

## INTEGRATED RISK MANAGEMENT FRAMEWORK

<b>Responsible Officer:</b>	Helen Hirst, Chief Officer
<b>Authors:</b>	Sarah Dick, Head of Governance Phil Garnett, Governance Manager
<b>Responsible Committee (Approving Body):</b>	Audit and Governance Committees
<b>Approved:</b>	Approved 12 <sup>th</sup> June 2017
<b>Applicable to:</b>	<ul style="list-style-type: none"> <li>• All staff employed by the CCGs and those working for the CCGs under a contract for services</li> <li>• Members of the Governing Bodies and their committees and sub-committees, members of the Clinical Boards / Executive and members of the CCGs' other committees and sub-committees</li> <li>• Staff employed by other organisations when working on behalf of the CCGs (for example eMBED, BDCT).</li> </ul>
<b>Approved:</b>	June 2017
<b>Review Date:</b>	June 2019

## Version History

<b>Version</b>	<b>Author</b>	<b>Description</b>	<b>Circulation</b>
0.1	Sarah Dick/Phil Garnett	Based on the previous AWC CCG policy and amended in light of the collaborative governance structure of the three CCGs working together	SMT
0.2	Sarah Dick/Phil Garnett	Revisions as per SMT feedback	Audit and Governance Committees
1.0	Sarah Dick/Phil Garnett	Version approved by Audit and Governance Committees	Organisation wide

### CCGs working together

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

## Contents

Section	Topic	Page
1	Introduction	4
2	Scope of this Framework and Associated Documents	5
3	Definition of Risk	5
4	Risk Management Approach, Objectives & Risk Appetite	6
5	Roles & Responsibilities: 5.1 Scrutiny of Risk Processes and Management 5.2 Management of Risk	7 11
6	Risk Management Process: 6.1 Risk Identification 6.2 Risk Description, Assessment & Scoring 6.3 Risk Prioritisation & Treatment 6.4 Risk Recording, Reviewing & Monitoring	13 13 15 15
7	Learning from Risk to Prevent Reoccurrence	16
8	Management of Partnership & Project Risks	17
9	Public Sector Equality Duty	18
10	Dissemination, Implementation and Training	19
11	Review and Monitoring	19
12	References	20
	Appendices: 1. Risk Scoring Matrices 2. Sources of Risk Identification 3. Risk Register User Guidance	21 23 25

### CCGs working together

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

## 1. Introduction

NHS Airedale, Wharfedale & Craven, NHS Bradford City and NHS Bradford Districts Commissioning Groups (CCGs) are responsible and accountable for ensuring an Integrated Risk Management Framework is in place covering all types of risks faced by the organisation.

Risk is inherent in all the activities the CCGs undertake and in all of the services that they commission others to undertake on their behalf. Effective strategic and operational risk management is therefore fundamental to ensuring that an effective system of governance is in place within the CCGs and supports the organisations to achieve their objectives.

This Integrated Risk Management Framework outlines the way in which the CCGs have effective arrangements in place to manage risk, focussing on:

- The CCGs' approach to managing risk.
- The CCGs' risk management objectives.
- The CCGs' organisational and individual roles and responsibilities for risk management.
- The CCGs' risk management processes.

The Integrated Risk Management Framework ensures that the CCGs:

- Effectively escalate issues internally and with partner organisations so that action is taken at the appropriate level and the impact is monitored;
- Minimise risk of physical or emotional harm to our patients and workforce;
- Minimise the loss or wastage of resources through poor internal control procedures;
- Manages sensitively issues which have a reputational impact or public interest;
- Manages the CCGs' resources effectively for the short and long term;
- Ensures the CCGs' staff are risk aware and trained and skilled in risk management;
- Maintains comprehensive and responsive arrangements to respond appropriately to emergency situations.

The CCGs monitor and report on risk in two key ways (please see Section 6.4 for more detail):

- The Governing Body Assurance Framework, which focusses on strategic / long-term risks to the delivery of the CCGs' strategic objectives.
- The Corporate Risk Register, which focusses on more operational risks that may rise and fall within relatively short time periods (and are linked, where appropriate, to risks on the Assurance Framework).

### CCGs working together

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

## 2. SCOPE OF THIS FRAMEWORK

This framework applies to

- All staff employed by the CCGs
- Members of the Governing Bodies and their committees and sub-committees, members of the Clinical Boards / Executive and members of the CCGs' other committees and sub-committees
- Staff employed by other organisations when working on behalf of the CCGs (for example eMBED, BDCT).

All of the above must comply with the arrangements outlined in this framework.

### Associated Policies and Guidance

The implementation of this framework will be supported by a range of related policies and guidance such as:

- Incident Reporting Policy and Procedure
- Complaints Procedure
- Information Governance Framework and policies
- Health and Safety Policy
- Fire Safety Policy
- Anti-Fraud, Bribery and Corruption Policy
- Whistleblowing Policy
- Business Continuity Plan
- Safeguarding Adult and Children Policies

## 3. DEFINITION OF RISK

Risk can be defined as “*an uncertain event or series of events that, should it occur, would have an effect on the achievement of objectives*” and is measured in terms of consequence and likelihood. Risk is normally perceived as negative, i.e. as a threat. However, risk can also be positive, i.e. as an opportunity.

There has to be a degree of uncertainty for a risk to exist – if something has already happened / is happening, this is an issue or a cause of a risk, not a risk in itself.

There are a variety of types of risks that may occur in or be faced by any CCG and this Integrated Risk Management Framework and related processes cover all types of risk. The main risk categories are given below.

### 3.1 Quality Risks

#### CCGs working together

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

Quality risks are defined as ‘those risks which have a cause or effect which is primarily related to the quality of clinical or medical care’.

Examples include risks relating to clinical care activities, medicines management, patient experience, patient safety, clinical effectiveness and equality and diversity.

