
**Herefordshire Public Services and Partnership
Risk Management and Assurance Guidance**

After the Review Date has expired, this document may not be up-to-date. Please contact the document owner to check the status after the Review Date shown above.

If you would like help to understand this document, or would like it in another format or language, please contact the document owner.

Index

1.	Introduction	3
	1.1 Drivers of Risk	3
2.	Risk Management – A Quick Guide	5
3.	Step 1: Identifying Risks.....	5
3.	Step 1: Identifying Risks.....	6
4.	Step 2: Identify Existing Controls And Assess The Risk.....	8
	4.1 Risk Scoring Matrix.....	8
	4.2 Management Response to Risk Rating.....	9
5.	Step 3: Determine Additional Controls Required	10
	5.1 The 4T’s of Risk Control	10
6.	Step 4: Implement Additional Control Measures	12
7.	Step 5: Monitor Completion & Effectiveness of Controls - Assurance	13
8.	Assurance Framework	14
	8.1 Sources of Assurance.....	15
9.	Applying the Process to Opportunity Management	16
10.	Appendix 1	18
11.	Appendix 2.....	19
12.	Appendix 3 - Example Risk Register.....	21
13.	Appendix 4 - Example Board Assurance Framework	22
14.	Appendix 5 - Risk Management Glossary	23
15.	Appendix 6 - Document Classification.....	25

1. Introduction

Risk management can be defined “as a means of reducing adverse events occurring in organisations by systematically assessing, reviewing and then seeking ways to minimise their impact or possibly prevent their occurrence.” Risk management brings huge benefit to Herefordshire Public Services (HPS) as it enables us to be positive in the decisions we make.

When we consider potential risks we must remember there is an “upside” as well as a “downside” in whatever we do and it is important not to focus only on the adverse affects but to balance it with the opportunities that may arise.

The **Audit Commission** and **Care Quality Commission** require all local government and NHS trusts to assess their risks and develop action plans to address the risk. More importantly the PCT and Council aim to manage risk to add value, i.e. it will aim to achieve the balance between under-managing risks i.e. unaware and therefore no control, which could damage the PCT’s and / or Council’s performance, and over-managing them i.e. an obsessive level of involvement in the fine details, which could become overwhelming and stifle innovation and creativity.

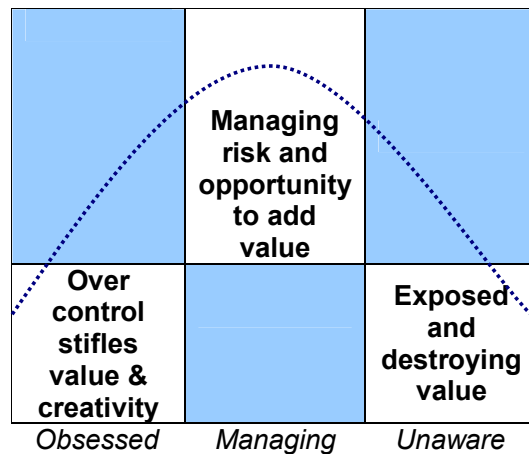


Figure 1: Managing risk and opportunity to add value

Risk management is one of the main components of Corporate and Clinical Governance; it requires us to:

- Have clear policies aimed at managing risks
- Undertake risk assessments to identify and manage risk
- Have action plans and programmes in place to reduce risk

The full benefits of risk management will only be obtained if there is a comprehensive and co-ordinated approach which is supported at every level of management throughout HPS.

This Guidance is intended to be used by all staff and departments in HPS. Independent contractors are welcome to use any part of this assessment tool in addition to those which they already use.

1.1 Drivers of Risk

Organisations all face risks from both internal and external factors. Understanding this helps to assess how much we can influence the risk.

It also helps to think of risk being driven by two basic categories, **strategic** and **operational**. At strategic level, the focus is on identifying the key risks to successful achievements of the organisation's objectives. These are the risks (or opportunities) that are most likely to affect the performance and delivery of strategic objectives. At operational level the focus is on those risks (or opportunities) primarily concerned with delivery of services, quality of services, continuity of business and clinical governance assurance.

