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**ST CATHERINE'S
HOSPICE**

Risk Management Policy

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CO-07 Risk Management (July 2009)	June 2016	Jane Abbott	CO-07 superseded by POL 22 in June 2016
POL 22 v1	January 2019	Paul Rycroft	Revised risk assessment format and action tracking

Associated Documents

Incident Management Policy
Business Continuity Policy
Health & Safety Policy

References

Health & Safety Executive. <i>Managing the Risks</i> http://www.hse.gov.uk/risk/index.htm
Charity Commission. 2010 <i>Charities and Risk Management</i> https://www.gov.uk/government/publications/charities-and-risk-management-cc26
National Patient Safety. <i>NHS guidance for patient safety</i> https://improvement.nhs.uk/improvement-hub/patient-safety/

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1. Policy Purpose

Risk is an inherent part of all organisational activities. Unmanaged risk has the potential to disrupt delivery of a quality service and prevent achievement of organisational objectives. This policy identifies StCH's approach to management of risk and its use to prioritise and direct both strategic and operational activity. This allows StCH to remain forward looking and take appropriate action to fulfil its charitable objectives.

The adherence to this policy provides consistency in dealing with risk from across the organisation, allowing for organisational wide decisions to be made and to provide succinct reporting of key areas of focus for all interested parties.

The fulfilment of this policy provides a key element of governance for the entire organisation, the result of which forms a standing item at board meetings.

2. Scope of policy

This policy applies to all StCH activities and all departments. It covers operational and strategic risks.

It is the responsibility of all StCH Managers to ensure that individuals employed or engaged by the hospice in any capacity are able to comply with the requirements of this policy.

3. Definitions

In this document the following definitions apply:

Hazard	Something (eg an object, an activity or a phenomenon) that can cause adverse effects.
Risk	The <i>likelihood</i> of a hazard resulting in an incident set against the <i>severity</i> of that incident should it occur.
Control	The mitigating action put in place to reduce the risk.
Risk management	The proactive process undertaken by StCH Managers on behalf of the organisation to: understand the environment in which they are working, identify hazards and evaluate their likely impact, mitigate the resultant risks, in order to provide a compliant and effective organisation focused on its charitable objectives.
Strategic risks	Risks relating to the organisation's objectives. This can include the risk of failing to achieve the organisation's objectives and risks relating to the liabilities and dangers faced by the organisation as a whole.
Operational risks	Risks relating to the prospect of loss/harm resulting from inadequate or failed procedures, systems or policies or from external events; and which may threaten day-to-day delivery of any service.

Strategic Risk Register	The Strategic Risk Register (StRR) is the document where StCH records and reports on the management of all its strategic risks.
Operational Risk Registers	The Operational Risk Registers (OpRRs) are documents where StCH records and reports on risks created and maintained at functional levels in the organisation.

4. Policy Aims

The overall strategic aim of the policy is to make the effective management of risk an integral part of day to day operations at StCH and part of the culture of the organisation. This will be achieved by having a comprehensive and cohesive risk management system in place which is underpinned by clear responsibility and accountability arrangements throughout the organisational structure with particular emphasis on the role of StCH Managers.

By adopting this approach StCH will:

- **Minimise the potential for harm to patients, carers, staff, volunteers and visitors** to a level as low as practicably possible.
- **Protect everything of value** (such as high standards of care, staff safety, reputation and assets or income streams).
- **Anticipate and respond** to changing circumstances (social, environmental, legal, financial etc) or events.
- Maximise opportunity by **adapting and remaining resilient** to changing risk factors.
- Ensure that risk management is **integrated** into day to day practices, and managed in a transparent and consistent way across all departments and **not in silos**.
- Consider compliance with **health and safety, insurance and legal requirements as a minimum standard**.
- **Inform policy and operational decisions** by identifying risks and their likely impact and implementing mitigation strategies, where appropriate; and,
- **Raise awareness** and understanding of the need and responsibilities for risk management and by all those representing, connected with, or working for StCH.

5. Accountability and responsibility

Board of Trustees

Responsible for the total risk exposure of StCH. By review of the full risk landscape, identifying and justifying decision making in light of this exposure.

Board Committees

Undertaking the review of risk associated with the scope of their activities. Specific risk allocation is identified in the strategic risk register. Operational risks may be reviewed by Committees as necessary when reviewing a particular operational aspect or project as part of their work plan.

