

RISK MANAGEMENT STRATEGY

This document should be read in conjunction with the
Risk Management Policy and Procedure

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DOCUMENT CONTROL

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Monitoring arrangements and indicators: The strategy includes key performance indicators which will be monitored through the Quality and Performance Committee.			
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SOMERSET PARTNERSHIP NHS FOUNDATION TRUST RISK MANAGEMENT STRATEGY 2015-2018

1. INTRODUCTION

- 1.1 Somerset Partnership NHS Foundation Trust Board expects corporate risks to be managed effectively and affirms the message that the safety of patients, visitors and staff is everyone's responsibility. Therefore the Trust regards Risk Management as a fundamental part of its Integrated Corporate Governance.
- 1.2 It is recognised inadequately managed risks within Trust services have the potential to prevent the Trust from achieving its strategic intentions and objectives and may directly or indirectly cause harm to those it cares for and employs. As well as incurring loss relating to assets, finance, reputation, goodwill, partnership working or public confidence.
- 1.3 The Chief Executive and Trust Board are committed to providing the resources and support for the Risk Management Strategy and the Risk Management Policy.
- 1.4 The Strategy had been reviewed and revised to take account of recommendations made in the report of the Care Quality Commission's comprehensive inspection of the Trust, published in December 2015 and recommendations made by the Trust's internal auditors in September 2015.

2. EXECUTIVE SUMMARY

- 2.1 The Trust has assessed itself against the Chartered Institute of Internal Auditors schema for Risk Management (see Appendix 1).¹ Supported by internal audit, external review and self-assessment, the Trust considers itself as achieving 'Dynamic - Risk Managed' status for two of the five criteria (governance and reporting and review) and "Established - Risk Defined" (identification and assessment; mitigation and treatment; and continuous improvement) for the other three (see section 5 for definitions).
- 2.2 This Strategy sets out how the maturity of Risk Management within the Trust will be developed over the next three years. Our intention is to achieve 'Optimised - Risk Enabled' for all criteria across the Trust within the next three years using the development processes set out in Appendix 1.
- 2.3 Development to 'Optimised - Risk Enabled' will support the Trust to achieve and maintain effective Risk Management systems and processes and to achieve its strategic objectives as part of its five year plan. This strategy provides an integrated approach to the complex management corporate level risks, ensuring that proactive risk identification and management is everyone's responsibility.

¹ [Chartered Institute of Internal Auditors Governance and Risk Report 2014](#)

- 2.4 The Trust will gain assurance of its achievement of 'Optimised - Risk Enabled' status through further audit programmes and through undertaking an externally sourced 'Well Led Review' against the NHS Improvement Single Operating Framework.

3. PURPOSE AND SCOPE

- 3.1 The purpose of this strategy is to advance the Risk Maturity of the Trust to 'Optimised – Risk Enabled' over the next three years to ensure that risk management, in all its aspects, is embedded in the activities and culture of the organisation.
- 3.2 To achieve this, the Trust will complete the objectives set out in section 4 of this strategy.

4. THE CONTEXT

The National Context

- 4.1 This strategy directly addresses the principles of the Care Quality Commission (CQC) Well Led domain and more specifically section 17 paragraphs 2(b) of the Health and Social Care Act 2008 (Regulated activities 2014).
- 4.2 The strategy also seeks to ensure the Trust achieves the outcomes and good practice identified in the NHS Improvement Well-led framework for governance reviews (May 2014).
- 4.3 The focus nationally is on a leaner more efficient and more integrated NHS². Therefore, during this challenging period working through this Trust Strategy should demonstrate to staff within the Trust that risk management is not an adjunct to delivering care but an essential part of that delivery, integrated into every activity we undertake. This corporate commitment to the management of risk should be conducive to sustaining staff engagement with risk management systems and processes.
- 4.4 In addition, risk management is essential for the safety of patients, service users and staff and therefore we need to be mindful of challenges, from a local or national policy context, that may influence staff engagement as that engagement is fundamental for effective and successful risk management.