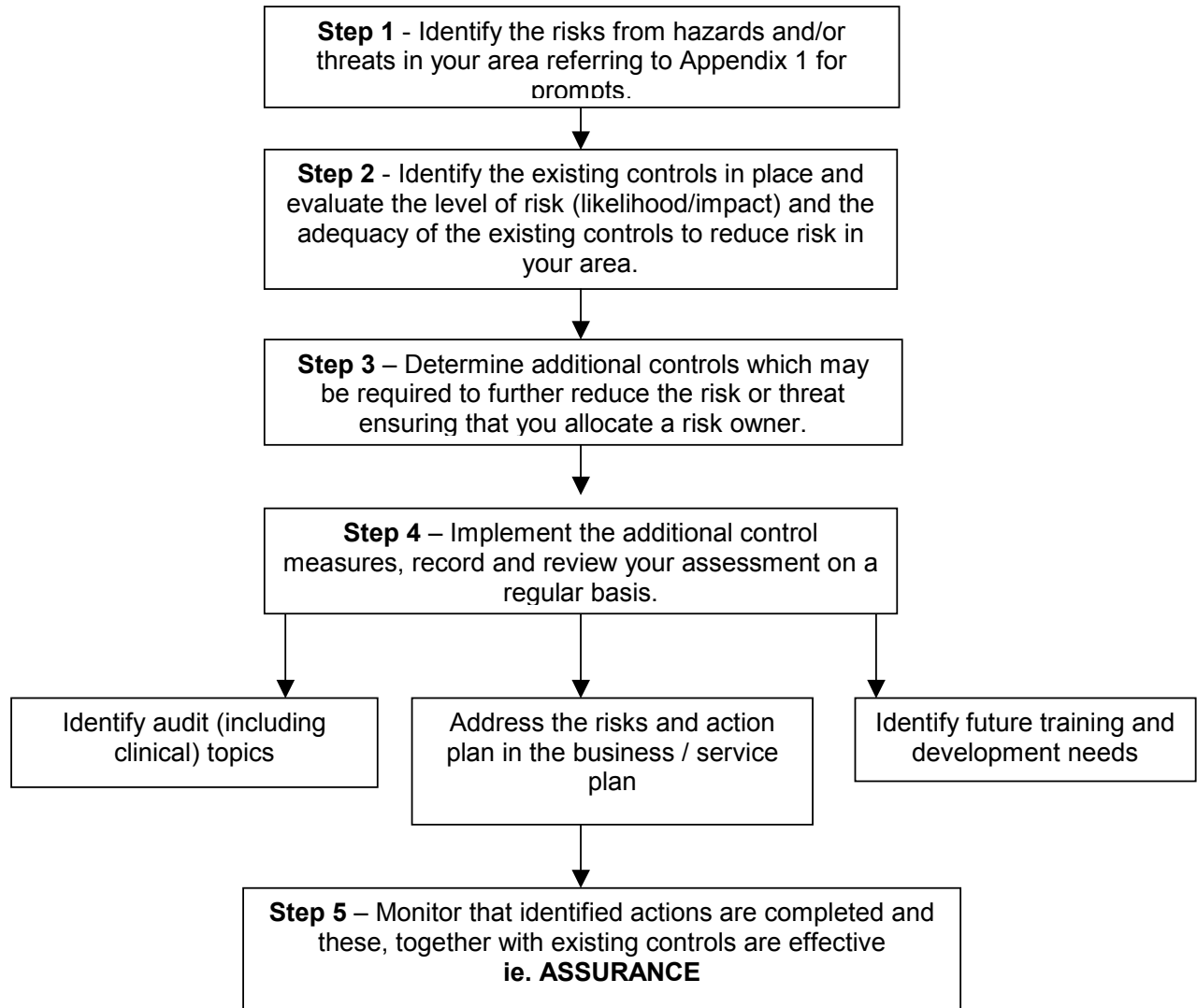
Strategic and operational risks are not mutually exclusive and a risk may escalate from an operational risk to a strategic risk (there are also project risks which, although they can again escalate up, are not specifically referred to in this handbook, identification, assessment etc of those risks follows the same process).

2. Risk Management – A Quick Guide

There are Five Steps of Managing Risk

1. **Identify Risks from Hazards and Threat events.**
2. **Evaluate the level of risk based on adequacy of existing controls.**
3. **Determine additional controls required.**
4. **Implement control measures and action plan.**
5. **Monitor controls, Record & Review assessment ie. Assurance.**

The five steps for the managing of risk are described in detail on pages 6 to 13, however the following flow chart provides a quick guide summary of the process.



3. Step 1: Identifying Risks

Risk identification is concerned with identifying events that can impact on the business objectives and delivery of services (strategic and operational) – ‘**what could happen**’. This should be considered from both the positive and the negative effect and so ask ‘what could happen if we do’ as well as ‘what could happen if we don’t...’, this will enable confident risk taking and exploitation of opportunities.

Common areas to prompt identification of risk include:

- **Strategic:** successful achievement of the organisation’s objectives ie. doing the wrong things as an organisation; missing opportunities
- **Finance:** losing monetary resources or incurring unacceptable liabilities
- **Reputation:** the image of the PCT and or Council, loss of public confidence
- **Clinical:** the clinical delivery of health and healthcare and access to services
- **Partnerships:** the risks/opportunities exposed to as part of a partnership
- **Legal / Regulatory:** claims against the PCT/ Council, non-compliance
- **Operational:** delivery of services, quality of services, continuity of business and clinical governance assurance ie. doing the right things in the wrong way
- **Information:** loss or inaccuracy of data, systems or reported information
- **Patients /public:** understanding their needs; delivery of and access to services and care
- **Environmental:** things outside of our control; Environmental impact
- **People:** risks associated with all employees, managers, Councillors and PCT Non-Executive Directors.

