

Trust Board - 21 December 2021

Organisational Risk Register

The Organisational Risk Register (ORR) contains strategic risks that may prevent us from achieving our objectives. It is presented as part of a continuing risk review process.

Purpose of the report

This report provides assurance that risk is being managed effectively.

Analysis of the issue

Approach to the ORR Refresh

The ORR has been reviewed and aligned to the Trust's refreshed strategic objectives. The two key brick changes include the following;

- T Transformation has broadened out to also include Digital Transformation
- **R** (formally EP**R** electronic patient record) is now **R**eaching Out. Other bricks remain the same in terms of the overarching title however risks have been updated to reflect the revised aims within each area.

We have undertaken the following steps to refresh the ORR;

- Held a Trust Board Development Session on the 22 October 2021. Board members reviewed the risk appetite statement, and the ORR; for each brick, the Board determined whether we should Close, Keep or Create risks on the refreshed ORR.
- The Trust Board reviewed the output of the development session at the Trust Board Confidential Section on 26 October 2021 where support was given to the approach taken and next steps. The Board also approved the refreshed risk appetite matrix and the corresponding tolerance levels.
- An in-depth review was undertaken with executive directors during the first two weeks of November 2021 to shape the new ORR. Where risks were being kept or created, they were articulated to reflect the 'cause, risk, effect' model of writing risk statements.
- The revised risk titles were approved by the Quality Assurance Committee and the Finance and Performance Committee in November 2021.
- The review of risk has taken account of the operational risk profile within Directorate and local risk registers.
- The review ensured that any gaps in control and assurance, and any actions have mapped across to the refreshed ORR or where applicable or closed / de-escalated.
- The refresh has identified several format changes to the layout of the ORR to support ongoing maturity and detail. The slide pack provided to Trust Board is the first draft of the refreshed slides which will be subject to ongoing review and refinement.
 - The risk appetite will be provided alongside the approved tolerance level.
 - Controls and assurance will be streamlined, this is part of an iterative process to strengthen the ORR.
 - Each ORR slide will now name an operational lead in addition to the lead executive director. This will underpin a more detailed monthly review between the Risk and Assurance Lead and the operational leads. Updates will then continue to be discussed

monthly between the Deputy Director of Governance and Risk and the executive directors.

Refreshed ORR

- 14 risks were kept and reworded to ensure that they fully articulate the risk according to the cause, risk and effect methodology.
- Seven new risks have been created.
- These 21 risks have been provided in full in table 1
- The mapping of the 14 former risks to the refreshed ORR is provided in table 2
- Five risks have been closed or de-escalated, detailed below.

Closed or De-escalated

The following five risks have been removed from the ORR;

Closed

- ORR 25. Staff do not fully engage and embrace the Trusts culture and collective leadership. This
 is considered closed, all actions have now been completed and the risk has been mitigated to a
 score of 8 in line with appetite.
- ORR 55. The Leicester/Leicestershire / Rutland system does not deliver the transformation needed to deliver a successful ICS. Working partnerships are now business as usual and work is underway within the system to ensure that governance arrangements are in place to support the transformation.
- ORR 40. The ability of the Trust to deliver high quality care may be affected during a Coronavirus COVID-19 pandemic. This has been superseded by refreshed and new risks 63 (mandatory training), 74 (health and wellbeing) and 75 (waiting times) to allow for more specific reference to where covid is having an impact.
- ORR 56. Delivery of service recovery and workforce restoration will not safeguard the health and wellbeing of our staff and service users. This has been superseded by refreshed risk 74 (health and wellbeing).

De-escalated

ORR 9. Inability to maintain the level of cleanliness required within the Hygiene Standards. New leadership and management of cleaning teams through the FM Transformation will mitigate this risk. This needs to be supported by local management through Ward Environmental Checklists to inspect cleanliness and IPC requirements aligned to the new National Standards for Cleanliness and will therefore be de-escalated to the Directorate risk registers until the ward audits indicate that the risks have been mitigated at a local level.

Risk Appetite Refresh

The benefit of a Risk Appetite framework is that risks can be identified and quantified in a structured way across the Trust's strategic objectives. This allows for informed choice over taking particular amounts of particular risks, in line with its overall strategy and in contrast to passive risk-taking. The Trust continues to base its risk appetite on the Good Governance Institute risk appetite matrix. This accommodates different types of key risk that can be faced within each of the SUTG bricks and any escalated corporate risk.