The Trust Context – Mission and Vision

- 4.5 Our strategic aim is to deliver care and support for patients and carers that are personalised to their needs and provided as close as possible to where they live. Risk assessments are key to assuring the safety of such care processes which are personalised to individuals and increasingly delivered

² [Simon Stevens call for bold action to make NHS fit for the future](#)

outside of hospital or inpatient settings to an ageing population “[that] is widely dispersed across a large area, [this] can create difficulties in accessing services”³.

- 4.6 As a provider of integrated community health, mental health and learning disability services, the Trust has to take account of an increasingly wide range of service, staff, patient and carer needs and expectations. Against a background of financial challenges and system change, risk and impact assessment are key tools in maintaining patient safety, service quality and financial viability.

5. WHERE ARE WE NOW?

- 5.1 The Trust revised its Risk Management Strategy in 2016.

- 5.2 In September 2015 the Trust was subject to a comprehensive inspection by the Care Quality Commission (CQC). In its report the CQC inspectors identified areas of improvement required in relation to the Trust’s risk management and governance processes. The report recognised that a new strategy had recently been approved but had yet to take effect. The report made further recommendations about governance processes and the Trust approved a revised governance structure in May 2016. Details of the revised governance structure are set out in Appendix 2. Responsibilities for individuals and committees in relation to risk management are set out in the Trust’s Risk Management Policy.

Risk Management - Performance Assessment

- 5.3 The Trust has undertaken annual internal audits of its risk management and governance systems and has produced annual governance statements since 2012, which have been externally audited for compliance. All of these audits have confirmed reasonable assurance for the risk management and governance systems within the Trust.
- 5.4 The Trust is currently achieving a GREEN risk rating against the NHS Improvement Governance standards under the Risk Assessment Framework, although this has only been reinstated since July 2016, following the lifting of the Warning Notice against the Trust raised by the CQC in September 2015.
- 5.5 The Chartered Institute of Internal Auditors (henceforth CIIA) schema for Risk Management considers five elements of Risk Management:
- governance;
 - identification and assessment;
 - mitigation and treatment;
 - reporting and review;

³ [Joint Strategic Needs Assessment for Somerset Summary 2014/15 p.22](#)

- continuous improvement.

5.6 Each element is assessed against five levels of performance:

- **Foundation - Risk Naive.** Ad-hoc implementation of Risk Management. Limited awareness of risks and potential outcomes. Generally risk averse culture;
- **Emerging - Risk Aware.** Risk tools and policy available but not fully embedded. Some awareness of Organisational and National level Risk Management requirements. Developing risk awareness. Risk Management perceived as a distinct process;
- **Established - Risk Defined.** Functional Risk Monitoring Framework Shift in focus – from risk averse to risk managed. Key Risk Management behaviours (proactive about safety) beginning to embed. General awareness of risk & actions to mitigate and or manage these;
- **Dynamic - Risk Managed.** Focus on continuous improvement. Evidence which Risk Management framework facilitates managing risk versus (reactive) outcome analysis and response. National regulatory requirements assured. Key Risk Management behaviours evidenced across the Organisation;
- **Optimised - Risk Enabled.** Risk Management behaviours are embedded in all activity;
- staff recognise and support these behaviours;
- demonstrable organisation wide implementation of Risk Management framework.

5.7 The Trust commissioned an internal audit review of its status against these criteria in September 2015. The audit found that the Trust achieved the following status against each criterion:

Criteria	Status (Sept 2015)
Governance	Risk Managed
Assessment	Risk Defined
Mitigation	Risk Defined
Monitoring and Reporting	Risk Managed
Continuous Development	Risk Defined

Organisational Change

5.8 In 2014 the Trust embarked on the second phase of its integration programme (IP2) which has required organisational change and consequent changes to governance structures within the Trust. As a consequence risk assessment, risk reporting and the use of risk registers were reviewed and revised to align with the changed operational structures.

- 5.9 Following the CQC inspection the Trust approved a revised governance structure in May 2016 which included revised responsibilities for managing and monitoring risk registers.
- 5.10 In 2016/17 the Trust has continued to work more closely with partner organisations and other providers in developing and delivering services. In September 2016 the Trust began working with the Lister House Partnership to manage GP and primary care services in Wiveliscombe and Milverton. In January 2017 the Trust will formally enter into a Joint Venture Agreement with Care UK to manage the delivery of services on the Shepton Mallet Health Campus.

