


# NHS Borders Risk Management Policy

<b>File Name:</b>	01.08.2023 Risk Management policy Final
<b>Version Number:</b>	V1.3
<b>Status:</b>	Final
<b>Prepared By:</b>	Risk Team
<b>Distribution date:</b>	October 2023
<b>Review date:</b>	October 2026
<b>Distribution arrangements:</b>	Intranet, Internet
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This policy has been approved for NHS Borders



.....  
Chief Executive



.....  
Employee Director

Approval date: 18/09/2023  
Authorisation date: 05/10/2023

## VERSION HISTORY

Release	Date	Author	Comments
Draft 1.0	1 <sup>st</sup> August 2023	Risk Team	1 <sup>st</sup> draft
Draft 1.1	07 <sup>th</sup> August 2023	Risk Team	Adjustments made following comments from key stakeholders
Draft 1.2	23 <sup>rd</sup> August 2023	Risk Team	Adjustments following comments from H&S
Draft 1.3	4 <sup>th</sup> September 2023 18 <sup>th</sup> September 2023	Risk Team	Agreed at OPG and BET for submission to ARC Agreed at ARC for submission to Health Board
Final	5 <sup>th</sup> October 2023	Risk Team	Approved at Health Board

## AUTHORISING CONTROL

### Document Control

Document Name: 01.08.2023 Risk Management Policy Final

Version Number: v1.3

Date Created: 1<sup>st</sup> August 2023

Date Last Amended: 4<sup>th</sup> September 2023

Approved By: *Operational Planning Group, Board Executive Team, Audit and Risk Committee*

Authorised By: *Healthboard*

Term	Intention
<b>shall</b>	denotes a requirement: a mandatory element
<b>should</b>	denotes a recommendation: an advisory element
<b>may</b>	denotes approval
<b>might</b>	denotes a possibility
<b>can</b>	denotes both capability and possibility
<b>is/are</b>	denotes a description

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## **1 Introduction**

- 1.1 NHS Borders recognises that risk is inherent in the delivery of healthcare and that risk management should be part of an organisation's culture. The risk management policy explains how NHS Borders intends to deliver its risk management strategy by embedding processes and procedures into normal management practices.
- 1.2 The policy lays out how this will be achieved using a comprehensive and cohesive risk management framework, underpinned by clear accountability. These arrangements commit NHS Borders to an integrated risk management approach supported by a single risk management framework for all risks to be effectively managed.
- 1.3 Risk management is the responsibility of NHS Borders Health Board and requires staff to work in partnership to achieve best/good practice. Managing risks increases the likelihood of success and reduces the likelihood of failure. In essence, good risk management is good management.
- 1.4 Our risk culture must embrace openness, support transparency, welcome constructive challenge and promote collaboration, consultation and co-operation. We must invite scrutiny and embrace expertise to inform decision-making. We must also invest in the necessary capabilities and seek to continually learn from experience.
- 1.5 This document is intended for use by all NHS Borders employees; temporary and permanent. Risk owners and senior management should familiarise themselves with this policy. All employees should ensure they read accompanying risk management protocol and guidance.

## **2 Purpose**

- 2.1 The purpose of this risk management policy is to define the approach taken by NHS Borders in applying risk management to its decision making at all levels, with the objective of establishing the foundations for a culture of effective risk management throughout the organisation.
- 2.2 Supporting standards and guidance are outlined in [Appendix 1](#).
- 2.3 Risk management 'enhances strategic planning and prioritisation, improves service delivery, assists in achieving objectives and strengthens the ability to be agile to respond to the challenges faced.'
- 2.4 This policy sets out clear definitions, responsibilities and process requirements to enable the principles and techniques of risk management to be applied consistently throughout NHS Borders.
- 2.5 This policy implements the aims and objectives of NHS Borders risk management strategy.

## **3 Objectives**

- 3.1 The policy aims to support the delivery of person centred, safe and effective healthcare and to ultimately encourage and support a positive risk management and safety culture.
- 3.2 Measuring the implementation of objectives, outlined in [Appendix 2](#) will be evidenced through the risk information on NHS Borders risk register and within the adverse event reporting system.
- 3.3 To ensure a full understanding of the terminology used within this policy is understood a list of definitions is included as [Appendix 3](#).

#### **4 Risk Management Policy Statement (Statement of Intent)**

- NHS Borders are committed to ensuring that the management of risk underpins our business and clinical activities. That robust risk management processes and procedures are in place.
- To ensure that a systematic approach to managing risk is in place to support a risk aware culture.
- The application of risk management practices cannot, and will not, completely eliminate all risk exposure. Through the application of risk management we aim to better understand the risks faced to promote more robust decision making and responsible risk taking.
- Recognise that risk, as well as posing a threat, also represents opportunities for developing innovative ways of working. There are also risks associated with not taking opportunities when they arise. Being proactive is essential to capture emerging risks before they materialise and allows for effective optimisation and/or exploitation of risks.
- The importance of risk management, and the part it plays in managing the organisation, is set out in the Code of Corporate Governance, NHS Borders governance statement and is summarised in the annual accounts each year.
- We expect management to take action to manage and mitigate the effects of those risks that are considered to be out with the organisational risk appetite. Where a manager is unable to do this, the risk management escalation process should be used.
- All managers are expected to have a good understanding of the nature of risk within their remit and the organisational risk appetite, including the ability to take the right risk, at the right time and in the right way.

## A. Risk Management

### 6 Definitions

6.1 Strategic risk is defined as:

**Long-term risk concerned with where an organisation wants to go, how it plans to get there and how it can ensure survival**

6.2 Operational risk is defined as:

**The chance of something happening that will have an impact on objectives; it is measured in terms of consequences and likelihood.**

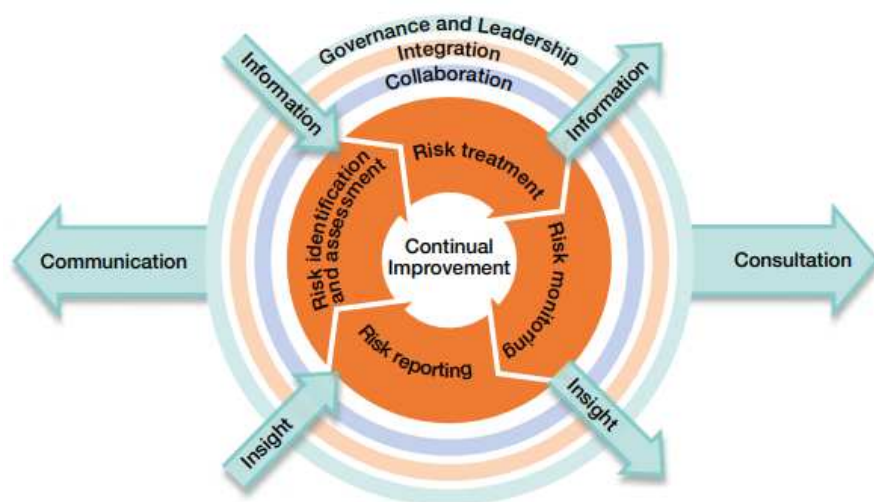
6.3 Hazards/problems/issues are defined as:

**Something with the potential to cause harm including injury and ill health, damage to property, equipment, products or the environment, service losses and increased liabilities.**

### 7 Risk Management Framework

7.1 The Orange Book provides NHS Borders with a nationally recognised framework for public services and is essential to ensuring a consistent systematic approach to managing risk.

Diagram 1: Risk Management Framework

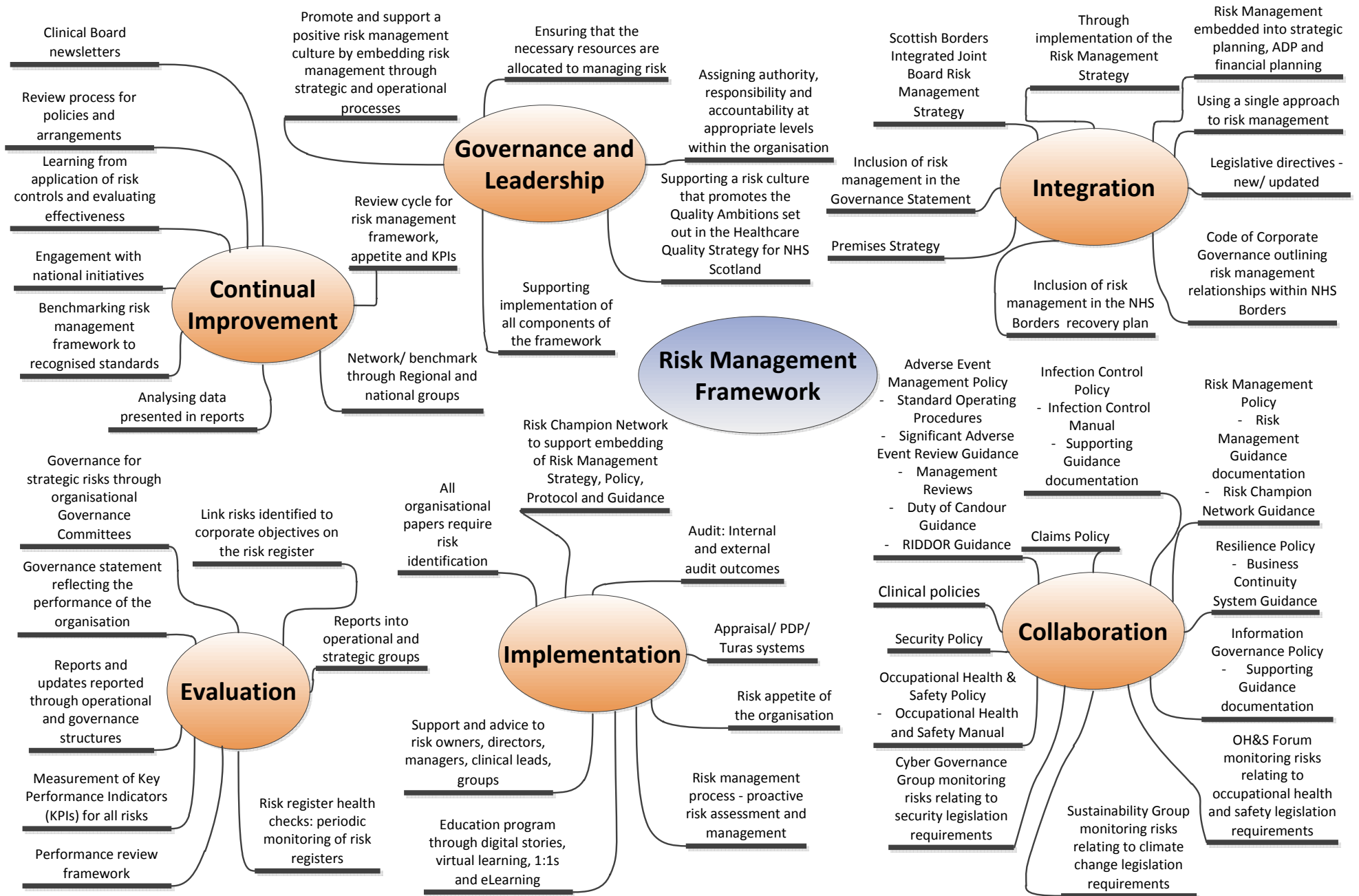


7.2 **Diagram 2** outlines how NHS Borders integrates the risk management framework into its activities.

- **Governance and Leadership** outlines how management demonstrates leadership and commitment.
- **Integration** outlines how risk is integrated into the organisational structures and context.
- **Collaboration** highlights how the organisation articulates its risk management commitment, roles and responsibilities, resources and communication.
- **Implementation** outlines how the framework is being implemented within NHS Borders.
- **Evaluation** is how NHS Borders measure the effectiveness of the risk management framework.
- **Continual Improvement** highlights how NHS Borders adapts and strives towards continual improvement.



