



**GIG**  
CYMRU  
**NHS**  
WALES

Bwrdd Iechyd Prifysgol  
Bae Abertawe  
Swansea Bay University  
Health Board



<b>Meeting Date</b>	<b>26 October 2021</b>	<b>Agenda Item</b>	<b>3.1</b>
<b>Report Title</b>	<b>Risk Management Report – Performance &amp; Finance Risks</b>		
<b>Report Author</b>	Neil Thomas, Assistant Head of Risk & Assurance Elaine Woodrow, Senior Risk & Assurance Analytical Officer		
<b>Report Sponsor</b>	Pam Wenger, Director of Governance		
<b>Presented by</b>	Neil Thomas, Assistant Head of Risk & Assurance		
<b>Freedom of Information</b>	Open		
<b>Purpose of the Report</b>	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.		
<b>Key Issues</b>	<ul style="list-style-type: none"> <li>• The Health Board Risk Register was last presented to the full Board in July 2021.</li> <li>• Risk register entries been shared with Executive Director leads to update where appropriate. The Register attached reflects revisions made up to mid-October 2021. The register is scheduled for endorsement at Management Board on 20<sup>th</sup> October.</li> <li>• The Health Board continues to operate at the increased risk appetite level of 20 as determined at the outset of the pandemic (a level of 16 was its pre-pandemic position).</li> <li>• The HBRR currently contains 39 risks. Nine of these are assigned to the Performance &amp; Finance Committee for oversight, 5 of which are at or above the Health Board's current risk appetite score of 20.</li> <li>• 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. In recent weeks, scores have risen for two risks to meet this threshold – COV004 <i>Covid-related Sickness Absence</i> and COV009a <i>Workforce Shortages</i>. These risks are summarised within this report for information.</li> </ul>		
<b>Specific Action Required (please choose one only)</b>	<b>Information</b>	<b>Discussion</b>	<b>Assurance</b>
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Recommendations</b>	<p>Members are asked to:</p> <ul style="list-style-type: none"> <li>• <b>NOTE</b> the updates to the Health Board Risk Register (HBRR) relating to risks assigned to the Performance &amp; Finance Committee.</li> <li>• <b>DISCUSS</b> the risks assigned to the Performance &amp; Finance Committee and endorse the mitigating action being taken to manage the risks.</li> </ul>		

# 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 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, with the intention that committee work programmes be aligned so that progress made to address key risks is reviewed in depth. Regular HBRR update reports are submitted to the Health 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 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 meets quarterly and it last met in August 2021.

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 Directors are notified and consulted with, as appropriate, in terms of the escalation and de-escalation of risks. The Panel last met in August 2021.

### 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.

## 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

In recognition that Covid-19 is an 'issue' which the Health Board is managing, a separate risk register was established to capture the key risks associated with managing the response to the Pandemic. Several of the longer term risks associated with Covid recovery have been transferred into the overall Health Board Risk Register. Risks remaining on the Covid-19 register are overseen by Gold Command and reviewed weekly. Routine inclusion of the Covid-19 register ended following this as the assessment scores for remaining risks have been below the Board's current appetite of 20. At the Gold Command meeting on 11<sup>th</sup> October scores were increased for two risks to reach this threshold. These risks are highlighted briefly within this report for information.

# 3. MANAGEMENT OF PERFORMANCE & FINANCE RISKS

## 3.1 Action to Update the HBRR

Risk entries have been shared and lead Executive Directors asked to review and update them where they no longer reflect the current position. Updates have been reflected. Additionally, we have amended the names of Executive risk leads recognising the recent changes at the Board. The Register extract attached at **Appendix 1** reflects revisions made up to mid-October 2021. The register is being presented to the Management Board on 20<sup>th</sup> October for endorsement. Key changes made since the July version of the register are highlighted in red font.

The HBRR currently contains 39 risks. Nine are assigned to the Performance & Finance Committee for oversight, 5 of which are at or above the Health Board's current risk appetite score of 20. The status of these risks as at early October is summarised below and presented in more detail within the Health Board Risk Register extract included at **Appendix 1**.

Of those risks allocated to the Performance & Finance Committee, one previously recorded with a score of 25 has been reviewed since the register was last received by the Board in July 2021, and the score reduced by the Executive lead – ref HBR 50 *Access to Cancer Services*.

One risk has been re-assessed and its score increased to the highest level of 25 – ref HBR 1 *Access to Unscheduled Care*.

