Risk Management Policy

Author:	Corporate Risk Manager
Responsible Lead Executive Director:	Chief Executive
Development & Approval Group or Team	
Endorsing Body:	Corporate Management Team
Governance or Assurance Committee	Audit & Risk Committee
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Responsible Person	Corporate Risk Manager

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CONSULTATION AND DISTRIBUTION RECORD	
Contributing Author / Authors	• C. Hope, Corporate Risk Manager •
Consultation Process / Stakeholders:	• J. Gardner, Chief Executive • C. Hope, Corporate Risk Manager • P. Cannon, Board Secretary • • • • • • • • • • • • •
Distribution:	• Corporate Management Team • Firstport > Resources > Policies • Awareness through Staff Briefing

CHANGE RECORD			
Date	**Author**	**Change**	**Version No.**
March 16	C. McGhee	Interim reflection and review through SLWG. No material changes at this time.	1
March 17	C. McGhee	Full Review through SLWG, limited material changes, noted that full risk appetite statement will be reviewed with the strategy in April, matrix to be tested from recent update and the Policy will require an interim update March 18.	1a
March 2018	C. McGhee	Some general changes to reflext H&SCP, updated matrix and front page.	2

		Full review of the introduction that has been updated to reflect comments received. Commensurate with the review of the risk appetite and tolerance (updated in Section 4.2), the frequency and monitoring of risk registers has been updated in section 4.7. This now includes the agreed taxonomy for governance reporting. Section 4.4 risk description updated to read across with Code Of Corporate Governance: Section I Risk Management, and the NHSL Risk Management Strategy. Section 4.5 Core Information for Risk Registers updated, includes more detail on descriptors. Section 5 reviewed in detail. Graphics within the document updated.	
Sept 2021	C. McGhee	Policy review extended to September 2021 due to Covid-19 pandemic. No change at this review.	3
March 2023	C. Hope	Full review to transform document to high level policy which supports the Strategy and is underpinned by the RM Framework. Roles & Responsibilities have been updated, as well as principal content.	4

1.   INTRODUCTION

NHS Lanarkshire (NHSL) recognises sound and effective implementation of risk management is considered best practice at corporate and strategic level whilst also being an effective tool for improving operational activity in pursuit of the organisations corporate objectives.

Risk will be present in pursuit of achieving organisational objectives, regardless of what the objectives may be. Risk creates uncertainty and therefore, if risk is not actively managed, achievement of objectives and goals may not be possible. Thus, the development and continuous improvement of suitable risk management processes is imperative to organisational success.

The Risk Management Policy should be read in conjunction with the Risk Management Strategy and the NHSL Risk Management Framework which sets out elements of the Risk Management system such as risk methodology (identification & analysis) and risk appetite. This suite of documents has been produced to embed and uphold a consistent approach to risk management throughout NHSL.

2.   AIM, PURPOSE AND OUTCOMES

The aim of the policy is to set out the approach of the Risk Management system of NHS Lanarkshire.

The purpose of the policy is to provide a consistent approach to Risk Management activities throughout the organisation, in terms of identification, quantification, recording and reporting of risks and risk related activities.

Outcomes from the policy:

- ➢ A consistent risk management approach embedded across the organisation to embrace an interrelated risk portfolio;

- ➢ Risk-based decision-making to allow for better prioritisation of resources;

- ➢ Risk Management Strategy is understood and executed by all appropriate staff;

- ➢ Appropriate assurance provided to internal and external governance committees and the Board;

3.   SCOPE

3.1   Who is the Policy intended to Benefit or Affect?

The Risk Management Policy applies to all Board staff, contractors and other third parties including honorary contract holders, working in all areas of the Board; Integrated Joint Boards (HSCPs) will have their own risk arrangements however, these are expected to be broadly consistent with NHSL arrangements and every effort will be made to ensure risk management approaches are aligned where possible.

