirements of savings schemes predicated on bed release.	20	Executive Lead: Director of Finance Actions as follows: <ul style="list-style-type: none"> • Focus on front door redesign to manage patients away for admission to alternative services. • Agree occupancy level to support the modelling. • Delivery AMSR. • Delivery of Virtual Ward model across all clusters

The Committee is requested to ensure that its agenda provides for the scrutiny and challenge of actions being taken to address the risks, and supports the reporting of assurance to the Board accordingly.

Some of the risks allocated to this Committee for scrutiny are reported to other Committees for information. These are summarised here for information:

HBRR Ref	Risk Detail	Current Risk Score	Committee
1 (738)	Access to Unscheduled Care If we fail to provide timely access to Unscheduled Care then this will have an impact on quality & safety of patient care as well as patient and family experience and achievement of targets. There are challenges with capacity/staffing across the Health and Social care sectors.	25	Quality & Safety
16 (840)	Access and Planned Care. There is a risk of harm to patients if we fail to diagnose and treat them in a timely way.	20	Quality & Safety
48 (1563)	Failure to sustain Child and Adolescent Mental Health Services Primary & specialist CAMHS services are delivered by Cwm Taf University Health Board on behalf of the health board. The ability to sustain performance is dependent on consistency and availability of staff which due to the small numbers in the various CAMHS teams can affect achievement of waiting times significantly.	16	Quality & Safety
50 (1761)	Access to Cancer Services A backlog of patients now presenting with suspected cancer has accumulated during the pandemic, creating an increase in referrals into the health board which is greater than the current capacity for prompt diagnosis and treatment. Because of this there is a risk of delay in diagnosing patients with cancer, and consequent delay in commencement of treatment, which could lead to poor patient outcomes and failure to achieve targets.	25	Quality & Safety
82 (2554)	Risk of closure of Burns service if Burns Anaesthetic Consultant cover not sustained There is a risk that adequate Burns Consultant Anaesthetist cover will not be sustained, potentially resulting in closure to this regional service, harm to	20	Quality & Safety

HBRR Ref	Risk Detail	Current Risk Score	Committee
	those patients who would require access to it when closed and the associated reputational damage.		

4. COVID 19 RISK REGISTER – HIGHEST RISKS

Risks associated with the Covid-19 pandemic can be volatile in nature, with scores responding to the prevalence of the virus in the community and health board, and changes in other external circumstances. At the end of March, there was one risk with a score of 25 on the Gold Command risk log. This is summarised below for information:

Table 6: Risks increased on Covid-19 register

Covid-19 Register Ref	Risk Detail	Current Risk Score
COV 024	<p>Fragility of External Domiciliary Care Market</p> <p>Significant reduced staffing levels in domiciliary care agencies due to staff exiting the care home sector for employment in alternative business such as hospitality and retail has resulted in a number of providers being unable to fulfil contracts with attendant handbacks of packages of care. This high level of additional demand has impacted flow from hospital, from bedded reablement and out of domiciliary reablement services where there is any recourse to long term care resulting in delays across all of the discharge pathways and many of the admission avoidance support routes for those in crisis in the community.</p>	<p>25</p> <p>Risk level increased in February 2022</p>

Risks remaining on the Covid-19 register are overseen by Gold Command and reviewed weekly. Consideration is being given to the future of Covid Command arrangements and the approach to the management of risks currently remaining on the Gold Command risk register.

5. GOVERNANCE AND RISK

5.1 Risk Appetite & Tolerance Levels

As noted earlier, the health board risk appetite level of 20 and above has remained in place since the start of the pandemic. These arrangements are reviewed regularly by the Executive Team, Audit Committee and the Board. In accordance with Board wishes, a more nuanced approach to the expression of risk appetite is being developed.

6. FINANCIAL IMPLICATIONS

There are financial implications to minimising the risks entered on the HBRR in relation to significant revenue implication around strengthening resources in the Health Board, Service Groups and Departments. Capital monies may also be required in relation to supporting the improvements required to improve and where this is the case further detail is provided in the individual entries on the HBRR.

7. RECOMMENDATIONS

Members are asked to:

- **NOTE** the updates to the Health Board Risk Register (HBRR) relating to risks assigned to the Performance & Finance Committee.
- **DISCUSS** the risks assigned to the Performance & Finance Committee and endorse the mitigating action being taken to manage the risks.

Governance and Assurance		
Link to Enabling Objectives <i>(please choose)</i>	Supporting better health and wellbeing by actively promoting and empowering people to live well in resilient communities	
	Partnerships for Improving Health and Wellbeing	<input type="checkbox"/>
	Co-Production and Health Literacy	<input type="checkbox"/>
	Digitally Enabled Health and Wellbeing	<input type="checkbox"/>
	Deliver better care through excellent health and care services achieving the outcomes that matter most to people	
	Best Value Outcomes and High Quality Care	<input checked="" type="checkbox"/>
	Partnerships for Care	<input checked="" type="checkbox"/>
	Excellent Staff	<input checked="" type="checkbox"/>
	Digitally Enabled Care	<input checked="" type="checkbox"/>
	Outstanding Research, Innovation, Education and Learning	<input checked="" type="checkbox"/>
Health and Care Standards		
<i>(please choose)</i>	Staying Healthy	<input checked="" type="checkbox"/>
	Safe Care	<input checked="" type="checkbox"/>
	Effective Care	<input checked="" type="checkbox"/>
	Dignified Care	<input checked="" type="checkbox"/>
	Timely Care	<input checked="" type="checkbox"/>
	Individual Care	<input checked="" type="checkbox"/>
	Staff and Resources	<input checked="" type="checkbox"/>
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		
All staff have a responsibility for promoting risk management, adhering to SBUHB policies and have a personal responsibility for patients' safety as well as their own and colleague's health and safety. Executive Directors/Unit Directors are requested to review their existing operational risks on Datix Risk Module to ensure SBUHB has an accurate and up to date risk profile.		
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)		
The HBRR and the Covid 19 risk register sets out the framework for how SBUHB will make an assessment of existing and future emerging risks, and how it will plan to manage and prepare for those risks.		
Report History	<ul style="list-style-type: none"> This report provides an update on risks previously reported in January 2022. 	
Appendices	<ul style="list-style-type: none"> Appendix 1 – Health Board Risk Register (HBRR) Risks Assigned to the Performance & Finance Committee 	