

Corporate Policy

Manchester Health and Care Commissioning Risk Management Framework

Version: 1

Date Approved: May 2017

Contents

1.0	Introduction	1
2.0	Purpose.....	3
3.0	Responsibilities	3
4.0	Definitions of Terms Used.....	4
5.0	Risk Management Framework and Processes	5
6.0	Document Dissemination and Implementation	9
7.0	Monitoring & Compliance	9
8.0	References	10
	Appendix A – Risk Guidance	11
	Appendix B – Equality Impact Assessment Tool.....	15
	Appendix C – Information Governance Risks	

1.0 Introduction

1.1 The Risk Management Framework (RMF) is designed to provide a guideline and strategy for the development of a robust risk management system across Manchester Health and Care Commissioning (MHCC) – the partnership of NHS Manchester Clinical Commissioning Group and Manchester City Council (MCC) formed to commission health, public health and adult social care services for the City of Manchester. The framework will guide MHCC in its approach to the management of risk in all its activities and provides a structural framework with clear definitions and roles of responsibility.

It is the responsibility of all staff to contribute to the implementation of this policy through effective and appropriate identification and management of all risks to the organisation. The framework identifies how to report risks and how risks are governed within MHCC through an effective committee structure, which feeds up to the Board.

The framework will be reviewed regularly to reflect the changing environment in which MHCC is asked to operate, as well as any change in good practice and legislation.

2.0 Purpose

This RMF aims to provide all employees and contractors with the guidance to assist in proactively addressing and managing risks.

The RMF is designed in such a way to meet the following objectives:

- To understand risks, their causes, costs and how best to control them.
- To build on and maintain a risk register that details all risks pertaining to MHCC
- To provide assurances to the Board that risk management issues are being addressed locally and corporately.
- To establish risk management plans of action based on CCG risk registers.
- To ensure compliance against statutory requirements.

This document is applicable to all employees that work for MHCC

3.0 Responsibilities

3.1 MHCC Board

The Board is responsible for overseeing the risks identified within the organisation and for gaining assurance that the CCG is addressing risks which are considered serious to its strategic objectives.

3.2 Accountable Officer

The Accountable Officer is ultimately responsible for ensuring the organisation considers risk management throughout all its activities.

3.3 MCC Executive Members and Lay Board Members

The key responsibility of the 'lay' element of MHCC Board is to hold MHCC's executives to account in terms of the ways risk is managed within the organisation. The Lay Board Member for Governance will have a specific role for providing assurance to the Board on risk management processes as Chair of the Governance Committee.

3.4 Governance Committee

The Governance Committee is responsible for monitoring risks deemed as 'Serious' i.e. those graded as 15 or above and escalating as necessary for consideration by the MHCC Board. This is in addition to its role in monitoring all Governance risks for MHCC.

3.5 Committee Lead Officer

Each Committee will have a lead MHCC officer. Part of the Lead Officer's role will be to be the owner of all the risks relevant to their Committee. This will entail ensuring risks are handled correctly, reviewed regularly and are presented accurately within the Risk Register.

3.6 Programme lead officer

Each programme of work will have its own risk register which will be maintained by the Programme lead. If any risk(s) are of such significance that they may impact on the organisation as a whole, then it is for the Programme Lead officer to ensure that it is correctly recorded in MHCC's risk register and reported through to the appropriate Committee.

3.7 Corporate Governance Team

The Corporate Governance Team (working across MHCC) has the responsibility of coordinating the process of risk management and advising the Board on all levels of risk through the appropriate governance arrangements and organisational structures. The team will work closely with employees, departments and stakeholders to proactively address risk management issues.

3.8 CCG/MCC employees

All employees of the CCG and MCC in MHCC's scope are responsible for identifying risks and acting in line with the Risk Management Framework.

4.0 Definitions of Terms Used

Assurance – an evaluated opinion, based on evidence gained from review, on the organisation's governance, risk management and internal control framework.

Employee – an individual employed by NHS Manchester CCG or Manchester City Council who works within Manchester Health and Care Commissioning or is contracted for a specific piece of work on a seasonal or short/ medium term basis.