Using the following ‘**Wheel of Risk**’ and the prompts in **Appendix 1** (which contains additional specific examples of service risk assessment issues) make a list of events that could impact on the success of service delivery, project outcome etc.



In order to really be able to manage risks well you need to be explicit about **how** the events you have listed could impact on what you want to achieve in order to focus the action in the right area. This is done by:

- **Identify the objective/tasks** - involved in the job or activity you are undertaking, this will help you to break the activity down into its component parts and more easily see the hazards involved. Eg. Providing services (clinical or social) to people in their own homes.
- **Identify the hazards/threats** – what could prevent this objective/task being achieved. Eg. hazards/threats from flooding may make it difficult to get to some people.
- **Identify the Consequence/Impact** – should the hazard or threat be realised what would happen e.g. People may not receive necessary clinical or social care resulting in a deterioration in their condition.

Sometimes it can help to phrase the risk or opportunity into three parts: **Event – Consequence – Impact**

Typical risk phrasing could be

loss to...
failure of.....
failure to...
lack of...
partnership with...
development of...

leads to resulting in..

Failure to visit vulnerable adults at home due to floods leads to lack of food/lack of medication/clinical treatment resulting in the need to enter a care home/hospital.

Failure to (the event) could lead to either (the consequence) resulting in (the impact)".

Identify who might be at risk

Whilst analysing the risk you also need to consider who might be harmed as the impact could be felt in a number of ways. Is an individual (employee, patient, contractor, pregnant worker) likely to be harmed, or a group of people (vulnerable adults) or would it be the organisation that is at risk?

In the example above the impact would be felt most by the vulnerable adults that did not have their needs met, but there would also be a reputational impact on the organisation which would be seen to be failing in the delivery of services.

4. Step 2: Identify Existing Controls And Assess The Risk

Once the risk or opportunity has been identified it needs to be assessed for how likely it is the event could occur and the impact it will have if it should. This assessment should take into consideration **existing controls and / or action plans and their effectiveness**.

Typical examples of existing controls will include written policies and procedures, staff training, referral or admission criteria and the physical environment. In describing the controls it is important to consider how effective they are, when they were last reviewed or tested or when staff were last trained.

The assessment should be based on the risk scoring matrix below to ensure all risks are assessed objectively. Focus should be on the descriptor not the number. Once the level of likelihood and impact have been assessed, the two scores are multiplied to give an overall objective assessment of the existing (residual) level of risk.

4.1 Risk Scoring Matrix

Description and definitions of LIKELIHOOD of RISK occurring:

Description	Descriptor	Level
Can't believe that this will happen or recur.	Rare	1
Do not expect it to happen or recur.	Unlikely	2
Might happen or recur occasionally.	Possible	3
Will probably happen or recur, but is not a persistent issue.	Likely	4
Will undoubtedly happen or recur, probably frequently.	Almost Certain	5

Description and definitions of IMPACT/SEVERITY of RISK occurring:

Consequence Types	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Catastrophic
People (including patients, staff, carers and visitors)	No injury	Short term harm Will resolve in a month. First aid treatment required	Semi -permanent harm. Should resolve in a year Medical treatment required	Permanent or long term harm. Jeopardise well being – abuse, neglect assault	Single or Multiple fatalities
Delivery of services/ Strategic	No impact on ability to operate local services	Could threaten the efficiency or effectiveness of some services, but dealt with internally	Severe disruption to a service. Non achievement of local delivery plan	Loss of a service. Loss of stars / reduction in score in national performance review	Threatens the viability of the organisation
Financial Loss (e.g. Asset loss, repeat treatment, litigation, fines)	Loss in the range of £0 to £5,000	Loss in the range of £5,001 to £50,000	Loss in the range of £50,001 to £500,000	Loss in the range of £500,001 to £1,000,000	Loss of more than £1,000,000
Organisational Objectives	Management information does not meet business requirements	Service objectives not met or project failures in one service	Service objectives not met or project failures in multiple services	Failure to meet one key organisational objective	Failure to meet multiple key organisational objectives
Reputation	No impact on the reputation of the PST	Increase in patient / customer complaints or staff dissatisfaction	Negative press in local paper. Greater scrutiny by SHA, CAA or Audit Commission	Negative national press & television coverage. Intervention by SHA / Central Government	International television coverage. External investigation (CQC, HSE, police) Prosecution. Replacement of Board
Workforce and Morale	No impact on staff morale	Staff dissatisfaction	Increased Staff sickness & absenteeism	High rate of staff leaving	Inability to recruit or retain Industrial action
Legal	No breaches of law or local procedures / standards	Breaches of local procedures /standards	Breaches of regulation, national procedures / standards	Breaches of law punishable by fines	Breaches of law punishable by imprisonment

The risk rating then equals LIKELIHOOD x IMPACT/SEVERITY.

