Risk Management Strategy and Policy

Valid Until 30 June 2025

Author: Director of Corporate Affairs and Performance

Document Reference	ST004
Document Status	Approved
Version	7.0

DOCUMENT CHANGE HISTORY		
Initiated by	**Date**	**Author (s)**
V0.1 – merging of two separate documents (Risk Management Strategy v10 and Risk Management Procedure (v3)	December 2017	Head of Portfolio Office
V0.1 – Approved at Senior Leadership Board	17 January 2018	Head of Portfolio Office
V0.1 – Approved by Executive Leadership Board	25 January 2018	Head of Portfolio Office
V0.1 – Approved by Audit Committee	31 January 2019	Head of Portfolio Office
V1.0 – Board Approval	28 March 2018	Head of Governance
V1.1 – Minor amends and risk appetite statement inclusion	1 February 2019	Head of Governance
V2 – Approved at Trust Board	27 March 2019	Head of Governance
V3.1 – Minor amends and Audit Committee annual review	6 February 2020	Head of Governance
V4 – Approved at Trust Board	March 2020	Head of Governance
V4.1 – Approved at Audit Committee	February 2021	Head of Governance
V5.0 – Approved at Trust Board	10 March 2021	Head of Governance

Initiated by	Date	Author (s)
V5.1 – Annual Review, changes to duties, assurance committees, escalation/de-escalation/closure, appendix A and B	22 July 2022	Risk and Governance Manager
V7.0	26 March 2025	3 month extension approved by CRG
Document Owner	Deputy Director of Corporate Affairs	
Recommended at Date	Audit Committee 21 February 2024	
Approved at Date	Trust Board 10 April 2024	
Valid Until Date	June 2025	
Linked Policy Documents	All policies relate to and support risk management. Key documents include: Board Governance and Assurance Framework Health and Safety Policy Health and Safety Risk Assessment Guidance Business Continuity Plan	
Dissemination requirements	All managers and staff via email and intranet Managers policy passport training via Evolve	
Part of Trust's publication scheme	Yes	

1.0 Strategy

1.1 Statement of Intent

The East of England Ambulance Service NHS Trust Board (the Board) recognises that risk management is an integral part of good governance and management practice and to be most effective, must become part of the Trust's culture. The Board is committed to ensuring that risk management forms an integral part of its philosophy, practices and business plans and that responsibility for implementation is accepted at all levels.

The Trust aims to take all reasonable steps in the management of risk with the overall objective of delivering the Trust's vision and strategic goals, whilst protecting patients, staff and assets. To achieve this objective, the Trust has adopted a proactive approach to risk management that aims to preserve its assets and reputation and to provide protection against preventable injury and loss to patients, the general public and employees.

1.2 The Trust will follow the following principles detailed below.

1.2.1 Identification of risk

The Trust will identify its significant risks from the following sources

- The investigation of incidents, claims, and complaints.
- Concerns and complaints raised by stakeholders, patients and staff.
- Expertise of managers and other lead personnel.
- Issues raised by Trust committees and groups.
- External organisation reports and inspections.
- External, internal and clinical audits and surveys.
- Carrying out risk analyses or assessment work.
- *And any other relevant information.*

1.2.2 Analysing the risk

The following factors will be taken into account when the risk is analysed:

- The full extent of the consequences of the risk.
- The likelihood of the risk occurring.
- Any means by which the risk is currently controlled or mitigated.
- How the Trust will be assured that the risk is being adequately managed.

- Developing further mitigating controls/accepting the risk

Following analysis of the risk, the risk lead, in conjunction with other relevant people inside or outside the Trust, will consider the circumstances identified and decide whether further mitigating controls are necessary. This decision will be based on balancing the level of risk against the benefit of taking the risk. Examples of benefit would include an overall improvement to the services provided by the Trust, to improve the sustainability of services

or a patient outcome. If the risk outweighs the benefit then further mitigating controls need to be identified. These controls will effectively reduce the risk. Any additional risks introduced as a result of the controls will be taken into account and the additional control will be monitored for successful   implementation.

1.2.3 Monitoring the Risk

The Trust will ensure, through the processes described in the policy below, that all identified significant risks are monitored to ensure:
- The level of risk that the Trust is exposed to is acceptable to the Trust and its stakeholders
- The risk is communicated to all relevant parties
- That identified systems of internal control are working effectively, reducing risk to an accepted level identified by its management.
- Identified assurances have been received.

2.0   Purpose

The purpose of this Policy is to detail the Risk Management Framework for the Trust, the responsibilities for its implementation, the involvement of the Board, its sub-committees and other relevant committees and the recording and reporting of relevant risks.

2.1 Strategic Objectives

The Strategic Goals of the Trust are:
- Be an exceptional place to work, volunteer and learn.

- Providing outstanding quality of care and performance.
- Be excellent collaborators and innovators as system partners.
- Be an environmentally and financially sustainable organisation.

These goals are supported by our Corporate Objectives Strategic Priorities

- Drive culture change and improvement to wellbeing
- Reduce C2 response time
- Navigation of 999 calls to improve patient outcomes

All risks detailed in the Trust Risk Registers will be linked to one or more of these objectives and priorities.

3.0 Duties of key individuals

3.1   Chief Executive

The Chief Executive is the accountable officer for the management of risk and will ensure that Directors meet their risk management responsibilities detailed below.

3.2 Executive Directors

The Executive Directors provide leadership to the Trust and are responsible for managing the everyday business affairs. They are responsible for owning, monitoring and acting upon the Strategic Risks with the intention of mitigating the risks to an acceptable level, in order that the Trust is able to deliver its strategic objectives. Other responsibilities include:

- Responsibility for ensuring their respective Directorates comply with the Risk Management Strategy and Policy.
- Implementation of the strategies and policies of the Trust.
- Consideration of risks in decisions relating to potential new business.
- Monitoring the operation of services, against objectives and plans
- Ensuring implementation of risk management systems
- An awareness of the likelihood and potential impact of risks materialising.
- Reducing the impact on the organisation of risks that do materialise.

