GIG CYMRU NHS WALES | Iechyd Cyhoeddus Cymru Public Health Wales	**Reference Number:** PHW56 **Version Number: 2** **Date of next review:** 26 November 2023

RISK MANAGEMENT POLICY

Policy Statement

Public Health Wales recognises that no organisation can operate in a risk free environment. Risk however is not something to be feared, rather if it is understood and managed properly it can benefit the organisation, its staff and key stakeholders. The purpose of this Policy is to lay the foundations for an effective risk management system.

Public Health Wales will manage risks at all levels. Strategic risks will be identified by the Board and managed by the Executive Team, whereas operational risks will be identified and managed at the most appropriate level. The organisation will maintain a risk management system which will enable and empower staff to identify, assess, manage and where appropriate exploit risks to the benefit of Public Health Wales.

Policy Commitment

Public Health Wales is committed to the effective management of risk throughout the organisation, and will develop and maintain the appropriate systems to allow such management. The organisation will lay out clearly the roles and responsibilities of all staff when it comes to the management of risk, and these can be found both here and in the Risk Management Procedure, or where appropriate in the relevant process document. All staff are required to understand their role and responsibilities and to comply with the requirements of both this policy and all relevant processes.

All staff will be expected to use the appropriate corporate systems for risk management. At the time of developing this policy, risk is managed through the Datix platform and the use of risk registers (for operational risk) and the Board Assurance Framework for strategic risks.

Whilst there is no specific mandatory training requirement for staff in Corporate Risk Management, those staff who have specific responsibilities will have the appropriate training in order to allow them to carry out the roles.

Supporting Procedures and Written Control Documents

Other related documents are:

Risk Management Procedure
Information Governance Policy
Health and Safety Policy

Scope This policy will apply to all staff working for Public Health Wales, including contractors and agency staff.	
Equality and Health Impact Assessment	
Approved by	Public Health Wales Board
Approval Date	26 November 2020
Review Date	26 November 2023
Date of Publication:	22 January 2021
Group with authority to approve supporting procedures	Audit and Corporate Governance Committee
Accountable Executive Director/Director	Rhiannon Beaumont-Wood, Executive Director of Quality, Nursing and Allied Health Professionals
Author	John Lawson, Chief Risk Officer

Disclaimer

If the review date of this document has passed please ensure that the version you are using is the most up to date either by contacting the document author or Corporate Governance.

Summary of reviews/amendments				
Version number	**Date of Review**	**Date of Approval**	**Date published**	**Summary of Amendments**
1.2	06/02/2020			Draft for comment
2.0	01/10/2020			Changes to reflect Strategic Risk Register, Split of Information Risk responsibilities and the current planning cycle.

Introduction

This policy introduces the Public Health Wales position and expectations in relation to risk management. The document outlines the Board responsibilities and expectations, describes the way Public Health Wales categorises risk and the risk architecture of the organisation.

For more detail in the procedures to be followed for managing risk, please refer to the associated document 'Risk Management Procedure'.

Section 1 – General

Scope, Aim and Objectives

Scope

This is a Policy which is intended to cover the identification, assessment and management of risk in all forms. The policy and associated procedures relating to risk and will apply to all staff, contractors and visitors.[1]

Aim

The aim of this document is to outline the high level arrangements within which Public Health Wales will achieve a holistic and effective approach to risk management.

Objectives

This policy will:

- Explain the role and expectations of the Board in relation to risk management;
- Detail the high level responsibilities for implementing this policy;
- Signpost the specific policies and procedures which Public Health Wales will publish to ensure that all staff understand what is required of them;
- Explain the arrangements for complying with all relevant legislation.

[1] In the interests of brevity, the term staff is used throughout this document to refer to staff, contractors, agency staff, volunteers, and secondees and visitors

Strategic Context

Public Health Wales have a strategic plan to 2030. We develop a 3 year IMTP on a rolling cycle and we have an annual operational plan

Strategic risks are set against the strategic plan priorities

In order to deliver these priorities, it is necessary to understand the environment in which we operate, and to have clear visibility on what might get in the way of our delivering them. This is why an effective Risk Management System is necessary.