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

Risk Rating:

Low Risk 1 to 3
Moderate Risk 4 to 6
High Risk 8 to 12
Extreme Risk 15 to 25

4.2 Management Response to Risk Rating

The score of a particular risk will determine at what level decisions on acceptability of the risk should be made and where it should be reported to within the HPS. The Board and Cabinet have defined as “Significant” any risk that has the potential to damage the organisation’s objectives

General guidelines are:

Level of risk	How the risk should be managed	Who to make aware
Extreme (15-25)	Requires active management High impact / High likelihood: risk requires active management to manage down when possible and maintain exposure at an acceptable level	Report to a Director for more detailed analysis of the risk, to be included on the Assurance Framework and reported to the Board and Cabinet with proposed treatment/action plans
High Risk (8-12)	Contingency plans A robust contingency plan may suffice together with early warning mechanisms to detect any deviation from profile	Report to a Senior Manager/Director and then to an appropriate Risk Committee with proposed treatment/action plans
Moderate Risk (4-6)	Good housekeeping May require some risk mitigation to reduce likelihood if this can be done cost effectively, but good housekeeping to ensure the impact remains low should be adequate. Reassess frequently to ensure conditions remain same.	Report to Senior Manager with proposed treatment/action plans, for particular monitoring.
Low Risk (1-3)	Review periodically Risks are unlikely to require mitigating actions but status should be reviewed frequently to ensure conditions have not changed	Report to local manager for local action to reduce risk

This information should be recorded on the Risk Assessment Form found at Appendix 2

5. Step 3: Determine Additional Controls Required

Once risks and opportunities have been identified and assessed for likelihood and impact, this will provide you with a **Current/Residual** risk rating. The rating will identify those risks where further resources may need to be allocated to reduce the risk. This will be included on the risk assessment form as the **Action Plan**.

An Action Plan should be completed for all for all residual risks rated **extreme**, **high** or **moderate** and should include the following information:

- a) **Risk Owner** - Each risk will be assigned a risk owner **who** will own and determine **how** the risk/opportunity will be managed, controlled or exploited.
- b) **Action Description**- A detailed description of the action required to manage or **treat** the risk. Should the risk be avoided, eliminated, reduced, transferred or accepted? A useful framework for considering these questions is the “4 T’s”

5.1 The 4T’s of Risk Control

	NOTES
<p>Terminate Stop the activity altogether</p>	<ul style="list-style-type: none"> • Rarely an option in public sector activity though this may be possible for some non-core activities.
<p>Tolerate Accept the risk and live with it</p>	<ul style="list-style-type: none"> • Applies to risks within the tolerance threshold or those where the costs of treatment far outweigh the benefits. • Should be backed up by appropriate contingency plans, business continuity plans and recovery plans.
<p>Transfer To a third party or through insurance</p>	<ul style="list-style-type: none"> • Can transfer all or part of the risk. • Beware – although responsibility can be transferred, accountability rarely can, so it requires close monitoring.
<p>Treat Take action to control the likelihood and/or impact</p>	<ul style="list-style-type: none"> • This is where the bulk of the risk management action falls. • The purpose of treating a risk is to continue with the activity which gives rise to the risk but to bring the risk to an acceptable level by taking action to control it in some way through either <ul style="list-style-type: none"> ○ containment actions (lessen the likelihood or consequences and apply before the risk materialises) or ○ contingent actions (put into action after the risk has happened, i.e. reducing the impact. Must be pre-planned) •

These are not mutually exclusive categories – it is quite normal to use a combination of two or more.

Consider what additional controls can be introduced to either remove the risk or reduce it. Through these controls can the likelihood of occurrence be reduced? Can the impact be reduced? Can consequences of the risk be changed?

Typical examples of controls include the introduction of new policies with associated training for staff, reviewing skill mix, undertaking audits to identify problem areas.

When completing an Action Plan it is important to ensure that:

- The action is proportionate to the risk.
- Whether new risks are caused by the action.
- Controls are SMART – Specific, Measurable, Achievable, Realistic and Time-bound.

- c) **Resources Required** – Are resources required to implement the actions and if so what type i.e. personnel or financial and how can they be secured. The cost of management and control of the risk should be proportionate to the risk that is being addressed
- d) **Target/ Review Date** – enter target date for completion of action(s) or when the actions will be reviewed. As a guide it is suggested that the following timescales be used:

Extreme Risk Score	15 to 25	– Within 3 months
High Risk	Score 8 to 12	- Within 6 months
Moderate Risk	Score 4 to 6	- Within 12 months

- e) **Target Risk Rating** – unless a risk is terminated it is impossible to remove it completely and so the risk owner needs to identify what is acceptable as a target.

6. Step 4: Implement Additional Control Measures

It is important to ensure that any new controls are implemented and that the assessment is regularly reviewed. Controls may need to be included in service or business plans or identified as part of future training & development needs.

All completed risk assessments are recorded on a Risk Register – these are in place for departments, services, directorates, HC & NHSH (Corporate Risk Register). An example Risk Register is included at **Appendix 3**. Currently HC and NHSH have separate databases for storing this information but it is presented in the same format.