- Management and mitigation of the Strategic Risks, as well as those Principal Risks escalated through the groups in the Governance and Assurance framework
- Collective ownership of the Board Assurance Framework

3.3 Company Secretary

The Company Secretary will ensure that there are arrangements in place to support the application of this policy and to monitor its effectiveness. In particular they will be responsible for ensuring that systems are in place to monitor the Board Assurance Framework and the Corporate Risk Register and will assist with the moderation of risk at these levels.

3.4 Heads of Department and Equivalent

Heads of Operations, Heads of Department and their equivalents, are responsible for:

- Ensuring appropriate and effective risk management processes are in place within their designated areas and scope of responsibility.
- Implementing and monitoring appropriate risk management control measures through the maintenance of risk registers.
- In situations where potential principal risks have been identified and where local control measures are considered to be potentially inadequate, they are responsible for bringing these risks to the attention of the relevant Director and the risk team.
- Ensuring that all staff are aware of the risks within their work environment and of their personal responsibilities and that they receive appropriate information, instruction, and training to enable them to work safely.
- Ensuring all new staff attend induction programmes.

3.5 Trust Specialists

Trust Specialists (for example Safeguarding Lead, Medicines Management Lead, or Infection, Protection and Control Lead) are responsible for ensuring that relevant risks are escalated to the relevant Governance Sub-Group for review, discussion and action.

3.6 All Staff

Staff must adhere to policy and ensure changes to policy or practice are implemented, to ensure safety of staff, patients and the public in all instances. Other responsibilities include:

- Reporting accidents/incidents and near misses in accordance with policy, to enable the Trust to learn and put improvements in place.
- Raising with their line manager, any areas of potential risk that they have recognised.
- Being aware that they have a duty under legislation to take reasonable care for their own safety and the safety of all others who may be affected by the Trust's business.
- Complying with Trust rules, regulations and instructions to protect the health, safety and welfare of anyone affected by the Trust's business.
- Being familiar and complying with the Risk Management Strategy and Policy, together with other policies and procedures

3.7 Trust Board

The Board is accountable for internal control and is required to produce statements of assurance it is managing the Trust's affairs efficiently and effectively through the implementation of internal controls to manage risk. The Board will:

- Establish the Trust's strategic objectives
- Establish the Risk Appetite of the organisation
- Identify the strategic risks that threaten achievement of objectives.
- Identify and evaluate key controls to manage these strategic risks.
- Obtain assurance on the effectiveness of key controls across all areas of strategic risk.
- Identify positive assurances and gaps in control.
- Put in place plans to take corrective action where gaps have been identified.
- Maintain dynamic risk management arrangements, including a risk register.

3.8 Assurance Committees

The committees are responsible for seeking assurance in relation to the risks relevant to that committee, in order to assure the Board that the Trust is on course to deliver against its strategic objectives. The Board Assurance Framework highlights which committee is responsible for the oversight of which risks.

The Committees are responsible for reviewing key risks and actions in place to mitigate those risks, highlighted through the assurance and escalation process in the Board Governance and Assurance Framework.

3.8.1 Audit Committee

The Audit Committee is responsible for providing an independent overview on the effectiveness of the Trust's risk management and internal control systems. It is also responsible for considering evidence from other areas of the business and reviewing work of other governance committees to enable the provision of robust assurance to the Board that the Trust has a robust and effective risk management system in place – this includes evidence from areas such as internal audit and counter-fraud. The Committee will review the Board Assurance Framework entries at each meeting and will make recommendations to the Board relating to its findings on the management of the risks associated with the entries and the assurance it has received. It will raise to the Board or relevant Committees if it believes additional assurances are needed.

3.8.2 Compliance and Risk Group

The Compliance and Risk Group (CRG) is responsible for providing assurance to the Executive Leadership Team on the trust's risks, system of internal control, and compliance frameworks. Specifically, regarding risk management, the CRG monitors and reports on progress of operational risks through the Board Assurance Framework and the Corporate Risk Register. The group oversees compliance with the risk management strategy within operational risk areas.

3.8.3 Executive Leadership Sub-Groups

The Governance Sub-Groups of the Executive Leadership Team are responsible for considering all risks relevant to their Terms of Reference. The remit is to seek assurance that controls and actions in place are successful in risk mitigation, and escalating risks unable to be managed at that level to the Corporate Risk Register.

The Sub-Groups are responsible for providing assurance to the relevant Committees on the management and mitigation of the risks pertaining to their Terms of Reference. Also, ensuring that all decisions regarding risk (escalation, de-escalation or closure, as examples) are documented within the meeting minutes, and details provided within the groups' assurance report to its onwards governance group for ratification.

4.0 Trust Risk Appetite Levels

Table 1 : Provides direction and guidance to risk owners on the extent to which different types of risk can be accepted, mitigated, or avoided.

Risk Level	Definition	Risk Appetite
Avoid	The avoidance of risk and uncertainty is a key organisational objective. (As little as reasonably possible)	None
Minimal	The preference for ultra-safe delivery options that have a low degree of inherent risk and only for limited reward potential.	Low
Cautious	The preference for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward.	Moderate
Open	Open and being willing to consider all potential delivery options while also providing an acceptable level of reward (and value for money).	High

Risk Level	Definition	Risk Appetite
Seek	Eager to be innovative and to choose options offering potentially higher business rewards (despite greater inherent risk).	Significant
Mature	Confident in setting high levels of risk appetite because controls, forward scanning and responsive systems are robust.	