### **3.2 Financial & Performance Risks**

Financial and performance risks are defined as ‘those risks whose principal cause or effect would be financial or performance related’.

Examples include poor financial control, fraud, risks to delivery of cost improvements and risks to the non-delivery of performance standards

### **3.3 Corporate Risks**

Corporate risks are defined as ‘those risks which primarily relate to the way in which the CCGs are organised, managed and governed’.

Examples include information governance risks, health and safety / property related risks, corporate governance risks, business continuity risks and human resource risks.

## **4 RISK MANAGEMENT APPROACH, OBJECTIVES AND RISK APPETITE**

### **4.1 Risk Management Approach**

The CCGs’ approach to risk management is based on ensuring a robust risk management system is in place, understood and effective.

Effective risk management relies on the full engagement of people in all areas and accurate and timely receipt and analysis of information.

To support staff in embedding risk management in their day to day work, risk management arrangements must be effective, light touch and meaningful.

To support the CCGs’ approach to risk management, an on-line Risk Register is used to record all organisational level risks and report on their management.

The online Risk Register also supports a risk dashboard which organises the CCGs’ risks into a table plotting the highest to the lowest risks in a clear order.

### **4.2 Key Objectives for Risk Management**

The key objectives for risk management are to:

1. Effectively identify, report and manage risk;

### **CCGs working together**

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

2. Effectively capture and learn from mistakes to reduce future risks;
3. Ensure clear accountability for the management and reporting of risk;
4. Ensure and evidence statutory and regulatory compliance; and
5. Effectively manage partnership and project risks

The detail to support the delivery of the above risk management objectives is given in the remainder of this framework.

### **4.3 Risk Appetite**

Acknowledging that risk is unavoidable and that the CCGs need to manage risk, risk appetite is the amount of risk that is judged to be tolerable and justifiable by the CCGs in pursuit of the achievement of their strategic objectives. The CCGs risk appetite therefore defines the amount of risk that the CCGs are prepared to take, tolerate or be exposed to at any point in time.

The CCGs' aim is to minimise the risk of harm wherever possible, to service users, the public, staff, members and other stakeholders. However, the CCGs also recognise the need to take considered risks in some areas (for example, transformation / re-design of services) and that an overly risk averse approach can be a threat to the achievement of some strategic objectives.

All risks on both the CCGs' Risk Register and Assurance Framework specify the target risk score (i.e. the level at which the risk can be tolerated). The acceptability of the target risk score is subject to review by senior management and relevant committees as part of the normal review process for the Risk Register and Assurance Framework (see Section 5.1.6).

## **5 ROLES & RESPONSIBILITIES**

### **(Risk Management Objective 3 and 4)**

Accountability arrangements for risk management can be split into two elements:

- Accountability for scrutiny of risk processes and management
- Accountability for the management of risk.

### **5.1 Roles & Responsibilities - Scrutiny of Risk Processes and Management**

This section describes the key groups and committees within the CCGs that are involved in scrutinising risk management processes and confirms each group's specific remit for risk management.

#### **5.1.1 Governing Bodies**

#### **CCGs working together**

Airedale, Wharfedale and Craven CCG  
 Bradford City CCG  
 Bradford Districts CCG

Each CCG Governing Body is responsible and accountable for setting the strategic direction for risk and ensuring that integrated risk management arrangements are in place across the organisation.

Each Governing Body has delegated overview and scrutiny of the management of risk to its Audit and Governance Committee, which reviews compliance with this Risk Management Framework and ensures that other committees with responsibility for risk are effective in discharging their duties. The governing bodies will receive assurance through reports from the Audit and Governance committees that the risk management process is operating effectively and action any concerns escalated to them regarding risk management.

The Audit and Governance Committees review and approve the Annual Reports and Annual Governance Statements (AGSs). The AGSs are subject to national guidance and are the key documents describing how CCG systems of internal control, and in particular risk management systems and processes, have been effective in enabling the CCGs to manage risks to their business during the year. The Chief Officer signs the AGSs based on assurances and advice from the Audit and Governance Committees regarding the effectiveness of systems of governance, risk management and control.

The Governing Bodies will receive:

- The Assurance Framework– the Governing Bodies will review the Assurance Framework a minimum of twice yearly and agree that it is a true and fair reflection of strategic risks and evidences that satisfactory progress is being made towards managing these risks.
- Assurance via the Audit and Governance Committees that the Integrated Risk Management Framework is complied with and that operational risks are reported and monitored via the Corporate Risk Register.
- The high level risk register (every cycle)

### **5.1.2 Audit and Governance Committees**

The Audit and Governance Committees' role is to review the establishment and maintenance of an effective system of integrated governance, risk management and internal control that supports the achievement of the CCGs objectives, across the whole of the CCGs' activities.

The Audit and Governance Committees have an overall "scrutiny" role and provide the Governing Bodies with assurance via their minutes and Annual Reports that risk management, internal control and governance processes are in place and working effectively. In doing so, they are supported by the work of internal and external audit.

The role of the Audit and Governance Committees include:

## **CCGs working together**

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

- Review and approval of risk and control related disclosure statements (in particular the Annual Reports, Accounts and Governance Statements), together with any appropriate independent assurances.
- Review and scrutiny of the Governing Body Assurance Framework and underlying risk management processes.
- Review of the Integrated Risk Management Framework.
- Review of the Risk Register.

### **5.1.3 Joint Finance and Performance Committee**

The Joint Finance and Performance Committee has responsibility for finance, performance, contracting and corporate risks. Its role in relation to risk management is to:

- Review and monitor finance, performance, contracting and corporate risks on the risk register.
- Approve the content of the risk register relating to finance, performance, contracting and corporate risks as a true reflection of the current risk position for reporting to Audit and Governance Committees, Clinical Boards / Executive and Governing Bodies .
- Request action by accountable individuals to manage risk and variation in performance, ensuring plans are put in place to address the achievement of objectives and targets. This will include bringing expenditure back in line with allocation and deliver financial balance or planned underspend.
- Ensure that variance against target performance levels is reflected in the Risk Register or Assurance Framework as appropriate.
- Identify and respond to any corporate risks including health and safety issues, information governance issues and security management issues.
- Provide assurance to the Governing Bodies, that financial, performance, contracting and corporate risks are being effectively managed and highlight any significant risks and related resource implications.