An essential element of the risk management process is that risks / opportunities can be cascaded up or down according to the levels of risk and available resource – see **Step 2, Management Response to Risk Rating**. For example a risk identified at service level may be managed or contained adequately until perhaps a sudden change in either the internal or external environment means the service does not have capacity, authority or resources to manage or contain the risk. It could be that the sudden change has created multiple impacts that together are very high or are out of the range of control of the head of service. The risk is then cascaded up to the next level (e.g. Directorate or Board). The risk is then assessed at that level and management determined.

This clear process enables assurance to the highest level that risks (and opportunities) are being managed at their appropriate level.

7. Step 5: Monitor Completion & Effectiveness of Controls - Assurance

Circumstances and business priorities can, and do, change, and therefore risks, opportunities and their circumstances need to be regularly reviewed. Some risks will move down the priority rating, some may leave, and others will be identified.

The risk management process requires that risk owners review their risks and report **at least quarterly**.

That review should incorporate the following questions:

- Is the risk / opportunity still relevant (what changes have occurred in the internal / external environment)?
- How do I know the controls have been effective – have there been any internal or external reports to provide assurance?
- What progress has been made in managing the risk/ opportunity?
- Given the progress (or not), does the risk score need revising?
- Are any further controls required, if so what should these be?

Risk management should be included as an item of the agenda of all department management team/board meetings.

A list of potential sources of Assurance is included on page 15

8. Assurance Framework

The Assurance Framework is basically an extension of the risk register which allows for further analysis of any **Extreme Risks** (rated 15-25) which could impact on the HPS achieving their strategic or principal objectives.

It provides a framework for reporting key information to the Board and Cabinet and an example is in **Appendix 4**. It provides assurance about where risks are being managed effectively and objectives are delivered and will also identify which of the HPS objectives are at risk because of gaps in controls or assurance about them. There is a minimal content for an Assurance Framework and whilst this has been set by the Department of Health it will be applied across the whole of HPS.

Key Controls - Organisations should ensure that they have **key controls** in place which are designed to manage their principal risks.

Controls should be documented and their design subject to scrutiny by independent reviewers, eg. internal and external auditors. The key controls should be mapped to the principal risks. When assessments are made about controls, consideration must be given not only to the design but also the likelihood of them being effective in light of the governance and risk management framework within which they will operate - even the best controls can fail if staff are not adequately trained.

Assurances on Controls - Where can the organization gain evidence that the controls are effective? The most objective assurances are derived from independent sources and these are supplemented from non independent sources such as clinical audit, internal management representations, performance management and self assessment reports. Page 15 contains a list of possible sources of assurance.

Where the assurer's report is confirmed as relevant, the organisation must endeavour to confirm that sufficient work has been undertaken in the review to be able to place reliance on the conclusions drawn. The organisation will need to assess whether a review provides:

Positive Assurances

There are sufficient, relevant, positive assurances to confirm the effectiveness of key controls and **the objectives are met**. This should be reported to the Cabinet and Board and recorded as a positive assurance.

Gaps in Control

These should be recorded when there is a clear conclusion, based on sufficient and relevant work, that one or more of the key controls on which the organisation is relying are not effective.

Gaps in Assurance

There is a lack of assurance, either positive or negative, about the effectiveness of one or more of the key controls. This may be as a result of lack of relevant reviews, or concerns about the scope or depth of reviews that have taken place.

Principal risks cannot be considered in isolation, they will be derived from the prioritisation of risks fed up through the whole organisation and in this way the Risk Register contributes to the Assurance Framework. Therefore, whilst the Assurance Framework is managed by the Corporate Risk department ownership of the risks and responsibility for providing information on assurance continues to lie with Directors.

8.1 Sources of Assurance

Internal sources of assurance	External sources of assurance
<ul style="list-style-type: none"> • Internal audit • Key Performance Indicators • Performance reports • Sub-committee reports • Compliance audit reports • Local counter fraud work • Clinical audit • Staff satisfaction surveys • Staff appraisals • Training records • Training evaluation reports • Results of internal investigations • Serious Untoward Incident reports • Complaints records • Infection control reports • Standards for Better Health self-assessment • Information governance toolkit self-assessment • Patient advice and liaison services reports • Human resource reports • Internal benchmarking 	<ul style="list-style-type: none"> • External audit • Audit Commission • NHS Litigation Authority • Clinical Negligence Scheme for Trusts • Strategic health authority reports/reviews • Monitor • Care Quality Commission hygiene code reports • Care Quality Commission reviews • Care Quality inspections of Standards for Better Health declarations • Royal College visits • Deanery visits • External benchmarking • Patient environment action team reports • Accreditation schemes • National and regional audits • Peer reviews • Feedback from service users • Feedback from commissioners • External advisors • Local networks (for example, cancer networks) • Investors in People • Department for Children, Schools and Families • Central Government Departments • External Insurers and Brokers • Lexcel

9. Applying the Process to Opportunity Management

Good risk management will also help us to explore and take up opportunities as they are identified. The approach is the same as for risk assessment – we need to ask:

- Is there an opportunity we could take to help us achieve our objectives?
- What is the likelihood of it happening?
- What would be the impact if it did?
- What needs to be done – how can we develop this, what actions are needed to ensure it happens?