To support the ongoing maturity of the appetite framework, and to ensure that appetite is applied consistently, we are introducing a tolerance range (anticipated range of risk scores) for each level of risk on the appetite matrix.

Introduction of tolerance levels

Risk tolerance represents the practical application of risk appetite. The risk appetite statement (provided in full in Appendix 1) involves qualitative statements, risk tolerance operationalises the statements by using quantitative measures to better support the monitoring and review of risk.

Risk tolerance measures the levels of risk taking acceptable to manage the category of risk determined by the risk appetite statement. Essentially, the lower the appetite, the more mitigation required to ensure sufficient controls are in place to manage the risk. These are designed to keep the Trust within the risk appetite and to provide a safety margin to prevent a program from reaching or exceeding its risk capacity. These will be applied automatically based on the appetite level and will support consistency of application across the ORR.

RISK APPETITE LEVEL → RISK TYPES ↓		1 MINIMAL Preference for very safe delivery options that have a low degree of inherent risk and only a limited reward potential.	2. CAUTIOUS Preference for safe delivery options that have a low degree of residual risk and only a limited reward potential.	OPEN Willing to consider all potential delivery options and choose while also providing an acceptable level of reward.	4. SEEK Eager to be innovative and to choose options offering higher business rewards (despite greater inherent risk.)	5. SIGNIFICANT Confident in setting high levels of risk appetite because controls, forward planning and responsive systems are robust.
APPETITE	NONE	LOW	MODERATE	HIGH	SIGNIFICANT	
Appetite tolerance	0 - 3	4 - 8	9 - 11	12 - 15	16 - 20	20+

The greater the risk appetite the more assurance we need against the existing controls. Confidence will be gained through appropriate controls being in place that positively affect outcomes and through assurance that the controls are operating effectively.

Risk Summary December 2021

There are 21 risks on the refreshed ORR. Of these, nine have a high current risk score. The table below shows these in order of severity;

ORR	Title	Current
SUTG		Score
76 S	As a result of the introduction of vaccination as a condition of deployment (VCOD), any staff who have not had two doses of covid vaccine by 1 April 2022 will no longer be able to work in roles involving patient contact. This may cause staffing challenges which could impact on patient safety and staff morale/wellbeing	20
60 S	A lack of staff with appropriate skills will not be able to safely meet patient care needs, which may lead to poor patient outcomes and experience.	16
61 S,E	A high vacancy rate for registered nurses, AHPs, HCSWs and medical staff, is leading to high agency staff usage, which may result in poor quality care and patient harm.	16
65 E	The present FM provision does not meet our quality standards or requirements, leading to the inability to provide the full hard and soft Facilities Management and maintenance service within LPT. This impacts compliance, timeliness of maintenance responses and quality of services for patients, staff and visitors.	16
68 G	A lack of accessibility and reliability of data reporting and analysis will impact on the Trust's ability to use information for decision making, which may impact on the quality of care provided	16
72 R	If we do not have the capacity and commitment to proactively reach out, we	16

	will not fully address health inequalities which will impact on outcomes within	
	our community.	
75	Increasing numbers of patients on waiting lists and increasing lengths of delay	16
Α	in accessing services will mean that patients may not be able to access the	
	right care at the right time and may lead to poor experience and harm.	
70	Inadequate control, reporting and management of the Trust's financial	15
G	position could mean we are unable to deliver our financial plan and adequately	
	contribute to the LLR system plan, resulting in a breach of LPT's statutory	
	duties and financial strategy (including LLR strategy).	
71	If we do not have a sufficiently detailed financial plan for 2022/23, the Trust	15
G	will not have clarity over the actions required to deliver the plan, resulting in a	
	plan which is not fit for purpose for the Trust or LLR.	

- The highest risk profile is within the strategic objective for High **S**tandards, and within the appetite for Quality. This carries a significant tolerance range for the residual risk score of between 16-20.
- All risks on the ORR are being mitigated within the tolerance range. This means that mitigation is on track to bring the residual risk scores in line (or lower than) our appetite.

Proposal

- On-going refinement and maintenance of the ORR

Decision required

- To confirm a level of assurance over the management of strategic risk on the ORR.

