

 <p> <b>GIG</b>      CYMRU  <b>NHS</b>      WALES   </p> <p>     Iechyd Cyhoeddus      Cymru      Public Health      Wales   </p>	<p> <b>Name of Meeting</b>        People and Organisational Development Committee  <b>Date of Meeting</b>        09 July 2024  <b>Agenda item:</b>        3.4.1     </p>
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<h2 style="text-align: center;">Public Health Wales Strategic Risk Register</h2>	
Director of People and Organisational Development	SR 4
<b>Purpose</b>	
Receive the Strategic Risk Register for the purpose of scrutiny.	

<b>Recommendation:</b>				
APPROVE <input type="checkbox"/>	CONSIDER <input checked="" type="checkbox"/>	RECOMMEND <input type="checkbox"/>	ADOPT <input type="checkbox"/>	ASSURANCE <input checked="" type="checkbox"/>
<p>The Committee is asked to:</p> <ul style="list-style-type: none"> <li>• <b>Consider</b> updated Strategic Risk 1 and 2 (Appendix 1)</li> <li>• Take <b>assurance</b> on the management of risks within the remit of the Committee.</li> </ul>				
<p><b>Link to Public Health Wales <a href="#">Strategic Plan</a></b></p>				
<p>Public Health Wales has an agreed strategic plan, which has identified seven strategic priorities and well-being objectives.</p>				
<p>This report contributes to the following:</p>				
<b>Strategic Priority/Well-being Objective</b>	All Strategic Priorities/Well-being Objectives			

<b>Summary impact analysis</b>	
<b>Equality and Health Impact Assessment</b>	No decision is required.
<b>Risk and Assurance</b>	This submission is the Strategic Risk Register in line with due process.
<b>Health and Care Standards</b>	This report supports and/or takes into account the <a href="#">Health and Care Standards for NHS Wales</a> Quality Themes



	Governance, Leadership and Accountability
<b>Financial implications</b>	The financial implications of failing to manage risk effectively are significant, both in terms of the potential for loss and also the failure to capitalise on opportunities.
<b>People implications</b>	There is a Strategic Risk relating to the workforce.

People and Organisational Development Committee

## 1. Purpose / situation

This paper summarises the organisational Strategic Risk Register, highlighting any areas of concern that may require further discussion. This paper must be read in conjunction with the Strategic Risk Register (Appendix 1).

The Strategic Risk Register (SRR) is the mechanism through which the Board demonstrates that it has a clear understanding of the strategic risks facing the organisation in the delivery of its strategic objectives. Together with an understanding of the likelihood and the impacts if the risks are realised. In addition, it provides assurance that any necessary actions required to mitigate those risks have been identified and are being managed. A Delivery Confidence Assessment is allocated to each risk, along with an overview assessment from the risk owner which provides a progress narrative update for each iteration of the strategic risk register.

The Strategic Risk Register details the **six** current Strategic Risks. This has been reduced since the last reporting period due to a decision to join previous Strategic risks 5 and 6 to allow for more robust management.

These risks represent the most significant harm that could prevent the organisation from delivering on its strategic priorities.

The next iteration of this report at the Board in July 2024 will encompass trend analysis, high-level analysis of strategic and corporate risks against approved risk appetite levels to show where risks are being managed outside of agreed thresholds.

## 2. Delivery Confidence Assessment

All strategic risks carry a delivery confidence assessment assigned by the Executive Sponsor. This was previously assessed in a subjective way, allocating a RAG status. After feedback from Board members, this has now been incorporated into a broader Risk Owner's Delivery Confidence assessment, which is a more detailed narrative assessment update.

A high-level update of all Strategic Risks with current trajectories is depicted below:



