



Risk Management Strategy

NHS GREATER GLASGOW & CLYDE	Custodian: Head of Clinical Governance
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Glossary of Terms

Assurance. Stakeholder confidence in our service gained from evidence showing that risk is well managed.

Corporate Risk Register. A Board level register, which spans all units on a Pan-Board basis.

Healthcare Governance. The system by which NHS Greater Glasgow & Clyde is directed and internally controlled to achieve objectives and meet the necessary standards of accountability, probity and openness in all three areas of clinical, corporate and staff governance.

Internal Control. Corporate governance arrangements designed to manage the risk of failure to meet NHS Greater Glasgow & Clyde's objectives.

Likelihood. Chance of circumstances in question actually occurring.

Near Miss. An undesirable incident that by chance or design did not result in harm or loss.

Incident. An adverse event which causes or may have caused physical or psychological harm.

Incident Recording. The system of reporting adverse events or near misses.

Partnership. Way of working where staff at all levels and their representatives are involved in developing and putting into practice the decisions and policies which affect their working lives.

Risk. The likelihood, high or low, that somebody or something will be harmed by an unwanted event or incident, multiplied by the severity of the potential harm. Risks are measured in terms of their likelihood and consequences.

Risk Assessment. The systematic process to identifying risk and evaluating their potential likelihood and consequences.

Risk Control Measure. Something done to minimise risk to an acceptable level either by reducing the likelihood of an adverse event or the severity of its consequences or both.

Risk Register. A database of risks. Always changing to reflect the dynamic nature of our risks and our management of them. Its purpose is to help managers prioritise available resources to minimise risk to best effect and provide assurances that progress is being made.

Risk Escalation. The process of delegating upward, ultimately to the board, responsibility for the management of a risk deemed to be impossible or impractical to manage locally.

Risk Management Principles. Ideology for the implementation of risk management.

Risk Management. The culture, processes and structures that are directed towards realising potential opportunities whilst managing adverse effects.

Root Cause Analysis. Structured techniques to establish the true systematic causes of an event as opposed to its apparent causes.

Significant Risk. Broadly, any risk that could adversely affect achievement of NHS Greater Glasgow & Clyde's objectives or present a large loss with no clear opportunity for control.

Statement of Internal Control. A statement by the accountable officer within the published Annual Report, required by HDL(2002)11, on the effectiveness of NHS Greater Glasgow & Clyde's systems of internal control, for which risk management is a key component.

1. Why is Risk Management so important to us?

NHS Greater Glasgow & Clyde aims to provide high quality and safe services to the public it serves in an environment which is also safe for the staff it employs or contracts with to provide services.

In fulfilling this aim, NHS Greater Glasgow & Clyde will establish a robust and effective framework for the management of risk, one that is proactive in understanding risk, builds upon existing good practice and is integral to all our decision making, planning, performance reporting and delivery processes.

The strategy is predicated on the belief that Risk Management is:

- **An important activity to ensure the health / well being of patients, staff and visitors.**
- **An inclusive and integrative process covering all risks, set against a common set of principles.**
- **Best implemented where good practice is acknowledged and built upon.**
- **A major corporate responsibility requiring strong leadership and regular review.**

We believe that the provision of high standards of health, safety and welfare within a risk management framework is fundamental to the provision of high standards of health care.

To fulfil this requirement we will:

- Develop a culture, which secures the involvement and participation of all - staff, patients and the public - in risk assessment and incident reporting.
- Implement measures to systematically identify and control risk as an effective approach to the prevention of injury, ill health and loss.
- Secure the commitment of management at all levels to promote risk management and provide the necessary leadership and direction.
- Adopt common standards throughout NHS Greater Glasgow & Clyde to provide and maintain robust systems to ensure compliance with relevant statutory requirements.
- Monitor and review risk management performance at all levels against agreed standards to ensure that corrective action is taken where necessary.
- Ensure that there are processes to facilitate the systematic recording and reporting of incidents and 'near misses' to minimise the risk of recurrence. The reporting mechanism will focus on systems more than individuals and cover clinical and non-clinical incidents.
- Recognise the contribution of all key stakeholders, including patients and the public, to ensure their involvement and participation in the overall risk management process.
- Have in place effective systems of communication to ensure the dissemination of information on risk management matters across NHS Greater Glasgow & Clyde.
- Secure the provision of resources, facilities, information, training, instruction and supervision to meet these objectives.