Risk Management starts at the top of the organisation, with the Board setting our direction and our risk appetite, and then permeates down through every level.

Roles and Responsibilities

Public Health Wales Board

According to the Auditor General for Wales, the role of the Board is to govern Public Health Wales effectively and in doing so build public and stakeholder confidence that their health and healthcare are in safe hands.

In order for the Board to discharge its responsibilities, it needs to receive assurances that the organisation is effectively managing its risks to ensure delivery of its mission and objectives. One of the principle assurance tools for the Board is the Strategic Risk Register (SRR). The SRR forms part of the wider Board Assurance Framework (BAF) within which the Board receives assurance in a number of areas, including risk.

The Board will scrutinise the SRR at formal Board meetings for the purpose of challenge and receiving assurance. Through the scheme of delegation, all relevant Board Committees will receive the SRR with the Audit and Governance Committee having a lead role in providing overall assurance to the Board in relation to the management of strategic risks.

Chief Executive

The Chief Executive is the responsible officer for Public Health Wales and is accountable for ensuring that Public Health Wales can discharge its legal duty for all aspects of risk. As the accountable officer, the Chief Executive has overall responsibility for maintaining a sound system of internal control, as described in the annual governance statement. Operationally, the Chief Executive has designated responsibility for implementation of this policy and

associated procedure to the Executive Director Quality, Nursing and Allied Health Professionals.

Executive Director, Quality, Nursing and Allied Health Professionals

Is responsible for:

- Operational implementation of the risk management policy and procedures (responsibility has been delegated to the Chief Risk Officer).
- As the Senior Information Risk Owner (SIRO), ultimate responsibility lies here for information risk management.

Deputy Chief Executive / Executive Director of Operations and Finance

Is responsible for:

- Executive level management of risk in relation to both Health and Safety and Business Continuity
- Development of policies and procedures relating to the above

Executive Directors[2]

Are responsible for:

- The management of risk both collectively as the Executive Team and also at a Directorate level for the risks specifically relating to their directorate.
- Assuming ownership of risks assigned to them in either the Board Assurance Framework or the Corporate Risk Register and reporting as required to the Executive Team and the Board and its committees on the management of that risk.
- Appointing of sufficient risk handlers for their Directorate to enable effective management of their risks.

Board Secretary and Head of Board Business Unit

Is responsible for:

- Development and ongoing review of the Strategic Risk Register, as part of the wider Board Assurance Framework. .
- Ensuring that the Board and its Committees receive the appropriate reports and assurance for consideration.

[2] In the interests of brevity the terms Executive Director and Divisional Director are used throughout this document. Executive Director should be read as meaning Executive Directors, other members of the Executive Team and the Director of NHS Wales Health Collaborative. Divisional Director should be read as Divisional Directors and the direct reports of Executive Team members.

Chief Risk Officer

Is responsible for:

- Development and maintenance of the Risk Management System (RMS).
- Development and maintenance of the Corporate Risk Register (CRR) and the Directorate Risk Registers (DRR).
- Supporting the Board Secretary in the development and ongoing review of the Strategic Risk Register.
- Development of procedures as are required under this policy (with the exception of Health and Safety and Business Continuity – see Deputy Chief Executive / Executive Director Operations and Finance above).
- Delivery of training to staff who have responsibilities under this policy.
- Supporting Executive Directors, members of the Executive Team and senior managers in managing their risks
- Overall management of the Datix system through the Datix Manager
- As Head of Information Governance, management of Information Risk

Section 2 – Categories of Risk

Strategic Risk

These are the highest level risks that could threaten the organisation's ability to deliver on the strategic priorities, as laid out in the Strategic Plan. Strategic Risks are identified at Board level during the annual planning process. . All strategic risks are assigned an Executive lead and this person will review their strategic risks and associated action plans on a regular basis and provide updates to both the Executive Team and Board.