System Change

- 5.11 As the Somerset Sustainability and Transformation Plan (STP) develops, it is recognised that risk management systems will increasingly need to take account of the impact that other organisations and services may have on the Trust and its own services.

Risk Appetite

- 5.12 The Trust's has developed a risk appetite that ensures that risks are considered in terms of both opportunities and threats. It is also influenced by the strategic objectives set by the Trust, individual programmes of work and the delivery of operational, quality and performance objectives across divisions, as well as the organisational and system changes identified above.
- 5.13 In line with the Trust's Risk Management Policy, we will, where necessary, tolerate overall levels of risk that are classified as moderate (12 or lower) where action is not cost effective or reasonably practicable.
- 5.14 The Trust will not normally accept levels of risk rated high (red) which are scored between 15 and 25, using the Trust's risk assessment matrix. The Trust ensures that plans are put into place to lower the level of risk whenever a high risk has been identified and the target risk (risk appetite) for each risk is recorded on risk registers and will regularly monitor the effectiveness of actions to achieve this.

6. AIMS OF THE STRATEGY – WHERE DO WE WANT TO BE?

- 6.1 The Trust will aim to consolidate and assure its achievement of 'risk managed' status against the five elements of the CIIA schema for Risk Management and to move to 'Risk Enabled' status by the end of the period covered by this strategy (September 2018).
- 6.2 The Trust will also commission and undertake a Well Led Governance Review against the Risk Assessment Framework in 2017 and seek to achieve a GREEN rating for the review.
- 6.3 These assurances will support the Trust to achieve its strategic objectives and its vision to be the leading provider of community based health and

social care, as well as providing assurance of the safety of services for patients and carers.

- 6.4 Alongside this focus on embedding our internal risk management systems, as we develop the collaborative systems outlined in paragraphs 5.10 and 5.11, we will ensure that appropriate governance and risk management processes are in place to provide assurance to the Trust Board, patients, carers and staff.

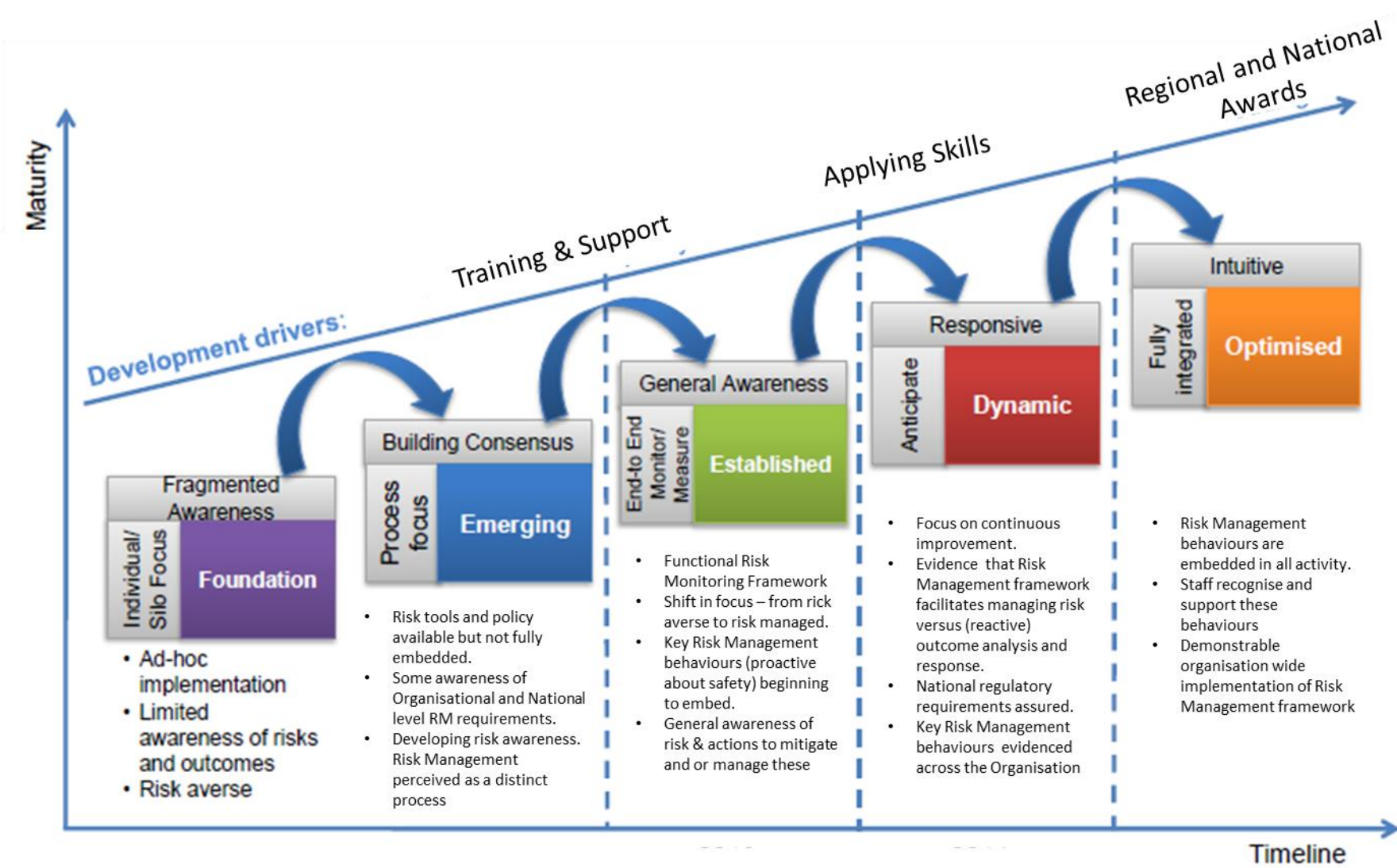
7. STRATEGIC OBJECTIVES – HOW WILL WE GET THERE?