Control – any action taken to manage risk, these actions may be taken to manage either the impact if the risk is realised, or the frequency of the realisation of the risk.

Residual Risk – the exposure arising from a specific risk after action has been taken to manage it and making the assumption that the action is effective.

Risk – uncertainty of outcome, whether positive opportunity or negative threat, of actions and events. It is the combination of likelihood and impact, including perceived importance.

Risk Appetite – the amount of risk that an organisation is prepared to accept, tolerate, or be exposed to at any point in time. For MHCC, any risk graded as 15 or above will receive extra scrutiny via the Governance committee.

Risk Assessment – the evaluation of risk with regard to the impact if the risk is realised and the likelihood of the risk being realised.

Risk Management – all the processes involved in identifying, assessing and judging risks, assigning ownership, taking actions to mitigate or anticipate them, and monitoring and reviewing progress.

5.0 Risk Management Framework: Key elements

5.1 Risk segmentation and escalation

MHCC will segment risk identification and management into three areas:

- Strategic risks – the small number of high level risks identified by the Board as those which present the most significant risk to achieving MHCC's strategic objectives
- Corporate risks – all risks with the potential to affect achievement of MHCC's strategic objectives
- Programme risks – risks with the potential to affect achievement of a particular programme of work

The three areas are closely linked but will be recorded and reported in different ways:

Strategic risks will be the key feature of the Board Assurance Framework and will be scrutinised by the Board at each meeting.

Corporate risks will be reported through the Committee Structure with each risk being attached to a single committee for scrutiny and review.

Programme Risks will be reported through Programme Management structures.

If a risk to a Programme of work becomes so significant that it becomes a risk to delivery of the organisation objectives then it should also be recorded as a Corporate risk. It is the role of the Programme lead to escalate it in this way with support, where necessary, from the Corporate Governance team.

If a Committee believes that a Corporate risk becomes so significant it should be escalated to become a Strategic Risk, the Committee should recommend it through their report to the next Board meeting.

5.2 Identification of risk

Risk can be identified from a number of sources of information or through specific activities. These include:

5.2.1 Risk Assessments

Risk Assessment is a proactive approach to identifying risks within an organisation, department, programme, project or working area. The process involves identifying hazards/risks/uncertainty, evaluating the extent of risks and taking the necessary actions to remove or reduce such risks.

The Corporate Governance Team will support all members of staff who have a responsibility for managing risk, including guidance on undertaking risk assessments and how to use the Datix Risk Management System.

The risk assessment process will be continuously reviewed to maintain an accurate understanding of risk associated to the given area or project.

5.2.2 Incident Reporting

Reporting of incidents within the organisation highlights risk. All incidents, regardless of severity can identify risk to the organisation or its employees. 'Near Miss' incidents can act as an early warning indication of potential concerns for the future. 'Harm' or 'No Harm' incidents provide a record of what has already gone wrong. Appropriate analysis and investigation of individual incidents and trends can lead to risks being mitigated and managed in order to prevent further similar incidents.

All staff should be made to feel confident and empowered to report incidents and near misses. The reporting and management of incidents is outlined in further detail in MHCC's Incident Management Policy.

5.2.3 Management of Complaints

The management of complaints and concerns can help identify risks to organisational objectives. All complaints should be managed in accordance with MHCC's Patient Services Policy.

5.2.4 Management of Claims

The management of claims can help identify risks to organisational objectives. All claims should be managed in accordance with the Patient Services Policy.

5.2.5 Management of Quality Issues

Quality issues concerning provider care can identify risk. These may come from patient/public feedback, incidents highlighted by our member Practices or by analysis of Provider performance. Where relevant, these issues should be managed in accordance with the Incident Management Policy and risk to MHCC should always be considered.

5.2.6 Recommendations from Auditors or Inspectors

Regular inspections and audits of Manchester CCG and Manchester City Council can identify areas of poor performance or practice, this should result in risk assessments in the given area/department and any risks identified should be recorded and managed on the Datix risk register.