Table 2: Provide each directorate risk appetite statement, quantifiable tolerance for escalation and acceptable level of risk appetite for the area.

Directorate	Risk Tolerance	Risk Appetite
Quality/Medical	Avoid – The avoidance of risk and uncertainty is a key organisational objective.	None

Directorate	Risk Tolerance	Risk Appetite

The Trust has zero appetite for risks which compromises the delivery of high quality and safe services and jeopardises compliance with our statutory duties for quality and safety. The Trust seeks to innovate, improve patient safety while taking limited risks through appropriate safe care plans based on risk assessments.

Risks relating to harm to patients scoring **15 +** will be escalated to the ECG and QGC and risks scored at 15 and below will be discussed at relevant groups and oversight provided through the CRG.

Directorate	Risk Tolerance	Risk Appetite
Strategy, Culture and Education	Open – Open and being willing to consider all potential delivery options while also providing clear boundaries on acceptable	High

Directorate	Risk Tolerance	Risk Appetite
	organisational behaviours.	

Organisational culture supporting values of the Trust. No appetite for barriers to inclusivity where staff do not feel involved. Open to improving leadership and effective fellowship in all parts of the Trust. Promoting education training, learning culture, opportunities for innovative and a structured approach in developing strategy to quality service improvement.

Risks relating to strategy, culture and education scoring 18 **+** will be escalated to ECG and Audit Committee and Board. All reputation risks scoring below 18 be reviewed at monthly directory meetings.

Directorate	Risk Tolerance	Risk Appetite
Finance	Minimal - The preference for ultra-safe delivery options	Low

Directorate	Risk Tolerance	Risk Appetite
	that have a low degree of inherent risk and only for limited reward potential (VfM)	

The Trust will strive to deliver services within budgets modelled in our financial plans. However, budgetary constraints will be exceeded if required to mitigate risks to patient safety or quality of care. All financial decisions will follow standing orders and standing financial instructions. Finance risks appetite thresholds will be taken into consideration on SO's and SFI's annual reviews.

Where risks are identified with a financial score of 16 **+** will be escalated to the Finance & Sustainability Committee with oversight provided by the Audit Committee. All finance risks scoring below 16 will be reviewed at relevant groups, executive meetings.

Directorate	Risk Tolerance	Risk Appetite
Corporate Affairs	Cautious - The preference for safe	Moderate

Directorate	Risk Tolerance	Risk Appetite
	delivery options that have a low degree of inherent risk and may only have limited potential for reward.	

Where the laws, regulators and standards involve the delivery of safe, high-quality care, or health and safety of staff and public, the Trust will make every effort to meet regulator expectations and comply with laws, regulations and standards set, unless there is strong evidence to challenge them.

The Trust will always seek to have a positive reputation and will only tolerate limited risk to events/activities where there is a small possibility of any significant repercussions for Trust's reputation should there be failure, with mitigation in place.

Regulatory Compliance related risks scoring over **15 +** will be reported to the area relevant committee with oversight provided by the Audit Committee and Board. All Regulatory Compliance risks scoring 15 and below will be reviewed at relevant groups with oversight provided at CRG.

Directorate	Risk Tolerance	Risk Appetite

Directorate	Risk Tolerance	Risk Appetite
Integration	Open - Open and being willing to consider all potential delivery options while also providing an acceptable level of reward (VfM)	High

The Trust is committed to working with stakeholder organisations to bring value and opportunity across current and future services through system partnerships. The Trust will collaborate with ICBs partners and other care providers to improve people health and deliver services that meet needs of our local population and operational and statutory duties.

Partnerships and Innovation risks scoring 16 **+** will be escalated Performance and Safety Committee or relevant committee with oversight provided by the Audit Committee. All Partnerships and Innovation risks scoring 16 and below will be reported and discussed at relevant engagement groups with oversight provided at CRG and ECG.

Directorate	Risk Tolerance	Risk Appetite

Directorate	Risk Tolerance	Risk Appetite
Operations (service delivery)	Open - Open and being willing to consider all potential delivery options while also providing an acceptable level of reward (VfM)	High

The Trust strives to use its resources efficiently, effectively for the benefit of patients and their care ensuring services are clinically, operationally, and financially sustainable. However, the Trust will not compromise patient safety while innovating service delivery.

Risks relating to Operations scoring 15 **+** (9 suggested by exec lead) will be escalated to Performance and Safety Committee or related subject expert committee. Operations risks scoring below 15 will be reported and discussed at relevant groups with oversight provided at CRG and ECG.

Directorate	Risk Tolerance	Risk Appetite

Directorate	Risk Tolerance	Risk Appetite
People	Minimal - The preference for ultra-safe delivery options that have a low degree of inherent risk and only for limited reward potential.	Low

The Trust is committed to recruiting and retaining staff that meet the high standards of the organisation and will provide ongoing training to ensure all staff reach their full potential. The Trust has no appetite for risks associated with unprofessional conduct, bullying or poor individual competence to perform roles or tasks safely and or any incidents or circumstances which may contradict its values. The Trust has no appetite for risks associated with staff members' non-compliance with legislation, or any frameworks provided by professional bodies.

Risks related to workforce scoring 16 **+** will be escalated to the People Committee. All workforce risks scoring 15 and below will be reported and discussed at workforce related relevant groups.

5.0 Risk Management Policy

The following sections provide detail in relation to the Risk Management Policy, the approach and how risks should be assessed, documented, managed and reported. Adherence to the policy will ensure that a continual, systematic approach to the management of risks and issues.

5.1 Documentation linked to risk management

All risks will be entered onto the 4Risk (Isight) Risk Management system. Risk owners can enter risks directly onto the database. Other staff should discuss the risk with their line manager, who will consider how the risk should be notified and recorded.