- 7.1 The Trust will follow a programme of training and skills development to support staff in the effective conduct of all aspects of risk management.
- 7.2 We will monitor progress against a set of key milestones (set out in Appendix 3) and key performance indicators (set out in Appendix 4) for the period of the strategy which will be overseen by the Quality and Performance Committee, the Audit Committee and the Board.
- 7.3 Further milestones will be dependent on the outcome of planned reassessments and internal audit of the strategy during the three year period.

8. MONITORING THE STRATEGY

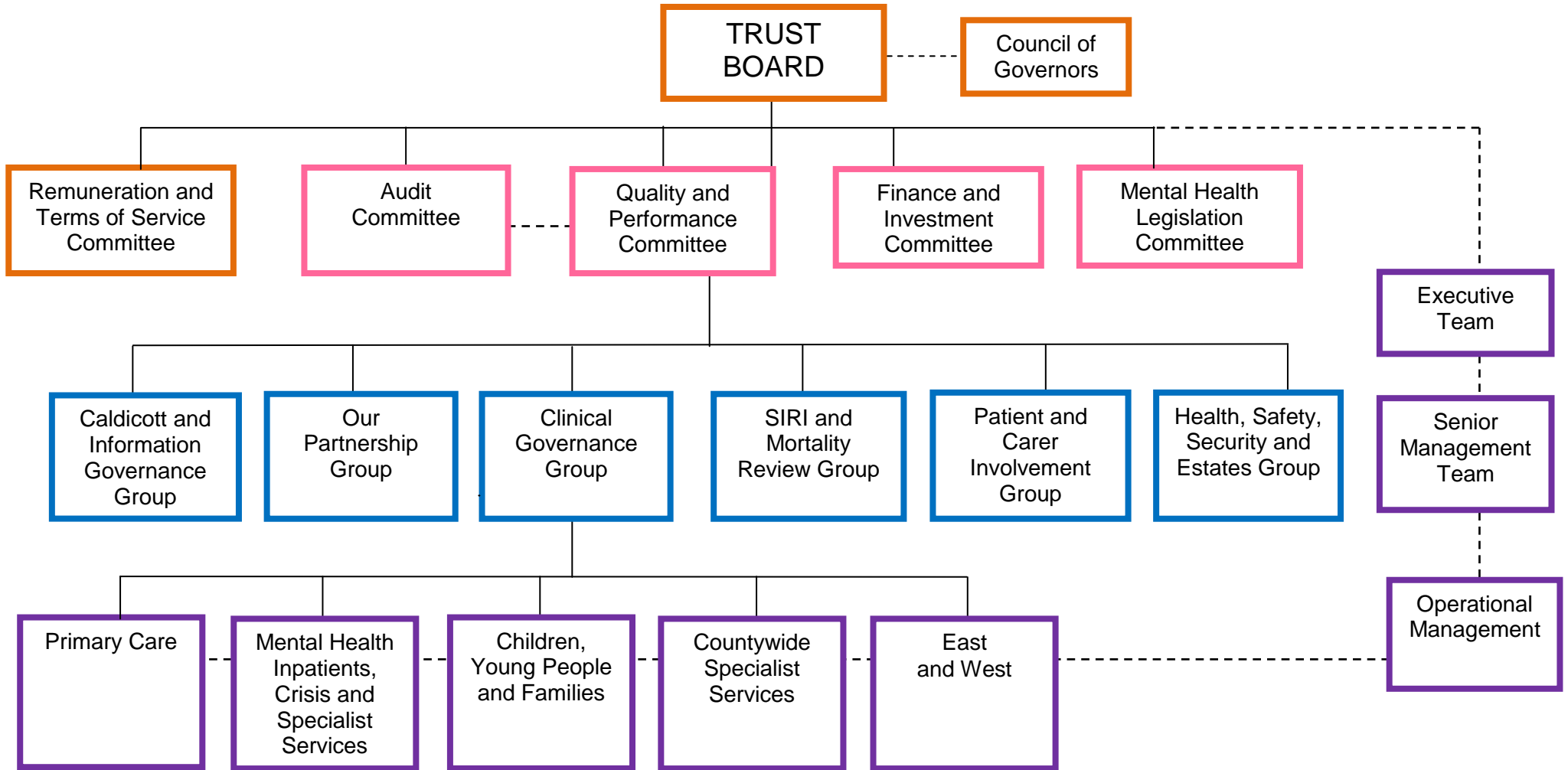
- 8.1 This strategy will be monitored against the objectives set out in section 7 and the key performance indicators set out in Appendix 4 through six-monthly review at the Quality and Performance Committee. Any significant risks or concerns to achievement of the Strategy will be reported to the Committee and the Trust Board by exception through the Director of Strategy and Corporate Affairs.
- 8.2 Progress on achievement of the objectives will be reflected in the Trust's Annual Governance Statement presented to the Audit Committee and the Board.
- 8.3 We will gain assurance of the progress and effectiveness of the strategy through external assurance including:
- Annual internal audit review;
 - Well Led Framework external review (July 2017);
 - NHS Improvement Single Operating Framework assessment (from October 2016);
 - CQC Follow Up inspections (as yet unannounced).

Appendix 1 Outcomes Focused Risk Maturity Model