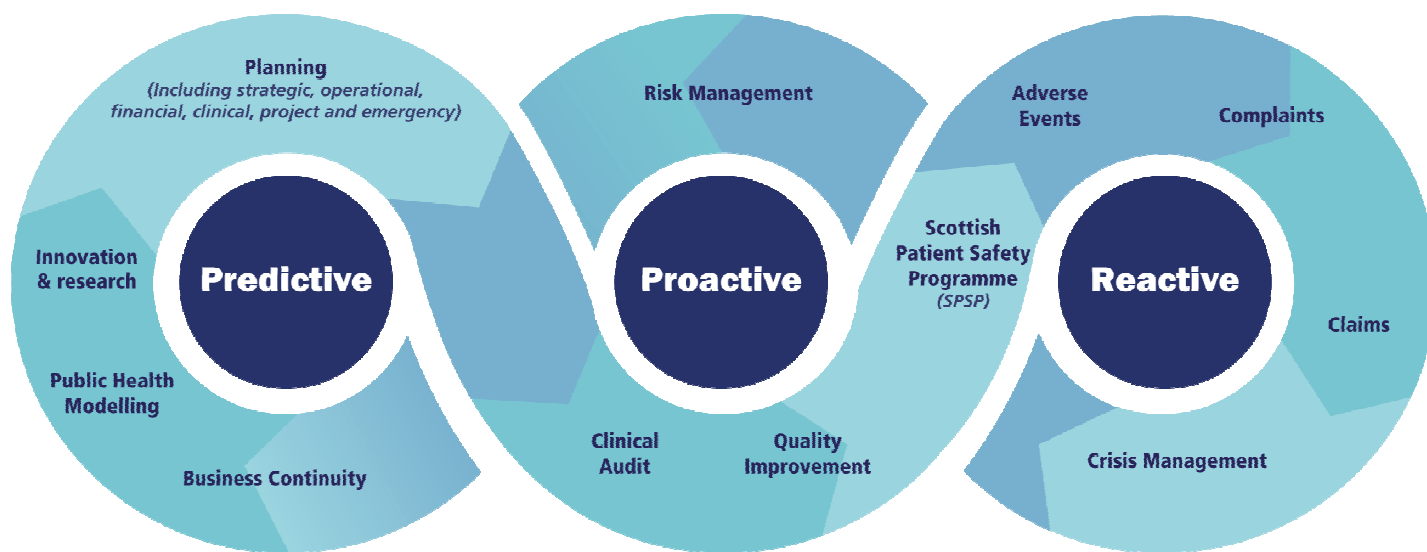
Diagram 2: NHS Borders Risk Management Framework



## 8 Predictive, Proactive and Reactive Risk Management

- 8.1 There are links between risk management, and many other areas of speciality including adverse event management, claims and complaints management, resilience management and planning within NHS Borders as depicted in **Diagram 3**. As such it is possible that risks may be informed by these areas and, likewise, these aspects may be informed by risks.
- 8.2 The difference between predictive, proactive and reactive risk management are outlined below:
- Predictive – Predicts an occurrence of an event that may cause uncertainty to NHS Borders
  - Proactive – Prevents the occurrence of an event
  - Reactive – Reacts to the presence of an event
- 8.3 Lessons learned from reactive risk management can inform a risk assessment to ensure NHS Borders is minimising adverse events, complaints and claims and avoiding a move into crisis management. Issues identified through predictive risk management can cause uncertainty for NHS Borders and as such should be recorded as a risk within the risk register. Proactive risk management supports risk management within NHS Borders to ensure objectives and targets of NHS Borders are met.

Diagram 3: Predictive, Proactive and Reactive Risk Management within NHS Borders



## 9 Risk Management Process

- 9.1 The risk management process is based on the BSI standards, ISO 31000, to achieve a consistent approach to risk identification and management of risks to acceptable levels and a step by step process to assist staff in carrying out their duties as risk assessors/owners can be found in [Appendix 4](#).
- 9.2 The process will also require the use of the NHS in Scotland (NHSiS) agreed risk matrix<sup>1</sup> for the measurement of risk levels for all types of risk ([Appendix 5](#)). This facilitates the risk decision making process used by managers by ensuring that risks are managed through the same process and measured using the same tools. This also facilitates benchmarking risk levels both internally and across NHS Scotland.

## 10 Risk Management Communication

- 10.1 The effective management of risk cannot be realised without a robust communication system which allows for sufficient stakeholder involvement. Communicating risks and remedial actions to those affected or exposed to the risks is an essential element to involving people and organisations in the risk management systems, in gaining ownership of the risks and in managing risk.
- 10.2 Establishing internal and external communication to support the risk management process is essential as part of the preparation and planning of the risk. Planning should take place to determine who the internal and external stakeholders are within the context of the risk and how they will be consulted. This planning will ensure that those accountable for implementing the risk management process engage and bring together differing areas of expertise for risk analysis. This will aid stakeholders to understand the basis on which decisions are made and the reason why particular actions are required.

## 11 Board Assurance Framework (BAF)

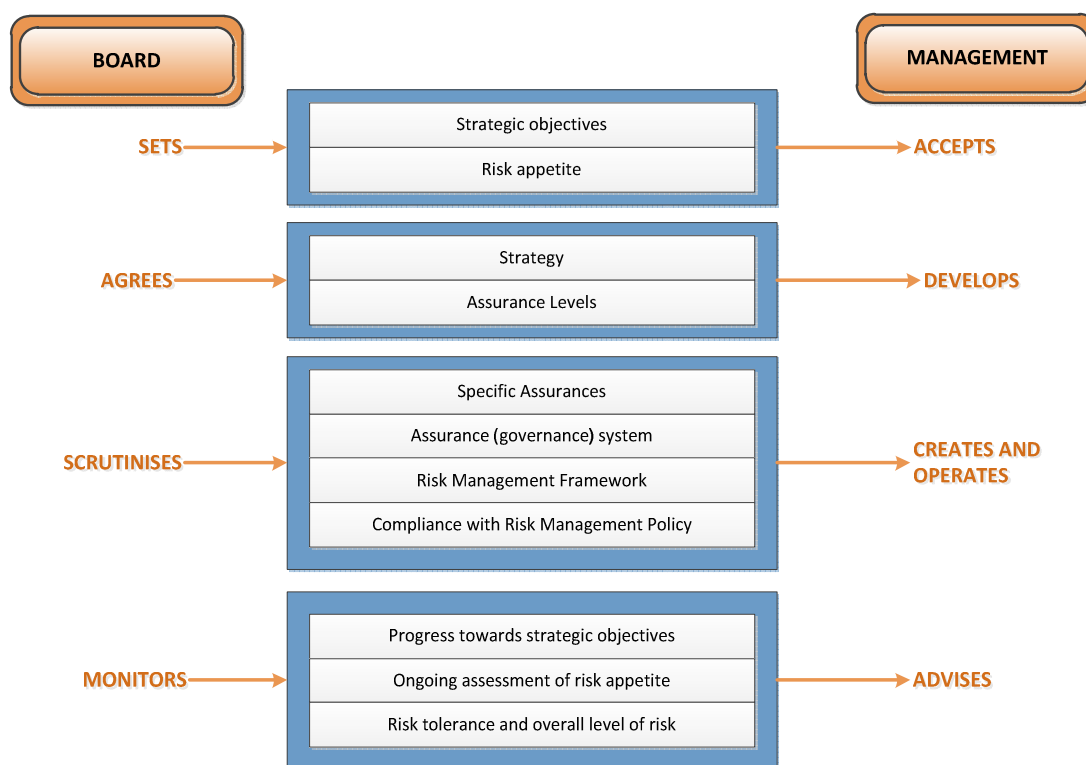
- 11.1 The term 'Board Assurance Framework' (BAF) is used to refer to a document that brings together all of the relevant information on the risks relating to the Board's Strategic Objectives.
- 11.2 The effective application of the board assurance framework helps management and the Board to jointly consider the process of securing assurance using a formal procedure that promotes good organisational governance and accountability.
- 11.3 The specific benefits include:
- Gaining a clear and complete understanding of the risks faced by the organisation in the pursuit of its strategic objectives, the types of assurance currently obtained and consideration as to whether they are managed appropriately and proportionately;
  - Identifying areas where assurance activities are not present, or are insufficient for their needs;
  - Identifying areas where assurance is duplicated, or is disproportionate to the risk of the activity being undertaken (i.e. there is scope for efficiency gains, reduction of duplication of effort and/or a freeing up of resource);
  - Identifying areas where existing controls are failing and as a consequence the risks that are more likely to occur;
  - The ability to better focus existing assurance resources; and
  - Providing an evidence base to assist the organisation in the preparation of its annual governance statement.
- 11.4 Where the Board is of the view that there is full assurance in place, the BAF allows the Board and its Committees to decide the appropriateness, proportionality and effectiveness of the controls in place to mitigate the risks.

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<sup>1</sup> NHS Quality Improvement Scotland (February 2008) sourced AUS/NZS 4360:2004 'Making it Work' (2004)

- 11.5 If minimal assurance is given, it is the responsibility of the Health Board to gain a more robust assurance level by requesting additional scrutiny to be undertaken by the Governance Committees.

Diagram 4: Board Assurance Framework (adapted from the Good Governance Institute)



## B. Risk Management Roles and Responsibilities

NHS Borders follows a ‘three lines of defence’ model (3LoD) whereby everyone in NHS Borders has some responsibility for risk management. The model provides a simple and effective way to help delegate and co-ordinate risk management responsibilities within NHS Borders. A diagram of the model is included in [Appendix 6](#).

In line with Health and Safety Executives recommendations, roles and responsibilities shall be clear and concise to ensure there is clarity of what is expected of each group or individual. This will also support wider organisational awareness of who does what.

It is the responsibility of NHS Borders to ensure time and resource is given to those with roles and responsibilities outlined below and to ensure that the competencies of those with specific roles and responsibilities are suitable and sufficient to ensure they can carry out that work.

## 12 Committees and Groups

### 12.1 Health Board

- 12.1.1 Through the Board Executive Team, the Health Board has responsibility for risk management and its obligations to protect patients, staff and the public from risks related to the delivery of a healthcare service. The Board provides leadership on the management of risk and ensures the approach to risk management is consistently applied, determining the risk appetite approach for the organisation.

- 12.1.2 The Health Board shall seek assurance that risks are being identified and managed, with stakeholder engagement, proportionally and appropriately.
- 12.1.3 The Board shall conduct an annual review of its systems of internal control, including in particular its arrangements for risk management. Findings shall be reported publicly on its compliance with the principles of good corporate governance through the governance assurance statements within the Borders Health Board Annual Accounts.
- 12.1.4 Manage the performance of NHS Borders, including risk management, by monitoring performance against objectives and ensuring corrective action is taken when necessary.
- 12.1.5 To maintain a Risk Management Board for NHS Borders with a clear remit.
- 12.1.6 The Board shall agree the Risk Management Policy.
- 12.1.7 The Board shall set the Organisational Risk Appetite.
- 12.1.8 Ensuring appropriate scrutiny is given to influence progression with risk management maturity in NHS Borders.
- 12.1.9 Ensuring each Governance Committee has strategic risk management within their agendas and included within their annual work plans and in line with risk management governance arrangements.
- 12.1.10 Leveraging Board resources to enable mitigation of risk beyond the existing resource envelope.

## **12.2 Board Executive Team**

- 12.2.1 The Chief Executive shares collective responsibility for the success of the Board Executive Team, including the effective management of risk and adherence to relevant legislation. The Board Executive Team has responsibility for risk management arrangements and ensures that the NHS Borders Health Board is kept fully informed of significant risks to the organisation.
- 12.2.2 The role of the Board Executive Team is to:
- Support a positive risk management culture;
  - Have overarching co-ordination and development of the Risk Management Strategy in partnership with the Quality and Sustainability Board;
  - Ensure the strategic risk register is developed based on the organisation's overall strategic direction
  - Provide leadership on the management of risk and ensures risk management is embedded into operational management and decision-making;
  - Protect the reputation of NHS Borders against false or misleading information in the public domain, but not to the extent of failing to be as open and transparent as possible in reacting to adverse events, mistakes, failures or wrongdoing, in line with our legal duty of candour; and
  - Development and approval of operational financial plans which shall identify potential risks.

## **12.3 Quality and Sustainability Board**

- 12.3.1 The Quality and Sustainability Board has a strategic role in ensuring that:
- A risk management strategy is developed and in place that is efficient and effective;
  - A Risk Management Strategy is agreed that upholds the organisational vision and corporate objectives;
  - Financial responsibility is taken and decisions are made within delegated authority limits including making decisions regarding the allocation of resources for minimising risks to an acceptable level;
  - The Risk Management Strategy is implemented and monitored;

- To promote the Corporate Objectives, Corporate Values and a culture of learning, openness and transparency encouraging staff, patients and the public to feedback and raise issues; and
- Provide assurance, oversight and scrutiny for project risks.

## 12.4 Operational Planning Group

12.4.1 The Operational Planning Group (OPG) acts as a 'Risk Management Board' for NHS Borders. Its role includes challenging and agreeing which risks should have investment to mitigate.

12.4.2 The Operational Planning Group is responsible for establishing an operational approach to risk management across the organisation, ensuring the approach is proactive, integrated and standardised. The Group is also responsible for the overall co-ordination of risk management activity within NHS Borders. It ensures the necessary processes are in place to achieve the strategic and organisational objectives.