Table 1. Refreshed ORR Summary - December 2021

ORR	Risk Title	Tolerance Level	Current Score	Residual Score
57 High S tandards	The lack of an embedded clinical and quality governance infrastructure may result in insufficient or inconsistent application of systems and processes, resulting in poor quality care and patient harm.	Significant 16-20 Appetite Quality- Seek	12	8
58 High S tandards	Insufficient capacity and capability within the Safeguarding Team may result in restrictions and limitations on service provision, which may result in poor quality care and patient harm.	Significant 16-20 Appetite Quality- Seek	12	8
59 High S tandards	As a result of the shortage of SI investigators, SI reports may not be timely, may be poor quality and may lack sufficient learning, which could lead to poor quality care and patient harm.	Significant 16-20 Appetite Quality- Seek	12	8
60 High S tandards	A lack of staff with appropriate skills will not be able to safely meet patient care needs, which may lead to poor patient outcomes and experience.	Significant 16-20 Appetite People- Seek	16	12
61 High S tandards and E quality, Leadership, Culture	A high vacancy rate for registered nurses, AHPs, HCSWs and medical staff, is leading to high agency staff usage, which may result in poor quality care and patient harm.	Significant 16-20 Appetite Quality- Seek	16	12
62 High S tandards	Insufficient understanding and oversight of regulatory standards and key lines of enquiry may result in non-compliance and/or insufficient improvement in priority areas, leading to sub-standard care.	Moderate 9-11 Appetite Regulation- Cautious	12	8
63 High S tandards and E quality, Leadership, Culture	Demand of winter pressures and covid on staff availability to attend mandatory training will lead to poor training compliance, which may lead to poor quality care.	Significant 16-20 Appetite Quality- Seek	12	8
64	If we do not retain existing and/or develop new business	Moderate 9-11	12	9

T ransformation	opportunities, we will have less financial sustainability and	Appetite Financial-		
	infrastructure resulting in a loss of income and influence within the LLR system.	Cautious		
65 E nvironments	The present FM provision does not meet our quality standards or requirements, leading to the inability to provide the full hard and soft Facilities Management and maintenance service within LPT. This impacts compliance, timeliness of maintenance responses and quality of services for patients, staff and visitors.	Significant 16-20 Appetite Quality- Seek	16	12
66 Environments	The lack of detail around accommodation requirements in strategic business planning, means that the Estates Strategy cannot adequately plan for potential building solutions, leading to an estate configuration which is not fit to deliver high quality healthcare.	Significant 16-20 Appetite Quality- Seek	12	8
67 Environments	The Trust does not have a Green Plan or identified resource for the green agenda, leading to non-compliance with national requirements which will impact on the environment and the Trust's reputation.	Moderate 9-11 Appetite Regulation- Cautious	12	9
68 Well G overned	A lack of accessibility and reliability of data reporting and analysis will impact on the Trust's ability to use information for decision making, which may impact on the quality of care provided.	Moderate 9-11 Appetite Regulation- Cautious	16	12
69 Well G overned	If we do not appropriately manage performance, it will impact on the Trust's ability to effectively deliver services, which could lead to poor quality care and poor patient experience.	Moderate 9-11 Appetite Regulatory- Cautious	8	4
70 Well G overned	Inadequate control, reporting and management of the Trust's financial position could mean we are unable to deliver our financial plan and adequately contribute to the LLR system plan, resulting in a breach of LPT's statutory duties and financial strategy (including LLR strategy).	Moderate 9-11 Appetite Financial- Cautious	15	10