5.2 Rating Risk

Following identification of the risk, a lead person must be identified for the risk. This will normally be the head or deputy directory for the area that the risk relates to, or if appropriate a subject expert or lead. The lead person will arrange for the risk to be entered on the risk management database. They will carry out an initial analysis of the risk and enter any further mitigating controls that are required onto the action plan within the database.

The nominated lead person will rate the risk using the chart below.

	1	2	3	4	5
Domains	**Negligible**	**Minor**	**Moderate**	**Major**	**Catastrophic**
Impact on the safety of patients, staff or public (physical/ psychological harm)	Minimal injury requiring no/minimal intervention or treatment No time off work required	Minor injury or illness requiring minor intervention Requiring time off work for <3 days Increase in length of hospital stay by 1–3 days	Moderate injury requiring professional intervention Requiring time off work for 4–14 days; Increase in length of hospital stay by 4–15 days; RIDDOR/agency reportable incident An event which impacts on a small number of patients	Major injury leading to long-term incapacity/ disability Requiring time off work for >14 days; Increase in length of hospital stay by >15 days; Mismanagement of patient care with long-term effects	Incident leading to death ;Multiple permanent injuries or irreversible health effects; An event which impacts on a large number of patients
Quality/ complaints/ audit	Peripheral element of treatment or service sub-optimal Informal complaint/inquiry	Overall treatment or service sub-optimal Formal complaint; Local resolution; Single failure to meet internal standards; Minor implications for patient safety if unresolved Reduced performance rating if unresolved	Treatment or service has significantly reduced effectiveness; Local resolution (with potential to go to independent review) Repeated failure to meet internal standards Major patient safety implications if findings are not acted on	Non-compliance with national standards with significant risk to patients if unresolved; Multiple complaints/ independent review; Low performance rating; Critical report	Incident leading to totally unacceptable level or quality of treatment/service; Gross failure of patient safety if findings not acted on Inquest/ ombudsman inquiry Gross failure to meet national standards
Human resources/ organisational development/ staffing/ competence	Short-term low staffing level that temporarily reduces service quality (<1 day)	Low staffing level that reduces service quality	Late delivery of key objective/ service due to lack of staff Unsafe staffing level or competence (>1day) Low staff morale Poor staff attendance for mandatory/key training	Uncertain delivery of key objective/service due to lack of staff Unsafe staffing level or competence (>5 days) Loss of key staff Very low staff morale No staff attendance for mandatory/key training	Non-delivery of key objective/service due to lack of staff ;Ongoing unsafe staffing levels or competence; Loss of several key staff; No staff attending mandatory training/key training

	1	2	3	4	5
Domains	Negligible	**Minor**	**Moderate**	**Major**	**Catastrophic**
Statutory duty/ inspections	No or minimal impact or breech of guidance/ statutory duty	Breech of statutory legislation; Reduced performance rating if unresolved	Single breech in statutory duty; Challenging external recommendations/ improvement notice	Enforcement action; Multiple breeches in statutory duty; Improvement notices; Low performance rating; Critical report	Multiple breeches in statutory duty; prosecution; Complete systems change required; Zero performance rating; Severely critical report
Adverse publicity/ reputation	Rumours Potential for public concern	Local media coverage; short-term reduction in public confidence; Elements of public expectation not being met	Local media coverage – long-term reduction in public confidence	National media coverage with <3 days service well below reasonable public expectation	National media coverage with >3 days service well below reasonable public expectation. MP concern (questions in the House). Total loss of public confidence.
Business objectives/ projects	Insignificant cost increase/schedule slippage	<5 per cent over project budget Schedule slippage	5–10 per cent over project budget Schedule Slippage	Non-compliance with national 10-25 per cent over project budget; Schedule slippage Key objective not met	Incident leading >25 per cent over project budget; Schedule slippage Key objectives not met
Finance including claims	Small loss Risk of claim remote	Loss of 0.1–0.25 per cent of budget Claim less than £10,000	Loss of 0.25–0.5 per cent of budget Claim(s) between £10,000 and £100,000	Uncertain delivery of key objective/Loss of 0.5–1.0 per cent of budget Claim(s) between £100,000 and £1 million Purchasers failing to pay on time	Non-delivery of key objective/loss of >1 per cent of budget Failure to meet specification/ slippage Loss of contract/ payment by results Claim(s) >£1 million

5.3 Escalation of risks

Table 3: illustrates the different levels of the risk register and how risks will be escalated

Current Rating	Escalation*	Register level	Profile of Risk
Risks rated above 15	Report to Director immediately. Make Board aware	Consider escalating to BAF if risk impact will be experienced in more than one directorate.	Serious threat to organisational objectives. High or moderate rating or with the potential to rise to high or moderate.
Risks rated 12 to 15	Report to Deputy Director, Head/Service Manager. Make director aware	Corporate Register	Risks which have the potential to affect the Trust strategic direction, but do not currently pose a serious threat to the organisational objectives. Risks which affect

Current Rating	Escalation*	Register level	Profile of Risk
Risks rated 1 to 12	Risk should be managed at directory/sector level	Directory Risk Register	Clinical or non clinical risk assessments, mainly to meet the requirements of the Management of Health and Safety at Work Regulations

6.0 Corporate/Directorate Risk Registers

Directors must put into place a monitoring system for their directorate registers. These registers should only include risks to the services they provide, not Trust-wide risks, which should be on the Corporate Register. An example is given below:

1. If the Trust has a high sickness level as a whole it should be entered on the Corporate Register, or if it is having a profound effect on the Trust objective of safe (exceptional place to work/volunteer) (or other objectives) then be entered on the BAF.