The policy document will be reviewed formally every 3 years. Nonetheless, some circumstances may trigger an interim review for example a change in governance or committee structure.

3.2   Who are the Stakeholders

The document should be used by all management and staff as guidance for the ongoing utilisation of the risk management approach within NHSL. Implementation of this policy is predominantly achieved by recording risk management information within the risk module on DATIX.

4.   PRINCIPAL CONTENT

Policy Statement

NHS Lanarkshire recognises that effective risk management is an integral component of good management and a key feature of corporate governance. Our focus is person centred, innovative healthcare and we seek to instil effective risk management practices to support this.

NHSL are committed to ensuring that risk management underpins all of our activities. As a public sector organisation, we have a responsibility to manage our risks effectively, achieve best value and ensure transparency.

The policy statement outlines the objectives of the risk management practices within NHSL, which are to:

➢ Fully implement and embed risk management across the organisation allowing for an interrelated risk portfolio to be understood and managed;

➢ Improve risk-based decision-making to allow for better prioritisation of resources;

➢ Provide a consistent method of risk management in accordance with best practice;

- ➢ Ensure the Risk Management Strategy and Framework is understood and executed by all appropriate staff;

- ➢ Provide assurance to internal and external governance committee and the Board;

- ➢ Produce an annual report to outline the effectiveness of risk management arrangements throughout the year, highlighting any material areas of risk.

An essential contributor to the success of this policy is the active, ongoing commitment and full support of the NHSL Board and Executive Team.

5.   ROLES AND RESPONSIBILITIES

Roles and responsibilities for individuals and Boards/Committee members in terms of risk management are fully defined in the Risk Management Strategy however, in summary:

Chief Executive

The Chief Executive is the Accountable Officer for NHS Lanarkshire is responsible for ensuring risks are identified, assessed and appropriate systems are in place to manage all aspects of risk.

The Chief Executive in their role as Accountable Officer shall require assurance from executive directors that risks are being managed whilst also seeking independent assurance from the Audit and Risk Committee as to the proficiency of the risk management arrangements throughout the Board.

Governance Committees

Standing governance committees will consider relevant risk reports from the Corporate Risk Register at each meeting, providing oversight and appropriate scrutiny on the contents of the report. The Audit & Risk Committee will also offer oversight, scrutiny and direction of the overall risk management approach to ensure the NHSL risk management system operates efficiently and effectively.

Senior/Divisional Management Teams

Responsible for the implementation of this policy in their local areas on a continuous basis to ensure risk effectively identified and managed to the best of their abilities before moving to escalation of risks.

Staff

Responsible for the identifying and highlighting any risks in their local areas on a continuous basis to ensure risk effectively identified and managed to the best of their abilities before moving to escalation of risks.

6.   RESOURCE IMPLICATIONS

All improvements for the implementation of this Policy will be met within the existing resource at Corporate and Operational level. At operational level, the role of the designated Risk Management Facilitator has been put in place to continue to improve on the overall risk management function.

Any financial implications identified are likely to be linked to individual risks specific and will be considered as usual through the responsible management teams financial planning arrangements.

7. COMMUNICATION PLAN

The policy is accessible on the NHS Lanarkshire website Firstport for access by all staff. The full cascade of communication of the policy will be through the staff briefing.

8. QUALITY IMPROVEMENT – Monitoring and Review

Compliance with the policy will be monitored through a set of reports, reported through CMT and onwards reporting to the Audit & Risk Committee.

9. EQUALITY IMPACT ASSESSMENT

This policy meets NHS Lanarkshire's EQIA

√

(tick box)

10. SUMMARY or FREQUENTLY ASKED QUESTIONS (FAQs)

To help staff understand long or complex polices, please ensure you send a summary or a frequently asked questions list with your completed policy

11. REFERENCES

Risk Management Strategy
Risk Management Framework

12. CHECKLIST

To be sent to Corporate policies:-

Copy of completed policy
Copy of EQIA
Copy of assurance process document for all policies