71 Well G overned	If we do not have a sufficiently detailed financial plan for 2022/23, the Trust will not have clarity over the actions required to deliver the plan, resulting in a plan which is not fit for purpose for the Trust or LLR.	Moderate 9-11 Appetite Financial- Cautious	15	10
72 R eaching Out	If we do not have the capacity and commitment to proactively reach out, we will not fully address health inequalities which will impact on outcomes within our community.	Significant 16-20 Appetite Quality- Seek	16	12
73 Equality, Leadership and Culture	If we don't create an inclusive culture, it will affect staff and patient experience, which may lead to poorer quality and safety outcomes.	Significant 16-20 Appetite People- Seek	12	9
74 Equality, Leadership and Culture	As a result of covid 19, winter pressure, service recovery and workforce restoration there is a risk that our staff's health and wellbeing will be compromised, leading to increased sickness levels.	Significant 16-20 Appetite People- Seek	9	6
75 A ccess	Increasing numbers of patients on waiting lists and increasing lengths of delay in accessing services will mean that patients may not be able to access the right care at the right time and may lead to poor experience and harm.	Significant 16-20 Appetite Quality- Seek	16	8
76 High S tandards	As a result of the introduction of vaccination as a condition of deployment (VCOD), any staff who have not had two doses of covid vaccine by 1 April 2022 will no longer be able to work in roles involving patient contact. This may cause staffing challenges which could impact on patient safety and staff morale/wellbeing	Significant 16-20 Appetite Quality- Seek	20	15
77 Well G overned	Without the appropriate level of focus, resource and preparation, the Trust cannot adequately support the National Public Inquiry into the Covid Pandemic, leading to a lack of lessons learned, inability to respond effectively to future situations and major incidents, a failure to comply with the Public Inquiry statute and reputational damage.	Moderate 9-11 Appetite Reputational– Cautious	12	8

Table 2. Mapping former to refreshed ORR risks

SUTG	Former ORR	Risk Treatment	Refreshed ORR
High S tandards	ORR 1	Keep and reword	ORR 57
	The Trust's clinical systems and		The lack of an embedded clinical and quality governance
	processes may not consistently		infrastructure may result in insufficient or inconsistent application
	deliver harm free care.		of systems and processes, resulting in poor quality care and
			patient harm.
High S tandards	ORR 2	Keep and reword	ORR 58
	The Trust's safeguarding systems		Insufficient capacity and capability within the Safeguarding Team
	do not fully safeguard patients		may result in restrictions and limitations on service provision,
	and support frontline staff and		which may result in poor quality care and patient harm.
	services.		
High S tandards	ORR 3	Keep and reword	ORR 59
	The Trust does not learn from		As a result of the shortage of SI investigators, SI reports may not
	incidents and events and does		be timely, may be poor quality and may lack sufficient learning,
	not effectively share that		which could lead to poor quality care and patient harm.
	learning across the whole		
	organisation.		
High S tandards	ORR 4	Keep and reword	ORR 60
P atient	Services are unable to meet 'safe		A lack of staff with appropriate skills will not be able to safely
Experience	staffing' requirements		meet patient care needs, which may lead to poor patient
			outcomes and experience.
High S tandards	ORR 26	Keep and reword	ORR 61
	Insufficient staffing levels to		A high vacancy rate for registered nurses, AHPs, HCSWs and
	meet capacity and demand and		medical staff, is leading to high agency staff usage, which may
	provide quality services		result in poor quality care and patient harm.
High S tandards	ORR 5	Keep and reword	ORR 62
Well G overned	Capacity and capability to deliver		Insufficient understanding and oversight of regulatory standards
	regulator standards		and key lines of enquiry may result in non-compliance and/or
			insufficient improvement in priority areas, leading to sub-

			standard care.
High S tandards	N/A	Create new	ORR 63
and Equality,			Demand of winter pressures and covid on staff availability to
Leadership and			attend mandatory training will lead to poor training compliance,
Culture			which may lead to poor quality care.
T ransformation	N/A	Create new	ORR 64
			If we do not retain existing and/or develop new business
			opportunities, we will have less financial sustainability and
			infrastructure resulting in a loss of income and influence within
			the LLR system.
Environment	ORR 10	Keep and reword	ORR 65
	The Trust does not implement		The present FM provision does not meet our quality standards or
	planned and reactive		requirements, leading to the inability to provide the full hard and soft
	maintenance of the estate		Facilities Management and maintenance service within LPT. This
	leading to an unacceptable		impacts compliance, timeliness of maintenance responses and quality of
	environment for patients to be		services for patients, staff and visitors.
	treated in		
Environment	ORR 11	Keep and reword	ORR 66
	The current estate configuration		The lack of detail around accommodation requirements in
	does not allow for the delivery of		strategic business planning, means that the Estates Strategy
	high-quality healthcare		cannot adequately plan for potential building solutions, leading to
			an estate configuration which is not fit to deliver high quality
			healthcare.
Environment	N/A	Create new	ORR 67
			The Trust does not have a Green Plan or identified resource for
			the green agenda, leading to non-compliance with national
			requirements which will impact on the environment and the
			Trust's reputation.
Well G overned	ORR 35	Keep and reword	ORR 68
	The quality and availability of		A lack of accessibility and reliability of data reporting and analysis