2. What is the Purpose of the Risk Management Strategy?

NHS Greater Glasgow & Clyde recognises the success of different arrangements developed for managing risk over the last few years in each of the predecessor Trusts and aims to build on the existing framework in existence at a Divisional level and develop a common set of standards and principles to underpin risk management across the single system.

This strategy thus affirms NHS Greater Glasgow & Clyde's commitment to improve its capability to manage risk. By tackling risk in the systematic way described in this strategy we can drive continuous improvement and have a positive impact on the quality of care, our staff and the efficiency of NHS Greater Glasgow & Clyde.

This strategy also formalises risk management responsibilities and sets out how the public may be assured that our risks are managed effectively and accordingly, represents a major element of NHS Greater Glasgow & Clyde 's healthcare governance arrangements.

The following principles underpin our approach to risk management in NHS Greater Glasgow & Clyde.

Table 1: Guiding Risk Management Principles

1. Founded on adopting a pan Health Board approach
2. Incorporates clinical and non clinical risk
3. Is comprehensive and integrated
4. Supported by clear processes for escalation of risk
5. Only exceptional risks advance to the Corporate Register
6. Integral to the business agenda and informs performance review
7. Provides assurance that effective systems are in place

3. What do we want the Strategy to Achieve?

The overall goal of risk management is to have an environment of 'No Surprises' where we understand the risks we face and eliminate or control them to an acceptable level, by creating a culture founded upon assessment and prevention of risk. To realise this goal, this strategy seeks to achieve the following objectives.

Table 2: Key Strategic Risk Management Objectives

It is our aim that the effective management of risk within a common set of agreed principles will

1. Be integral to all our decision making, planning, performance reporting and delivery processes.
2. Be devolved to Division/Directorates/Partnerships within a supportive common framework.
3. Improve the quality of patient care by preventing or reducing harm or potential harm to patients.
4. Minimise liabilities in the event of harm to a patient, visitor or member of staff.
5. Improve the safety and quality of the working environment for the benefit of all staff
6. Ensure stakeholders are kept informed of the developing Risk Management process.

4. Responsibilities

4.1 Overall Organisational Arrangements

Governance

The **Board** is a board of governance and is corporately responsible for NHS Greater Glasgow & Clyde's risk management strategy and for ensuring that significant risks are adequately controlled. To support the Board a number of formal committees have been established and are responsible for various aspects of risk management in NHS Greater Glasgow & Clyde—principally these are the **Performance Review, Audit, Staff and Clinical Governance Committees**. Their respective risk management roles are described in the diagram in section 4.5 below.

In addition each Division, Directorates, Partnerships and other significant service groups within NHS GG&C organisational structure will, individually and through their support to the Risk Management Steering Group, regularly review the Risk Management arrangements to give assurance/status reports to the Board and its formal committees.

The combination of these arrangements will ensure that from a governance perspective there is a clear focus on both the corporate and risk management processes the Acute Services Division and Partnership organisations.

Executive and Divisional Management

Whilst the Chief Executive has overall accountability for risk management across NHS Greater Glasgow & Clyde, the general management arrangements are tasked with the unambiguous lead role to co-ordinate, integrate, oversee and support the risk management agenda and provide assurances to the Board (and its Committees) that all significant risks are adequately managed and the risk management principles are embedded across NHS Greater Glasgow & Clyde.

It will be the responsibility of each Director, and their senior Management Team, to implement local arrangements, which accord with the principles, and objectives set out in this strategy.

To support the General Management arrangements in the development of risk management arrangements within NHS Greater Glasgow & Clyde, a Risk Management Steering Group has been established to provide technical and professional advice, which reports to the Chief Executive.

4.2 Roles and Responsibilities

All members of the Management Teams will have risk management responsibilities defined in their job descriptions and personal objectives. This will include the identification, assessment and analysis of risks and action plans to eliminate or minimise the impact of known risks.