Chief Executive

Overall responsibility for risk management; ensuring that statutory and regulatory requirements are met through the operation of the full risk management framework.

SMT

Responsible for:

- identifying and appointing owners for all strategic risks.
- briefing the Board and/or its sub committees as appropriate using the Strategic Risk Register.
- identifying new and emerging risks for consideration.
- completing an organisational wide review to ensure consistency of application and no gaps in the risk coverage of the organisation.

Individual SMT members

Responsible for ensuring that operational risk registers, covering risks in the functional areas for which they are accountable, are created and managed by the relevant manager. Compiling and reporting risk status; and escalating risks and significant action progress as necessary.

Health & Safety Specialist

Responsible for managing the Strategic Risk Register and associated assessments. To undertake an audit of this policy and progress resulting findings.

All StCH Managers

Responsible for

- identifying, evaluating, controlling, measuring and reporting on operational risks in their respective areas of functional responsibility;
- ensuring identified risks and control measures are captured on a relevant operational risk register and that risk registers are kept up to date;
- ensuring team members (employees, contractors and volunteers) are aware of risks within their work environment and of the organisational expectation that they will take a pan organisational view of their responsibilities for risk as well as functional and personal responsibility;
- ensuring team members (employees and volunteers) receive necessary training, information, supervision etc to enable them to work safely and responsibly.

All employees and volunteers

Responsible for

- recognising and reporting risk wherever it occurs so that it can be managed appropriately;
- participating wherever possible in the evaluation and mitigation of risk within their sphere of influence;
- complying with StCH rules, regulations, instructions, policies and procedures;
- working in manner which is safe and secure for themselves, colleagues, patients and visitors.

6. Framework

6.1 Risk management and corporate governance

StCH is required to demonstrate that it is doing 'its reasonable best' to manage risk. This means doing all that is reasonably practicable (weighing risks against effort, time and resources needed to control them) to meet objectives, and to protect service users, staff, volunteers and the public from avoidable harm.

In practice, it entails having effective systems and processes embedded in the organisation at all levels and evidence from audit that these systems and processes are being followed.

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At StCH this is achieved by ensuring risk management and corporate governance is an integrated process through which the organisation will identify, assess, analyse and manage risks at every level.

This means:

- risk management becomes a core management competence at StCH;
- risk management is integrated into all decision-making processes;
- risk management is integrated into all service developments and clinical governance activity;
- a consistent approach to training to ensure management, analysis and investigation of risk and incidents is implemented;
- a consistent approach to populating and reviewing risk registers is adopted; and
- processes and decisions about risks will be integrated into all strategic and operational plans.

6.2 Risk Registers

StCH documents and reports on risks and their management using risk registers. StCH operates two types of risk register:

Strategic Risk Register (StRR)

The Strategic Risk Register is owned by StCH's Senior Information Risk Owner (SIRO) and managed by the Quality & Information Manager. It captures risks that relate to the liabilities and dangers that the organisation as a whole faces, including risks associated with the organisation's ability to maintain its long term viability (all defined as strategic risks). The StRR is informed by the identification of red-rated operational risks, as captured on department/service-level operational risk registers.

Operational Risk Registers (OpRRs)

OpRRs capture identified operational risks faced directly by services/departments, ie risks that threaten the day-to-day implementation of activity or delivery of these services. Each Operational Risk Register is owned and managed by the relevant manager.

The risk registers are live documents, which provide real time reporting data to help the monitoring and management of identified risks. Both types of risk register record the individual who has been assigned responsibility for each risk, and for ensuring that the risk and its treatment measures are monitored and effectively managed. Through the grading and regular review of risks, managers will be able to prioritise activities related to risk management.

The Chief Executive is responsible for ensuring the Strategic Risk Register is reviewed monthly by SMT, with the relevant Board sub committee reviewing and seeking assurance on specific risks quarterly.

Operational risk registers are reviewed by the relevant manager. Additionally, governance work teams will manage risk registers for their respective areas and report/escalate to SMT.

Each Head of Department and Director is responsible for reviewing relevant departmental risks.

6.3 Risk assurance framework

See Appendix 3 for details of the StCH risk assurance framework.

