

 GIG CYMRU NHS WALES	Iechyd Cyhoeddus Cymru Public Health Wales	Name of Meeting Board Date of Meeting 26 May 2022 Agenda item: 5.1
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Public Health Wales Strategic Risks	
Executive lead:	Rhiannon Beaumont-Wood, Executive Director of Quality, Nursing and Allied Health Professionals
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Approval/Scrutiny route:	Rhiannon Beaumont-Wood, Executive Director of Quality, Nursing and Allied Health Professionals Business Executive Team – 16 May

Purpose
The purpose of this paper is to present the revised Strategic Risk Register and proposed risk appetite descriptors against each of our Integrated Medium Term Plan (IMTP) Strategic Themes.

Recommendation:				
APPROVE <input checked="" type="checkbox"/>	CONSIDER <input checked="" type="checkbox"/>	RECOMMEND <input type="checkbox"/>	ADOPT <input type="checkbox"/>	ASSURANCE <input type="checkbox"/>
Recommendation The Board is asked to: <ul style="list-style-type: none"> • Consider and approve the proposed risk appetite descriptors for the Integrated Medium Term Plan (IMTP) Strategic Priorities; • Consider and approve the revised Strategic Risk Register risks 1 to 5 (noting the details of risk 6 will be considered in Private session due to the sensitive nature of cyber security). 				

Link to Public Health Wales [Strategic Plan](#)

Public Health Wales has an agreed strategic plan, which has identified seven strategic priorities.

This report contributes to all Strategic Priorities

Strategic Priority	Choose an item.
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Summary impact analysis

Equality and Health Impact Assessment	No decision is required.
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Risk and Assurance	This submission is the Strategic Risk Register.
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Health and Care Standards	This report supports and/or takes into account the Health and Care Standards for NHS Wales Quality Themes Governance, Leadership and Accountability
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Financial implications	The financial implications of failing to manage strategic risk effectively are significant, in terms of both the potential for loss and the failure to capitalise on opportunities.
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People implications	No people implications.
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1. Purpose / situation

This paper summarises the progress made on the following strategic risk management areas:

- The proposed risk appetite descriptors against each of our Integrated Medium Term Plan (IMTP) Strategic Themes.
- The revised Strategic Risk Register.

2. Risk Appetite

At the April 2022 Board Development session, the Board explored risk appetite to ensure a collective understanding of risk appetite in Public Health Wales. The Board considered risk appetite descriptors for each of the Strategic Themes within the Integrated Medium Term Plan 2022-2025.

The Risk Appetite Descriptors are as follows:

Risk Appetite Descriptors	
Risk Averse	We will seek to manage risks in these circumstances down to the lowest possible level so that the risk severity remains low
Cautious	We will adopt a cautious approach to risk management in these circumstances and only accept risks with a low to moderate severity
Accepting	We are prepared to accept risk in these circumstances but would not normally expect it to have a severity greater than moderate
Willing	This is an area where we are prepared to exploit opportunities and in order to do so we will accept moderate to high risks
Keen	In order to pursue this objective and to develop the organisation, we will actively seek out opportunities and accept high or occasionally extreme risks

The Board discussed and considered the following risk appetite descriptors for each of the strategic themes:-

Strategic Theme		Strategic Risk Appetite Descriptors
1	Enabling better population health and reducing health inequalities through preventative and sustainable measures.	Willing
2	Delivering excellent services for population screening programmes, health protection and infection	Cautious
3	Supporting improvements in the quality and safety of health and care services	Keen

4	Maximising the use of digital, data and evidence to improve population health	Willing
5	Enabling the successful delivery of the plan	Willing

The full rationale for the proposed risk appetite descriptors is included at appendix 1.

The Board also discussed and agreed the following next steps:

- For the Board to formally consider, for approval, the proposed risk appetite descriptors for the strategic themes at its meeting on the 26 May 2022;
- Further, explore the need for an overarching risk appetite statement in our considerations around the refresh of the Long Term Strategy.

3. Strategic Risk Register Revisions

The Strategic Risk Register (SRR) is the vehicle through which the Board takes assurance that it has a clear understanding of the strategic risks facing the organisation in the delivery of its strategic objectives, together with the severity and the impacts if the risks are realised.

The Executive Team proposed the following Strategic Risks descriptors, which were included in the IMTP and approved by the Board on 31st March 2022:

Risk 1	There is a risk that Public Health Wales will not be sufficiently focused, agile and responsive in discharging our functions, caused by the unpredictable and changing nature of the current and emerging geopolitical, socio-economic and health threats, resulting in an inability to tackle the population health challenges in a sustainable way.
Risk 2	There is a risk that PHW will not deliver its plans for delivering excellent services for population screening, health protection and infection caused by uncertainty of the impact of current and future health threats and lack of specialist workforce, resulting in inability to prioritise service delivery and transform models of care.
Risk 3	There is a risk that we will not manage organisational change well, caused by multiple change programmes being implemented simultaneously and insufficient time to effectively engage an exhausted workforce, resulting in high levels of sickness absence, vacancies, staff turnover and stress.
Risk 4	There is a risk that we are unable to attract and retain the required professional workforce caused by skill shortages and increased pressures on staff, which has been exacerbated by the Covid-19 pandemic, resulting in there being insufficient capability and capacity to deliver our plans
Risk 5	There is a risk that we will fail to exploit data to inform and direct public health action and interventions. This will be caused by data being held in silos, difficulty accessing the data and inability to access to provide the impact on public health. This will result in worse public health outcomes in Wales and increased information governance risk within Public Health Wales.
Risk 6	There is a risk that PHW will suffer a cyber-attack on its IT systems of such magnitude that it will be unable to maintain core business and public facing services. This will be caused by our inability to keep pace with the technological advances of cyber criminals and will result in statutory functions not being met and public safety being seriously compromised.