12.4.4 The Operational Planning Group has responsibility:

- To ensure the Risk Management Policy is in place and supports the implementation of the Risk Management Strategy;
- To approve clinical, occupational health and safety, risk management and resilience policies;
- To promote the Corporate Objectives, Corporate Values and a culture of learning, openness and transparency encouraging staff, patients and the public to feedback and raise issues;
- To manage key risks to the organisation, escalating significant risks to the Board Executive Team as appropriate;
- Ensure an effective strategic approach towards risk management is supported operationally by a robust risk management framework and process;
- To gain assurance from Risk Management Quarterly Reports on the implementation and management progress of risk within NHS Borders and approve for submission to the Audit and Risk Committee;
- To underpin the corporate objectives and governance requirements of the organisation ensuring that statutory, professional and performance obligations are met;
- Establish systems of monitoring and evaluating risk management through clear accountability arrangements;
- Foster the development of a culture that allows and encourages staff to raise issues and be supported in finding new ways to overcome risks. Learn from experience and enhance the development of a learning, supportive and open culture. Risk management is integrated into all NHS Borders systems and is owned by all;
- To ensure risks outwith organisational risk appetite are presented by risk owners and appropriate actions are taken to reduce very high risks. Challenging investment requests to mitigate risks using a risk based approach to decision-making through the Risk Fund Framework;
- To take financial responsibility and make decisions within delegated authority limits including making decisions regarding the allocation of resources for minimising risks to an acceptable level;
- Gain assurances and evidence from business units that high risks are being actively managed, with proportional and robust action plans in place through High Risk Assurance Reports;
- To agree annual risk management key performance indicators;
- Monitor actions from risk management internal audits;
- Monitor risk arrangements, adherence to key priorities, key performance indicators and staff skills;
- Monitor Risk Management Improvement Plans as presented by Business Units and gain assurance improvements are being made;
- Facilitate the recognition of all operational risks;
- Oversee the flow of information derived from the risk management process, such as risk assessment, adverse event reporting, significant adverse event reviews, trend analysis, audit and others ensuring that risk owners use the risk management infrastructure to manage risks;

- Support the risk owners in identifying the organisations risks using the agreed process, specifically monitoring the key risks and effectiveness of action plans/risk controls. Ensure the efficient management and allocation of resources to control risks to acceptable levels;
- Allocate risk issues for further analysis to the sub groups of the Operational Planning Group as required; and
- Receive reports from sub groups of the Operational Planning Group on any significant risks identified that have not been recorded on the organisational risk register.

## **12.5 Supporting Specialist Groups to the Operational Planning Group**

### **12.5.1 Supporting groups include:**

- Occupational Health and Safety Forum
- Infection Control Committee
- Environmental Oversight Group
- Short life ad hoc working groups

12.5.2 These groups should bring risk management issues to the attention of the Operational Planning Group to provide assurance of actions being taken within their respective areas of responsibility.

### **12.5.3 Each group should:**

- Consider the impact on the organisation of legislation, Chief Executives Letters, UK and Scottish Government directives and other relevant standards/letters and report to the Operational Planning Group any improvements required. Examples include: HIS reviews, HEI standards, Clinical Governance standards, complaints, Health and Safety law, Environmental law and national security legislation and standards.
- Bring to the attention of the Operational Planning Group risks that cannot be managed down through the risk assessment/ risk management process which have significant risk levels or have a considerable impact on the organisation.
- Oversee the compliance with the Adverse Event Management Policy. Ensure a culture of learning, openness and transparency, encouraging staff, patients and the public to feedback and raise issues.
- The OH&S Forum will monitor the implementation of OH&S policies and the identification and management of OH&S risk as delegated by the Operational Planning Group.

## **12.6 Business Units**

12.6.1 The Clinical Board (represented by the quadrumvirate) and Corporate Services (represented by service leads within support services) will have responsibility to:

- Review identified risks within their area;
- Manage the risks to an acceptable level;
- Provide assurance on a bi-annual basis to the Operational Planning Group that high risks are being managed appropriately and proportionately through High Risk Assurance Reports;
- Prioritise risks and reporting to the relevant Director and/or the Operational Planning Group;
- Disseminate any relevant information relating to risks and their controls;
- Monitor Risk Management Improvement Plans and gain assurance management actions are being undertaken to improve compliance; and
- Implement the Risk Management Strategy and Policy.

12.6.2 The Associate Medical Directors/Associate Directors of Nursing and General Managers of the Clinical Boards will be members of the Operational Planning Group and will exception report significant operational risks and risks out with organisational risk appetite to the Operational Planning Group as appropriate. Clinical Boards should have a standing item on their agendas for risk management.

12.6.3 Each clinical board/ directorate should have recorded on their risk register key risks identified in implementing corporate objectives.

12.6.4 Risks should also be identified in relation to:

- Financial management and affordability
- Service redesign and sustainability
- Effective partnership working
- Patient and staff safety and governance
- Performance management
- Statutory and professional compliance

## **12.7 Integrated Joint Board**

12.7.1 Arrangements for the communication of risk are identified within the Scottish Borders Integrated Joint Board Risk Management Strategy. The Integrated Joint Board have responsibility to:

- Support work, led by the Chief Officer, to develop a risk management strategy for the Scottish Borders Health & Social Care Integrated Joint Board.
- Maintaining and routinely review an integrated risk management strategy, including (where necessary) to make recommendations to either or both parties.

## **12.8 Integrated Risk Forum**

12.8.1 The Integrated Risk Forum has representatives from both NHS and SBC risk professionals who together provide appropriate strategic risk information from partnership bodies to inform the Integrated Joint Board risk register.

## **12.9 Area Partnership Forum**

12.9.1 The Area Partnership Forum has representatives on the Operational Planning Group and the Clinical Boards and Support Services groups. This ensures that partnership working and staff interests are considered, ensuring the involvement of all staff in the management of risk.



## **13 Individual Accountability of NHS Borders staff and management**

13.0.1 The management of risk is an integral part of leadership, operational delivery and clinical practice. Every individual within the Health Board is therefore responsible for identifying, reporting and managing risk.

13.0.2 It is important that managers at all levels within the organisation encourage, support and facilitate staff in the application of good risk management practice and that they ensure staff are provided with the education and training to enable them to do so.

### **13.1 Chief Executive**

13.1.1 The Chief Executive is NHS Borders' accountable officer and has overall executive responsibility for risk management arrangements and the effective management of identified risks. This responsibility is fulfilled by providing effective leadership on risk management and by delegating specific responsibilities as below.

13.1.2 The Chief Executive and the Board Executive Team have a responsibility as risk owners of strategic risks to ensure strategic risks are identified, analysed, monitored and reviewed in line with this policy.

13.1.3 In the case of partnership working with other agencies, the NHS Borders risk management framework will be shared to identify and quantify the individual risks, particularly where responsibility cannot be assigned to an individual partner.

13.1.4 The Chief Executive is the Chair of the Quality and Sustainability Board and as such will have additional responsibilities:

- Ensuring that the Risk Management responsibilities of the Quality and Sustainability Board are achieved; and
- Supporting and promoting the risk management strategy, policy, process and framework.

### **13.2 Medical Director, Chief Officer, Director of Quality and Improvement and Director of Nursing, Midwifery and AHPs**

13.2.1 The above roles have the responsibility to ensure risk management is an integral part of clinical activity. They provide assurance to the Chief Executive that clinical risk management and patient safety systems reflect the explicit arrangements for integrated risk management.

### **13.3 Director of Quality and Improvement**

13.3.1 The Director of Quality and Improvement has been delegated the responsibility from the Chief Executive for providing effective leadership on risk management and is responsible for risk management arrangements.

13.3.2 The Director of Quality and Improvement is responsible for:

- Providing leadership for the risk management function within NHS Borders;
- Ensuring a risk management framework exists that identifies risks to the achievement of the corporate objectives;
- Promoting continuous quality improvement through performance review, which will address the adequacy of systems and processes for managing risk;
- Ensuring risks associated with clinical governance and quality, quality improvement and risk management are managed in accordance with risk management arrangements;
- Ensure patient safety systems are in place and follow the integrated risk management framework; and
- Ensuring risk and resilience systems and processes are appropriately aligned in accordance with the National Resilience Standards.<sup>2</sup>

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<sup>2</sup> Shared responsibility with the Director of Planning and Performance

### 13.4 Director of Planning & Performance

13.4.1 The Director of Planning and Performance is the Chair of the Operational Planning Group which incorporates the organisation's Risk Management Board. Within this role the Director of Planning and Performance is responsible for:

- Ensuring the risk management role of OPG is effective and sustainable;
- Ensuring appropriate risks are presented at the OPG;
- Ensuring the risk escalation process is applied;
- Ensuring investment decisions taken are risk based and proportionate;
- Ensuring the membership gives appropriate challenge to risks outwith risk appetite;
- Ensuring risk decisions taken are minuted appropriately and OPG action tracker is updated;
- Ensuring the link between risk management and planning are embedded in process; and
- Ensuring a framework is in place for the Risk Fund.<sup>3</sup>

13.4.2 The Director of Planning and Performance is responsible for:

- Ensuring that the performance review systems capture very high risks and management thereof and supports quality improvements for managing very high risk;
- Ensuring risks associated with NHS Border's Planning & Performance, Resilience and Information Management & Technology services are managed in accordance with risk management arrangements and
- Ensuring risk and resilience systems and processes are appropriately aligned in accordance with the National Resilience Standards.<sup>4</sup>

### 13.5 Chief Officer

13.5.1 The Chief Officer is responsible for:

- Ensuring that controls are implemented through the Quality and Sustainability Board to minimise the effects of identified significant risks; and
- Ensuring that risk management activities within the integrated services are managed effectively.

13.5.2 It is the role of the Chief Officer to keep the Integrated Joint Board (IJB) informed. As described in the Scottish Borders Integration Joint Board Risk Management Strategy, the Chief Officer has overall accountability for the IJB's risk management framework, ensuring that suitable and effective arrangements are in place to manage the risks relating to the services delivered under the direction of the IJB. The Chief Officer will be responsible for drawing to the attention of the IJB any new or escalating risks and associated mitigations to ensure appropriate oversight and action.

13.5.3 The Chief Officer will keep the IJB and the Chief Executives of the partner organisations informed of any significant existing or emerging risks that could seriously impact the IJB's ability to deliver the outcomes and objectives of the Strategic Plan or harm the reputation of the IJB or the partner organisations.

### 13.6 Director of Human Resources, OD and OH&S

13.6.1 The Director of Human Resources, Organisational Development and Occupational Health & Safety is responsible for:

- Occupational Health and Safety risk including the development of an Occupational Health and Safety Strategy and Policy that reflect the process of good risk management.
- Chairing the Occupational Health and Safety Forum; ensuring that actions are put in place to achieve the risk management responsibilities of the OH&S Forum.
- Co-Chairing the Training and Development Board to ensure statutory and mandatory Risk Management training is within appropriate compliance levels.<sup>5</sup>

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<sup>3</sup> Shared responsibility with the Director of Finance

<sup>4</sup> Shared responsibility with the Director of Quality and Improvement

<sup>5</sup> Shared responsibility with the Employee Director

- Ensuring risks associated with NHS Border's workforce, human resources, occupational health and safety services are managed in accordance with risk management arrangements.

### 13.7 Director of Finance

13.7.1 The Director of Finance is responsible for:

- The management of financial risks, advising on the financial implications of identified risks.
- Collating information and producing the annual governance statement to be submitted to the Health Board;
- Advising the Chief Executive on the risk considerations ensuring that investment priorities are reflected in the strategic plans and providing the link between Audit and Risk Committee and the Quality and Sustainability Board;
- Identifying all risks arising in NHS Borders premises supported by the Head of Estates;
- The risk management of financial, estates and facilities issues arising from the activities of NHS Borders;
- Leading on Climate Change and risks to achieving net zero targets;
- Protecting NHS Borders against the risk of fraud and irregularity as outlined in the Standing Financial Instructions (SFIs)<sup>6</sup>
- Ensuring that risks, whether to achievement of business objectives, regularity, propriety, or value for money, are identified, that their significance is assessed and that systems appropriate to the risks are in place in all areas to manage them;
- Submitting the Financial Plan to the Resource and Performance Committee for detailed scrutiny and risk assessment, following which the Committee shall be responsible for recommending approval of the Financial Plan by the Board;
- Allocating the budget for the Risk Fund on an annual basis; and
- Ensuring a framework is in place for the Risk Fund.<sup>7</sup>

### 13.8 Employee Director

13.8.1 The Employee Director is Co-Chair of the Area Partnership Forum, Training, Education & Development Board and the OH&S Forum.

13.8.2 The Employee Director is responsible for:

- Ensuring that feedback from staff in relation to any aspect of risk management is reported into the Operational Planning Group.
- In liaison with the Director of Human Resources and OH&S, the Employee Director ensures iMatter survey results are analysed and risks associated with it are reported
- Ensuring that relevant staff risks are identified in the process of any project, management and organisational changes.
- Co-Chairing the Training, Education & Development Board to ensure statutory and mandatory Risk Management training is within appropriate compliance levels.<sup>8</sup>

### 13.9 Director of Nursing, Midwifery and AHPs

13.9.1 The Director of Nursing, Midwifery and AHPs is responsible for:

- Ensuring risks associated with NHS Border's nursing workforce, spiritual care, infection control, nurse bank and clinical & professional development are managed in accordance with risk management arrangements.