Risk Reference	Executive Sponsor	Inherent Score <sup>1</sup>	Current Score <sup>2</sup>	Trend Status	Progress
SRR4	Neil Lewis	25	16		<p>The organisation is implementing QOS incorporating governance system mapping and controls and has actions in place to mitigate the risk and close the gaps in assurance.</p> <p>POD have clear actions in the 2024-2025 IMTP which relate directly to this risk, i.e. publishing an updated People Strategy, developing a strategic approach to employee engagement, and identifying measures to track progress against the actions agreed to close the gap between current and ideal culture and increase employee engagement. Workforce planning is also part of the IMTP deliverables and a critical component in addressing this risk.</p> <p>Collaborative working between Planning, POD and Communication functions will contribute to improved methods to launch, land and embed related products/messaging and thereby increase engagement. A Leadership Forum has been established and will meet quarterly in future. A quarterly update on Organisation and People Development and Engagement has been built into the Leadership Team forward look.</p> <p>In 2023-2024 two cohorts completed a pilot Leadership and Management Development Academy and Leading with Impact workshops took place for all people managers, which together with other actions outlined in this plan will support improved leadership, management and engagement. The programme of work targeted at transforming leadership and management will continue throughout 2024-2025 and beyond and is the subject of a 2025-2026 IMTP commitment.</p> <p>Our Board and Committees are constituted in accordance with our Standing Orders and Scheme of Delegations. The functions of the Board are delivered in line with the Board Etiquette Protocol with external assurance from Audit Wales on performance. There is a robust and dynamic wellbeing provision in place designed to respond to the needs of all staff including those impacted by the Covid-19 Public Inquiry, including an organisational debrief process.</p>

The trend status indicates if the risk has remained stagnant at the inherent risk score and **Red, Amber, Green** demonstrates where improvements are in place and progressing well or complete, actions in place and being progressed

<sup>1</sup> This score represents the **severity of risks** before you implement controls to reduce or mitigate the risk  
<sup>2</sup> This score represents the **severity of risks** after controls to mitigate the risk have been applied.

currently or actions and controls have been identified but there has been limited progress in implementation.

### 3. Risk Appetite, Descriptors and links to Strategic Priorities

The Strategic Themes have been assessed with a risk appetite being approved for each. All strategic and corporate risks have been assessed against the risk appetite. The table below demonstrates the risk appetite by strategic theme.

Strategic Theme		Appetite Descriptor
1	Influencing the wider determinants of health	Keen
2	Promoting Mental and Social Wellbeing	Willing
3	Promoting Healthy Behaviours	Willing
4	Supporting the development of a sustainable health and care system focused on prevention and early intervention	Willing
5	Delivering excellent public health services to protect the public and maximise population health outcomes	Accepting
6	Tackling the public health effects of climate change	Keen

### 4. Risk Tolerance Decision

For each Strategic Risk a decision has been taken for how the organisation will respond to the risk. The four tolerance categories of risk management are shown below. This update does not recommend any changes to tolerance of our existing Strategic Risks at this review.

Risk Tolerance Decision	Descriptor
<b>Terminate</b>	Risk is unacceptable and decision taken to not proceed with whatever it is that may lead to the risk.
<b>Treat</b>	Risk is greater than wanted, and actions can be taken to reduce it. A decision to treat a risk, must always be accompanied by an action plan.
<b>Tolerate</b>	Risk has been managed down to an acceptable level and can be accepted with whatever controls are in place. This may be because it is either impractical or too expensive to do anything further about it. Would be accompanied by a contingency plan.
<b>Transfer</b>	The most common form of risk transfer is insurance. For example, a fire risk may be managed down as far as possible and then the financial risk is transferred out to an insurance company. It is important to remember however that reputational risks can never be transferred; they will always remain with the organisation. It is unlikely that the organisation will have risks which can be transferred.

## 5. Strategic Risks

Strategic risk 4 is listed below, with an executive overview.

A full assessment is provided in the attached Strategic Risk Register. The full register can be viewed at **Appendix 1**