### **5.1.4 Joint Quality Committee**

The Joint Quality Committee has responsibility for quality risks. Its role in relation to risk management is to:

- Review and monitor the corporate risk register in respect of quality risks.
- Approve the content of the risk register relating to quality risks as a true reflection of the current risk position for reporting to Audit and Governance Committees, Clinical Boards / Executive and Governing Bodies.
- Request action by accountable individuals to manage risk and variation in performance, ensuring plans are put in place to address the achievement of objectives and targets.
- Ensure that variance against target performance levels is reflected in the Risk Register or Assurance Framework as appropriate.
- Review information about serious incidents regarding commissioned services, including all Never Events and serious case reviews (SCRs) to

## **CCGs working together**

Airedale, Wharfedale and Craven CCG  
 Bradford City CCG  
 Bradford Districts CCG

identify themes/areas of risk and to ensure that actions are identified and completed to improve care delivery.

- Review and make recommendations to the Governing Bodies of the outcomes of Quality Impact Assessments as they are implemented. Escalating high risk impacts.
- Provide assurance to the Governing Bodies, that quality risks are being effectively managed and highlight any significant risks and related resource implications

### 5.1.5 Framework for Reviewing and Monitoring of Risks

The table below summarises the review and monitoring of risks within the CCG:

<b>Risk Type</b>	<b>Risk Score</b>	<b>Reported via</b>	<b>Group</b>
Strategic Risks	Principal risks affecting strategic objectives	Assurance Framework Report (twice per annum).	Governing Body Clinical Board / Clinical Executive Audit and Governance Committee
All Operational risks (Risk Register)	Any	Risk Register and Risk Dashboard Report (six times per annum).	Clinical Board / Clinical Executive
All Operational Risks (Risk Register)	Any	Risk Register and Risk Dashboard Report (six times per annum).	Audit and Governance Committee
Operational Quality / Clinical Risks	Any	Risk Register and Risk Dashboard report (six times per annum).	Joint Quality Committee
Operational Finance, Performance & Corporate Risks	Any	Risk Register and Risk Dashboard report (six times per annum).	Joint Finance and Performance Committee
All Risk Register Risks	Any	Risk Register and Risk Dashboard report (six times per annum as a minimum). Additional reports between risk review cycles as required.	Senior Management Team

### CCGs working together

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

## **5.2 Roles & Responsibilities - Management of Risk**

### **5.2.1 Chief Officer**

The Chief Officer has overall responsibility for the management of risk within the CCGs. The Chief Officer, as Accountable Officer, is responsible for producing each CCG's Annual Governance Statement and will attend the Audit and Governance Committees annually when the Annual Governance Statement is reviewed along with the financial statements and the annual report.

### **5.2.2 Clinical Boards / Clinical Executive**

The Clinical Boards / Clinical Executive are responsible for managing the CCGs' risks at a strategic level.

Where appropriate, the Joint Quality Committee or the Joint Finance and Performance Committee will highlight particular risks for the consideration of the Clinical Boards / Clinical Executive and / or request additional assurance on the management of a particular risk(s) on behalf of the Governing Bodies.

### **5.2.3 Senior Management Team**

The Senior Management Team is responsible for:

- Promoting a risk aware culture within the organisations;
- Ensuring sufficient resource and support is available for managing risks;
- Ensuring organisational risk management policies and procedures are implemented within their area of responsibility and adapted as necessary to reflect local risk profiles;
- Promoting a supportive environment to facilitate the reporting of risks and incidents;
- Keeping staff informed of the significant risks faced by the organisations and what is being done to reduce them;
- Ensuring staff complete mandated training and relevant developmental events.
- Reviewing the content of the corporate risk register for each risk reporting cycle (6 per annum), focussing on the completeness and accuracy of content and on the appropriateness of scoring and of any further actions proposed to manage risk.

### **5.2.4 Associate Director of Corporate Affairs**

The Associate Director of Corporate Affairs is responsible for:

- Developing and promoting a risk aware culture within the organisations;
- Supporting the Senior Management Team and staff in their identification and continuous management of risk;
- Co-ordinating the Risk Register and Governing Body Assurance Framework to facilitate consistency of reporting;

## **CCGs working together**

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

- Ensuring risks are appropriately reported to the Senior Management Team Committees and the Governing Bodies;
- Ensuring access to specialist risk management knowledge, training and development for staff, Committees and the Governing Bodies.

The Associate Director of Corporate Affairs is supported by the Head of Governance.

### **5.2.5 All Individuals**

All employees, Members of the Governing Bodies and their committees and sub-committees, members of the Clinical Boards / Clinical Executive and members of the CCGs' other committees and sub-committees and all staff from other organisations working on behalf of the CCGs.

- Be familiar with and comply with this Integrated Risk Management Framework and related policies listed at Section 2.
- Be risk aware.
- Identify, record and manage risks relevant to their areas of work.
- Comply with the Health and Safety at Work Act, and CCGs policies to protect the health, safety and welfare of anyone affected by CCG business.
- Report all incidents / near misses in line with the relevant policy.
- Comply with mandatory training programmes.
- Be aware of business continuity procedures in relation to their service / location.

### **5.2.6 Risk Register Roles**

There are two defined roles relating to the CCGs Risk Register: Risk Owner and Senior Manager. These roles are outlined in detail at *Appendix 3*.

