Risk Management Plan
2012-2015
This policy is also available in large print and on computer disk. Other formats can be supplied on request.

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1. Introduction

Risk Management is an important aspect of all our lives. We are exposed to risk both in terms of threats to Healthcare provision and from the potential of lost opportunities. It is essential that we can demonstrate that we are fully considering the implications of risk as we work together to deliver the best possible services for a healthier Grampian.

NHS Grampian (NHSG) introduced its first Strategy for addressing risk management in 2004. Since then, steady progress has been made in embedding risk management throughout NHSG and is now an integral part of the way we deliver Healthcare.

For the purposes of this Plan the following definitions will apply: Risk is the “...uncertainty of outcome, whether positive opportunity or negative threat, of actions and events. It is the combination of likelihood and consequence, including perceived importance.” and Risk management is “...all the processes involved in identifying, assessing and judging risks, assigning ownership, taking actions to mitigate or anticipate them, and monitoring and reviewing progress.”

The resources available for managing risk are finite and so the organisational aim is to achieve an optimum response to risk, prioritised in accordance with an evaluation of the likelihood and consequence of a risk occurring. The NHSG risk tolerance determines when a response to risk is sufficient and when it is not, ensuring that resources are always used to the best effect.

2. Background

NHSG is one of Scotland’s four teaching Health Boards with excellent links to local Universities, with the aim of improving the health of and providing healthcare services to a population of over 550,000 across Grampian.

NHSG provides many secondary care services to Orkney and Shetland and tertiary services to the health boards in the North, while hosting a number of national specialist services. NHS Grampian employs in excess of 13,500 staff.

NHSG consists of Acute Services, three Community Health Partnerships, Mental Health and Learning Disabilities Services and Corporate Services. It works closely with the Local Authorities and Universities.

NHSG has developed a Strategic framework, called “The 20: 20 Vision” that sets out our aspirations for the coming years. This Risk Management Plan has been developed in this context and is designed to support the achievement of the organisation’s objectives

This plan articulates how we manage risk. It reflects the development of our approach, takes into account and builds on, Health Department Letter (HDL) (2002)11 which sets out the framework for delivering Risk Management and Clinical Governance. Additionally the principles within the Clinical Governance & Risk Management Standards (2005), the Healthcare Quality Standard and guidance on the basic principles of risk management as set out by the Scottish Government.
3. **Scope**

This plan is part of a suite of Risk Management documents which show how we intend to shape the work we do and join our activities together to achieve our aims and objectives within the corporate plan.

This document sets out the priorities for developing the way we manage risk. Its purpose is to clearly show how we will do this to ensure continuity of service, support effective decision making, improve resource efficiency and deliver value for money.

NHSG is committed to the provision of services that contribute to improving the health of and providing healthcare services in Grampian in a setting that firmly puts the safety of our patients, visitors and staff first.

4. **Risk Management Framework**

Risk Management is as much about empowerment, supporting innovation and seizing opportunities through informed decision making as it is about defending against negative threats and preventing adverse things from happening.

However, the development of any strategy needs to take account of the culture of the organisation in which it sits. This plan is intended to help develop the organisation to consider all risks to NHSG as a whole, both Strategic and Operational, especially those that may affect its strategic objectives.

It is essential therefore that management decisions should be made on the basis of good consistent risk information, a sound understanding of the possible consequences (both positive and negative) and the likely outcomes of taking the agreed action.

The following ten principles describe how risk management will be approached in Grampian:

1. NHSG recognises that risk identification and assessment are core competencies for all staff and underpin everything we do.
2. There will be a consistent approach to risk assessment using common criteria, involving all staff, to inform decision making and support prioritisation of local risk registers.
3. Leaders will actively promote awareness of risk and foster a supportive culture to enable risk judgements to be handled with confidence.
4. The management of risk will be systematically integrated into existing processes.
5. Risk will be managed at the operational level closest to the risk with the competence and capacity to do so. Unmanageable risks will be escalated to the next level.
6. An open, honest and trusting environment is to be developed and sustained to promote the identification of risk and learning from adverse events and near misses.
7. Risk will be managed by targeting underlying systems weaknesses rather than blaming staff for error (providing they are not guilty of wilful, criminal or evident professional misconduct).
8. Responsibility for management, escalation, monitoring and communication of key risks will be clearly defined.

9. Effectiveness of risk management will be subject to performance review and independent audit.

10. The Board will regularly seek assurance on behalf of patients, staff and the public that risk controls are in place and remain effective.

Underpinning these principles is a common framework within which risks are identified and assessed, this framework is shown below.
NHS Scotland has adopted the Australia/New Zealand Standard for Risk Management (AS/NZS 4360:2004) as a guiding principle in ongoing monitoring and improvement of Risk Management within the organisation. Details of the process can be found in the ‘Risk Management’ Policy and ‘Guide to Risk Management’ which supports this Plan.

A key component of the process is a standard approach to Risk Assessment throughout NHSG. Guidance on this standardised approach can found in the Risk Assessment Guidance which supports this Plan.

5. Aims and Objectives
The Aim of this Plan is to promote Risk Management as an integral part of the work of NHSG. This involves 5 key themes and a number of associated core objectives.

Theme 1: Developing Risk Management within the organisation:
Objectives to support this theme;
- Continue to develop an integrated approach to managing risk across all activities;
- Ensure that all risks are identified, assessed, minimised and wherever practicable, eliminated;
- Promote active stakeholder involvement in Risk Management;
- Engender a consistent approach to Risk Assessment;
- Continue to monitor and evaluate Risk Management and where appropriate make improvements.