6.4 Training

Risk is an important management competency and all managers at StCH are required to undertake face to face training in risk management. This training covers management of strategic and operational risks. This training is an integral part of the StCH managers' training and development programme.

Raising staff and volunteer awareness of the importance of recognising and reporting different types of risk will be carried out through compulsory e-learning modules in risk assessment and in staff inductions, staff briefings and other internal communications.

All StCH staff and volunteers (where it is agreed by their manager to be relevant to their role) are required to undertake the e-learning module in risk assessment. StCH managers will be responsible for ensuring that staff and volunteers access the information and training which is appropriate for them to fulfil their responsibilities and commitments to StCH.

7. Dissemination

This policy will be circulated to all managers by email when it is updated. The email will include instructions to ensure that all their staff and volunteers are aware of the policy and where to find it through, for example, team meetings and 1:1s. Information about the policy will also be included in the next available managers update session. Training material in support of the policy and associated procedures will be available for team meetings and induction as required.

8. Measures of success

The following points may be considered when reporting through the organisation as to the activity associated with risk management. Actual measures will be chosen to reflect the current organisational need.

- Number of risk assessments.
- Profile of calculated risk priority numbers.
- Number of resultant actions.
- Risk profile of risk assessments.
- Number of actions identified.
- Priority of actions.
- Age of actions by priority.
- Age profile of actions.
- Planned risk reduction.
- Risk review meetings.
- Risk management training completion.
- Completeness of assessment completion.
- Age of last risk review.

A risk dashboard will be constructed to summarise the position regarding risk management and this will be routinely reviewed by the board and SMT.

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9. Audit and review

StCH will review and audit the implementation and effectiveness of the risk management policy and supporting processes to ensure that risk is being handled consistently and effectively across the organisation.

The audit will be scheduled as part of the annual H&S workplan and will consider the following aspects.

- need, delivery and uptake of training.
- frequency of review/updating of risk registers.
- completion and use of measures associated with risk management.
- staff compliance with the obligations set out within the policy and supporting procedures.
- whether indicated hazards, associated risks and mitigating actions are realistic and pertinent to progressing our charitable objectives.

Responsibility:

The Health & Safety Specialist will be responsible for leading the monitoring and review, together with SMT.

How and when:

The approach will include review of: training programme and training records, risk registers (including planned and executed mitigation plans), relevant governance and operational meeting minutes, recently produced or revised policies and plans. It will also include a number of 'deep dives' into specific areas of risk. An audit report will be produced annually which will be shared with relevant governance and executive groups, who will be responsible for taking forward any recommendations.

10. Policy Impact Assessment

The impact assessment is used to ensure:

- we do not inadvertently discriminate as a service provider or as an employer
- that the information governance implications of any changes in the way we work, implicit in any new policies or revisions to existing policies, are considered and addressed appropriately.

To be completed and attached to all policies when submitted to the appropriate committee for consideration and approval.