	data reporting is not sufficiently mature to inform quality decision making		will impact on the Trust's ability to use information for decision making, which may impact on the quality of care provided.
Well G overned	ORR 20 Performance management framework is not fit for purpose	Keep and reword	ORR 69 If we do not appropriately manage performance, it will impact on the Trust's ability to effectively deliver services, which could lead to poor quality care and poor patient experience.
Well G overned	ORR 54 We are unable to deliver the LPT 2021/22 financial plan, LPT operational plans or LLR system plans	Keep and reword	ORR 70 Inadequate control, reporting and management of the Trust's financial position could mean we are unable to deliver our financial plan and adequately contribute to the LLR system plan, resulting in a breach of LPT's statutory duties and financial strategy (including LLR strategy).
Well G overned	N/A	Create new	ORR 71 If we do not have a sufficiently detailed financial plan for 2022/23, the Trust will not have clarity over the actions required to deliver the plan, resulting in a plan which is not fit for purpose for the Trust or LLR.
Reaching Out	N/A	Create new	ORR 72 If we do not have the capacity and commitment to proactively reach out, we will not fully address health inequalities which will impact on outcomes within our community.
Equality,	ORR 24	Keep and reword	ORR 73
Leadership and Culture	Failure to deliver workforce equality, diversity and inclusion		If we don't create an inclusive culture, it will affect staff and patient experience, which may lead to poorer quality and safety outcomes.
Equality, Leadership and Culture	ORR 27 The health and wellbeing of our staff is not maintained and	Keep and reword	ORR 74 As a result of covid 19, winter pressure, service recovery and workforce restoration there is a risk that our staff's health and

	improved		wellbeing will be compromised, leading to increased sickness levels.
Access	ORR 28	Keep and reword	ORR 75
	Delayed access to assessment		Increasing numbers of patients on waiting lists and increasing
	and treatment impacts on		lengths of delay in accessing services will mean that patients may
	patient safety and outcomes		not be able to access the right care at the right time and may lead
			to poor experience and harm.
High S tandards	N/A	Create new	ORR 76
			As a result of the introduction of vaccination as a condition of
			deployment (VCOD), any staff who have not had two doses of
			covid vaccine by 1 April 2022 will no longer be able to work in
			roles involving patient contact. This may cause staffing challenges
			which could impact on patient safety and staff morale/wellbeing
Well G overned	N/A	Create new	ORR 77
			Without the appropriate level of focus, resource and preparation,
			the Trust cannot adequately support the National Public Inquiry
			into the Covid Pandemic, leading to a lack of lessons learned,
			inability to respond effectively to future situations and major
			incidents, a failure to comply with the Public Inquiry statute and
			reputational damage.