Corporate Risk

Corporate Risk in all its forms is subject of this policy and the related procedure.

The term Corporate Risk is used in Public Health Wales to encompass all of the operational risks that pose a direct risk to the day to day business of the organisation, or could lead to Directorates or Divisions failing to meet their objectives. This can include:

- Operational Risk
- Project / Programme Risk
- Clinical Risk
- Financial Risk
- Quality Risk

All of these risks will be captured and managed through both Datix and a system of policies and procedures.

Health and Safety Risk

Health and Safety Risk is subject to a specific policy.

Health and Safety is a complex area of legislation one requirement of which is for the organisation to have a Health and Safety Policy. Senior management of Health and Safety Risk is the responsibility of the Deputy Chief Executive/ Executive Director Operations and Finance.

Information Risk

Information Risk is subject to a specific policy.

Information Risk Management is an integral element of good Information Governance. It encompasses numerous disciplines, including use of IT systems, management of paper records, cyber security and physical security of our facilities. Responsibility for Information Risk Management is split, with the SIRO being responsible for Information Governance risks, and the Deputy Chief Executive being responsible for IT and cyber security risk.

Service or Business Continuity Risk

Business Continuity risks are those derived from those possible events which threaten the organisation's ability to deliver its key products and services. These generally fall into three categories of service failure:

- Access to premises.
- Access to resources (e.g. IT systems).
- Access to staff.

The majority of Business Continuity risks will tend to be high impact / low likelihood events, and many are derived from either the National Threat Assessment / National Risk Register[3], or by the Local Risk Registers[4].

Business Continuity Risk Management is the responsibility of the Deputy Chief Executive / Executive Director Operations and Finance.

[3] Published annually by the Cabinet Office
[4] Published annually by the Local Resilience Forum