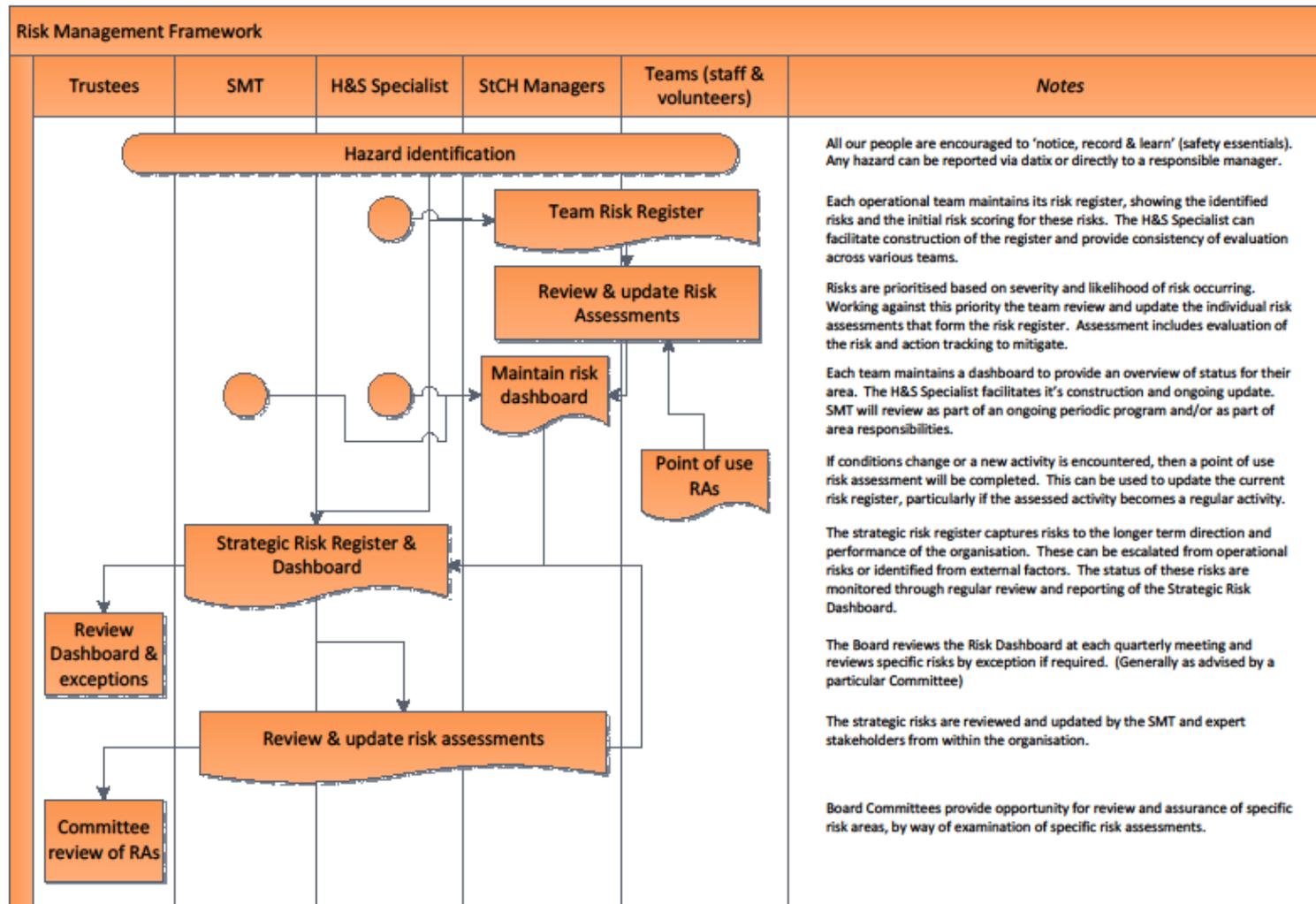
		Yes/No	Comments
1.	Equality Impact		
a.	Does the policy affect one group more or less favourably than another on the basis of - race - ethnic origins - nationality - gender - culture - religion or belief - sexual orientation (including lesbian, gay & bisexual people) - age - disability (eg physical, sensory or learning) - mental health	N	
b.	If potential discrimination has been highlighted, are any exceptions valid, legal and/or justifiable?	N/A	
c.	Is the impact of the policy likely to be negative? If so, can the impact be avoided or reduced?	Potential	Risk assessment can be seen as un-necessarily bureaucratic. It is beholdant upon the training to ensure understanding as to why the approach is necessary is fully appreciated.
2.	Information Governance Impact		
a.	Is the policy (or any of its associated procedures) likely to have an adverse impact on: - information quality - information security - confidentiality - data protection requirements	N	The policy will identify potential areas of risk including data protection.
b.	If so, have these issues already been raised	N/A	

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	with the Information Governance Group? What action has been agreed?		
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Appendix 1 - Risk Management Framework



Appendix 2 – Risk Scoring

StCH will use a risk matrix (figure 3) to assess and grade each risk identified. This looks at both the likelihood of the risk materialising and the consequence of it. The grade assigned to each risk in turn influences the level of risk treatment that should be applied to manage/reduce/prevent the risk from occurring, and also to indicate level at which responsibility and acceptance should sit (see figure 4). Further guidance on how to assign consequence and likelihood scores is given in figures 5 and 6.