Appendix 2 Board Governance Structure – May 2016

Board Assurance	PINK
Board and Statutory Sub Committees	ORANGE
Quality and Performance Oversight	BLUE
Operational Management & Quality Surveillance	PURPLE



Appendix 3 – Key Milestones

Milestone	Measure	Target Date
Every entry on corporate Risk Register will be supported by a Risk Assessment (containing a risk action plan for mitigating or ongoing management of that risk)	This will be measured with a check box added to the corporate Risk Register to indicate that a Risk Assessment has been completed and an action plan is in place. Completing Risk Assessments is an activity that all Service and Team Managers are aware they are expected to achieve. Accurate Risk Registers with a clear audit trail are fundamental to managing risk	31 March 2017
Every corporate Risk Assessment will comply with the revised Risk Management Policy	This will be measured through an audit to ascertain compliance with the Risk Management policy.	31 March 2017
There is regular exposure of both the Risk Management Policy and Risk Management Strategy in each Division	This will be measured by regular review of key Divisional and Operational team meeting minutes to demonstrate that both Strategy and policy have been discussed. This objective will also be achieved through publicity within the <i>What'sOn@Sompar</i> staff newsletter	31 March 2017
Every Divisional Risk Register will be reviewed monthly and in compliance with the revised Risk Management Policy.	This will be measured through audit to ascertain compliance with the Risk Management policy.	31 March 2017