<sup>6</sup> The SFI's are issued in accordance with the financial directions issued by the Scottish Government Health & Social Care Directorate under the provisions contained in Regulation 4 of the NHS (Financial Provisions) (Scotland) Regulations, 1974 together with the guidance and requirements contained in NHS Circular No 1974 (GEN) 88 and Annex, and NHS Circular MEL (1994) 80;

<sup>7</sup> Shared responsibility with the Director of Planning and Performance

<sup>8</sup> Shared responsibility with the Director of Human Resources, OD and OH&S

### **13.10 Medical Director**

13.10.1 The Medical Director will be responsible for:

- Radiation protection issues and risks; and
- Ensuring risks associated with the delivery of medical services and pharmacy are managed in accordance with risk management arrangements.

### **13.11 Director of Public Health**

13.11.1 The Director of Public Health is responsible for:

- Ensuring risks associated with the public health directorate are managed in accordance with risk management arrangements.

### **13.12 Director of Acute Services**

13.12.1 The Director of Acute Services is responsible for:

- Ensuring risks associated with the Acute Services are managed in accordance with risk management arrangements.

### **13.13 Risk Manager**

13.13.1 The Risk Manager is responsible for providing a risk management framework for NHS Borders.

### **13.14 Planning and Resilience Manager**

13.14.1 The Planning and Resilience Manager is responsible for ensuring that NHS Borders is prepared for any major incident, supporting the development of contingency plans, which will allow services to be maintained or re-established with minimal disruption following any unexpected event such as loss of premises or utilities.

13.14.2 Promotes risk awareness to support in continuity planning.

### **13.15 Health & Safety Manager**

13.15.1 To ensure appropriate specialist advice and training is given to all staff in the identification, analysis, monitoring and reviewing of OH&S risks.

13.15.2 To ensure OH&S policies align with NHS Borders Risk Management Policy and promotes risk awareness to support in OH&S activities.

### **13.16 Risk Champions**

13.16.1 A central point of contact for Business Units, the risk champions are expected to:

- Communicate the risk management vision to staff to improve the awareness, importance and risk management culture in their area;
- Undertake quality checking of risks already entered into the system;
- Ensure risk information is fed into local groups through risk management improvement plans;
- Be the point of contact for feedback on risk management system and processes;
- Lead in the administration and follow up of the improvement plans;
- Lead in the administration of high risk assurance reports;
- Undertake appropriate training to carry out this role;
- Be a member of the Operational Planning Group; and
- Remind risk owners of deadlines for reports to be submitted to the Operational Planning Group.

## 14 General Risk Management responsibilities/accountabilities

14.1 Where there are no specific risk management responsibilities for individual roles are noted, the risk management responsibilities are outlined in the chart below.

<p><b>Directors/ Managers</b></p>	<p>All directors and managers are responsible for effective risk management within their own area (<b>note: Directors/ Managers accountability cannot be delegated</b>).</p> <p>Specific duties in addition to the responsibilities of all staff include:</p> <ul style="list-style-type: none"> <li>- Risk ownership and accountability.</li> <li>- Implementation of Risk Management Policy and associated Policies and Procedures.</li> <li>- Implementation of risk identification processes for all types of risk: workforce, clinical, health and safety, finance, operational and corporate as examples.</li> <li>- Raising awareness of risk.</li> <li>- Ensuring staff, through annual appraisal and personal development planning, maintain knowledge and skills in the management of all risk.</li> <li>- Carrying out a training needs analysis of their area, ensuring staff attendance at statutory/mandatory/appropriate training sessions using risk based decision-making.</li> <li>- Encouraging staff to identify and report hazards/problems/clinical issues/risks and responding positively when they do so.</li> <li>- Prioritising and controlling risks.</li> <li>- Ensuring that all adverse events and near misses are recorded.</li> <li>- Reviewing identified trends and implementing change as a consequence.</li> </ul>
<p><b>Risk Owners</b></p>	<p>Risk owners identified within the risk register will have responsibility for:</p> <ul style="list-style-type: none"> <li>- Ensure risk assessments are undertaken</li> <li>- Being accountable for identified risk.</li> <li>- Ensuring the risk information and risk levels are correct.</li> <li>- Develop an action plan in accordance with the risk appetite.</li> <li>- Approve the risk onto the risk register in accordance with risk timescales.</li> <li>- Monitoring the action plan, ensuring actions are specific, measurable, achievable, relevant and time bound.</li> <li>- Identifying resources where required.</li> <li>- Ensure local efforts taken to mitigate the risk have been exhausted prior to escalation.</li> <li>- Escalating the risk through line management structure.</li> <li>- Reporting risk through the risk management structure as appropriate.</li> <li>- Involvement in decision-making process of tolerated/treated/transferred or terminated risks.</li> </ul>
<p><b>Staff</b></p>	<p>All Staff are responsible for:</p> <ul style="list-style-type: none"> <li>- To read, understand and follow risk management policies and procedures in place which assist service delivery.</li> <li>- To comply with those policies and procedures.</li> <li>- Maintaining general risk awareness.</li> <li>- Participating in risk management training.</li> <li>- Co-operating with NHS Borders in managing risk, including complying with policies and procedures.</li> <li>- Identifying risks that exist or emerge within the area in which they work, and the escalation of these identified risks to managers as appropriate.</li> <li>- Contributing to resolution of risk (s), including carrying out actions to mitigate or</li> </ul>

	<p>reduce the level of the overall risk as delegated by the risk owner.</p> <ul style="list-style-type: none"> <li>- Identifying and reporting risks to line managers any hazardous situations and accidents/ near miss adverse events to the relevant manager as soon as possible and through NHS Borders adverse event recording system in line with the Adverse Event Management Policy.</li> <li>- Taking part in risk assessment and the adverse event or near miss recording process following the policies, procedures and guidance.</li> <li>- Taking reasonable care for the health, safety and welfare of themselves and others.</li> <li>- Using equipment and substances safely.</li> </ul>
<b>Topic Specialists</b>	Topic specialists are available to provide specialist information, advice and training to support the content of risk assessments, adverse event management, complaints management and claims management.

## C. Risk Management Tools

### 15 Risk Register

- 15.1 A risk register is defined as a “record of information about identified risks”.
- 15.2 Risk registers are a key management tool that enables the organisation to understand its risk profile and log risks of all kinds that threaten the organisation’s ability in achieving success in its aims/objectives by supporting the context, identification, assessment and monitoring of risk. Risk registers also provide useful information on risk trends and action planning and offer a means of sharing lessons learned and good practice across the organisation.
- 15.3 The risk register is facilitated using an electronic risk management system; this can be accessed through the NHS Borders intranet. This allows the risk assessment process to be electronically recorded by risk assessors/owners.
- 15.4 Risks on the risk register will only be considered as being reported to the organisation once the risk owner has:
- Fully developed the risk assessment;
  - Determined the risk status (treat/ tolerate/ transfer/ terminate);
  - Developed a proportionate action plan; and
  - Finally approved a risk onto the risk register.
- 15.5 Risks should be reviewed regularly. The frequency of risk review required will be dependent on the current risk level as indicated in **Diagram 5** below.

Diagram 5: Review Timescales

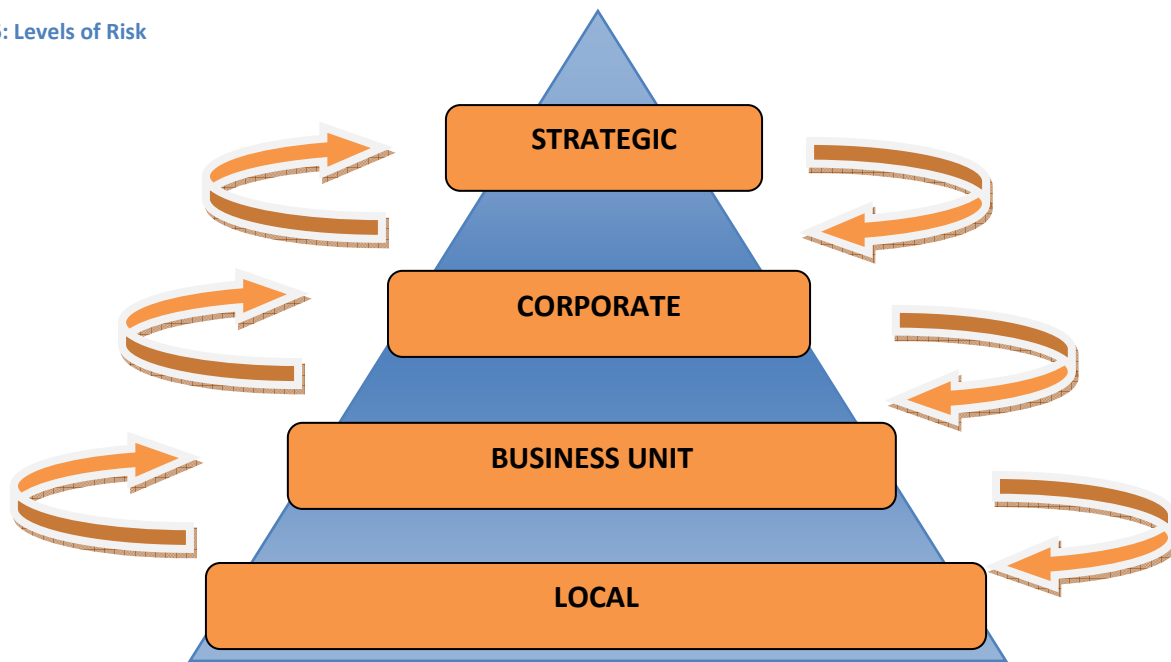
Current Risk Level	Review timescales (no more than)
Very High	Every 6 months
High	Every year
Medium	Every 2 years
Low	Every 2 years

- 15.6 Risk registers, if properly managed, can provide assurance information necessary to satisfy the organisations’ governance arrangements.
- 15.7 **Guidance and training links on using the risk register are available on the Risk Team microsite.**

## 16 Risk Structure

- 16.1 To ensure we have a full understanding of the risks we face and their implications risks will be identified and assessed at four levels; strategic, corporate, business unit and local.
- 16.2 Escalation and de-escalation to each level is expected as per the risk escalation process ([Appendix 7](#)).
- 16.3 Each level can be outlined with the below descriptors:
- **Strategic**  
Those risks, if realised, could have a significant detrimental effect on NHS Borders strategic objectives
  - **Corporate**  
Operational risk escalated to the most senior level to manage and action
  - **Business Unit – (Covering clinical boards and support services)**  
Operational risks, if realised, could have a significant detrimental effect on business unit's key objectives and activities. These risks are owned by senior management within the business unit and are within the services delegated budgetary limits and resources to mitigate and manage.
  - **Local**  
Operational risks, if realised, could have a significant detrimental effect on a ward or department's key objectives and activities. These are owned by local managers and are within their budgetary limits and resources to mitigate and manage.

Diagram 6: Levels of Risk



## 17 Project Risk

- 17.1 Within NHS Borders short term project risks are entered into a separate project management system. Any project risks that are indicating a very high risk to the organisation should be recorded on the corporate risk register and included in the risk appetite processes. The involvement of key stakeholders in projects will identify any risks that will impact on operations that may be of a lower risk level which should be added to the corporate risk register. Any residual risks from projects should be recorded on the corporate risk register. This process is included in [Appendix 8](#).



## **18 Training and Support**

- 18.1 NHS Borders offers a risk management education programme consisting of eLearning, digital stories, how to videos and bespoke training.
- 18.2 Ad hoc support is available upon request to the Risk Team and, where more appropriate, Topic Specialists.
- 18.3 The effective implementation of the Risk Management Policy will raise awareness on any areas that require training and support.
- 16.4 **For further details on available courses please refer to the Risk Team Microsite.**

## **D. Risk Appetite**

### **19 Risk Appetite**

- 19.1 To gain consistency in the risk management decisions taken across NHS Borders the organisation a risk appetite is utilised. The details of which can be found in the Risk Appetite Policy.
- 19.2 The Risk Appetite Policy should be read alongside the Risk Management Policy.

## **E. Governance**

### **20 Risk Management Governance Structure**

- 20.1 Risk management governance is based on:
1. Risks are recognised
  2. Risks are acted upon
  3. Risks are reported
  4. Assurance that the risk management framework is working
- 20.2 The assurance framework for strategic and operational risks can be found in [Appendix 9](#) and [Appendix 10](#).
- 20.3 Risk management information form part of the performance information for all of the governance committees to enable the organisation to gain assurance in all corporate aspects:
- Business is conducted in accordance with the law and proper standards;
  - Public money is safeguarded and properly accounted for;
  - Financial Statements are prepared timeously, and give a true and fair view of the financial position of the Board for the period in question;
  - Affairs are managed to secure economic, efficient and effective use of resources;
  - Reasonable steps are taken to prevent and detect fraud and other irregularities;
  - Effective systems of Risk Management are in place; and
  - Effective systems of Information Governance are in place.
- 20.4 The Governance structure includes:
- Corporate Governance (Audit and Risk Committee)
  - Staff Governance
  - Clinical Governance
  - Financial Governance
  - Public Governance
- 20.5 Weaknesses identified within the risk management governance structure may form the basis of an entry into the Governance Statement.