Table 1 below highlights actions being taken on 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><b>Access to Unscheduled Care</b> If we fail to comply with Tier 1 target – Access to Unscheduled Care – then this will have an impact on patient and family experience. Challenges with capacity /staffing across the Health and Social care sectors.</p>	25	<p><b>Executive lead:</b> <b>Chief Operating Officer</b></p> <p>Action: Implementation of Phone First for ED as one the initiatives set out in the National Unscheduled Care Programme – six goals. Lead: Chief Operating Officer Target: 31<sup>st</sup> October 2021</p> <p>Action: Phased implementation of the Acute Medical Services Redesign. Business case for ambulatory care element of service redesign submitted WG. Lead: Chief Operating Officer Target: 31<sup>st</sup> October 2021</p>
16 (840)	<p><b>Access and Planned Care.</b> There is a risk of harm to patients if we fail to diagnose and treat them in a timely way.</p>	25	<p><b>Executive lead:</b> <b>Chief Operating Officer</b></p> <p>Action: Develop and implement a full range of 'treat while you wait' interventions at specialty level to minimise harm. Lead(s): Service Directors Target: 30/09/2021.</p> <p>Theatre activity has now increased to pre-Covid levels across the three sites and further sessions are planned (in orthopaedics initially) with support from an insourcing companies for staff and additional elective sessions in Singleton Hospital. In addition, outsourcing to independent hospital has commenced with the further provision of theatre sessions in private facilities to be utilised by surgeons and anaesthetics from November onwards.</p> <p>Further action: Welsh Government has provided funding for the Health Board to develop and implement a full range of interventions to "support patients to be kept active and well whilst on a waiting list' interventions". The focus will be on cancer patients awaiting surgery and long waiting orthopaedic patients. Lead(s): Service Group Directors Target: 31/11/2021.</p>

<b>Risk Reference</b>	<b>Risk Description</b>	<b>Current Score</b>	<b>Executive Lead &amp; Key Actions</b>
50 (1761)	<b>Access to Cancer Services</b> 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.	20	<b>Executive lead:</b> <b>Chief Operating Officer</b>  Risk score reduced from 25 to 20 since presentation of HBRR to Board in July.  Action: 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. Harm review process to be implemented. Lead: Service Group Manager Target: 1 <sup>st</sup> November 2021  Action: To explore the possibility of offering SABR RT for high risk lung cancer patients in SWWCC. Business case with WHSCC – expect response by end Nov 2021 Lead: Service Manager Surgical Services Target: 30 <sup>th</sup> November 2021
73 (2450)	<b>Finance</b> 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.	20	<b>Executive lead:</b> <b>Director of Finance</b>  Action: Impact of reset and recovery to be assessed through QIA process to ensure clear understanding of impact on underlying cost base. Lead: Chief Operating Officer Target: 30 <sup>th</sup> September 2021 (Monthly ongoing)
75 (2522)	<b>Whole-Service Closure</b> 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	20	<b>Executive lead:</b> <b>Chief Operating Officer</b>  Action: Business Continuity plans in place to be reviewed by operational silver command. Lead(s): Singleton Group Director / Morriston Service Group Director Target: 31 <sup>st</sup> March 2022

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 are shared with Quality & Safety Committee for information.

#### 4. COVID 19 RISK REGISTER – HIGHEST RISKS

At the Gold Command meeting on 12<sup>th</sup> October, scores for two risks on the Covid-19 risk register were increased, reaching the Health Board’s risk appetite score of 20.

These risks are highlighted briefly below for information. Risks remaining on the Covid-19 register are overseen by Gold Command and reviewed weekly:

Covid-19 Register Ref	Risk Detail	Current Risk Score
COV 004	<p><b>Covid related sick absence</b>            Number of staff who are absent from work through self-isolation or family illness will impact on ability to deliver safe care for patients; and will impact on ability to keep capacity open and to staff surge and super surge capacity. Note: This risk only captures the total of staff absence as reported weekly to Welsh Government risk score reflects the position in comparison with wave one position which peaked at 1700 staff absent.</p>	20
COV 009a	<p><b>Workforce Shortages</b>            Risk to service provision, deployment plans and Health Board strategic workforce related developments i.e. surge capacity, field hospital / immunisation programme in the context of the number of available staff. Factors impacting cover Covid and general sick absence, deployment restrictions relating to staff Covid risk assessment, general turnover, Outbreaks. Key risk areas where specific workforce shortages impact is the greatest e.g. ITU, A&amp;E, Covid wards are reflected in the overall score.</p>	20

## 5. GOVERNANCE AND RISK

### 5.1 Risk Appetite & Tolerance Levels

As noted earlier, members of the Board agreed that the risk appetite, whilst dealing with Covid-19, would increase to 20 and above for an initial period of 3 months. These arrangements have been reviewed regularly by the Executive Team, Audit Committee and the Board, but the appetite has not changed since and remains at 20 currently.

## 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 Directorates. Capital monies will also be required in relation to supporting the improvements required to improve and further detail is provided in the individual entry 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.

<b>Governance and Assurance</b>		
<b>Link to Enabling Objectives</b> <i>(please choose)</i>	<b>Supporting better health and wellbeing by actively promoting and empowering people to live well in resilient communities</b>	
	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"/>
	<b>Deliver better care through excellent health and care services achieving the outcomes that matter most to people</b>	
	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"/>
<b>Health and Care Standards</b>		
<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"/>
<b>Quality, Safety and Patient Experience</b>		
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.		
<b>Financial Implications</b>		
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.		
<b>Legal Implications (including equality and diversity assessment)</b>		
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.		
<b>Staffing Implications</b>		
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.		
<b>Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)</b>		
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.		
<b>Report History</b>	<ul style="list-style-type: none"> <li>This report provides an update on the risk profile reported in August 2021. Risk updates provided reflect those due for endorsement at Management Board on 20<sup>th</sup> October.</li> </ul>	
<b>Appendices</b>	<ul style="list-style-type: none"> <li>Appendix 1 – Health Board Risk Register (HBRR) Risks Assigned to the Performance &amp; Finance Committee</li> </ul>	