Description and definitions of LIKELIHOOD of the OPPORTUNITY occurring

Description	Descriptor	Level
No evidence or experience of this happening in the organisation. No identified benefits	Rare	1
Opportunity for which the likelihood is low based on resources currently being available. Possibility of some benefits if a risk was carefully managed.	Unlikely	2
Possible opportunity identified but which has yet to be fully investigated. Benefits that can be attributed to the careful management or toleration of an identified risk.	Possible	3
An opportunity that has been explored and may be achievable but which will require careful management. Opportunities clearly identified or deliverable benefits achieved from managing / tolerating an identified risk	Likely	4
A clear opportunity already identified which can be relied upon, with reasonable certainty, to be achieved in the short term and which will deliver clear benefits.	Almost Certain	5

Description of IMPACT (i.e. benefits) of the OPPORTUNITY

Consequence Types	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Significant
Delivery of services	No change to delivery of patient / customer care or access	Some slight improvement on internal business only – but have no effect on patient / customer care or access to services (no change in delivery)	Noticeable improvement to NHS Herefordshire – would have a slight improvement on patient / customer care or access to services	Noticeable an improvement in services, patient / customer care and / or access (delivery, quality, level, cost etc)	Patient / customers would see a significant and noticeable improvement in services, patient / customer care and / or access to services (delivery, quality, level, speed, cost)
Financial Gain	Income generation and / or savings of less than £5,000	Income generation and / or savings (>£5,001 - < £50,000)	High income generation and / or savings (<£50,001 - <£100,000)	Major income generation and / or savings (>£100,001 - >£250,000)	Income generation and / or savings >£250,001
Reputation	Would not have an impact on HPS reputation	Positive local media coverage	Positive media coverage in national tabloid press / municipal journals and/or significant local media coverage Positive recognition by external body (Audit Commission, CQC, DH etc)	Recognition from professional community / external body Coverage in national (broadsheet) press and/or low national TV reporting	Recognition as leader in field from professional community / external body Extensive positive coverage in national press and broadsheet editorial and/or national TV item
Partnership	No additional partnership initiatives identified	Local level partnership initiatives identified	County wide level partnership initiatives / arrangements	Regional partnership initiatives / arrangements	National or international partnership initiatives / arrangements
Environmental	No or insignificant environmental or economic improvement	Minor improvement to local environmental / economy	Moderate improvement to local environmental / economy	Major improvement to local environment / economy	Significant improvement to national and/or international environmental

The opportunity rating then equals likelihood x CONSEQUENCE/IMPACT

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

Opportunity Rating:

Low Opportunity 1 to 3
Moderate Opportunity 4 to 6
High Opportunity 8 to 12
Significant Opportunity 15 to 25

Management response to OPPORTUNITY RATING

Level of Opportunity	How the opportunity should be managed
Significant 15-25	Active engagement to continue - requires periodic review to ensure conditions remain unchanged
High 8-12	Active engagement to continue – may require further engagement to increase benefits and/ or good housekeeping & some mitigation to ensure level of likelihood & impact maintained.
Moderate 4-6	Level of engagement to be reviewed - robust contingency plans & early warning mechanisms in place to ensure opportunity does not become any lower or a threat.
Low 1-3	Requires active management to ensure remains an opportunity and not become a threat. Or review viability and consider whether this initiative should be terminated.

As risk management becomes embedded and managers become confident risk takers then in addition to the 4 T's of Risk Control (page 11) there is a fifth option open:

Taking the opportunity - This is an option to be considered whenever tolerating, treating, or transferring a risk. There are two aspects to this:

1. The first is whether or not at the same time as mitigating threats, an opportunity arises to exploit positive impact. For example, is a large sum of capital funding is to be put at risk in a major project, are the relevant controls judged to be good enough to justify increasing the sum of money at stake to gain even greater advantages?
2. The second is whether or not circumstances arise which, whilst not generating threats, offer positive opportunities. For example, a drop in the cost of goods or services frees up resources that can be re-deployed.

10. Appendix 1

Examples of Service Risk Assessment Issues

- Policies and Procedures
 - Clinical
 - General
 - Departmental
- High risk areas
 - Surgery
 - Minor Injury Unit
 - Anaesthesia
 - Acute Psychiatry
 - Pharmacy
 - Prescribing
 - Infection control
 - Medicines management
 - Blood Transfusion
 - Resuscitation
- Staffing
 - Numbers
 - Grades
 - Competence
 - Access and availability of training
 - Induction
 - Supervision
 - Volunteers
- Contracts for core services
- Information for clients
- Consent issues
 - Policy
 - Process
 - Underage
 - Staff training
- Counselling
- Lone Working
- Records
 - Clinical records
 - Data Protection
- Storage and retrieval
- Confidentiality
- Prescribing and administration of drugs
- Maintaining standards in out of hours services
- Criteria for access to and refusal of service
- After care / discharge
- Incident Reporting
- Complaints
- Clinical Audit
- Adverse events
- Research and development
- Organisational arrangements
 - Communication
 - Access to support and advice
 - Geographical issues
- Maintenance & Use of equipment
- Dealing with emergencies
- Health and Safety
 - Manual Handling
 - COSHH
 - Violence and aggression
 - Policy
 - Risk assessment
 - Training
 - Access to support / back up