Identified risk appetite targets are achieved and regularly reviewed to ensure they are realistic	This will be measured by monitoring the proportion of risks assessed at target level and the proportion of risks that achieve the risk appetite target level within the timeframe indicated on the risk register.	31 March 2017
A follow up audit will achieve assurance of 'risk managed' status against all criteria	This will be measured through internal audit and any follow up action plans.	30 September 2017
Develop and deliver an e-learning refresher programme for Risk Management for all staff	This will be measured by monitoring of staff attendance and compliance with assessment	31 March 2018
By the end of the three year period 60% or more of whole time band 5 and above staff will be aware of Risk Assessments, and the Risk Management Policy.	This will be measured by an awareness survey of staff	31 March 2018

Appendix 4 – Key Performance Indicators

Indicator	Target	Monitoring
Percentage of entries on corporate Risk Register supported by a risk assessment	100%	Bi-monthly review at Senior Management Team
Proportion of risks on divisional risk registers where risk are maintained at risk appetite targets	90%	Twice yearly at Quality and Performance Committee
Proportion of risks on divisional and corporate risk registers where risk appetite targets have been achieved within the target timescale	85%	Quarterly review at Quality and Performance Committee

Links to Strategic Themes:	<table border="1"> <tr> <td>Quality and Safety</td> <td>X</td> <td>Innovation</td> </tr> <tr> <td>Viability and Growth</td> <td></td> <td>Integration</td> </tr> <tr> <td>Service Delivery</td> <td></td> <td>Culture and People</td> </tr> </table>	Quality and Safety	X	Innovation	Viability and Growth		Integration	Service Delivery		Culture and People											
Quality and Safety	X	Innovation																			
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Service Delivery		Culture and People																			
Links to the Assurance Framework:	This relates to all aspects of the Assurance Framework																				
Links to the NHS Constitution and Trust Values:	<table border="1"> <tr> <td>Working together for patients</td> <td></td> <td>Compassion</td> </tr> <tr> <td>Respect and dignity</td> <td></td> <td>Improving lives</td> </tr> <tr> <td>Commitment to quality of care</td> <td>X</td> <td>Everyone counts</td> </tr> </table>	Working together for patients		Compassion	Respect and dignity		Improving lives	Commitment to quality of care	X	Everyone counts											
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Links to CQC Domains:	<table border="1"> <tr> <td>Is it safe?</td> <td>X</td> <td>Is it caring?</td> </tr> <tr> <td>Is it well-led?</td> <td>X</td> <td>Is it effective?</td> </tr> <tr> <td colspan="2">Is it responsive to people's needs?</td> <td></td> </tr> </table>	Is it safe?	X	Is it caring?	Is it well-led?	X	Is it effective?	Is it responsive to people's needs?													
Is it safe?	X	Is it caring?																			
Is it well-led?	X	Is it effective?																			
Is it responsive to people's needs?																					
Equality:	Revisions to the risk management strategy are intended to support identification and management of risk and impact in relation to all protected characteristics <table border="1"> <tr> <td>Age</td> <td>X</td> <td>Disability</td> <td>X</td> </tr> <tr> <td>Gender re-assignment</td> <td>X</td> <td>Marriage and Civil Partnership</td> <td>X</td> </tr> <tr> <td>Pregnancy and maternity</td> <td>X</td> <td>Race</td> <td>X</td> </tr> <tr> <td>Religion or Belief</td> <td>X</td> <td>Sex</td> <td>X</td> </tr> <tr> <td>Sexual Orientation</td> <td>X</td> <td>Learning Disabilities</td> <td>X</td> </tr> </table>	Age	X	Disability	X	Gender re-assignment	X	Marriage and Civil Partnership	X	Pregnancy and maternity	X	Race	X	Religion or Belief	X	Sex	X	Sexual Orientation	X	Learning Disabilities	X
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