### **5.2.8 Commissioned Services / Providers**

Providers have their own risk management systems in place and these are monitored via quality meetings between the CCGs and main acute and community providers. Providers have in place incident reporting systems which provide information for analysis to the National Reporting and Learning System.

The CCGs have a responsibility to ensure that providers are delivering safe services and therefore undertake the performance management of serious incidents and never events reported by providers via the Joint Quality Committee and within other forums with providers to ensure that a robust investigation has taken place and actions identified are implemented. These are also monitored internally via the Joint Quality Committee.

## **CCGs working together**

Airedale, Wharfedale and Craven CCG  
 Bradford City CCG  
 Bradford Districts CCG

## **6 RISK MANAGEMENT PROCESS**

### **(Risk Management Objectives 1 and 4)**

The CCGs' first strategic risk management objective is that the CCGs have appropriate and effective systems in place to identify, report and manage risk.

#### **6.1 Risk Identification**

Risk can only be managed if it is identified. Triangulation of soft and hard information from different sources gives assurance that all significant risks have been captured.

The key sources of information used to check completeness of risk capture are:

- Performance indicators reporting variance from plan within commissioning performance contracts and their reports;
- The results of planned reviews of compliance with statutory and regulatory requirements e.g. fire regulations, Care Quality Commission (CQC) standards and reviews, Ofsted reviews, Parliamentary Ombudsmen, professional standards, information governance systems including the IG Toolkit, etc;
- Routine review of serious incidents, incident reports and complaints to identify emerging risks such as themes or specific concerns which can be escalated to the risk register;
- Utilisation of intelligence through partner networks and from stakeholders to encourage the sharing of information to identify potential risks;
- Ensuring contact with regional and national professional associations that provide early warning on serious or major adverse events;
- Risk review and discussion through operational groups and formal governance meetings, i.e. Governing Bodies, Audit and Governance Committees, Joint Quality Committee and Joint Finance and Performance Committee which highlight problems and issues that should be reflected in the risk register.

#### **6.2 Risk Description, Assessment and Scoring**

The CCGs have adopted a standardised approach to describing risks. All risks are worded as “there is a risk of....due to....resulting in....”.

The “due to” part of the description outlines the causes of the risk.

The “resulting in” part of the description outlines the impact of the risk if it were to arise.

Risk assessment is a structured process used once a risk has been identified to:

- Understand its potential impact;
- Examine what control measures are already in place to manage the risk and evaluate their effectiveness;

### **CCGs working together**

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

- Score the potential of any outstanding risk after considering the effectiveness of current controls and identify the prioritisation of the risk;
- Identify the target risk score (i.e. the level at which the risk can be accepted, taking into account the CCGs' risk appetite).

Risk scores (both current and target) are calculated by multiplying the potential consequence or severity by the potential likelihood or frequency level to provide a risk score utilising a 5 x 5 matrix scoring system which produces a range of scores from 1 to 25.

Likelihood x Consequence = Risk Score

Detailed matrices to assist with the allocation of Likelihood and Consequence levels are provided at *Appendix 1*.

Consequence	Likelihood				
	Rare 1	Unlikely 2	Possible 3	Likely 4	Almost Certain 5
Insignificant 1	1	2	3	4	5
Minor 2	2	4	6	8	10
Moderate 3	3	6	9	12	15
Major 4	4	8	12	16	20
Catastrophic 5	5	10	15	20	25

### 6.3 Risk Prioritisation and Treatment

Once a risk has been identified and assessed, the next step is to decide how to treat the risk. Options for treating the risk include:

- Mitigate the risk by taking action to reduce its likelihood and / or impact.
- Accept the risk by informed decision.
- Avoid the risk, e.g. by discontinuing a specific activity.
- Transfer the risk, e.g. to a service provider, although, accountability for the risk will normally stay with the CCGs.
- Take or increase the risk to pursue an opportunity.

The risk score determines the prioritisation and allocation of resource. Higher scores have a higher priority for action, as the impact of failing to reduce the risk is greater. The risk scores obtained from the risk matrix at Table 1 are assigned grades and priorities as follows:

#### CCGs working together

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

Table 2: Risk Grading

Risk Grading		Priority No
Critical Risk (20-25)	Black	1
Serious Risk (15-16)	Red	2
High Risk (8-12)	Yellow	3
Moderate Risk (4-6)	Green	4
Low Risk (1-3)	White	5

#### 6.4 Risk Recording, Reviewing and Monitoring

The CCGs monitor and report on their risks in two key ways: the Risk Register and the Assurance Framework.

##### Risk Register

The CCGs have an integrated approach to risk, with the recording and monitoring of risks co-ordinated through a single, on-line risk register hosted by NHS Wakefield under a service level agreement and held on an NHS network. The Risk Register records and reports on performance based risks that may rise and fall within relatively short term periods, i.e. operational risks

The on-line risk register systems allows for an auditable two tiered review process of risks and supports the monitoring and updating of risks within review deadlines. The CCG operates six risk review and reporting cycles per annum.

Once every risk cycle, a corporate “reality check” of the content of the risk register, including a moderation of the scores and actions taken, is conducted, through review of the risk register by the Senior Management Team, the Joint Finance and Performance Committee and the Joint Quality Committee.

The database is archived at the end of each risk cycle, at which point any closed risks from the preceding period are removed from the new live register but remain in the archived record allowing any retrospective review or report to be published.

Risks on the risk register can also be linked to GBAF risks.

Further guidance for users of the Risk Register system can be found at *Appendix 3*.

#### CCGs working together

Airedale, Wharfedale and Craven CCG  
 Bradford City CCG  
 Bradford Districts CCG

## Governing Body Assurance Framework

The Assurance Framework is a simple but comprehensive method for the effective and focused management of the principal risks to meeting the strategic priorities of the CCGs.