Appendix One – Risk Appetite Matrix and Statement

RISK APPETITE LEVEL → RISK TYPES ↓	0 NONE Avoidance of risk is a key organisational objective.	1 MINIMAL Preference for very safe delivery options that have a low degree of inherent risk and only a limited reward potential.	2. CAUTIOUS Preference for safe delivery options that have a low degree of residual risk and only a limited reward potential.	3. OPEN Willing to consider all potential delivery options and choose while also providing an acceptable level of reward.	4. SEEK Eager to be innovative and to choose options offering higher business rewards (despite greater inherent risk.)	5. SIGNIFICANT Confident in setting high levels of risk appetite because controls, forward planning and responsive systems are robust.
FINANCIAL → How will we use our resources?	We have no appetite for decisions or actions that may result in financial loss.	We are only willing to accept the possibility of very limited financial risk.	We are prepared to accept the possibility of limited financial risk. However, VFM is our primary concern.	We are prepared to accept some financial risk as long as appropriate controls are in place. We have a holistic understanding of VFM with price not the overriding factor.	We will invest for the best possible return and accept the possibility of increased financial risk.	We will consistently invest for the best possible return for stakeholders, recognising that the potential for substantial gain outweighs inherent risks.
REGULATORY → How will we be perceived by our regulator?		We will avoid any decisions that may result in heightened regulatory challenge unless absolutely essential.	We are prepared to accept the possibility of limited regulatory challenge. We would seek to understand where similar actions had been successful elsewhere before taking any decision.	We are prepared to accept the possibility of some regulatory challenge as long as we can be reasonably confident we would be able to challenge this successfully.	We are willing to take decisions that will likely result in regulatory intervention if we can justify these and where the potential benefits outweigh the risks.	We are comfortable challenging regulatory practice. We have a significant appetite for challenging the status quo in order to improve outcomes for stakeholders.
QUALITY → How will we deliver safe services?	We have no appetite for decisions that may have an uncertain impact on quality outcomes.	We will avoid anything that may impact on quality outcomes unless absolutely essential. We will avoid innovation unless established and proven to be effective in a variety of settings.	Our preference is for risk avoidance. However, if necessary, we will take decisions on quality where there is a low degree of inherent risk and the possibility of improved outcomes, and appropriate controls are in place.	We are prepared to accept the possibility of a short-term impact on quality outcomes with potential for longer term rewards. We support innovation.	We will pursue innovation wherever appropriate. We are willing to take decisions on quality where there may be higher inherent risks but the potential for significant longerterm gains.	We seek to lead the way and will prioritise new innovations, even in emerging fields. We consistently challenge current working practices in order to drive quality improvement.
REPUTATIONAL → How will we be perceived by the public and our partners?	We have no appetite for decisions that could lead to additional scrutiny or attention on the organisation.	Our appetite for risk taking is limited to those events where there is no chance of significant repercussions.		We are prepared to accept the possibility of some reputational risk as long as there is the potential for improved outcomes for our stakeholders.	We are willing to take decisions that are likely to bring scrutiny of the organisation. We outwardly promote new ideas and innovations where potential benefits outweigh the risks.	We are comfortable to take decisions that may expose the organisation to significant scrutiny or criticism as long as there is commensurate opportunity for improved outcomes for our stakeholders.
PEOPLE → How will we be perceived by the public and our partners?	We have no appetite for decisions that could have a negative impact on our workforce development, recruitment and retention. Sustainability is our primary interest.	We will avoid all risks relating to our workforce unless absolutely essential. Innovative approaches to workforce recruitment and retention are not a priority and will only be adopted if established and proven to be effective elsewhere.	limited risks with regards to our workforce. Where attempting to innovate, we would seek to understand where similar actions had been successful elsewhere	We are prepared to accept the possibility of some workforce risk, as a direct result from innovation as long as there is the potential for improved recruitment and retention, and developmental opportunities for staff.	We will pursue workforce innovation. We are willing to take risks which may have implications for our workforce but could improve the skills and capabilities of our staff. We recognise that innovation is likely to be disruptive in the short term but with the possibility of long-term gains.	We seek to lead the way in terms of workforce innovation. We accept that innovation can be disruptive and are happy to use it as a catalyst to drive a positive chain.



Governance Table

For Board and Board Committees:	Trust Board 21 December 2021	
Paper sponsored by:	Chris Oakes, Director of Governance and Risk	
Paper authored by:	Kate Dyer, Deputy Director of Governance and Risk	
Date submitted:	13 December 2021	
State which Board Committee or other forum within the Trust's governance structure, if any, have previously considered the report/this issue and the date of the relevant meeting(s):	QAC / FPC November 2021 (excluding full slide pack)	
If considered elsewhere, state the level of assurance gained by the Board Committee or other forum i.e. assured/ partially assured / not assured:	Green	
State whether this is a 'one off' report or, if not, when an update report will be provided for the purposes of corporate Agenda planning	Monthly	
STEP up to GREAT strategic alignment*:	High S tandards	Yes
	Transformation	Yes
	Environments	Yes
	Patient Involvement	Yes
	Well G overned	Yes
	Reaching Out	Yes
	Equality, Leadership, Culture	Yes
	Access to Services	Yes
	Trust wide Quality Improvement	Yes
Organisational Risk Register considerations:	All	Yes
Is the decision required consistent with LPT's risk appetite:	Yes	
False and misleading information (FOMI) considerations:	None	
Positive confirmation that the content does not risk the safety of patients or the public	Confirmed	
Equality considerations:	None	