11. Appendix 2

RISK MANAGEMENT ASSESSMENT (to be completed by assessor)													
Title (Activity/ Job/ Premises)		Reference No:			Likelihood			Impact/Severity					
Location/Dept		Assessor Name(s)			5 Almost Certain			1 Insignificant	2 Minor	3 Moderate	4 Major	5 Catastrophic	
Authorising Manager		Authorising Mgr Signature			4 Likely			5 MODERATE	10 HIGH	15 EXTREME	20 EXTREME	25 EXTREME	
Overall Rating		Review Date			3 Possible			4 MODERATE	8 HIGH	12 HIGH	16 EXTREME	20 EXTREME	
					2 Unlikely			3 LOW	6 MODERATE	9 HIGH	12 HIGH	15 EXTREME	
					1 Rare			2 LOW	4 MODERATE	6 MODERATE	8 HIGH	10 HIGH	
								3 LOW	2 LOW	3 LOW	4 MODERATE	5 MODERATE	
No	Objective/ Task / Equipment/ Materials/ Activity, etc	Hazard Organisational/ Personal threat	Risks Impact/Severity	Who might be affected	Existing controls currently used (What are we doing now?)	Risk evaluation			Action Plan Additional control/precautionary measures required	By Whom & By When initials & date	Risk Rating after Action taken		
						Likeli- hood	Severity	Rating			Likeli- hood	Severity	Rating
					•				•				
					•				•				
					•				•				
					•				•				
					•				•				
					•				•				
					•				•				
					•				•				
					•				•				
					•				•				
		Assessors Signature:			Date Completed:								
Senior Manager signature		Senior Mgr Signature:			Date:								
*** Only required where high risk or large finance requirement ***													

Progress – Qtr 1		Signed & Dated	
Progress – Qtr 2		Signed & Dated	
Progress – Qtr 3		Signed & Dated	
Progress – Qtr 4		Signed & Dated	

What is the likelihood for re-occurrence of this event? Use the table below to assign this incident a category code.

Level	Descriptor	Description
5	Almost Certain	It has already happened and is a persistent issue.
4	Likely	It has already happened, but is not a persistent issue.
3	Possible	It could occur, but it has not yet.
2	Unlikely	Do not expect it to happen.
1	Rare	Can't believe that it will happen.

What is the likely impact or severity if it does happen again?

Use the table below. The highest level ticked determines the overall Consequence Category rating. If in doubt, grade up not down

Consequence Types	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Catastrophic
People (including patients, staff, carers and visitors)	No injury	Short term harm. Will resolve in a month. first aid treatment required	Semi -permanent harm. Should resolve in a year. Medical treatment required	Permanent or long term harm. Jeopardise well being – abuse, neglect assault	Single or Multiple fatalities
Delivery of services/ Strategic	No impact on ability to operate local services	Could threaten the efficiency or effectiveness of some services, but dealt with internally	Severe disruption to a service. Non achievement of local delivery plan	Loss of a service. Loss of stars in national performance review	Threatens the viability of the organisation
Financial Loss (eg. Asset loss, repeat treatment, litigation, fines)	Loss in the range of £0 to £5,000	Loss in the range of £5,001 to £50,000	Loss in the range of £50,001 to £500,000	Loss in the range of £500,001 to £1,000,000	Loss of more than £1,000,000
Organisational Objectives	Management information does not meet business requirements	Service objectives not met or project failures in one service	Service objectives not met or project failures in multiple services	Failure to meet one key organisational objective	Failure to meet multiple key organisational objectives
Reputation	No impact on the reputation of the PCT	Increase in patient complaints or staff dissatisfaction	Negative press in local paper. Greater scrutiny by SHA	Negative national press & television coverage. Intervention by SHA	International television coverage. External investigation (CHI, HSE Prosecution. Replacement of Board
Workforce and Morale	No impact on staff morale	Staff dissatisfaction	Staff sickness & Absenteeism	High rate of staff leaving	Inability to recruit or retain. Industrial action

12. Appendix 3 - Example Risk Register

Risk Register

Dept.	ID	Opened	Title	Description	Controls in place	Impact (Initial)	Likelihood (Initial)	Rating (Initial)	Risk level (Initial)	Action summary	Impact (current)	Likelihood (current)	Rating (current)	Risk level (current)	Review date
									Red					Orange	
									Red					Red	
									Red					Yellow	
									Orange					Orange	
									Orange						

13. Appendix 4 - Example Assurance Framework

SAMPLE ASSURANCE FRAMEWORK – JUNE 2009

Corporate Objective	Improving Health & addressing Inequalities - continually identifying & refining needs
Risk Register Reference	537