The Assurance Framework is a high level view of risk which sits above the Risk Register system and deals with strategic and long term risks / threats, whereas the Risk Register will identify and manage performance based risks that may rise and fall within relatively short term periods. The Assurance Framework should make reference to relevant Risk Register risks within one of the Assurance Framework risks if they affect this area of the organisation.

The Assurance Framework should influence the agendas of the Governing Bodies, Clinical Board / Clinical Executive and key Committees and provides evidence to support the Annual Governance Statements. Covering papers of documents presented to SMT, Committees and Governing Bodies include links to the relevant strategic risks on the Assurance Framework.

**Please see Section 5.1.6 for a summary of arrangements for reviewing and monitoring risks within the CCGs**

## **7 LEARNING FROM RISK TO PREVENT RECURRENCE (Risk Management Objective 2)**

The CCGs have a risk management objective to ensure that they have an effective process to capture and learn from mistakes to reduce future risks.

An effective risk management process learns from experience so that risks do not reoccur. There are two main elements to this objective:

### **Learning from experience in the organisation**

The CCGs are committed to the following principles:

- An improvement philosophy – when things go wrong we investigate appropriately and want to learn from them;
- Honesty and openness;
- The involvement of stakeholders, partners, patients, families and staff in our learning processes.

Valuable learning information can be identified through a variety of systems and activities:

- Incident reporting;
- Claims made against Trusts or other NHS service providers or commissioners;
- Complaints received;

### **CCGs working together**

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

- Feedback received from patient support services
- Feedback from Independent Contractors and their associated bodies.

Processes to capture this learning are:

- The investigation of incidents, complaints and claims using root cause analysis techniques to identify underlying issues which require improvements or interventions to reduce the chance of re occurrence;
- Feedback from operational managers who are able to triangulate intelligence on complaints, incidents and claims with soft intelligence and feedback from stakeholders;
- Regular CCG incident reporting to the Joint Finance and Performance Committee and Joint Quality Committee and provider serious incident reporting to the Clinical Quality and Governance Committee.

### **Learning from others and using best practice**

The collation of information sources to identify and implement best practice where applicable. Examples of data sources are listed below:

- National Patient Safety Agency (NPSA), National Reporting & Learning Service (NRLS) and NHS England guidance and learning from incidents will be implemented into organisational systems and procedures
- Feedback from external reviews of organisational systems e.g. internal audit, external audit, Care Quality Commission reviews, Ofsted and Ombudsman.
- Using local and national professional networks to identify best practice and benefit from the experience of others.
- Research and guidance published by professional bodies.
- Recommendations from external investigations and formal enquiries.

## **8 RISK MANAGEMENT OF PARTNERSHIP AND PROJECT RISKS (Risk Management Objective 5)**

The CCGs have close working relationships with a number of stakeholders and have a strategic risk management objective to develop risk management arrangements for key partnerships and for major projects.

Risk registers are produced for all CCG led programmes and major projects (using the same format as the corporate risk register) and are reported to the relevant Programme Board or Steering Group. Individual risks from programme / project risk registers can be escalated to the CCG Risk Register or Governing Body Assurance Framework at the discretion of the Programme Board or Steering Group.

The key partnerships for the CCGs include a number of NHS providers, the local authority and independent contractors, voluntary and community sector and patient and public involvement representatives. In addition to having robust internal scrutiny arrangements, partnership organisations are required to

### **CCGs working together**

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

contribute to relevant joint programme / project risk registers and frameworks. Risks from partnerships risk registers should be reflected in the CCGs Risk Register or Assurance Framework as appropriate.

## **9 PUBLIC SECTOR EQUALITY DUTY**

Appendix 2, the Impact / Consequence Scoring Matrix, includes examples of equality and diversity issues to assist in scoring relevant risks.

The Equality Act 2010 includes a general legal duty to:

- Eliminate unlawful discrimination, harassment victimisation and any other conduct prohibited under the Act
- Advance quality of opportunity between people who share a protected characteristic and people who do not share it
- Foster good relations between people who share a protected characteristic and people who do not share

The protected characteristics are:

- Age
- Disability
- Gender reassignment
- Marriage or civil partnership
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation

Public bodies have to demonstrate due regard to the general duty. This means active consideration of equality must influence the decisions reached that will impact on patients, carers, communities and staff.

It is no longer a specific legal requirement to carry out an Equality Impact Assessment on all policies, procedures, practices and plans but, as described above, the CCGs do need to be able to demonstrate they have paid due regard to the general duty.

The policy establishes how the CCGs will ensure best practice is followed in managing offers and receipt of gifts, hospitality or sponsorship and sets out the safeguards that will be put in place to ensure transparency, fairness and probity in decision-making. It is not believed that this policy will impact on or affect differently or adversely any of the groups with protected characteristics.

### **CCGs working together**

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

## 10 DISSEMINATION, IMPLEMENTATION AND TRAINING

The CCGs will ensure that all employees are aware of the existence of this framework.

This framework will, following approval, be disseminated to staff via a variety of communication methods, such as the CCGs intranet, newsletter and staff meetings.

Training in risk management and on the use of the risk register system is available as required from the governance team.

## 11 REVIEW AND MONITORING

The Associate Director of Corporate Affairs is responsible for ensuring that this policy is reviewed. The policy will be reviewed at least every two years and sooner if required.

Monitoring compliance with and the effectiveness of the Risk Management Framework will be via the Audit and Governance Committee, supported by the work of Internal Audit.