Risk Owners have undertaken further work in developing the risk scores and management arrangements of the strategic risks. The assurances and action plans will remain in a period of further refinement in the coming weeks.

More detail of the Risk Owner's Overview Assessment Status, Delivery Confidence Assessment and risk scores are identified in appendix 2 (strategic risk register).

Analysis of the current management of Strategic Risks

All the Strategic Risk Confidence Assessments are identified as either amber or amber/red, which suggests a reasonable level of confidence in managing the strategic risks overall and that work to identify controls and gaps in controls is ongoing.

The highest current risk score is Strategic Risk 5, which identifies as a current score of 20, which is the same as the inherent risk score. The Risk owner identifies objectives as feasible however, there are significant dependencies.

Strategic Risk 2 identifies an inherent score of 9 which is lower than the current risk score of 12, this is suggested to be due to a range of enhanced public health incidents.

Work is ongoing to ensure consistency between the new Strategic Risks and the risk appetite for each of the IMTP Strategic Priorities.

The Risk Management Team continue to work with the risk owners and their teams to further develop the controls, actions and sources of assurance. This is also a key element of the Risk Management Development Plan and regular progress updates will be reported to BET and to Board or relevant Board Committee.

4. Well-being of Future Generations (Wales) Act 2015

No decision required.

5. Recommendation

The Board is asked to:

- **Consider and approve** the proposed risk appetite descriptors for the Integrated Medium Term Plan (IMTP) Strategic Priorities;
- **Consider and approve** the revised Strategic Risk Register risks 1 to 5 (noting the details of risk 6 will be considered in Private session due to the sensitive nature of cyber security).

Appendix 1: Strategic Themes Risk Appetite Descriptors

Risk Appetite for PHW IMTP Strategic Themes

Strategic Theme	Strategic Risk Appetite Descriptors	Rationale as identified by Theme Leads
Strategic Theme 1: Enabling better population health and reducing health inequalities through preventative and sustainable measures Chief Executive Officer	Willing This is an area where we are prepared to exploit opportunities and in order to do so we will accept moderate to high risks	A number of areas in which we require change have become relatively entrenched and we need to try new approaches which may lead to success or may also fail. This will also include engaging with the public which carries its own risks
Strategic Theme 2: Delivering excellent services for population screening programmes, health protection and infection National Director of Health Protection and Screening / Executive Medical Director	Cautious We will adopt a cautious approach to risk management in these circumstances and only accept risks with a low to moderate severity	In the delivery of excellent services, our overarching risk appetite will be cautious. The directorate will only accept / tolerate risks with a low to moderate severity. We will seek to proactively manage / mitigate all risk factors within Directorate control, which are likely to impact adversely on the likelihood of successful excellent service delivery. We note that the risk strategy across the organisation is likely to impact on the delivery of strategic theme 2 and therefore needs to be viewed holistically
Strategic Theme 3: Supporting improvements in the quality and safety of health and care services	Keen In order to pursue this objective and to develop the organisation, we will	Transformation, innovation and improvement are required at pace and scale to meet demand and deliver care and support that meet the needs of the people of Wales. The three strategic priorities of Improvement Cymru

Director for NHS Quality Improvement and Patient Safety	actively seek out opportunities and accept high or occasionally extreme risks	that aim to achieve this are: <ul style="list-style-type: none"> • Supporting health and care organisations to continuously improve the service they provide. • Supporting a focus on reduction in avoidable harm and safety within systems of care. • Sustainably building improvement capability within the health and care system.
Strategic Theme 4: Maximising the use of digital, data and evidence to improve population health National Director of Public Health Knowledge and Research	Willing This is an area where we are prepared to exploit opportunities and in order to do so we will accept moderate to high risks	To enable the improvement of digital and data services for our customers with meaningful, accurate and timely information that will be used to determine and shape health objectives, policy and outcomes. The development and introduction of new data services will be subject to governance and testing, which by nature will carry some risk.
Strategic Theme 5: Enabling the successful delivery of the plan Deputy Chief Executive/Executive Director of Operations and Finance; Director of People and Organisational Development; Executive Director of Quality, Nursing and Allied Health Professionals	Willing This is an area where we are prepared to exploit opportunities and in order to do so we will accept moderate to high risks	In supporting PHW to achieve its strategic plan, we will consider the widest range of opportunities available. We will accept moderate to high risks, where significant benefits can be derived from adopting more innovative / novel approaches.