Principle/Directorate Objective									
What could prevent this objective being achieved – hazard/threat	Existing controls currently used (What are we doing now?)	Assurance on Controls - Who	Positive Assurances to Board - What	Gaps in Controls	Gaps in Assurance	Risk Rating	Standards for Better Health	Who might be affected	Directorate
Inadequate preparation in the event of Pandemic Influenza	DH UK contingency plan. Herefordshire Influenza Pandemic Planning Committee. Existing major incident plans and emergency planning command & control structures. Mass prophylaxis plan. Emergency Planning Lead Pandemic Influenza Plan	DH/SHA Audit	Self assessment of Pandemic flu planning (SHA tool) PCT score for 2008-09 is 77%. Contingency Plan received March 09 Verbal update May 09	Lack of Business Continuity Plans from some providers.		20	Domain 7: Public Health Core Standard C24: Healthcare organisations protect the public by having a planned, prepared and, where possible, practised response to incidents and emergency situations which could affect the provision of normal services	Public	Public Health
Additional control/precautionary measures required				By When	By Whom	Risk Rating after Action	Progress		
<ul style="list-style-type: none"> Implement actions/strategy agreed at HIPPC within PCT Training programme Anti-viral strategy Review business continuity planning arrangements in PCT and Primary Care Recruit joint Emergency Planning Lead with Council 				01/04/09 01/01/07 01/04/07 01/10/09 31/10/08			Update awaited Completed Completed Project manager in place to assist work with PCT provider. Completed		

14. Appendix 5 - Risk Management Glossary

Assessing risks	The approach and process used to prioritise and determine the likelihood of risks occurring and their potential impact on the achievement of our objectives.
Assurance Framework	A tool that sets out the risks for each strategic objective, along with the controls in place and assurances available on their operation. Reported to Board and Cabinet.
Consequence	The outcome of an event so the reason for managing the risk.
Contingency	An action or arrangement that can be put into place to minimise the impact of a risk if it should occur.
Control (control measures)	Any action, procedure or operation undertaken to either contain a risk to an acceptable level, or to reduce the likelihood .
Corporate Governance	The method by which functions are regulated and controlled
Identifying risks	The process by which events which could affect the achievement of the organisations objectives , are drawn out and described and listed.
Impact	The effect that a risk would have if it happens
Likelihood	The probability that an identified risk event will occur
Managing & controlling risks	Developing and putting in place actions and control measures to treat or manage the risk
Mitigation (Plan)	A strategy that decreases risk by lowering the likelihood of a risk event occurring or reducing the impact of the risk should it occur.
Objective	Something worked toward or striven for, a goal.
Operational risk	Risks associated with the day-to-day issues that an organisation might face as it delivers its services.
Project risks	Risks associated with a specific activity, which has defined goals, objectives, requirements, a life cycle, a beginning and an end.
Periodic review	A review that occurs at specified regular time intervals.
Residual risk	The level of risk remaining after managing it through treatment and/or control measures
Risk	The chance of something happening that will have an effect on our objectives . This could be an opportunity as well as a threat.
Risk appetite	The level of residual risk that the PCT is prepared to accept, tolerate or be exposed to at any point in time

Risk owner	The person who has overall responsibility for ensuring that the strategy for addressing the risk is appropriate and who has the authority to ensure that the right actions are being taken
Risk management/ Risk management process	The corporate and systematic process that efficiently identifies, assesses, manages and communicates the impact of risks in a cost-effective way and having staff with the appropriate skills to identify and assess the potential for potential threats and opportunities to arise.
Risk prioritisation matrix	The number of levels of likelihood and impact chosen against which to measure the risk and identify methods of management of the risk.
Risk register	A framework for capturing information about each risk , e.g. brief description, it likelihood , its impact , how we are controlling it and who is managing that risk.
Risk profile	The summary of identified risks and assessment of their seriousness.
Risk strategy	The overall organisational approach to risk management.
Strategic risks	Risks concerned with where the organisation wants to go, how it plans to get there and how it can ensure survival.
Target Risk	The level of risk that the organisation is aiming to achieve after the action plan is implemented.

15. Appendix 6 - Document Classification

Author Name and Role
Date Created
Date Issued
Description
File Name
Format
FOI/EIR Disclosure
Geographic Coverage
Group Access
Language
Master Location
Publisher
Rights Copyright
Security Classification
Status
Subject
Title
Type

Consultation Log

*Date sent for
consultation*
Consultees

Approval Log

Date

*Impact on health and
wellbeing assessed by*
To be agreed by
To be approved by
Finally to be ratified by
To be reviewed by:

Version Log

<i>Version</i>	<i>Status</i>	<i>Date</i>	<i>Description of Change</i>	<i>Reason For Change</i>	<i>Pages affected</i>
----------------	---------------	-------------	----------------------------------	------------------------------	---------------------------

(Place at the end of the policy / procedure / protocol once approved)