Within each Management Team individuals may also be nominated to lead and co-ordinate particular elements of the risk management process and to work with colleagues and the local risk management advisors to develop and implement agreed actions.

All managers across NHS Greater Glasgow & Clyde have a responsibility to ensure that their staff are familiar with the latest risk management guidance and controls.

4.2 Roles and Responsibilities (continued)

All staff have a part to play, particularly in identifying and assessing risk. Staff will be actively encouraged to report all incidents, including 'near misses'. In order to ensure full reporting of incidents, a 'just culture' will be operated within which staff are free to report on incidents and concerns in the knowledge that they will be supported.

The delivery of NHS Greater Glasgow & Clyde's objectives increasingly relies upon effective co-operation, partnerships and joint working with partner agencies such as Local Authorities, Universities and the Voluntary Sector and independent contractors such as GP's, Dentists, Community Pharmacists and Opticians. NHS Greater Glasgow & Clyde commits to minimise any risk by ensuring:

- All areas will manage risk in partnership with partner agencies and contractors;
- An adequate risk management framework is incorporated as part of the governance arrangements for joint management and partnership agreements;
- Common objectives are agreed with partner agencies, contractors and the voluntary sector.

4.3 Learning and Development

To implement this strategy, focused and effective learning and development interventions are essential to achieve:

- A workforce with the competence and capacity to manage risk and handle risk judgements with confidence
- An organisational focus on identifying malfunctioning systems rather than people
- Organisational learning from adverse events.

Accordingly, plans will continue to be developed to promote risk management learning and development across NHS Greater Glasgow & Clyde.

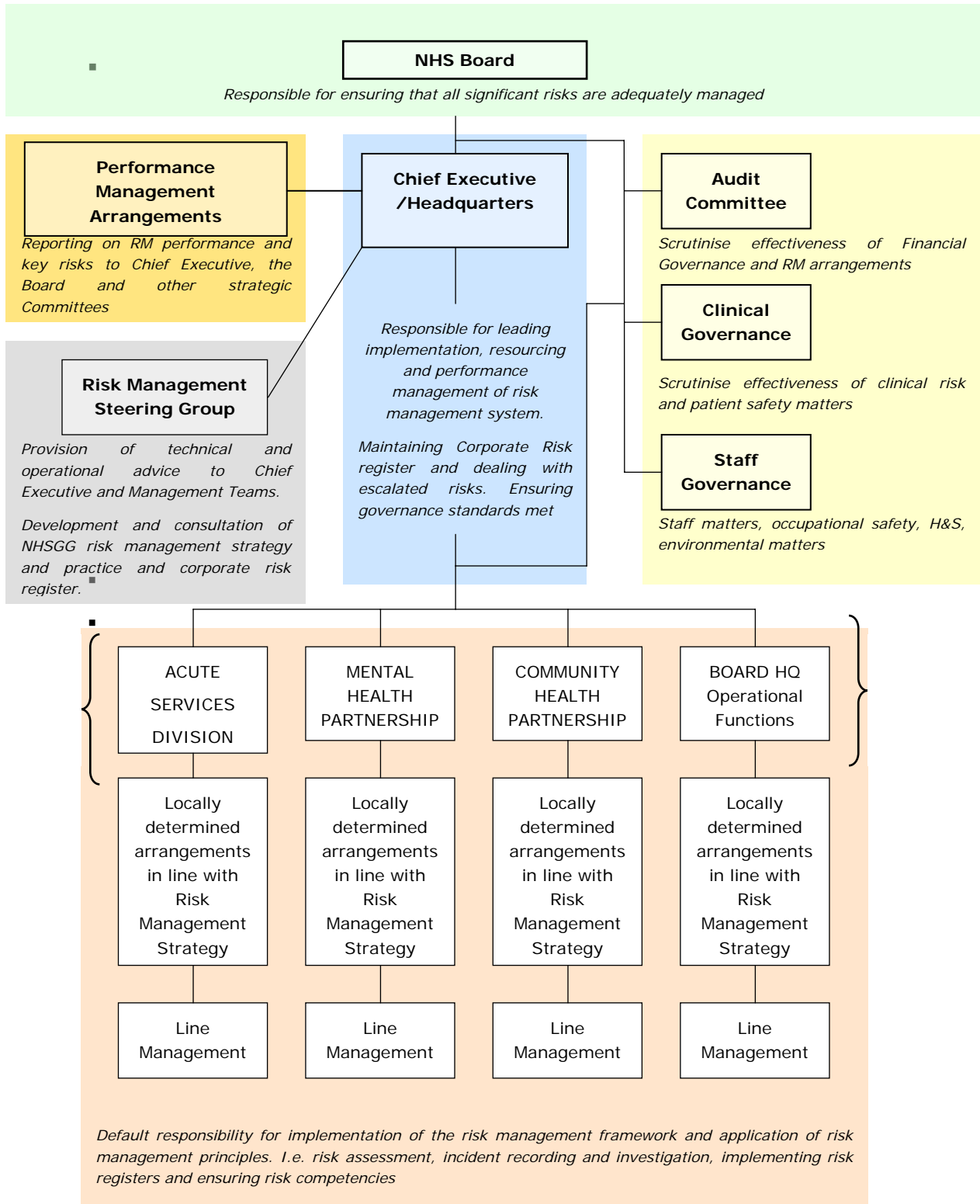
4.4 Provision of Support and Information