<p><b>Risk 4</b></p>	<p><b>Risk of:</b> Worsening organisational health  <b>Due to:</b> Lack of effective organisational leadership and governance, progress towards ideal culture, ability to engage employees  <b>Impact:</b> Inability to recruit and retain high calibre staff, performance manage accountable officers in pursuit of strategic priorities, low staff morale and wellbeing.  Key Strategic Objectives contributing to mitigating the risk and agreed risk appetite level:  3) Promoting healthy behaviours <b>[Willing]</b></p>		
<p><b>Risk Owner's Delivery Confidence assessment</b></p>	<p>The organisation is implementing QOS incorporating governance system mapping and controls and has actions in place to mitigate the risk and close the gaps in assurance.  POD have clear actions in the 2024-2025 IMTP which relate directly to this risk, i.e. publishing an updated People Strategy, developing a strategic approach to employee engagement, and identifying measures to track progress against the actions agreed to close the gap between current and ideal culture and increase employee engagement. Workforce planning is also part of the IMTP deliverables and a critical component in addressing this risk.  Collaborative working between Planning, POD and Communication functions will contribute to improved methods to launch, land and embed related products/messaging and thereby increase engagement. A Leadership Forum has been established and will meet quarterly in future. A quarterly update on Organisation and People Development and Engagement has been built into the Leadership Team_forward look.  In 20203-2024 two cohorts completed a pilot Leadership and Management Development Academy and Leading with Impact workshops took place for all people managers, which together with other actions outlined in this plan will support improved leadership, management and engagement. The programme of work targeted at transforming leadership and management will continue throughout 2024-2025 and beyond and is the subject of a 2025-2026 IMTP commitment.  Our Board and Committees are constituted in accordance with our Standing Orders and Scheme of Delegations. The functions of the Board are delivered in line with the Board Etiquette Protocol with external assurance from Audit Wales on performance. There is a robust and dynamic wellbeing provision in place designed to respond to the needs of all staff including those impacted by the Covid-19 Public Inquiry, including an organisational debrief process.</p>		
<p><b>Exec Sponsor</b></p>	<p>Neil Lewis, Director of People and OD</p>	<p><b>Exec Contributors</b></p>	<p>Claire Birchall, Interim Exec Dir Quality, Nursing and Allied Health Professionals  Huw George, Deputy Chief Executive and Exec Dir of Ops &amp; Finance  Paul Vasey, Board Secretary and Head of Board Business Unit</p>
<p><b>Assurance Group</b></p>	<p>People and Organisational Development Committee</p>		



Risk Score	Likelihood	Impact	Total risk score	Expected timescale for movement in risk score (likelihood and/or impact)	
Inherent	5	5	25		Our work in relation to culture, ways of working and leadership will take time to embed, we are not expecting any significant movement in this risk score in the short term.
Current	4	4	16		
Target	3	2	6		
Key changes from last report		<p>No change to the risk score. Updates to actions due in 2023-2024. New actions to further address gaps in controls.</p>			
Link to Strategic Priorities and relevant strategic programmes		<p>Long Term Strategy People Strategy Strategic Equality Plan Organisational Culture Organisational Change</p>			
Corporate Risks relating to this Strategic Risk		<p>There is a risk that the organisation may not have the capacity or resources necessary to effectively deliver the long-term strategic plan. This risk arises from a challenging political and financial landscape, which includes staff time being redirected to contribute to the (Covid) public enquiry and an unstable industrial relations climate. Resulting in the inability to deliver the long-term strategy due to absence of strategic workforce planning.</p> <p>There is a risk that Public Health Wales will fail to meet the requirements of The Health and Social Care (Quality and Engagement) (Wales) Act (2020).</p> <p>There is a safeguarding risk that organizational DBS checks do not prevent unsuitable people from working with vulnerable groups, including children, therefore placing them at risk of harm, abuse and neglect.</p>			

## 6. Changes Since Last Reporting Period

Since the last reporting period, significant work has been undertaken to ensure that controls and sources of assurance in relation to the management of the Strategic risks, are effective.

In undertaking the reviews, it has been determined that actions associated with the effective management of this strategic risk have been completed, these are AP 4.3 and AP 4.4. These will be replaced with a new action ***“Identify measures to track progress against the actions agreed to close the gap between current and ideal culture and increase employee engagement and create a dashboard to provide insight and assurance.”*** This action will therefore continue to address residual perceived gaps in control and ensure robust monitoring of organisational culture and employee engagement through development of a dashboard. The revised deadline for this action is now March 2025.

A further new action has been identified for AP 4.5, ***“Develop a strategic approach to employee engagement which responds to the results of the 2023 employee survey and an action plan for how this will be delivered.”***

Unfortunately, there have been successive delays in receiving the staff survey data therefore the deadline associated with this action is December 2024. To further underpin AP 4.5 an action to refresh the People Strategy has been highlighted to address any perceived gaps in control for 2024/25.

Action AP 4.6 has been completed and a further two actions have been identified as follows:

- ***“Establish a clear vision outlining the function of job families within PHW.”***
- ***“Establish a workforce planning process and framework including clear roles and responsibilities.”***

The newly identified actions will be subject to review and monitoring through the Committee as with all other actions, sources of assurance and controls.

## 7. Well Being of Future Generations Act

No decision required.

## 8. Recommendation

The Committee is asked to:



- **Consider** updated Strategic Risk 4 (Appendix 1)
- **Note** the action plans that have closed since the last reporting period.
- **Note** the newly identified actions linked to effective management of the strategic risk and perceived gaps in controls.
- Take **assurance** on the management of risks within the remit of the Committee.