2. If one directorate/service area has a high level of sickness it should go on the directorate register.

3. If there is a risk to reporting sickness absences consistently by the workforce team they should go on the Corporate register.

For 2. and 3. the trust-wide effect may also need to be considered and may override the normal arrangements.

6.1 De-escalation of risk

Where a risk is to be de-escalated i.e. the risk is going to be managed at a lower level, or is to be removed from the registers the appropriate group or person should approve the change. The reason for the de-escalation will be noted within the risk record.

6.2 Risk Moderation

It is important that all risks identified within the framework described in this policy are rated taking into account the rating chart above, and are aligned with the other risks detailed. It is inevitable that there will be a degree of subjectivity when rating risks and the reporter will not necessarily be able to compare the risk reported within the context of other risks. Risk moderation is essential in ensuring that the risk management framework is an accurate representation of Trust risks at all levels.

Risk moderation will be carried out in the first instance by the Trust Risk Manager. The Risk Manager may change the risk rating where necessary and report back to the reporter any further information necessary to complete the assessment. The risk management software automatically keeps an un-editable audit trail of risk rating changes which can be viewed at any time should changes be disputed. The Company Secretary will be consulted when the risk is at the strategic level and is to be incorporated with the corporate register or board assurance framework.

The assurance committees responsible for monitoring risk will also play an important role in moderating risk. The Company Secretary will consult with these committees with any issues arising from the initial moderation.

For service delivery risks the monthly directorates/sector meetings and expert groups will review each risk individually and will ensure that risks on their registers are aligned within acceptable set appetite and tolerance thresholds and rated realistically.

7.0 Responsibility for Managing Different Levels of Risk

Risk Type	Risk Score	Responsible Person	Review Frequency	Comments
Low	2-6	Local manager	Quarterly	Close if no actions or at target score
Moderate	8-12	Deputy Director/Head of Department	Quarterly	Review at team meetings. Ensure actions completed in time. Relevant governance group oversight

Risk Type	Risk Score	Responsible Person	Review Frequency	Comments
High	15-25	Deputy Director/Head of Department	Monthly	Review at all team meetings. Compliance and Risk Group and Committee monthly oversight
Strategic Risk	Any	Executive Director	Monthly	Review with Director of Corporate Affairs and Performance, report to Board and Committees

8.0 Risk Register

Risks are recorded on the 4Risk Management Software. The position of a risk on the register is dependent on the risk score established using Table 3 the risk rating chart. This is illustrated on Figure 3, the risk reporting structure.

8.1 Monitoring of Risks on the Risk Register

The lead person identified for the risk, as per Table 4 is responsible for ensuring that the risk entry on whichever register is up to date, as follows;

- The description accurately reflects the nature of the risk, who is affected and describes the consequence. (Event, Cause and Impact)
- The Controls stated are in place and effective.
- The current rating is correct.
- Actions are in progress or are completed and that the due date is correct.
- Where actions have been completed the controls in place are updated.

8.2 Risk Register reviews

The BAF is reviewed twice a year, including end of year objectives and appetite thresholds. The Corporate Risk Register and Directorate Risk Registers are reviewed annually amalgamating monthly scorings for each directorate or category. Average annual scorings provide level of threats by themes facilitating business planning.

9.0 Risk Management Key Performance Indicators

The aim of the risk management KPIs are to provide some measure of the total risk exposure of the Trust coupled with the effectiveness of the application of the risk management strategy. KPI performance data will be reported at ELT, CRG and the Audit Comittee.

Risk Review Status Compliance target on each directory is 90%	Months since risk record last updated by category % Overdue risks % Not overdue % No review date
Risk Appetite Status	% Operating above tolerance level by directorate % Operating below tolerance level by directorate
Current Rating Status	Totals across all categories % Operating above target % Operating below target %Operating at target
Number of Open Risks by Each Category	% Open risks by directorate/category Clinical People Finance Ops CA Integration Strategy, Education and Culture
Records Update	% Number of months since risk record was last updated
Risks with no actions	% Yes by directorate % No by directorate
Rating Score Since Risk Was Identified	% Increased % Decreased

	% No Change

10.0 Communication

All policies to Risk Management are available on the Trust website. Risk man management communications and news will be included on the Trust intranet when appropriate to do so as part of learning and feedback to the wider Trust.

11.0 Consultation

Consultation on this policy will be carried out with the Executive Leadership Team, members of the Audit Committee and the Risk and Compliance Group and senior managers.

12.0 Risk Management Policy

The following sections provide detail in relation to the Risk Management Policy, the approach and how risks should be assessed, documented, managed and reported. Adherence to the policy will ensure that a continual, systematic approach to the management of risks and issues is followed. The following flow chart provides an overview of the risk management process, which is broken down in more detail in subsequent sections:

Identify Hazards and Risks

- Proactively using data, horizon scanning, or using knowledge and past experience
- Reactively following an unanticipated incident occurring

Assess the Risk

- Either on a risk assessment template or on to the risk register
- Determine the risk owner and risk lead
- Describe the risk
- Identify all of the hazards, or causes of the risk
- Identify the full extent of the likely effects if the risk occurs
- Who/What is at risk?
- Score the risk (5x5 matrix) before controls are established

Control the Risk

- Identify what controls are already in place that actively manage or control the risk
- Consider how effective these controls are, and whether there are any gaps in their effectiveness
- With these controls in place, score the risk to provide a real time score (5x5 matrix)

Agree the approach to managing the risk

- Is the risk at a tolerable level? If yes, document and close
- Should the risk be escalated to the Corporate risk register? If yes, document and transfer, liaising with the owner
- Identify the actions to take to reduce the level of risk – either strengthening an existing control, or creating new controls
- Ensure actions are SMART and proportionate to the level of risk faced