The availability of timely and accurate risk information is necessary for the implementation of this strategy. Accordingly, NHS Greater Glasgow & Clyde will:

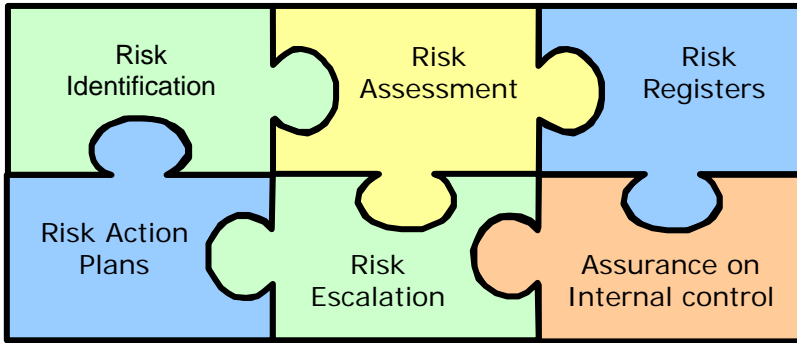
- Support the development of systems to support risk assessment, identification and the sharing of lessons as an integral part of performance monitoring;
- Develop relevant policy and guidance and ensure that it is kept up to date and remains easily accessible;
- Put in place effective systems of communication to make sure everyone in the organisation is sufficiently informed about risk management;

Promote continuous improvement and the sharing of good practice.

4.5 Schematic of Reporting Structure and Responsibilities



5. What is our Approach to Risk Management?



NHS Greater Glasgow & Clyde is a large, diverse and complex organisation where our Management Teams and staff already manage risk as an integral part of what they do every day. A universal prescriptive method to manage risk would therefore be

inappropriate. Instead, Divisional Management Teams managing risk in a way that best suits their existing style and arrangements should be able to demonstrate that they are managing risk in a consistent manner through the adoption of the guiding principles and general approach described in this strategy. This will ensure that common standards for the management of risk apply across NHS Greater Glasgow & Clyde and support the assurance and business requirements of the NHS Greater Glasgow & Clyde Board and its corporate management. The key components of the risk management framework are noted below:

5.1 Risk Identification



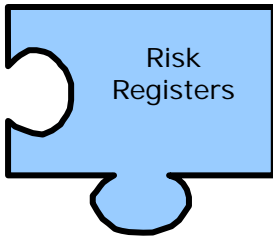
NHS Greater Glasgow & Clyde aims to minimise the likelihood and severity of risk events by the recording of all incidents or near misses through Incident Recording systems. It is the responsibility of management to encourage staff to report incidents that could pose a hazard or threat to people or the provision of services and thus enable improvements to be identified, prioritised and implemented. Recording and analysis processes will be available to support local data entry, with the overall aim of shared learning across NHS Greater Glasgow & Clyde. In addition to risks identified through the Incident Recording systems the Directors and the Management Teams will also be required to regularly 'horizon scan' to identify risks by looking forward to tomorrow's threats as part of the development of their Risk Register.