## **21 Audit and Risk Committee**

21.1 The Audit and Risk Committee will act as the governance body aiming to give assurance to NHS Borders Health Board that there are appropriate risk management systems and processes in place. The purpose of the Audit and Risk Committee is to assist the Health Board to deliver its responsibilities for the conduct of public business, and the stewardship of funds under its control. In particular, the Committee will seek to provide assurance to the Board that an appropriate system of internal control is in place. The framework for risk assurance will keep the Audit and Risk Committee and ultimately the Health Board informed.

21.2 Audit and Risk Committee will be required to ensure the following is carried out:

- Ensure effective processes and systems of Risk Management are in place;
- Ensure appropriate governance structures are in place for risk management;
- Ensure the level of assurance that is gained for risk management processes and systems are reported to the Health Board as part of the annual risk management update;
- Evaluate the framework of internal control and corporate governance including risk management; and
- Scrutiny of the risk management framework is undertaken to ensure it is suitable and sufficient and complies with current requirements and legislation.
- Scrutiny of compliance with the risk management policy through risk management quarterly reports and bi-annual operational risk update reports. As a result of these reports, the Audit and Risk Committee may investigate further to gain added assurance;
- Monitors risk appetite, tolerance levels and overall level of risk facing NHS Borders;
- Monitors how the Board addresses risk in regard to potential litigation;
- Monitors progress towards strategic objectives;
- Receive action plans relating to risk management internal audit findings; and
- Have the authority to request reports on any area of the risk management processes and systems that require additional assurance.

## **22 Clinical Governance Committee**

22.1 The Clinical Governance Committee will be responsible for:

- Ensuring that an appropriate approach is in place to deal with clinical risk management, including patient safety, across the NHS Borders system;
- Reviewing performance in management of clinical risk;
- Receiving reports from relevant service leads. As a result of these reports any areas of risk shall be highlighted and reported;
- Seeking assurance from risk owners that clinical strategic risks are being managed proportionally in line with the risk management process and systems; and
- Receiving bi-annual operational risk update report. As a result of these reports, the Clinical Governance Committee may investigate further to gain further assurance.

## **23 Staff Governance Committee**

23.1 The Staff Governance Committee will be responsible for:

- Highlighting any risks in the implementation of the staff governance standards; and
- Seeking assurance from risk owners that strategic risks relating to workforce are being managed proportionally in line with the risk management process and systems.

## **24 Public Governance Committee**

24.1 The Public Governance Committee will be responsible for:

- Seeking assurance from risk owners that strategic risks relating to public communication and engagement are being managed proportionally in line with the risk management process and systems.

## 25 Resource and Performance Committee

25.1 The Resource and Performance Committee will be responsible for:

- Appropriate governance of risks, as allocated to the Committee by the Health Board and/or Audit and Risk Committee, relating to finance, planning, performance and property, reviewing risk identification, assessment and mitigation in line with the Health Board's risk appetite and agreeing appropriate escalation;
- Highlighting any risks to the Health Board in regard to financial performance and organisational performance; and
- Seeking assurance from risk owners that strategic risks relating to finance, planning, performance or property are being managed proportionally in line with the risk management process and systems.

## 26 Area Partnership Forum

26.1 The Area Partnership Forum will be responsible for:

- Considering and commenting on the Risk Management Policy;
- Contributing to the development of the Risk Management Strategy; and
- Ensuring all staff have undertaken the necessary risk management education programme and are supported and performance is reviewed.

## F. Monitoring and Audit Arrangements

### 27 Monitoring

27.1 Monitoring should enable the organisation to:

- Identify new risks and prioritise the most significant risks facing the Health Board;
- Ensure risks are being managed in accordance with risk appetite, policy and processes;
- Evaluate the effectiveness of the risk management framework;
- Highlight common risk issues and ensure wherever relevant that a common solution is developed and learning/intelligence is cascaded throughout the organisation;
- Escalate and prioritise risks and resources;
- Intervene and take actions where necessary; and
- Identify significant internal & external changes, issues and events that might impact on the risk profile of the organisation.

27.2 Monitoring will be in two forms:

#### 27.2.1 Monitoring and evaluating the framework

The component parts of the framework will be monitored for effectiveness and reported to the organisation as per an agreed timetable. Evaluation of the component parts will use benchmarking and auditing techniques to ascertain its effectiveness.

#### 27.2.2 Monitoring the risks identified and potential future risks

Operational risks will be monitored by the Operational Planning Group to ensure that they are being managed in accordance with the risk appetite and good practice. Risk owners will report progress on risk management and controls on a bi-annual basis with exception reporting to the Operational Planning Group as required. The progress in managing risk to target risk levels and the effectiveness of controls will be monitored by Clinical Boards/Corporate Services and reported through the risk management structures. **The risk architecture is included in [Appendix 11](#).**

27.3 Horizon scanning will take place to ensure internal and external risk issues or events are used to foresee potential future corporate risk and possible risk impacts.

- 27.4 Monitoring the effectiveness of risk management arrangements is essential to determine any areas of weakness and possible risk areas not identified.
- 27.5 As part of the monitoring function, the Board Executive Team will be responsible for:
- Ensuring reporting is undertaken to the Health Board through an annual strategic risk report.
- 27.6 As part of the monitoring function, the Operational Planning Group will be responsible for:
- Reviewing risk management arrangements and ensuring reporting is undertaken to the Audit and Risk Committee through risk management quarterly reports;
  - Considering the corporate objectives on an annual basis, changing future risk management priorities as required;
  - Monitoring the risk register and the performance of the organisation to implement the organisational objectives;
  - Work with the Training, Education and Development Board to determine whether staff/managers have sufficient risk management skills, knowledge and competence in line with the risk responsibilities; and
  - Ensuring that risk owners are receiving adequate support to enable them to meet their roles and responsibilities.

## **28 Key Performance Indicators**

- 28.1 The Key Performance indicators (KPIs) are a quantifiable measure used to evaluate the success of risk management in NHS Borders.
- 28.2 The key performance indicators for risk management require action by the risk owner. The key performance indicators are monitored through the Risk Champion Network. These are additionally monitored by the Operational Planning Group through quarterly risk management improvement plans and within the risk management quarterly reports. Further information on these can be found in [Appendix 12](#).

## **29 Audit**

### **29.1 External Audit**

- 29.1.1 The role of External Audit is to provide an independent evaluation to inform the organisation's Governance Statement.

### **29.2 Internal Audit**

- 29.2.1 The role of Internal Audit is to provide an objective evaluation and opinion on the adequacy and effectiveness of governance, risk and control.

### **29.3 Local Audit**

- 29.3.1 The Operational Planning Group will ensure an agreed Quality and Audit process is in place and overseen by risk management specialists.

## **30 Freedom of Information (FOI)**

- 30.1 FOI requests can be made to obtain information regarding risks; these requests must be managed through the Communications Team with all disclosed information conforming to data protection requirements.

## **31 Policy Review**

- 31.1 The policy will be reviewed on a 3 year cycle or when any relevant significant organisational changes occur.

## **32 Supporting Documents**

- Risk Management Strategy
- Risk Management Protocol
- Risk Register System Guidance

- Code of Corporate Governance
- Blueprint for Good Governance
- Risk Fund Framework
- Adverse Event Management Policy
- Health & Safety Policy
- General Health & Safety Risk Assessment Guidance
- Information Governance Policy
- GDPR Regulation
- Annual Delivery Plan
- Medium Term Plans
- Resilience Strategy

## References

BS ISO 31000 (2018) Risk Management Guidelines

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Health and Safety Executive, Summary of findings on the management of risks CEL, 28<sup>th</sup> March 2023

National Patient Safety Agency, (2012); <http://www.npsa.nhs.uk/>

Healthcare Improvement Scotland, July (2019); “Learning from adverse events through reporting and review: A national framework for Scotland”

NHS Borders Adverse Event Management Policy,

NHS Borders Complaints Handling Procedure

NHS Borders Claims Management Policy

NHS Scotland Resilience – Preparing for Emergencies Guidance; (2013)

<https://www.gov.scot/binaries/content/documents/govscot/publications/advice-and-guidance/2013/09/preparing-emergencies-guidance-health-boards-scotland/documents/nhsscotland-resilience-preparing-emergencies-guidance-health-boards-scotland/nhsscotland-resilience-preparing-emergencies-guidance-health-boards-scotland/govscot%3Adocument/00434687.pdf>

NHS Borders Resilience Strategy

*Business Continuity-A Framework for NHS Scotland:* Scottish Government, NHS Scotland Resilience; (2009)

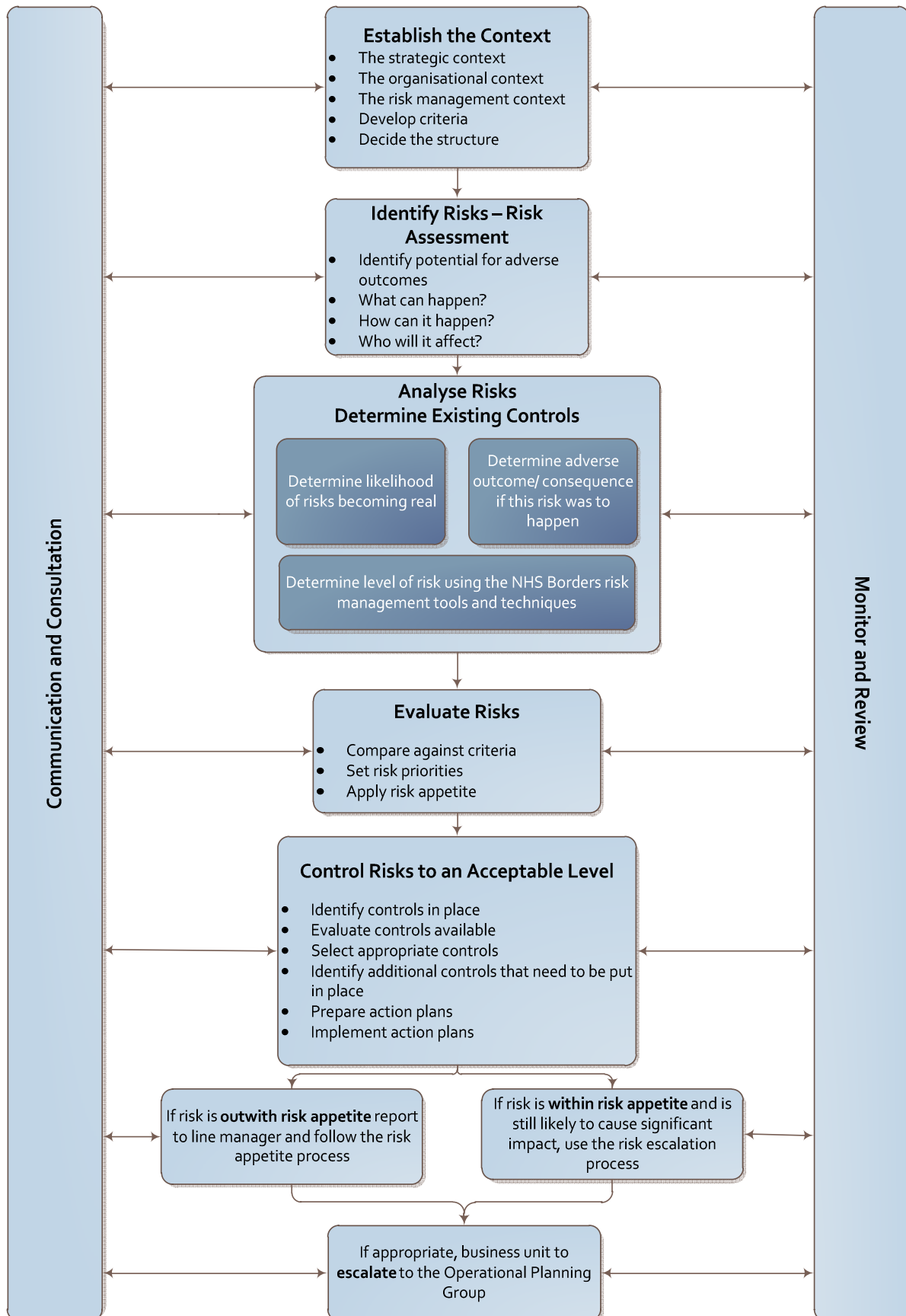
Freedom of Information Act (Scotland) (2002); <http://www.legislation.gov.uk/asp/2002/13/contents>

<i>British Standard (BS) ISO 31000:2018 Risk Management Guidelines.</i>	To ensure that NHS Border’s corporate liabilities are managed to a sufficient standard reflecting good practice and robust governance, the current risk management framework follows the nationally recognised standard: <i>British Standard (BS) ISO 31000:2018 Risk Management Guidelines</i> . This standard is supported by <i>BS 31100:2018 Risk Management-Code of Practice and Guidance for the implementation of BS ISO 31000</i> , and forms the basis of NHS Borders risk management framework and supporting arrangements.
<i>Orange Book: Management of Risk – Principles and Concepts (2023)</i>	This standard is used to support ISO31000 and highlights that “Risk management shall be an essential part of governance and leadership, and fundamental to how the organisation is directed, managed and controlled at all levels”.
<i>The Blueprint of Good Governance (2022)</i>	<i>The Blueprint of Good Governance (2022)</i> encourages and supports “a risk culture that embraces openness, supports transparency, welcomes constructive challenge and promotes collaboration, consultation and co-operation”.
<i>Healthcare Improvement Scotland (HIS): A national approach to learning from adverse events through reporting and review – December 2019</i>	<i>Healthcare Improvement Scotland (HIS): A national approach to learning from adverse events through reporting and review – December 2019</i> which commits to a national Scottish learning approach for adverse events. It has added the first principles of adverse event management; prevention based on risk assessment. The suggested prevention methodology is based on proactive risk management process, as is this policy, and is also reflected in the Adverse Event Management Policy.