Monitoring of the implementation of and compliance with this policy will be monitored as follows:

<b>Monitoring Criteria</b>	<b>Methodology</b>	<b>Frequency if Monitoring</b>	<b>Responsible Officer</b>	<b>Reporting Committee</b>
Static Scored Risks	Risk dashboard report	Every cycle (every two months)	Governance Manager	SMT Clinical Board / Executive JFPC or JQC Governing Body
Percentage of risks reviewed each cycle	Risk dashboard report	Every cycle (every two months)	Governance Manager	As above
Percentage of risks with static descriptions	Risk dashboard report	Every cycle (every two months)	Governance Manager	As above
Review of the effectiveness of the system	Internal Audit (review of the GBAF and underpinning processes is a mandatory requirement for the Head of Internal Audit Opinion)	Every year	Audit Yorkshire	Audit and Governance Committee

### CCGs working together

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

## 12 **REFERENCES**

The following guidance has been used in the development of this framework:

- AS/NZ ISO 31000: 2009 Risk Management Standard
- A Risk Matrix for Risk Managers – NPSA, January 2008
- Doing Less Harm – DoH and NPSA, 2001
- NHSLA Risk Management Standard 5 – Learning from Experience

## APPENDIX 1: Risk Scoring Matrices

### Qualitative Measures of Consequence

Consequence ▶	1. Insignificant	2. Minor	3. Moderate	4. Major	5. Catastrophic
<b>Financial</b>	£1k - £10k	Up to £50k	Up to £250k	Up to £1M	Over £1M
<b>Harm</b>	Minor bruises/ discomfort/ affects wellbeing.	Some minor injuries/ ill-health - minor. <3 days absence	Many minor injuries/ ill-health – temporarily incapacitating. RIDDOR reportable.	Some major injuries/ ill-health - permanently incapacitating	Multiple injuries/infections Unexpected Death
<b>Disruption</b>	One day Service disruption/1 or 2 staff absent.	One week Service disruption/<5 staff absent.	One month Service disruption/5-10 staff absent.	Up to 6 months Service disruption/11-20 staff absent.	6 months to 1 year Service disruption/21-50 staff absent.
<b>Litigation</b>	Replacement of property.	Replacement of property and finances.	Minor out-of-court settlement.	Civil action – no defence.	Criminal prosecution.
<b>Damage</b>	Minor property damage/ no environmental impacts.	Slight property damage/ impacts on internal environment.	Moderate property damage/impacts on local environment.	Severe property damage/impacts on local environment.	Loss of whole department/impacts on regional environment.
<b>Reputation/ Confidentiality/Data Loss</b>	Damage to individual's reputation. Minor breach of confidentiality. Minor complaint resolved within team.	Damage to team reputation. Temporary loss of information. Minor complaint resolved by local management.	Damage to Service reputation/local media coverage on day. Loss of information/ records. Some complaints resolved by Senior management.	Damage to Trust reputation/local media coverage <3 days. Irrecoverable loss of vital records/information. Complaints resolved by Chief Officer.	Damage to Health Authority reputation/ national media coverage <3 days. Prosecution under Data Protection legislation. Complaints resolved by Ombudsman or Healthcare Commission
<b>Clinical care</b>	No significant effect on quality of care provided	Noticeable effect on quality of care provided	Significant effect on quality of care provided	Patient care significantly impaired	Patient care impossible
<b>Performance</b>		Internal Standards not achievable	Repeated failure to meet internal standards	National Performance not achievable (Intermittent)	National Performance not achievable (Continuous)
<b>Enforcing action</b>	Audit non-conformance/advice from enforcers.	Breach of procedure/ Directive from enforcers.	Improvement Notice.	Prohibition Notice.	Government Investigation.

### Qualitative Measures of Likelihood

LEVEL	DESCRIPTOR	DESCRIPTION
1	Rare	The event may occur only in exceptional circumstances
2	Unlikely	The event could occur at some time but is unlikely
3	Possible	The event could occur at some time.
4	Likely	The event will probably occur in most circumstances.
5	Almost Certain	The event is expected to occur.

**Qualitative Risk Grading Matrix; Level of Risk = Consequences x Likelihood**

Risk Matrix

Consequence	Likelihood				
	Rare 1	Unlikely 2	Possible 3	Likely 4	Almost Certain 5
Insignificant 1	1	2	3	4	5
Minor 2	2	4	6	8	10
Moderate 3	3	6	9	12	15
Major 4	4	8	12	16	20
Catastrophic 5	5	10	15	20	25

Risk Grading		Priority No
Critical Risk (20-25)	Black	1
Serious Risk (15-16)	Red	2
High Risk (8-12)	Yellow	3
Moderate Risk (4-6)	Green	4
Low Risk (1-3)	White	5

**CCGs working together**

Airedale, Wharfedale and Craven CCG  
 Bradford City CCG  
 Bradford Districts CCG



**CCGs working together**

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

# **Guidance for Users of the CCG Risk Register System**

## **Contents**

1. System Administration
2. Risk Register Roles
3. Adding or Reviewing Risks
4. Search & Reporting Options
5. Risk Scoring & Grading Matrices
6. Sources of Risk Identification

## **1. System Administration**

The CCG Risk Register system is hosted by NHS Wakefield CCG on behalf of a number of local CCGs.

Locally, the Risk Register system is administered by the Governance Team:

- Sarah Worstead, Governance and Corporate Manager, [sarah.worstead@awcccq.nhs.uk](mailto:sarah.worstead@awcccq.nhs.uk), 01274 237569
- Stacey Waterworth, Governance and Corporate Manager 01274 237717 (commences October 2017).
- Sarah Dick, Head of Governance, [sarah.dick@awcccq.nhs.uk](mailto:sarah.dick@awcccq.nhs.uk), 01274 256093

For access to the system, any training, queries or for support in adding and reviewing risks, please contact the Governance Team.

## **2. Risk Register Roles**

There are two allocated roles for each risk on the Risk Register.

### Risk Owner

- Identifies, assesses and records new risks on the Risk Register system;
- Regularly reviews their risks in line with the review process and schedule which includes updating information, reviewing current risk score and if appropriate closing risks that have been managed back to acceptable risk levels or are no longer relevant;
- Works closely with clinical leads, performance managers and other service providers to monitor performance and activities to allow the early identification of risk;
- Keeps their line manager informed of any significant changes that may affect any risks they have recorded on the Risk Register.