5.2 Risk Assessment



All risks shall be assessed using a standard classification matrix which will be applied consistently across NHS Greater Glasgow & Clyde. This will involve the assessment of risk in terms of the consequences and the likelihood of occurrence.

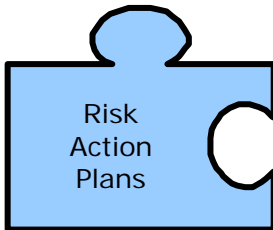
5.3 Risk Registers



Each Division, Directorate or Partnership will be responsible for maintaining its own **Risk Register**. The risk register will be used by each Management Team to inform priorities for the local implementation and monitoring of agreed mitigating controls. Each risk will be allocated a risk owner(s) who will be responsible for taking appropriate action to minimise its impact. Review of the risk register will be a standing Management Team agenda item that will help inform planning, management decisions and priorities. Management Teams will be expected to regularly review and update their risk registers.

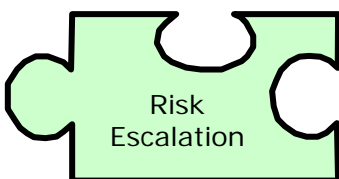
The NHS Greater Glasgow & Clyde corporate management will be responsible for maintaining a **Corporate Risk Register** which will record and report on action being taken to manage the strategic risks facing NHS Greater Glasgow & Clyde. The risks included on the Corporate Risk Register will be informed by the escalation procedures noted below, as well the collective input of Headquarters and the NHS Greater Glasgow & Clyde Board.

5.4 Risk Action Plans



All risks identified and prioritised for action within the Risk Register will require a supporting action plan, which will ensure that the risk is managed to an acceptable level. It will be the responsibility of the Management Teams and Headquarters to determine the most appropriate form of action and to allocate responsibility for implementation to an appropriate individual(s).

5.5 Risk escalation



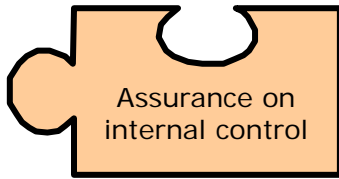
If significant risks have been identified that are deemed impossible or impractical to manage at a local Management Team level, then they should be reported for review by the Director, or COO, for reporting to Headquarters. Assessment and improvement should then be monitored through inclusion in the NHS Greater Glasgow & Clyde Corporate Risk register.

In the absence of such escalation, the responsibility for the management of risks remains with the Management Teams. Within Directorates or Partnerships similar escalation arrangements will be implemented to ensure that significant risks are highlighted for inclusion within local Risk Registers where this is deemed appropriate.

Table 3: Nature of Risks which may need to be Escalated

- Significant threat to achievement of health plan objectives or targets
- Assessed to be a substantial or intolerable risk
- Widespread beyond local area
- Significant cost of control far beyond the scope of budget holders
- Potential for significant adverse publicity

5.6 Assurance on the Effectiveness of Key Controls



As a result of the devolved accountability for all operational matters within NHS Greater Glasgow & Clyde, the Board requires assurance that local systems are capable of identifying their objectives and managing the risk to their achievement. To assist the Board meet its governance requirements in respect of the management of risk, the Management Team's will assess the effectiveness of the risk management processes and link to the Risk Management Steering Group to provide assurance to the NHS Greater Glasgow & Clyde Audit, Staff and Clinical Governance Committees.

The Chief Executive and the Performance Review Group will evaluate assurances for the most significant and widespread risks contained within the NHS Greater Glasgow & Clyde corporate risk register and regularly report their findings to the Board. This would include a view on NHS Greater Glasgow's ability to meet its objectives. This will ensure that risk management becomes firmly embedded as a Board responsibility and that assurances can be provided at all levels on the overall effectiveness of the risk management processes across NHS Greater Glasgow.

To provide confidence to patients, staff and the public that this is the case, NHS Greater Glasgow & Clyde will publish within it's annual financial accounts a Statement of Internal Control commenting on the effectiveness of the risk management arrangements.