	Objective	Achievement Indicators
<b>Person Centred</b>	Inclusion of appropriate stakeholders in the risk management process	Risk owners must manage risk in partnership with staff, patients, the public and other organisations through inclusion and communication during the risk management process. Every risk assessment will record stakeholder involvement.
	A risk management education program is available to the organisation to support a positive risk management culture	Ensure that all staff members have adequate training, information and support to fulfil their duties and responsibilities as described in this policy. Monitoring of this will be included within Risk Management Quarterly reports that are fed into the Operational Planning Group.
<b>Safe</b>	Key risks must be identified	Using the risk management process risk owners must identify and understand the key risks affecting NHS Borders, clearly indicating those risks that are uncontrolled and tolerated. Each business unit should have as a minimum key risks identified in relation to implementing the corporate objectives. The process for risk identification is supported through training and digital stories and the risk management toolkit.
	Proactive risk assessment must be used to minimise occurrence of adverse events	Proactive risk assessment is required as a preventative action to minimise the risk of an adverse event occurring, managers must ensure that risks are minimised and where they continue to exist, are managed appropriately. Business units must review their work activities/patient pathways/patient journeys to identify issues/problems/hazards that could lead to an adverse event using the risk assessment process to manage the risks.
	Management of very high risks will be monitored through the risk appetite process	Very high risks outwith organisational risk appetite will be fed into the Operational Planning Group to ensure robust action plans are in place, investments challenged and agreed, and if required appropriate escalation of risk.
	Establish the development of a learning culture	Create a culture that allows and encourages staff to raise issues and be supported in finding new ways to overcome and/ or manage risks.
<b>Effective</b>	The risk management framework and supporting processes are consistently used by risk owners	An integrated risk management process exists that is efficient and promotes effective risk management decision making, minimising risk and maximising good management practice. This requires to be consistently adhered to by risk owners.
	Risks are escalated in accordance with the policy arrangements within this policy	Risks should be appropriately escalated as per escalation process included within this policy.
	Ensure a single approach is used to risk management, where all risks follow the same Enterprise Risk Management (ERM) approach	NHS Borders complies with national standards and guidance relating to risk management published by British Standards which are built into our strategy, policy, framework and system. Risk Management follows the BSI ISO31000 standards.
	The effective use of information management and technology to support the management of risk	The risk management information system in NHS Borders is up-to-date and the organisation is utilising the system to support risk management activities.
	NHS Borders complies with national standards and guidance relating to risk management published by Health Improvement Scotland	NHS Borders complies with guidance published by Health Improvement Scotland to ensure we deliver person centred, safe and effective care.

Consequence	The outcome of an event being loss, injury, ill health, disadvantage or gain.
Cost	Of activities, both direct and indirect, involving any negative impact, including money, time, labour, disruption, goodwill, political and intangible losses.
Frequency	The number of occurrences of that outcome over a specified period of time.
Hazard	A source of potential harm or a situation with a potential to cause loss.
Likelihood	Used as a qualitative description of probability or frequency.
Loss	Any negative consequence, financial, clinical, corporate or otherwise.
Operational Risk	The chance of something happening that will have an impact on objectives; it is measured in terms of consequences and likelihood.
Residual Risk	The remaining level of risk after the risk has been managed/ treated.
Risk	The chance of something happening (an opportunity or hazard) that will have an impact (good or bad) upon objectives. Risk is measured in terms of its consequences and likelihood.
Risk Analysis	A systematic use of available information to determine how often specified events may occur and the severity of their consequences.
Risk Appetite	Risk appetite is a term used to describe the amount and type of risk the organisation is willing to accept or tolerate in pursuit of its objectives.
Risk Assessment	A systematic process of evaluating the potential risks that may involve a project activity or undertaking.
Risk Control	That part of risk management, which involves the implementation of policies, standards, procedures and physical changes to minimise adverse risk, or optimise opportunity risk.
Risk Evaluation	The process used to determine risk management priorities by comparing the level of risk against predetermined standards, target risk levels or other criteria.
Risk Management Framework	Set of elements of an organisations management system concerned with managing risk. Components that provide foundations and arrangements for risk management to be implemented within the organisation i.e. strategy, policy, accountability, escalation process etc
Risk Identification	A process for finding out what outcomes are possible and how they occur.
Risk Level	The level of risk calculated as a function of likelihood and consequence.
Risk Management	A systematic approach to the management of risk, staff and patient/client/user safety, to reducing loss of life, financial loss, loss of staff availability, loss of availability of buildings or equipment, or loss of reputation. Risk management involves identifying, assessing, controlling, monitoring, reviewing and auditing risk.
Risk Management Process	The systematic application of management policies, procedures and practices to the tasks of establishing the context, identifying, analysing, evaluating, treating, monitoring and communicating risk.
Risk Matrix	A tool used to calculate the level of risk based on likelihood and consequences
Risk Reduction	A selective application of appropriate techniques and management principles to reduce either likelihood of an occurrence or its consequences, or both.
Risk Retention	Intentionally or unintentionally retaining the responsibility for loss or financial burden of loss within the organisation.
Risk Tolerance	An informed decision to accept the consequences and likelihood of a particular level of risk following implementation of an action plan.
Stakeholders	Those people and organisations who may affect, be affected by or perceive themselves to be affected by a decision or activity.
Strategic Risk	Risk concerned with where the organisation wants to go, how it plans to get there and how it sustains this. Long term risks.



## Impact/Consequence Definitions

Descriptor	Negligible	Minor	Moderate	Major	Extreme
Injury (physical and psychological) to patient/visitor/ staff.	Adverse event leading to minor injury not requiring first aid.	Minor injury or illness, first aid treatment required.	Agency reportable, e.g. RIDDOR, Police (violent and aggressive acts). Significant injury requiring medical treatment and/or counselling.	Major injuries/long term incapacity or disability (loss of limb) requiring medical treatment and/or counselling. Broken bone.	Incident leading to death or major permanent incapacity.
Patient Experience	Reduced quality of patient experience/clinical outcome not directly related to delivery of clinical care.	Unsatisfactory patient experience/ clinical outcome directly related to care provision – readily resolvable.	Unsatisfactory patient experience/ clinical outcome; short term effects – expect recovery <1wk.	Unsatisfactory patient experience/ clinical outcome; long term effects – expect recovery >1wk.	Unsatisfactory patient experience/ clinical outcome; continued ongoing long term effects
Staffing and Competence	Short-term low staffing level temporarily reduces service quality (< 1 day). Short term low staffing level (>1 day), where there is no disruption to patient care.	Ongoing low staffing level reduces service quality. Minor error due to ineffective training/implementation of training.	Late delivery of key objective / service due to lack of staff. Moderate error due to ineffective training/implementation of training. Ongoing problems with staffing levels.	Uncertain delivery of key objective/ service due to lack of staff. Major error due to ineffective training/ implementation of training.	Non-delivery of key objective/service due to lack of staff. Loss of key staff. Critical error due to ineffective training/ implementation of training.
Objectives / Project	Barely noticeable reduction in scope, quality or schedule.	Minor reduction in scope, quality or schedule	Reduction in scope or quality of project; project objectives or schedule.	Significant project over-run.	Inability to meet project objectives; reputation of the organisation seriously damaged.
Complaints / Claims	Locally resolved verbal complaint.	Justified written complaint peripheral to clinical care.	Below excess claim. Justified complaint-involving lack of appropriate care.	Claim above excess level. Multiple justified complaints.	Multiple claims or single major claim Complex justified complaint
Service / Business Interruption	Interruption in a service that does not impact on the delivery of patient care or the ability to continue to provide service.	Short-term disruption to service with minor impact on patient care.	Some disruption in service with unacceptable impact on patient care. Temporary loss of ability to provide service.	Sustained loss of service which has serious impact on delivery of patient care resulting in major contingency plans being invoked.	Permanent loss of core service or facility. Disruption to facility leading to significant “knock on” effect
Financial (including damage / loss / fraud)	Negligible organisational/ personal financial loss. (£<1k). (NB. Please adjust for context)	Minor organisational/personal financial loss (£1-10k).	Significant organisational/personal financial loss (£10-100k).	Major organisational/personal financial loss (£100k-1m).	Severe organisational/personal financial loss (£>1m).
Inspection / Audit	Small number of recommendations which focus on minor quality improvement issues.	Recommendations made which can be addressed by low level of management action.	Challenging recommendations that can be addressed with appropriate action plan.	Enforcement action. Low rating. Critical report.	Prosecution. Zero rating. Severely critical report.
Adverse Publicity / Reputation	Rumours, no media coverage. Little effect on staff morale.	Local media coverage – short term. Some public embarrassment. Minor effect on staff morale/public attitudes.	Local media – long-term adverse publicity. Significant effect on staff morale and public perception of the organisation.	National media/adverse publicity, less than 3 days. Public confidence in the organisation undermined. Use of services affected.	National/international media/adverse publicity, more than 3 days. MSP/MP concern (Questions in Parliament). Court Enforcement. Public Inquiry/ FAI.
Emergency planning/ Region wide	Insignificant numbers of injuries or impact on health.	Small number of people affected no fatalities, and a small number of minor injuries with first aid treatment.	Limited number of people affected no fatalities, some hospitalisation and medical treatment. Localised displacement of small number of people for 6-14 hrs.	Significant number of people in affected area, with multiple fatalities, multiple serious or extensive injuries, significant hospitalization. Large number of people displaced 6-14 hrs or possibly beyond.	Very large number of people (100s) in affected area impacted, significant numbers of fatalities, large number of people requiring hospitalization with serious injuries with longer-term effects.