Disseminate Information

- Advise relevant staff of the risk, what controls are in place and the actions established to manage the risk

Manage, Review and Update

- Complete the Risk review on the risk system in the relevant period – checking the controls are still relevant, the score, and progress on the actions established
- In the risk review, enter a short summary of the current position of the risk and issues or positive changes
- Any new actions or updates to the risk must be included

Reduce or Close

- With effective controls in place, the risk should be reviewed and score reduced.
- Scoring should be based on data rather then guesswork
- The risk should either be reduced and monitored, ongoing, closed, or transferred
- The rationale for closing a risk or reducing the score must be documented in the risk register

12.1 Risk Identification

Risk Type	Risk Score	Responsible Person	Review Frequency	Comments
Low	2-6	Local manager	Quarterly	Close if no actions or at target score
Moderate	8-12	Head of Department	Quarterly	Review at team meetings. Ensure actions completed in time. Relevant governance group oversight
High	15-25	Head of Department	Monthly	Review at all team meetings. Compliance and Risk Group and Committee monthly oversight
Strategic Risks	Any	Executive Director	Monthly	Review with Director of Corporate Affairs and Performance, report to Board and Committees

Appendix A

What	Who	How	Frequency	Evidence	Reporting arrangements	Acting on recommendations	Change in practice / lessons
KPI 1: Inherent/ Residual Risk Profile	Audit Committee	Risk KPI compliance report Deep Dives	Quarterly	Compliance Report Assurance reports from sub-committees	Audit Committee Compliance and Risk Group	Risk Manager and individual Risk Owners	
KPI 2: Red Risk Review	Audit Committee; Committee Chair	Monthly KPI exceptions report	Monthly to Chair Quarterly to Committee	Escalation and compliance reports	Audit Committee Senior Management Group	Risk Manager and individual Risk Owners	
KPI 3: Risk Review	Audit Committee and Executive Directors	Quarterly exceptions report	Quarterly to Executive Directors and Committee	Escalation and compliance reports	Executive Directors Audit Committee Compliance and Risk Group	Risk Manager and individual Risk Owners	Required changes to practice will be identified and actioned within a specific time frame.
KPI 4: Outstanding Actions	Risk Owners Governance Sub-groups	Compliance report In-Meeting risk review	Monthly Every Group Meeting	Compliance reports Group minutes and reports	Audit Committee Compliance and Risk Group	Risk Owners Governance Sub-Group Chairs	
KPI 5: Red Risk Assurances	Governance Team Internal Audit	Internal Audit Compliance report	As occurring Quarterly	Internal Audit reports Compliance report	Audit Committee Compliance and Risk Group	Head of Corporate Governance	A lead member of

Appendix A

What	Who	How	Frequency	Evidence	Reporting arrangements	Acting on recommendations	Change in practice / lessons
KPI6: quarterly training	Governance Team	Quarterly monitoring	Quarterly	Audit Reports	Audit Committee Compliance and Risk Group	Risk Manager	the team will be identified to take each change forward where appropriate.
KPI7:Passport training	Governance Team	Monthly monitoring	Monthly	Audit reports	Audit Committee Compliance and Risk Group	Risk Manager	
KPI8: Statutory training	Culture, Strategy and Education directorate	Monthly monitoring	Monthly	Integrated Performance Report	Monthly to Board via IPR	Heads of Department Director of Culture, Strategy and Education	
Risk Management Effectiveness	Internal Audit Audit Committee	Monitoring reports and audit	Every 3 years Every audit committee	Audit report Committee reports	Audit Committee Compliance and Risk Group	Director of Corporate Affairs and Performance	
Corporate Risk Register mitigation	Compliance and Risk Group	Risk Register Review	Monthly	Minutes and papers	To relevant Board Committees and ELT	Risk Owners	
15+ risk mitigation	Compliance and Risk Group	Risk Register review	Monthly	Minutes and papers	To relevant Board Committees and ELT	Risk Owners	

Appendix B: Definitions

Assurance: Assurance is the level of confidence the Board has in the Trust's ability to manage the risks to business delivery and achievement of the strategic objectives. Executive Directors and managers are required to provide assurance to the Board, which can be through a range of methods including internal audit, surveys and evidence-based updates to action plans.

Board Assurance Framework: This term is used to describe the document which holds the Strategic risk register, or summary of all of the strategic risks, their scores and what mitigating actions are being taken. The BAF is an essential document which enables the Board and its associated sub-committees to gain assurance on risk management and progress towards strategic objective achievement, as well as to inform Board and Committee agenda planning. It is a key governance tool that enables the Board to gain assurance that the strategic risks are being effectively managed.

Consequence: This phrase is used interchangeably with impact (below). This provides a score out of five which demonstrates the level of effect a risk will have, should it occur.

Control: A risk control is a system, process or other tangible which has been put in place to better manage a risk. Examples could be training, a procedure or equipment which reduces either the likelihood or the impact of a risk. If the control is not yet in place but is being developed, it is a risk action until implemented.

Governance: The mechanisms, systems and processes within the Trust that ensures robust control and management of the way in which the organisation goes about its business. This incorporates specialist fields of governance, for example clinical, information, financial and project. Please refer to the Governance and Assurance Strategy and Framework for more information.

Hazard: A danger, or the source of a risk. It has the potential to cause harm if the hazard is not managed or removed. Whilst the term hazard is often used interchangeably with 'risk', a hazard is best described as the cause of a risk, rather than the risk itself.

Impact: This phrase is used interchangeably with consequence (above). This provides a score out of five which demonstrates the level of effect a risk will have, should it occur.

Inherent Score: The score of the risk if there were no mitigating controls in place. This demonstrates the worst position that would be caused through the risk materialising.