Theme 2: Embedding key risk management system and process:
Objectives to support this theme;
- Satisfy the requirements of the Statement on Internal Control;
- Provide a robust Board Assurance Framework;
- Embed the use of Risk Registers across NHSG;
- Initiate a systematic and consistent approach to learning lessons and promoting continuous improvement;
• As far as is reasonably practicable, minimise costs associated with risk.

**Theme 3: Ensuring compliance with regulation and monitoring:**

Objectives to support this theme;

• Achieving and improving performance against all externally and internally regulated risk management activities;
• Satisfy all mandatory and statutory duties and undertakings;
• Ensure the Health and Safety of all Patients, Visitors and Staff.

**Theme 4: Embedding a culture where all staff are ‘risk aware’:**

Objectives to support this theme;

• Raise awareness of risks and their management through a programme of communication and training;
• Foster an environment whereby all staff understand that risk management is their responsibility;

An Action Plan to support these themes is set out at Appendix 1
6. Plan Drivers

There are a number of drivers for ensuring successful delivery of the above themes, these include:

6.1 Leadership

With Corporate Risks owned by Executive Directors, risk management is clearly supported by top-down commitment and support from the Board. This leadership will emphasise the importance of risk management throughout NHSG and communicate that it is the role of all staff to contribute to the effective management of our risks.

The Director of Nursing and Quality is the nominated lead Executive Director for the co-ordination of Risk Management issues within NHSG. This role is supported by the Head of the Quality. Governance and Risk Unit (QGRU).

Specific Risk Management responsibilities for individuals and/or groups are set out in the Risk Management Policy which supports this Plan.

6.2 Monitoring and Reporting

Governance of risk management will be exercised through reporting on the significant elements of the system at the appropriate management level to ensure that the arrangements are subject to the appropriate scrutiny and monitoring.

The Director of Nursing supported by the Head of the QGRU will provide risk performance reporting information that meets the requirements of Directors and Managers.

6.3 Risk Tolerance

Risk Tolerance enables NHSG to optimise risk taking and accepting calculated risks within an appropriate level of authority.

The Corporate, Sector, Service and Project risk registers are important tools which indicate the risk appetite of the organisation with the inclusion of response for likelihood and impact.

The Risk Tolerance for NHSG and the organisational response to risk is set out in the Risk Management policy which supports this Plan.

Both the risk tolerance and risk profile will be continuously monitored by the Board and formally reviewed at least annually to check that the organisation’s risk tolerance aligns with the organisation’s risk profile and that the risk tolerance remains appropriate to deliver the organisation’s objectives in light of internal and external drivers and constraints.

6.4 Communication

We will continue to refresh the information on the QGRU microsite to make it accessible and provide those with risk responsibilities with the information they need to fulfil their role.

The effectiveness of this plan relies on effective communication not only of the plan itself, but also the policy, procedures and processes which support it. We will continue to develop a communication plan which identifies the key messages we need to share and the key audiences we need to reach to achieve raised awareness of the importance of managing risks consistently across the organisation in line and compliance with the framework.
Maturity models enable the organisation to document, communicate and implement process improvement. They contain the essential elements of effective processes and describe an evolutionary improvement path from ad hoc, immature processes to disciplined, mature processes providing greater benefit.

The model listed below will enable NHSG to conduct an initial assessment of our capability, from which we will set a realistic, long term plan for the progressive improvement of our risk management capability.

<table>
<thead>
<tr>
<th>Level</th>
<th>Risk Maturity</th>
<th>Risk Processes</th>
<th>Attitude</th>
<th>Behaviour</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Risk Scepticism</td>
<td>No Formal Processes</td>
<td>Avoidance of the issue</td>
<td>Lack of engagement, blasé or ignorant</td>
</tr>
<tr>
<td>2</td>
<td>Risk Awareness</td>
<td>Patchy, use of standalone processes</td>
<td>Suspended belief</td>
<td>Reactive, fire-fighting</td>
</tr>
<tr>
<td>3</td>
<td>Understanding and Application</td>
<td>Tick-box approach</td>
<td>Passive acceptance</td>
<td>Compliance, reliance on registers</td>
</tr>
<tr>
<td>4</td>
<td>Embedding and Integration</td>
<td>Risk embedded in key business processes</td>
<td>Active engagement</td>
<td>Risk based decision making</td>
</tr>
<tr>
<td>5</td>
<td>Robust Risk Management</td>
<td>Regular review and improvement</td>
<td>Committed</td>
<td>Innovation, confident risk taking</td>
</tr>
</tbody>
</table>

7.2 Assurance

We will continue to improve the work of the Board and Assurance Committees to deliver an integrated approach to the audit of our organisational control framework, based on a shared assessment of risks which will be informed by: our Annual Governance Statement; corporate risk register; external performance assessments; peer reviews and results of our own internal reviews.

7.3 Review

We will develop overtime an annual review process which considers whether:

- The framework and process adopted resulted in what was intended;
- Relevant staff are receiving adequate reporting to enable them to discharge their roles and responsibilities in the governance structure;
- People across the organisation have sufficient risk management skills, knowledge and competence, in line with the risk role/risk element of a role they are required to perform on a daily basis;
- The framework and process are fit-for-purpose and aligned to the objectives and priorities of the organisation;
- The risk management resources are adequate. And in doing this, we will ask staff and our partners for feedback on how we are doing to inform the future direction of risk management priorities and activities

We will combine these points into an Annual Report which will reflect the position and progress of Risk Management within NHSG. This Report will be at OMT for approval and thereafter circulated widely, including the Governance Committees.
## NHS Grampian Risk Management Plan

### Appendix 1

### Risk Management Plan Action Plan

<table>
<thead>
<tr>
<th>Theme</th>
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<td>a. Raise awareness of risks and their management through a programme of communication and training.</td>
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