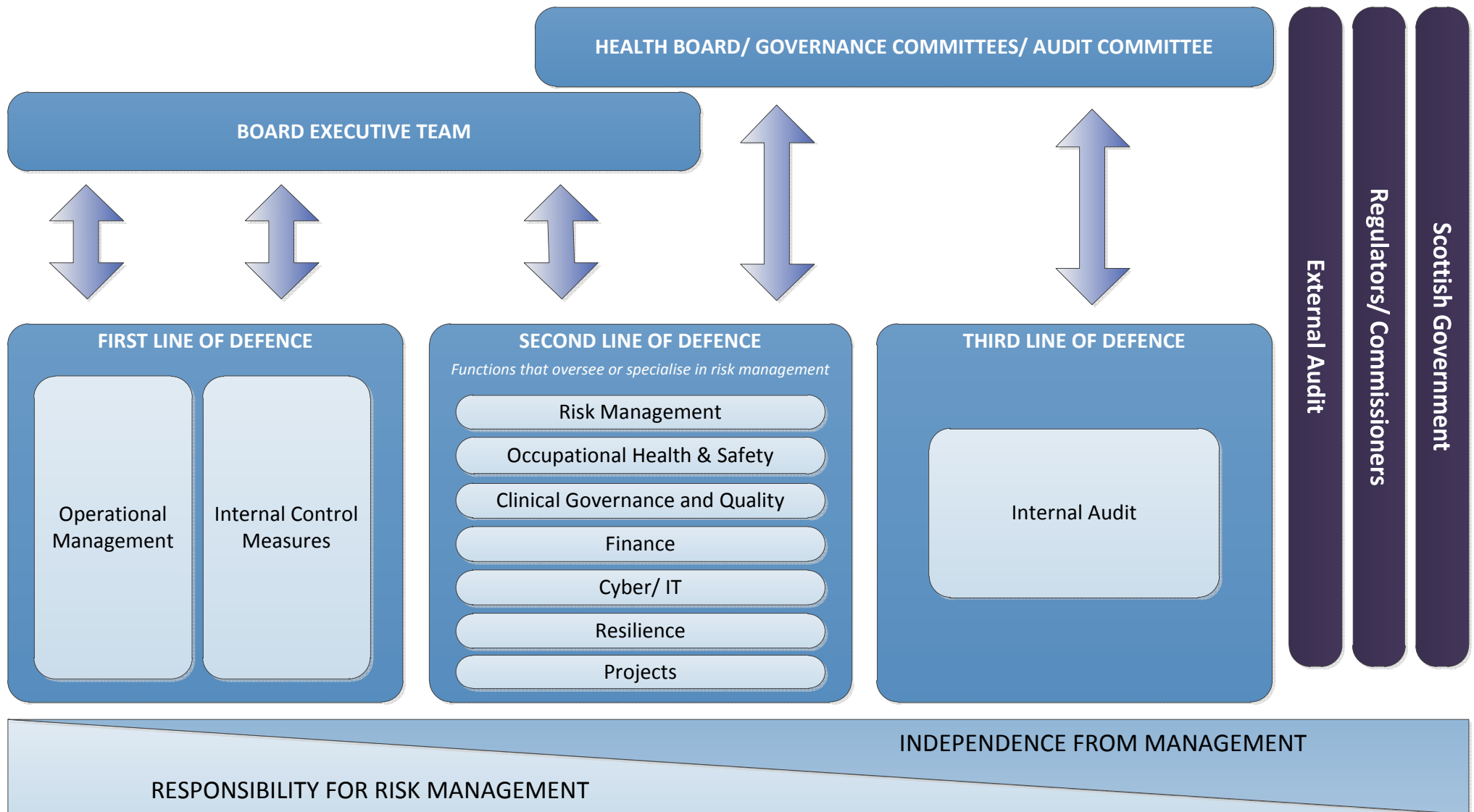
## Likelihood Definitions

Descriptor	Rare	Unlikely	Possible	Likely	Almost Certain
Probability	Can't believe this event would happen – will only happen in exceptional circumstances.	Not expected to happen, but definite potential exists – unlikely to occur.	May occur occasionally, has happened before on occasions – reasonable chance of occurring.	Strong possibility that this could occur – likely to occur.	This is expected to occur frequently / in most circumstances – more likely to occur than not.

## Risk Levels

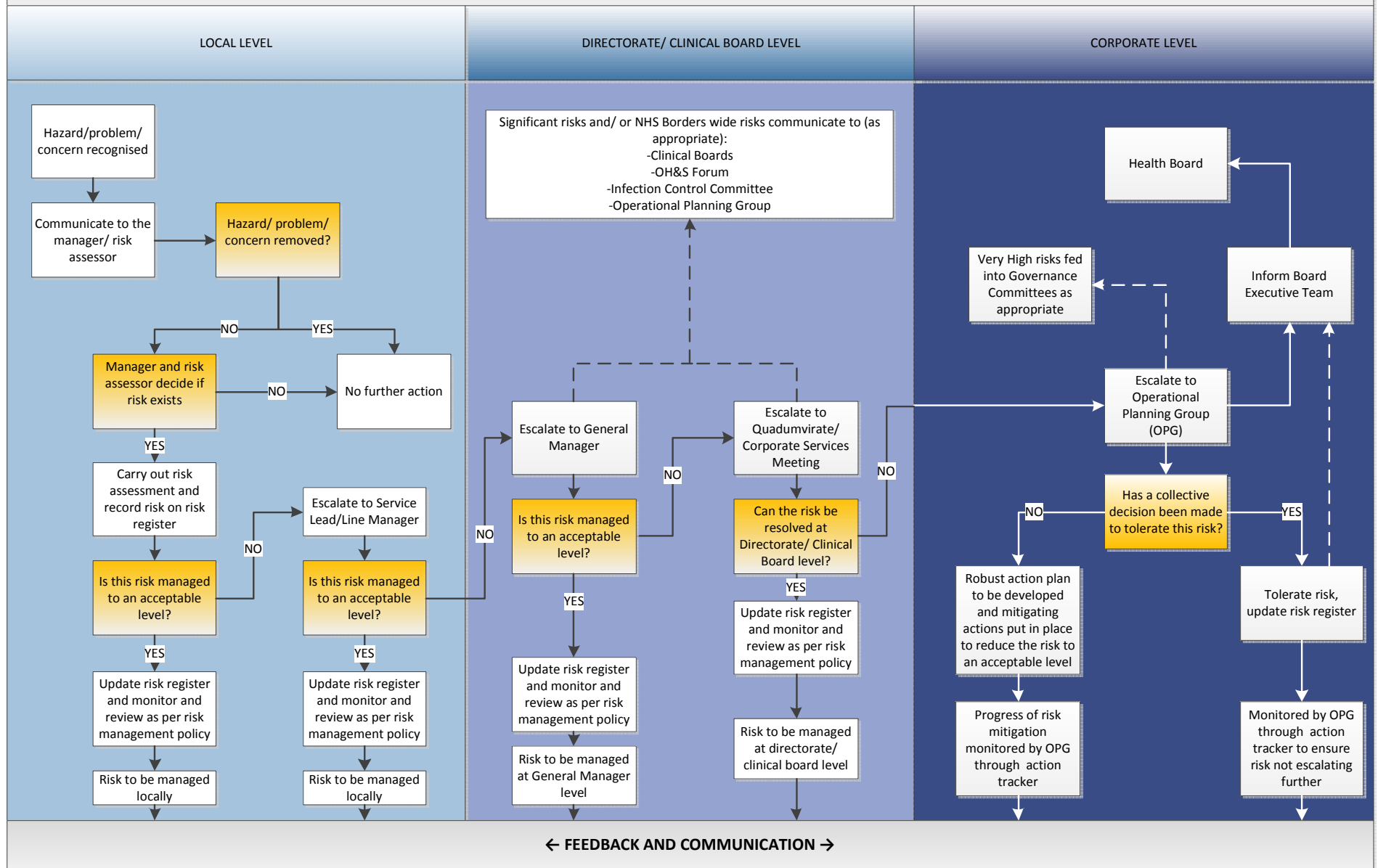
Likelihood	Consequences / Impact				
	Negligible (1)	Minor (2)	Moderate (3)	Major (4)	Extreme (5)
Almost Certain (5)	Medium (5)	High (10)	High (15)	V High (20)	V High (25)
Likely (4)	Medium (4)	Medium (8)	High (12)	High (16)	V High (20)
Possible (3)	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely (2)	Low (2)	Medium (4)	Medium (6)	Medium (8)	High (10)
Rare (1)	Low (1)	Low (2)	Low (3)	Medium (4)	Medium (5)