Likelihood: The probability of the risk occurring. Based upon a percentage or ratio, for example the risk is likely to occur on 10% or 1 in 10 occasions. There are five levels of likelihood.

Mitigation: to put in place something which reduces either the impact or likelihood of a risk occurring, through adding controls.

Operational Risks: Risks encountered in the everyday work of managers and staff. Operational risks may be linked to strategic risks if they could impact on the strategic objectives. They are not limited to service delivery but encompass all Trust areas.

Principal Risks: The risks residing on the Corporate Risk register. These are not identified by score, but by the nature of the risks and the required methods for mitigation. Principal risks can be described as:

- Likely to affect achievement of the Trust's priorities.
- Impact across multiple directorates
- Require collaborative working between directorates to resolve in an effective manner.

Project and Programme Risks: Risks that are only associated with the specific project, programme, or delivery of the project output. As such, these risks do not impact the Trust's business as usual state. Project risks are scored in regard to their impact upon the project rather than the Trust as a whole and as such, can result in higher scores. As a result, they are not escalated beyond the project unless they have a direct impact upon the strategic objectives.

Red Risks: This is a term often used to describe the collective risks that the Trust has with a residual risk score of 15 or above, based upon assessment of the impact and likelihood.

Residual Score: The score of the risk after controls have been identified and working effectively. This is the current score assigned to the risk and demonstrates whether the controls that have been put in place are working effectively to reduce the risk.

Risk: The chance of something happening that will have an impact on objectives. It is measured in terms of impact and likelihood. Risks may be strategic, operational, clinical, environmental, financial, economic, political or

reputational. Simply put, a risk is the probability that exposure to a hazard – or risk cause – will result in a negative consequence occurring.

Risk Assessment: The systematic review of all strategic and operational activities to identify hazards and develop control measures that eliminate or mitigate the risk. The risk assessment process is a step-by-step method to ensure all factors are considered and to ensure that the correct actions are taken to help reduce or control the risk.

Risk Lead: The person that the Risk Owner feels is better placed to manage the risk on their behalf and to regularly update and report back on progress and mitigation. The Risk Lead takes day to day responsibility and has the most influence in terms of completion of the mitigating actions required.

Risk Owner: The person with overall responsibility for the management of a particular risk. Strategic risks (as per the definitions above) are always assigned to a Director.

Risk Register: Risk registers are an essential tool the Trust employs to document, assess and manage risks the organisation faces. The Trust's Risk Management System is a tool used to effectively identify, prioritise, monitor and manage risk, and will comprise of the following parts:

- Strategic Risks (Board Assurance Framework)
- Corporate risk register, comprising of the principal risks.
- Director risk registers
- Sector risk registers, a sub-section of Directorate registers to manage ownership.

Projects have project-specific risk registers embedded within the project workbooks, in line with good project governance. As such, only project risks which impact upon business as usual will be entered onto and managed on the risk register.

Strategic Risks: Risks that may prevent achievement of the Trust's strategic objectives. These are identified, assessed and managed by the Board and are reviewed at each Board meeting.

Appendix C: Risk Matrix

Purpose

The purpose of the risk matrix is to provide a consistent approach to the grading of risks arising within the Trust, however and from wherever, they are identified. This means that no matter the risk source (i.e., where they are identified from; for example, a Health and Safety risk assessment, a clinical incident, a legal claim or a self-assessment of risk controls), are graded in the same consistent manner against the same generic criteria.

Method

The accepted formula for grading risk is*: Consequences x Likelihood.*

This involves making a judgement both as to the *Consequences* to the Trust or person(s) involved and the Trust if the risk is realised, and the *Likelihood* (or probability) of the risk occurring, or recurring, and then allocating a number from 1 to 5 to reflect this. The numbers represent the following values:

Consequences:
1 = insignificant
2 = minor
3 = moderate
4 = major
5 = catastrophic

Likelihood:
1 = rare
2 = unlikely
3 = possible
4 = likely
5 = almost certain

(In the case of a **'near miss'**, by definition, no injury or damage has resulted. However, in slightly different circumstances, injury or damage could have resulted and it is the risk of this potential injury or damage which should be graded.)

Risk Matrix:

RISK MATRIX – R (Risk) = C (Consequence) x L (Likelihood)

LIKELIHOOD	CONSEQUENCES (IMPACT)				
	1 - Insignificant	2 - Minor	3 - Moderate	4 - Major	5 - Catastrophic
1 Rare	1	2	3	4	5
2 Unlikely	2	4	6	8	10
3 Possible	3	6	9	12	15
4 Likely	4	8	12	16	20
5 Almost Certain	5	10	15	20	25

Instructions for use

1. Define the risk(s) explicitly in terms of the adverse impact that might arise from the risk.
2. Use **Table 1** (see below) to determine the **evidence-based** Likelihood score(s) for those adverse outcomes. If possible, score the likelihood by assigning a predicted frequency of the adverse outcome occurring. If this is not possible, assign a probability to the adverse outcome occurring within a given time frame, such as the lifetime of the project or the patient care episode. If it is not possible to determine a numerical probability, then use the probability descriptions to determine the most appropriate score.
3. Use **Table 2** (see below) to determine the **evidence-based** Impact score(s) for the potential adverse outcome(s) relevant to the risk being evaluated.
4. Multiply the Impact Score for each of the descriptors with the Likelihood Score to obtain the risk rating which should be a score between 1 and 25.
5. Use the risk matrix, shown below to determine the colour banding for the risk in respect of each descriptor (the highest score will determine the overall risk level).