### Senior Manager

#### **CCGs working together**

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

- Supports a culture of risk awareness within the CCG;
- Checks that the Risk Owner has appropriately reflected the true nature of the risks and controls in place, etc.;
- Ensures consistency of risk wording (there is a risk of... due to... resulting in...);
- Confirms ownership of the risk sits with the appropriate person at all levels;
- Checks scoring is appropriate to the risk faced by the CCG and that it is consistent with the score of other risks on the Risk Register;
- Liaises with the risk owner to amend/correct any changes (this will support the Risk Owner when they complete the next review cycle);
- Is prepared to discuss the risk at any group or committee;
- Confirms that the risk is correctly reflected;
- Confirms that it is appropriate to close risks marked for closure by the Risk; Owner;
- Identifies any additional risks to be included on the Risk Register;
- Ensures that risks are discussed regularly at team meetings and potentially at 1:1s with appropriate staff members.

### 3. Adding or Reviewing Risks on the Risk Register System

#### Key Point

The most important thing is to ensure that risks are identified and reported.

This guidance provides help in *how* to record and score the risk on the Risk Register, but having the “correct content” is secondary to ensuring a risk is recorded on the Register. We can refine the content of the Register once a risk has been added.

#### Timescales

Risks should *ideally* be added or reviewed in line with the timescales set for each risk cycle (6 cycles per annum). These timescales are automatically notified to all users of the Risk Register ahead of the start of each cycle. However, the system is ‘live’ and risks can be added or reviewed at any time.

#### Access

- Access the Risk Register using the following link:  
<http://apps.this.nhs.uk/CCGRiskRegister/Login.aspx?ReturnUrl=%2fCCGRiskRegister%2fAdministration%2fRiskManagement.aspx>

The Risk Register can be accessed via the internet from any PC with an NHS N3 connection.

We suggest you save the link to “Favourites” in your internet browser. The link is included in all emails from the system notifying users of risk cycle timescales.

- Enter your log-in details – this is your email address .

#### **CCGs working together**

Airedale, Wharfedale and Craven CCG  
 Bradford City CCG  
 Bradford Districts CCG

### Adding & Reviewing Risks

- Select Risks Dashboard
- New risks - select Add a New Risk, or:
- Review of existing risks – select My Risks (Risk Owners) or Risks to Review (Senior Managers)
- Complete or review the required information (see below)
- Select Save or Save & Exit before leaving the page

<b>Heading</b>	<b>Action Required</b>	<b>Clarification / Guidance</b>
<b><u>CCG &amp; Service Organisations</u></b>		
CCG	Select from the drop-down menu.	Select Bradford CCGs – this is the log-on used for the 3 CCGs merged Risk Register
Service Organisations	Select from the drop-down menu (multiple organisations can be selected).	Select a service organisation where the cause of the risk is primarily due to an external organisation (third party risks).
Risk Owner	Select from the drop-down menu.  Select the “Send email notification” box to flag that a new risk has been added to the register.	If additional staff need to be set up on the system, please contact the Governance Team.
Senior Manager	As above.	As above.
Committee (used for CCG)	Select one of: <ul style="list-style-type: none"> <li>• 3CCGs</li> <li>• AWC</li> <li>• BC</li> <li>• BD</li> <li>• BC and BD</li> </ul>	
Risk Category (used for Committee)	Select one of: <ul style="list-style-type: none"> <li>• JFPC (Joint Finance &amp; Performance Comm)</li> <li>• JQC (Joint Quality Comm)</li> </ul>	A risk can only be aligned with one committee – think about whether the cause and / or effect of the risk is primarily financial / performance / corporate or quality / clinical (and reflect this in the risk description).
<b><u>Risk Ratings</u></b>		
<b><i>It is suggested you complete the rest of the Risk Register entry BEFORE you consider risk ratings.</i></b>		

### **CCGs working together**

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

<b>Heading</b>	<b>Action Required</b>	<b>Clarification / Guidance</b>
Current Risk Rating	Likelihood: select 1 – 5. Impact: select 1 – 5.  Current risk rating is calculated automatically (Likelihood x Impact).	Refer to the Risk Scoring Matrices (attached) for guidance.  If the current risk rating has not reduced over 2 or 3 risk cycles, consider (i) whether the Key Controls are as effective as hoped and (ii) whether the original score was appropriate.
Target Risk Rating	Likelihood: select 1 – 5. Impact: select 1 – 5.  Target risk rating is calculated automatically (Likelihood x Impact).	Refer to the Risk Scoring Matrices (attached) for guidance.  At what level (likelihood and impact) could the risk be accepted / tolerated? This is the level to which you want to reduce the current risk score.
<b><u>Risk Description</u></b>		
Principal Risk	Enter details. The risk should be worded as “There is a risk of....due to... resulting in....”.	Risks should not commence “Failure to...” – this is an outcome / impact of risk crystallisation and not a risk in itself.  The “due to” part of the description outlines the causes of the risk.  The “resulting in” part of the description outlines the impact of the risk if it were to arise.  There has to be a degree of uncertainty for a risk to exist – if something has already happened / is happening, this is an issue or a cause of a risk, not a risk in itself.
Key Controls	Enter details. What are the key controls already in place to prevent the risk from occurring?	Relates to systems / processes / mechanisms already be in place.  Actions which are planned / not yet implemented should <u>not</u> be recorded as an existing control until fully in place.  Record a maximum of 4-5 key controls.  Explanation of why a risk rating has reduced could be recorded here.