		CONSEQUENCE				
		Negligible 1	Minor 2	Moderate 3	Major 4	Extreme 5
LIKELIHOOD	Very unlikely 1	1	2	3	4	5
	Unlikely 2	2	4	6	8	10
	Possible 3	3	6	9	12	15
	Likely 4	4	8	12	16	20
	Almost certain 5	5	10	15	20	25

Figure 3 Likelihood and Consequence Matrix

Negligible risk	0-4	Risk accepted by StCH and managed locally by relevant manager/service lead
Moderate risk	5-10	Responsibility to manage the risk accepted by relevant Director
Significant risk	11-15	Responsibility to manage risk accepted by SMT/ Chief Executive/governance committee
High risk	16-25	Responsibility to manage the risk accepted corporately by Board of Trustees

Figure 4 Risk Management Responsibilities & Acceptance

The table below provides guidance on how to determine the appropriate level/score for risk consequence severity:

Level/score	Examples of actual or potential consequence on persons	Examples of actual or potential consequences on organisation
Negligible 1	<ul style="list-style-type: none"> • Minor first aid treatment or no obvious harm 	<ul style="list-style-type: none"> • No disruption to operational activities. • Financial implications - litigation/costs up to £2k
Minor 2	<ul style="list-style-type: none"> • Minor injury or illness requiring minor intervention • Time off work (≤ 3 days) • Increased length of patient stay • No permanent harm 	<ul style="list-style-type: none"> • Short-term business interruptions to specific elements of StCH's core business • Financial implications - litigation/costs less than £30k • Some loss of reputation, minor adverse publicity • Increased level of care
Moderate 3	<ul style="list-style-type: none"> • Moderate injury requiring professional intervention • Time off work (4-14 days) • RIDDOR/agency reportable incident • Increased length of stay 	<ul style="list-style-type: none"> • Moderate/long term disruption to small number of functions/staff • Financial implications - litigation/costs £30k-£50k • Local adverse publicity, loss to reputation • Implications for StCH's registration with regulatory bodies
Major 4	<ul style="list-style-type: none"> • Major injury leading to long-term incapacity/disability • Requiring time off work (>14 days) • Increase in length of stay • Mismanagement of patient care with long-term effects 	<ul style="list-style-type: none"> • Long term disruption to a number of aspects of StCH's core activity; viability of service area(s) affected • Financial implications - litigation/costs £250k-£1 million • Regional/national adverse publicity, major loss to reputation, loss of public confidence • Damage to StCH's registration status with regulatory bodies
Extreme 5	<ul style="list-style-type: none"> • Single or multiple deaths involving any persons 	<ul style="list-style-type: none"> • Extended service closure • Financial implications - litigation/costs over £1m • National adverse publicity, extreme loss to reputation, loss of public confidence • Major impact on future development or sustainability • Removal of StCH's registration with regulatory bodies

Figure 5 Risk consequence severity scores

The table below provides guidance on how to determine the appropriate level/score for risk likelihood:

Score/level	Broad descriptor of frequency <i>(How often might it/does it happen)</i>	Probability descriptor <i>(Will it happen or not?)</i>
Very unlikely 1	This will probably never happen/recur	Less than a 1-in-1000 chance of happening
Unlikely 2	Do not expect it to happen/recur but it is possible it may do so	Between 1-in-1000 and 1-in-100 chance of happening
Possible 3	Might happen or recur occasionally	Between 1-in-100 and 10-in-100 chance of happening
Likely 4	Will probably happen/recur, but it is not a persisting issue/circumstance	Between 1-in-10 and 5-in-10 chance of happening
Almost certain 5	Will undoubtedly happen/recur, possibly frequently	More than a 1-in-2 chance of happening

Figure 6 Risk likelihood scores

Risk treatment

For each risk identified, assessed and assigned StCH will agree the plan needed to effectively manage the risk. There are five basic strategies that can be applied:

- Prevention/elimination - taking action to stop the threat occurring or preventing it from impacting on the activity/service/objective
- Reduction - taking action to reduce the likelihood of threat occurring or limiting the impact it would have on activity/service/objective
- Transference - passing responsibility for the risk to a third party (eg through insurance or outsourcing)
- Acceptance - tolerating the risk either because nothing can be done at reasonable cost, or the magnitude of risk is at an acceptable level
- Contingency - planning actions to take in response to the risk materialising.

All identified risks will be recorded on the appropriate risk register and reviewed regularly.

Actions and areas of focus should reflect the risk associated with the condition. It is expected that any significant or high risk will be actively managed in order to minimise the harm to the relevant individuals or the organisation.