Table 1: Likelihood score:

	PROBABILITY	DESCRIPTION
RARE	1 in 100,000 chance	DO NOT BELIEVE WILL EVER HAPPEN
UNLIKELY	1 in 10,000 chance	DO NOT EXPECT TO HAPPEN
POSSIBLE	1 in 1000 chance	MAY OCCUR OCCASIONALLY
LIKELY	1 in 100 chance	WILL PROBABLY OCCUR
MOST CERTAIN	1 in 10 chance	LIKELY TO OCCUR

Table 2: Consequence score:

	1	2	3	4	5
Domains	Negligible	Minor	Moderate	Major	Catastrophic
Statutory duty/ inspections	No or minimal impact or breech of guidance/ statutory duty	Breech of statutory legislation; Reduced performance rating if unresolved	Single breech in statutory duty; Challenging external recommendations/ improvement notice	Enforcement action; Multiple breeches in statutory duty; Improvement notices; Low performance rating; Critical report	Multiple breeches in statutory duty; prosecution; Complete systems change required; Zero performance rating; Severely critical report
Adverse publicity/ reputation	Rumours Potential for public concern	Local media coverage; short-term reduction in public confidence; Elements of public expectation not being met	Local media coverage – long-term reduction in public confidence	National media coverage with <3 days service well below reasonable public expectation	National media coverage with >3 days service well below reasonable public expectation. MP concern (questions in the House). Total loss of public confidence.
Business objectives/ projects	Insignificant cost increase/schedule slippage	<5 per cent over project budget Schedule slippage	5–10 per cent over project budget Schedule Slippage	Non-compliance with national 10-25 per cent over project budget; Schedule slippage Key objective not met	Incident leading >25 per cent over project budget; Schedule slippage Key objectives not met
Finance including claims	Small loss Risk of claim remote	Loss of 0.1–0.25 per cent of budget Claim less than £10,000	Loss of 0.25–0.5 per cent of budget Claim(s) between £10,000 and £100,000	Uncertain delivery of key objective/Loss of 0.5–1.0 per cent of budget Claim(s) between £100,000 and £1 million Purchasers failing to pay on time	Non-delivery of key objective/loss of >1 per cent of budget Failure to meet specification/ slippage Loss of contract/ payment by results Claim(s) >£1 million

	1	2	3	4	5
Domains	Negligible	Minor	Moderate	Major	Catastrophic
Impact on the safety of patients, staff or public (physical/ psychological harm)	Minimal injury requiring no/minimal intervention or treatment No time off work required	Minor injury or illness requiring minor intervention Requiring time off work for <3 days Increase in length of hospital stay by 1–3 days	Moderate injury requiring professional intervention Requiring time off work for 4–14 days; Increase in length of hospital stay by 4–15 days; RIDDOR/agency reportable incident An event which impacts on a small number of patients	Major injury leading to long-term incapacity/ disability Requiring time off work for >14 days; Increase in length of hospital stay by >15 days; Mismanagement of patient care with long-term effects	Incident leading to death ;Multiple permanent injuries or irreversible health effects; An event which impacts on a large number of patients
Quality/ complaints/ audit	Peripheral element of treatment or service sub-optimal Informal complaint/inquiry	Overall treatment or service sub-optimal Formal complaint; Local resolution; Single failure to meet internal standards; Minor implications for patient safety if unresolved Reduced performance rating if unresolved	Treatment or service has significantly reduced effectiveness; Local resolution (with potential to go to independent review) Repeated failure to meet internal standards Major patient safety implications if findings are not acted on	Non-compliance with national standards with significant risk to patients if unresolved; Multiple complaints/ independent review; Low performance rating; Critical report	Incident leading to totally unacceptable level or quality of treatment/service; Gross failure of patient safety if findings not acted on Inquest/ ombudsman inquiry Gross failure to meet national standards
Human resources/ organisational development/ staffing/ competence	Short-term low staffing level that temporarily reduces service quality (<1 day)	Low staffing level that reduces service quality	Late delivery of key objective/ service due to lack of staff Unsafe staffing level or competence (>1day) Low staff morale Poor staff attendance for mandatory/key training	Uncertain delivery of key objective/service due to lack of staff Unsafe staffing level or competence (>5 days) Loss of key staff Very low staff morale No staff attendance for mandatory/key training	Non-delivery of key objective/service due to lack of staff ;Ongoing unsafe staffing levels or competence; Loss of several key staff; No staff attending mandatory training/key training

Appendix D: Risk Assessment Template

• Bullet point summary   ○

1. Describe risk, bullet point potential harm.
    • Potential harm (e.g., patient harm, delay, reputation)
 2. Describe risk, bullet point potential harm.
    • Potential harm

Operational emergency staff		New/inexperienced staff	
EOC staff		Visitors	
Non-emergency services (PTS)		Service users/Public	
Critical Care/Air Ambulance		Lone workers	
First or Co-Responders (e.g., CFR)		Young or vulnerable persons	
Other emergency services		New/expectant mothers	
Other ambulance services		Contractors	
Other healthcare staff/organisations		Administration staff	
Information governance/Caldicott impact link here			

1. Reference risks above, bullet point controls	
2. Reference risks above, bullet point control	
3. Reference risks above, bullet point control	
4. Reference risks above, bullet point controls	

Consequence score of incident (actual and potential)

(5) Catastrophic		(4) Major		(3) Moderate		(2) Minor		(1) Insignificant	

Likelihood score of incident									
(5) Almost certain		(4) Likely		(3) Possible		(2) Unlikely		(1) Rare	

Detail reasons for giving this score.

Enter rationale

Risk rating score

Risk rating score (To attain risk rating multiply scores of consequence and likelihood)		Colour coded rating	

Are the current controls adequate?

Yes or No with reason

If No, what controls can be established to mitigate the risk?

Risk rating score - following implementation of additional controls

Risk rating score (To attain risk rating multiply scores of consequence and likelihood)		Colour coded rating	