## CCGs working together

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

<b>Heading</b>	<b>Action Required</b>	<b>Clarification / Guidance</b>
Gaps identified in Control	Enter details - where either: (i) There are no controls in place, or; (ii) Controls are in place but are known not to be operating effectively.	Where there are plans in place to close gaps in controls, specify the target timeframe.  If there are no gaps in control currently, state this on the system.  Explanation of why a risk rating has increased could be recorded here.
Assurance on Controls	Enter details – what mechanisms are there to provide assurance (evidence) on the operation of controls?	For example: <ul style="list-style-type: none"> <li>• Key performance indicators</li> <li>• Reports</li> <li>• Papers to oversight groups / committees</li> <li>• Minutes of meetings</li> <li>• Other reporting mechanisms</li> </ul>
Positive Assurance	Enter specific details of what assurance mechanisms are reporting and when to support that controls are in place and operating effectively.	It can be useful to distinguish between assurance from internal and external sources.  Examples <ul style="list-style-type: none"> <li>• Action plan on track for implementation to schedule – reported to Nov 16 Clinical Quality Group. [Internal assurance]</li> <li>• Q1 and Q2 performance has met target – reported Nov 16 Finance &amp; Performance Committee. [Internal Assurance]</li> <li>• Significant Assurance from Sept 16 Internal Audit Report on XXX [External assurance]</li> <li>• Green RAG rating on NHS England assurance framework Q2 16-17 [External assurance]</li> </ul> Explanation of why a risk rating has reduced could be recorded here.

## CCGs working together

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

<b>Heading</b>	<b>Action Required</b>	<b>Clarification / Guidance</b>
Gaps in Assurance	Enter details - where are we failing to gain evidence on the effectiveness of controls due to: (i) A lack of assurance mechanisms in place (ii) Assurance mechanisms are providing negative assurance (i.e. controls are not effective)	Examples: <ul style="list-style-type: none"> <li>No mechanism in place to report on project progress.</li> <li>Q1 and Q2 performance is below target level as reported to Finance &amp; Performance Committee Nov 16.</li> <li>Limited Assurance from Internal Audit Report on XX, October 16.</li> </ul> <p>Where there are plans in place to close gaps in assurance, specify the target timeframe.</p> <p>If there are no gaps in assurance currently, state this on the system.</p> <p>Explanation of why a risk rating has increased could be recorded here.</p>
Add Linked Risk	Enter the linked risk number (if appropriate)	
GBAF Reference No	Cross-reference to GBAF risks where appropriate	<i>3CCGs GBAF being developed as at June 2017</i>
GBAF Entry Description	Leave blank	No need to complete – the reference number is sufficient to allow RR risks and GBAF risks to be linked
<b><u>Review Risk</u></b>		
Review Risk	Tick the relevant box (Risk Owner or Senior Manager)	If this box is not selected, the risk will be reported as un-reviewed.
Reviewer Comment	Enter details as appropriate	This field is for dialogue between Risk Owners and Senior Managers, e.g. to query risk scores, controls or assurance.  This field is <u>not</u> reported as part of the Risk Register. Rationale to support changes in scores should be recorded elsewhere (e.g. if risk ratings have increased, explain why in the gaps in control and / or gaps in assurance field; if risk ratings have reduced, explain why in the key controls or positive assurance fields).
Closed	Tick this box if the risk is being closed	
Reason for Closure	Select from the drop-down menu.	If “Other” is selected, please provide additional details in the box that will appear when this option is ticked.  If “Merged with Other Risk” is selected,

### CCGs working together

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

Heading	Action Required	Clarification / Guidance
		<p>please ensure the “Linked Risk” field is completed.</p> <p>Current risk rating reaching the target risk rating is reason for closing a risk, but a risk does not <i>have</i> to be closed for this reason – it may be prudent to retain the risk on the system for one or two cycles after the target risk rating has been reached.</p>

### Things to remember when Adding or Reviewing Risks

- Ensure that changes to risk scores are explained (we suggest using the key controls or positive assurance fields for reductions in risk ratings or the gaps in controls or gaps in assurance columns for increases in risk ratings).
- Remember that whatever is recorded in the “Reviewer Comment” box is not reported as part of the Risk Register.
- Do not use abbreviations without first explaining them.

#### **4. Search Risk Dashboard and Report Risk Dashboard**

- All users of the Risk Register system have the ability to search for risks on the CCG Register and to run reports (but users can only amend those risks for which they are the allocated Risk Owner or Senior Manager)
- The Search options available are:
  - By risk number
  - By Risk Owner
  - By Senior Manager
  - By Committee
  - By risk status (open / closed)
  - Risks created between two dates
  - Text search
- All reports can be filtered by all risks or by Committee, Risk Owner or Senior Manager or by archive dates (the latter allows historic “snapshots” of the Risk Register to be reported). The following reports are available:

#### **CCGs working together**

Airedale, Wharfedale and Craven CCG  
Bradford City CCG  
Bradford Districts CCG

- Risks (Risk Register)
- Risk Reviewers –what risks have been reviewed by Risk Owners and Senior Managers
- Heatmap
- Static Description Risks (risks whose description did not change during a risk cycle)
- Risk Profile Report – this provides a risk overview diagram, a summary of risk movement during a risk cycle and charts of risk numbers / total risk score / average risk score. This report is available at 3 CCG or individual CCGs. To ensure accurate reporting, the following need to be selected in the ‘Risk Type’ field:

Report for 3 CCGs	Report for AWC	Report for City	Report for Districts
Select: <ul style="list-style-type: none"> <li>• 3 CCGs</li> <li>• AWC</li> <li>• BC</li> <li>• BD</li> <li>• BC and BD</li> </ul>	Select: <ul style="list-style-type: none"> <li>• 3 CCGs</li> <li>• AWC</li> </ul>	Select: <ul style="list-style-type: none"> <li>• 3 CCGs</li> <li>• BC</li> <li>• BC and BD</li> </ul>	Select: <ul style="list-style-type: none"> <li>• 3 CCGs</li> <li>• BD</li> <li>• BC and BD</li> </ul>