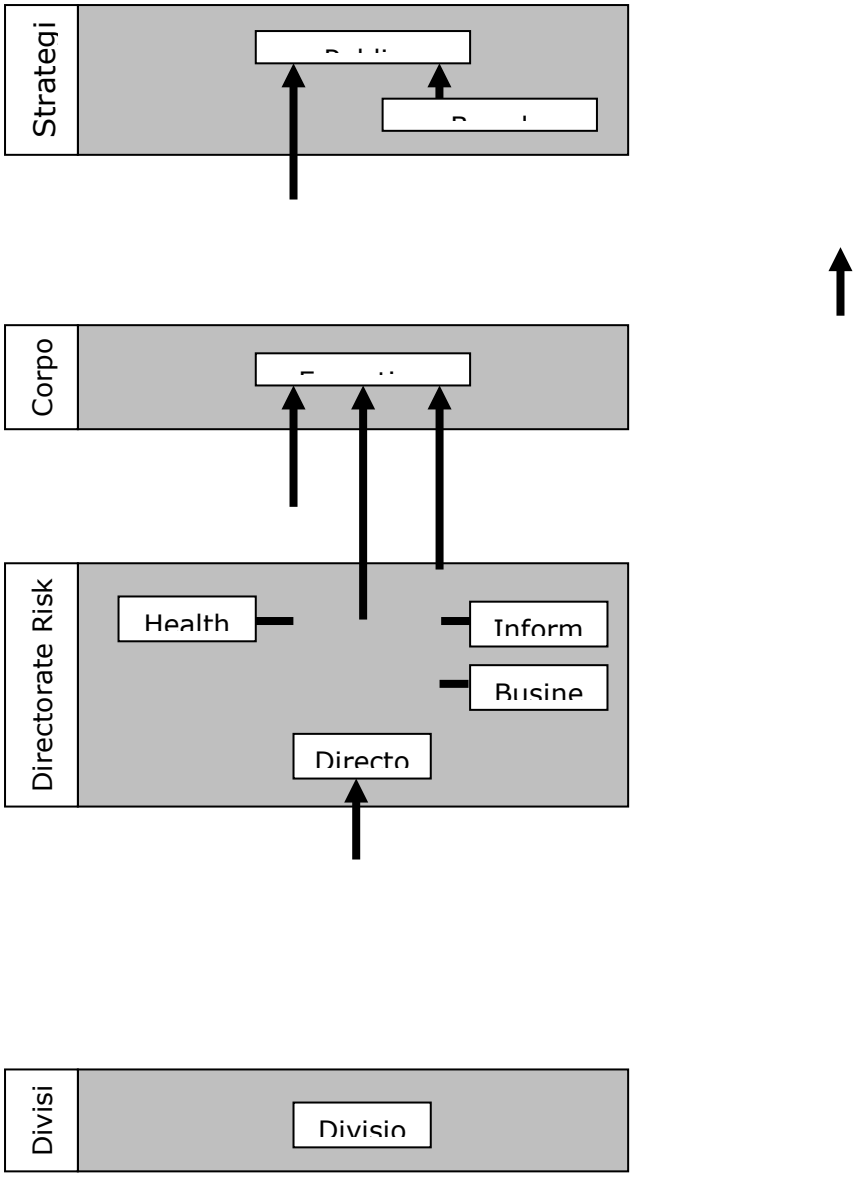
Section 3 – Management of Risk

Introduction

Whilst this section gives an overview of how risk is managed throughout Public Health Wales, full details of how risk should be managed are contained within the controlled document 'Risk Management Procedure'

Risk architecture

The risk architecture is the structure within which an organisation manages risk. The risk architecture within Public Health Wales is shown below.



Risk Appetite

Risk appetite is defined as

> *'The amount of risk that Public Health Wales is willing to seek or accept in the pursuit of its long term objectives.'*

Public Health Wales' strategic risk appetite is set on an annual basis by the Board, when the decisions are being made around the organisation's strategic priorities for the following year. The purpose of setting the risk appetite is to ensure that all staff throughout Public Health Wales are aware of it and understand the amount of risk to which the organisation is prepared to be exposed whilst going about their day to day business. Once set by the Board, the Executive and Directorates use the strategic risk appetite to set the operational risk appetite levels.

Identification and capturing of risks

All staff should be aware of the potential for risks to emerge which may affect the business and all staff should be prepared to identify and report risks as appropriate. When a possible risk is identified, staff should normally discuss it first with their line manager. This is to avoid duplication of effort, as sometimes risks are identified which are already being managed but have perhaps been articulated differently.

Once it is confirmed that a new risk has been identified, the details should be entered onto the Datix system. This will normally be achieved through one of the Directorate's risk handlers.

Once correctly identified and assessed, the risk will then be transferred to one of a series of risk registers, depending on the seriousness of the risk. Generally risk should be managed at the lowest level possible, proportionate to the level of exposure to which the risk.

Risk Registers

A Risk Register is simply a visual representation of the identified risks, together with an assessment of their severity, the risk management measures in place, the control environment and any further actions which are planned or required. The register is a snapshot of the risk information at the moment it is taken. Public Health Wales has risk registers at various levels. Full details of the publication and distribution of risk registers can be found in the document *'Risk Management Procedure'*

Appendix 1 - Glossary of Terms

BAF – Board Assurance Framework

BC – Business Continuity

CRO – Chief Risk Officer

CRR – Corporate Risk Register

DirRR – Directorate Risk Register

DivRR – Divisional Risk Register

DM – Datix Manager

H&S – Health and Safety

IG – Information Governance

RH – Risk Handler

RIGT – Risk and Information Governance Team

RM – Risk Management

RMS – Risk Management System

RO – Risk Owner

SIRO – Senior Information Risk Owner

SRO – Senior Responsible Owner

SRR - Strategic Risk Register

NOTE

In the interests of brevity the terms Executive Director and Divisional Director are used throughout this document. Executive Director should be read as meaning Executive Directors and other members of the Executive Team. Divisional Director should be read as Divisional Directors who generally are the direct reports of Executive Team members.