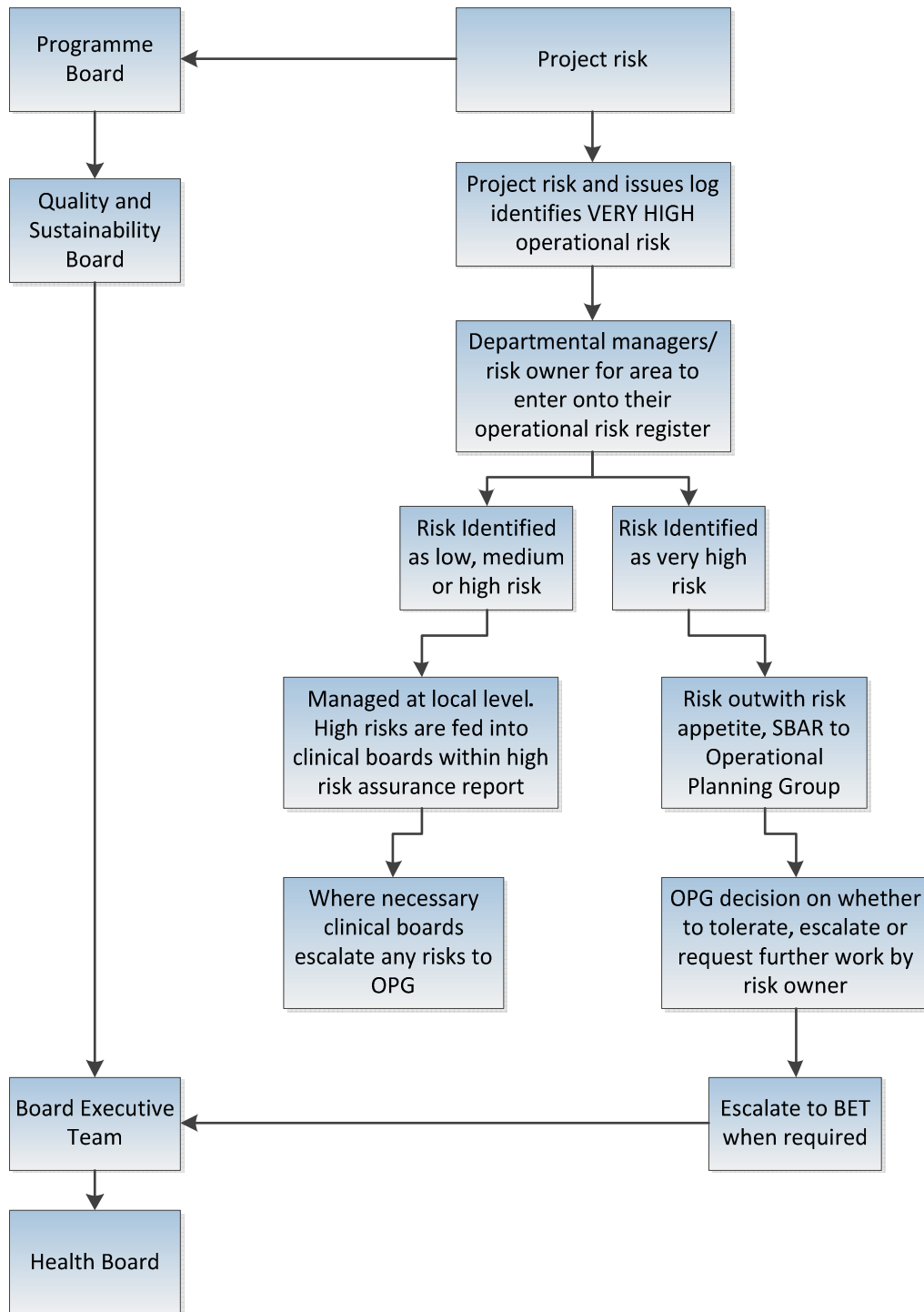


Appendix 7 - Risk Management Escalation

## RISK MANAGEMENT ESCALATION

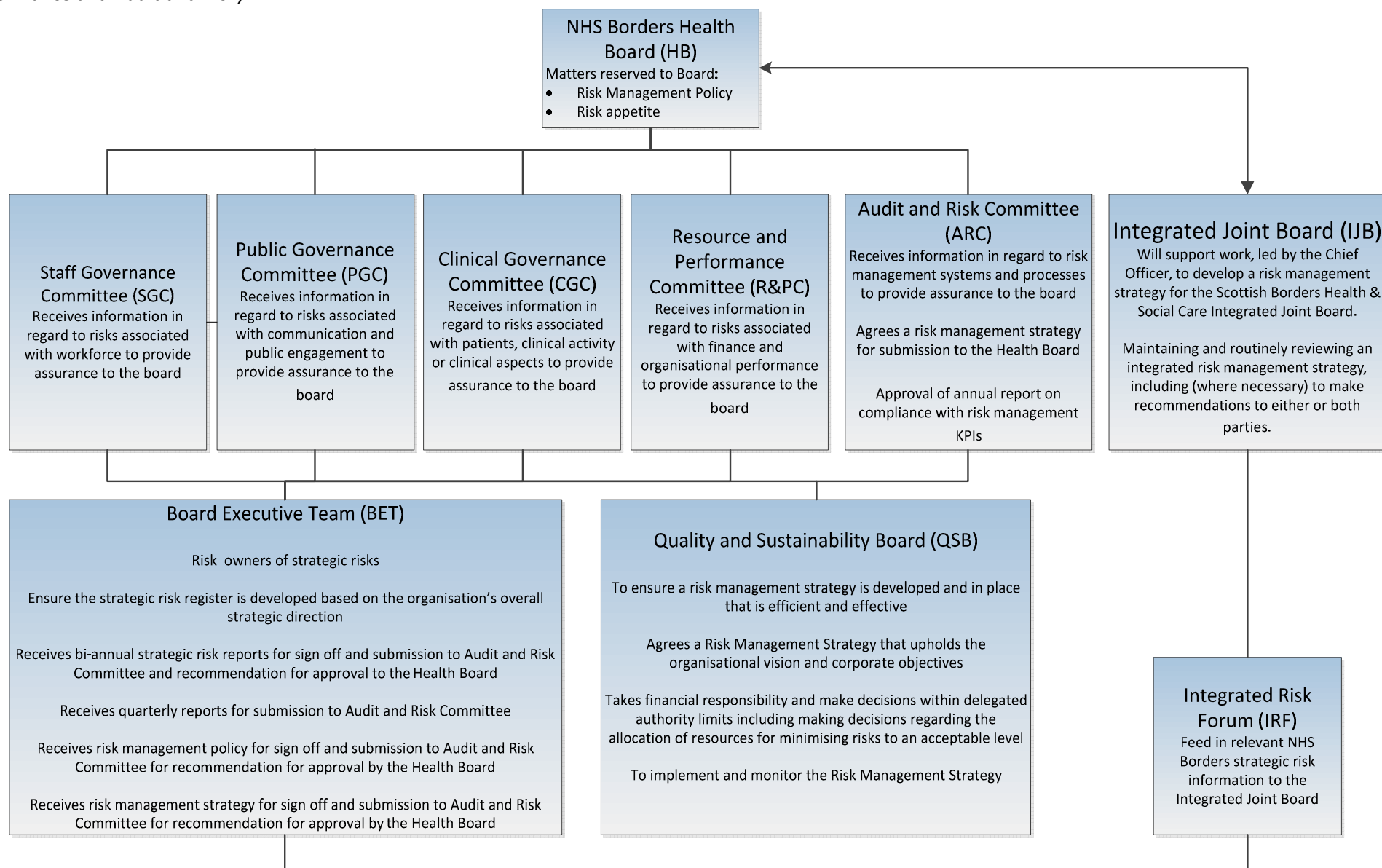




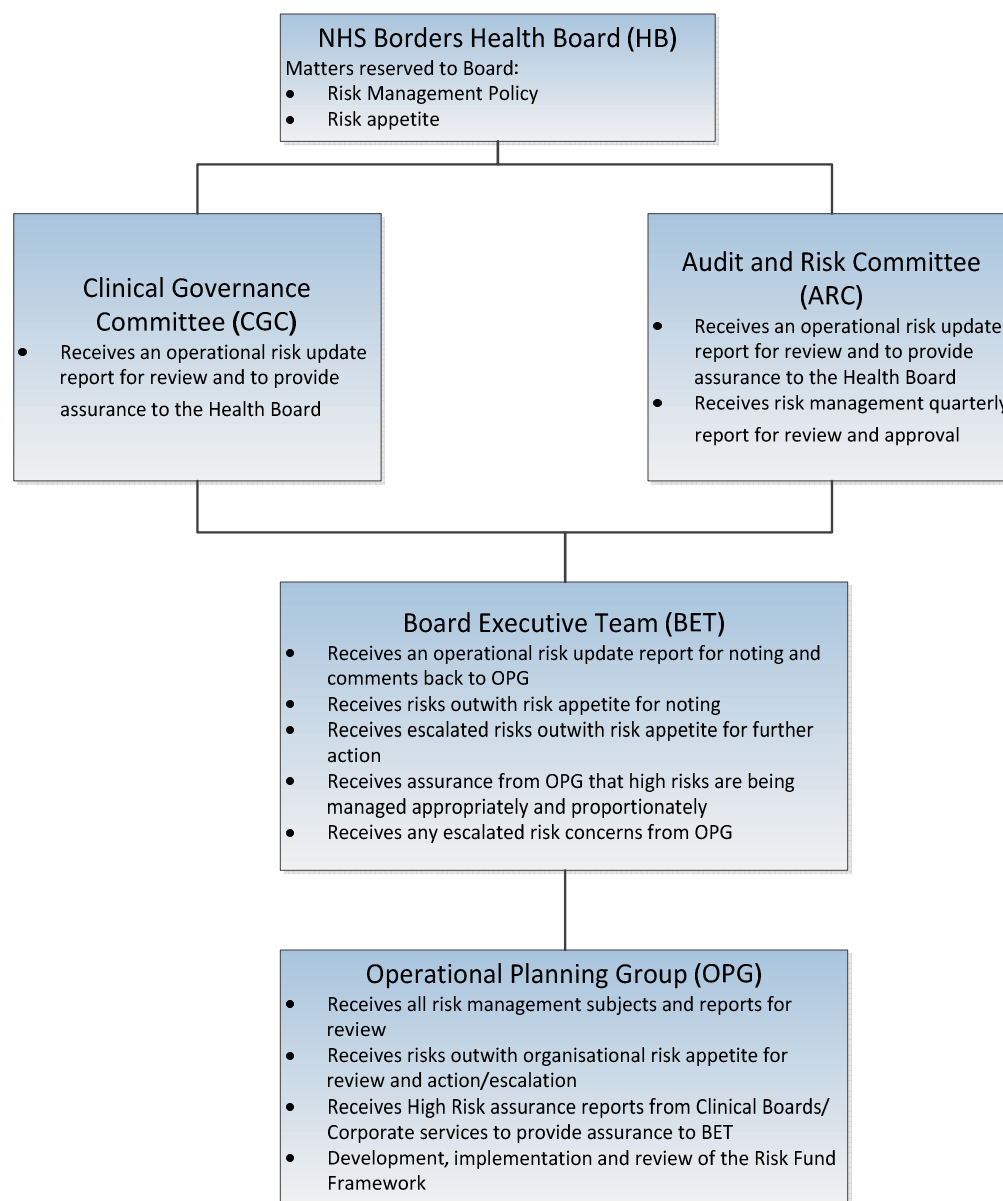


## Appendix 9 - Strategic Risk Assurance

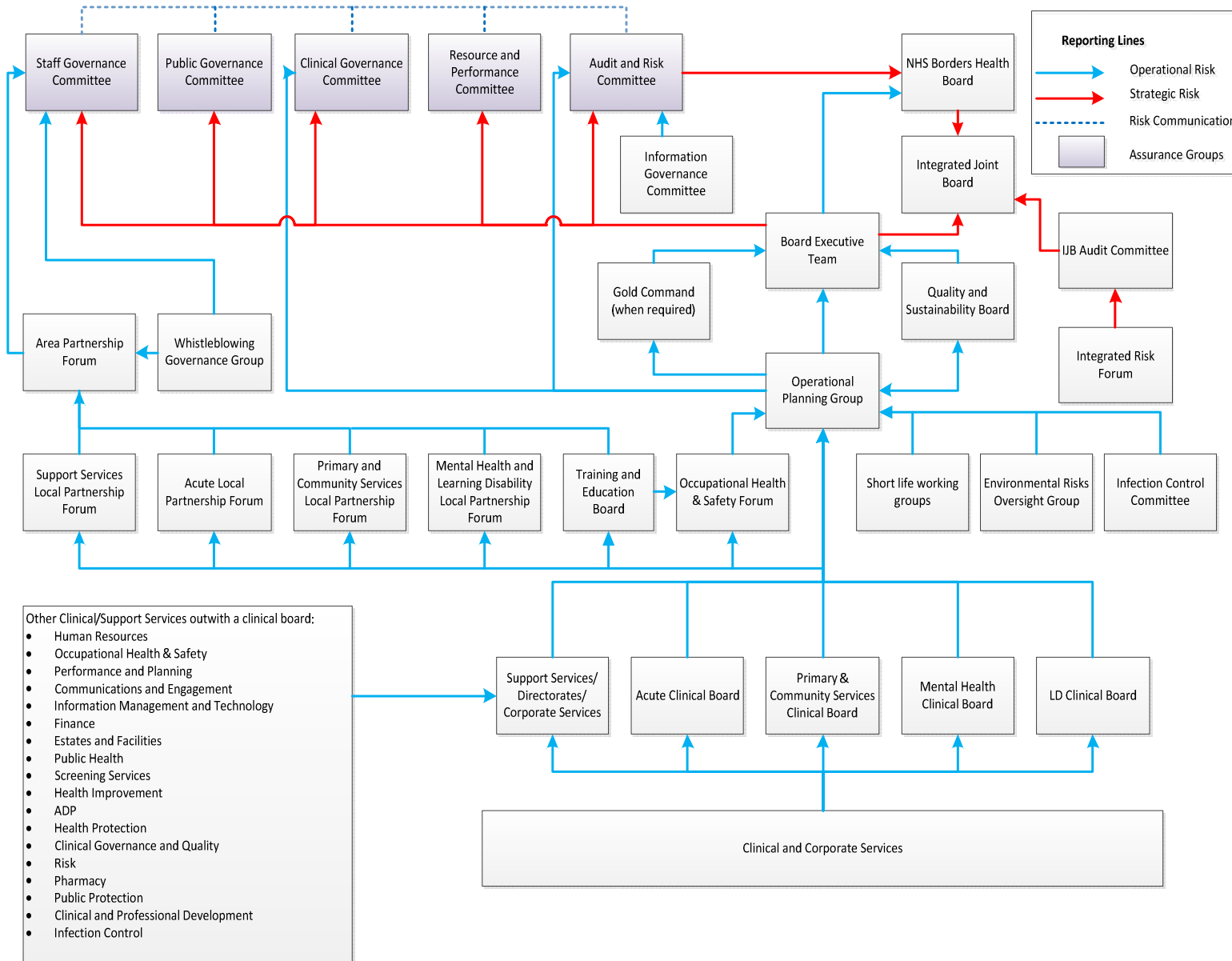
Strategic risk assurance is provided to the Health Board through the Board sub committees (Clinical Governance, Staff Governance, Public Governance, Resource and Performance and Audit and Risk)



*Assurance is provided to the Health Board through the Audit and Risk Committee and Clinical Governance Committee for operational risk*



## Appendix 11 - Risk Architecture



## Appendix 12 - Risk Management Key Performance Indicators

RAG Status Key										
0-59.9% compliance										
60-69.9% compliance										
70-79.9% compliance										
80-99.9% compliance										
100% compliance										
ISSUE	IMPROVEMENT ACTIONS	LEAD	PROGRESS & OTHER ACTIONS REQUIRED	TIMESCALE	TARGET COMPLIANCE LEVEL	CURRENT COMPLIANCE LEVEL				COMPLIANCE STATUS
						Jul 2023	Oct 2023	Jan 2024	Apr 2024	
Risks not being reviewed in line with policy timescales	Very High Risks reviewed within 6 months of risk assessment	Risk owners	[Enter total number of Very High risks versus number of Very High risks out with review date]	[Enter expected date of compliance achieved]	90%	[Enter % compliance]				[Enter Red, Amber or Green traffic light]
	High risks reviewed within one year of risk assessment	Risk owners	[Enter total number of High risks versus number of High risks out with review date]	[Enter expected date of compliance achieved]	90%	[Enter % compliance]				[Enter Red, Amber or Green traffic light]
	Medium Risks reviewed within two years of risk assessment	Risk owners	[Enter total number of Medium risks versus number of Medium risks out with review date]	[Enter expected date of compliance achieved]	90%	[Enter % compliance]				[Enter Red, Amber or Green traffic light]
	Low risks reviewed within two years of risk assessment	Risk owner	[Enter total number of Low risks versus number of Low risks out with review date]	[Enter expected date of compliance achieved]	90%	[Enter % compliance]				[Enter Red, Amber or Green traffic light]
Risks with no action plans in place	Ensure all risks have an action plan in place	Risk owners	[Enter total number of finally approved risks versus the number of risks with no action plan in place]	[Enter expected date of compliance achieved]	100%	[Enter % compliance]				[Enter Red, Amber or Green traffic light]

ISSUE	IMPROVEMENT ACTIONS	LEAD	PROGRESS & OTHER ACTIONS REQUIRED	TIMESCALE	TARGET COMPLIANCE LEVEL	CURRENT COMPLIANCE LEVEL				COMPLIANCE STATUS
						Jul 2023	Oct 2023	Jan 2024	Apr 2024	
Risk Appetite Process not being adhered to	Risks out with risk appetite taken through appropriate risk appetite process	Risk owners	[Enter the number of risks identified as out with risk appetite versus risks out with risk appetite reported into OPG]	[Enter expected date of compliance achieved – may be influenced by OPG Risk Timetable]	80%	[Enter % compliance]				[Enter Red, Amber or Green traffic light]
Risk owner responsibilities identified	Ensure risk owners identified for all risks in development	Risk Champions	[e.g. All risks in development have risks owners identified]	[Enter expected date of compliance achieved]	100%	[Enter % compliance]				[Enter Red, Amber or Green traffic light]
Risks in development not approved within policy timescale	Risks finally approved within 104 days	Risk owners and risk approvers	[Enter total number of risks in development versus number of risks that are able to be approved within the 104 day deadline]  [Enter number of risks that need to be progressed onto the risk register that will no longer comply with the timescales]	[Enter expected date of compliance achieved]	80%	[Enter % compliance]				[Enter Red, Amber or Green traffic light]
Adverse event reporters statutory eLearning not being undertaken by all staff	Monitor compliance for area(s) of responsibility to ensure all staff have undertaken adverse event reporter training	Line Managers	As per Core Statutory and Mandatory eLearning compliance report [enter date of eLearning compliance report]; [Enter Number of staff trained in AE reporter eLearning]	[Enter expected date of compliance achieved]	80%	[Enter % compliance]				[Enter Red, Amber or Green traffic light]

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