5.2.7 Privacy Impact Assessments

Risks to personal and confidential information that arise as a consequence of changes to systems (projects) will be identified via the completion of a Privacy Impact Assessment (PIA). This will be a risk assessment-based questionnaire completed by the Information Asset Owner (IAO) or other suitable project member and will be considered by IG Team and where necessary a report on information risks and actions to be taken will be produced. This will be managed as part of the overall project with oversight and sign off by the IG Team.

5.3 Risk Appetite and Grading

All risks are assessed in regards to the level of controls and assurances that are in place and are scored on the severity (consequence) and likelihood of occurrence. The risk score achieved reflects the urgency and degree of action, if any, required for reducing or eliminating the risk.

These risks, dependant on their score are assessed in regards to severity (Consequence) and likelihood of occurrence and are categorised dependant on their score as 'acceptable', 'manageable' or 'serious'. The responsiveness and way in which these categories of risk are managed is depicted below:

Acceptable Risk (Very Low (Green 1–3), Low (Yellow 4-6))

Realistically it is never possible to eliminate all risks. There will always be a range of risks identified within the organisation that would require us to go beyond 'reasonable' action to reduce or eliminate them, i.e. the cost in time or resources required to reduce the risk would outweigh the potential harm caused. These risks would be considered 'acceptable'.

Manageable Risk (Moderate (Orange 8 – 12))

The risk can realistically be reduced within a reasonable time scale through cost effective measures, such as training or new equipment purchase. These are considered 'manageable' and are monitored through MHCC's Committee Structure

Serious Risk (High (Red 15 – 25))

The consequences of the event could seriously impact on the organisation and threaten its objectives. This category might include risks that are individually manageable but cumulatively serious, such as a series of similar incidents or quality issues. Serious risks will be considered at each Governance Committee meeting and will be escalated to the Board as a Strategic risk if necessary.

5.4 The Risk register

The Risk Register holds all MHCC risks whether 'Strategic', 'Corporate' or 'Programme'. Committee Lead Officers and Programme Lead Officers hold the responsibility for ensuring that their risks on the corporate risk register are maintained and up-to-date. All risks on the corporate risk register will be subject to the agreed risk grading formula outlined in Appendix A.

The risk register will include information on:

Type of Risk

Description of risk

Controls in place

Gaps in Controls

Assurance

Initial Risk grading

Target risk grading

Current risk grading

Actions being taken

5.5 Control and Reporting of Risk

5.5.1 MHCC Board

Every two months, the MHCC Board will receive a high level summary document which brings together the principle strategic risks, their management, controls and subsequent assurances. Its purpose is to provide the Board with assurance that the most significant risks to the delivery of organisational objectives have been identified and are being managed.

5.5.2 MHCC Governance Committee

Every 2 months, MHCC's Governance Committee will consider Governance specific risks and all 15+ risks for MHCC. The corporate risk register will be reviewed in its entirety on an annual basis by the CGG Governance Committee.

5.5.3 Other MHCC Committees

Every 2 months, the other MHCC committees (Finance, Executive, Quality and Performance, Clinical and PPAG) will consider risks specific to their Committee.

5.5.4 Programme management

Teams or meetings monitoring the delivery of specific programmes of work will receive reports on a basis agreed with the Programme Lead Officer. As outlined above, it is for the Programme Lead Officer to escalate programme risks to corporate risks if appropriate.

6.0 Document Dissemination and Implementation

6.1 Once ratified this policy will supersede all previous CCG risk management frameworks. In order that this policy is disseminated and implemented correctly the following will occur after ratification:

- The policy will be published on the CCG website and relevant links sent out via the communications and engagement team.
- Commissioning Matters will include a dedicated section on risk management including a link to this framework.
- The Datix risk management training is designed to match this framework and attendees are made aware of this framework.
- Senior managers will make their staff aware of this policy when questioned on risk.

7.0 Monitoring and Compliance

7.1 Monitoring

Committee	Report Title	Report Details	Timeframes
MHCC Board	Board Assurance Framework	Strategic risks	Every 2 months
Governance Committee	Risk Report	Governance specific risks and risks graded 15+ on the corporate risk register	Every Meeting
Committees of the Board	Risk Register	All open risks assigned to that committee	Every Meeting

7.2 Audit arrangements

An annual policy audit will be conducted and presented to the Governance Committee.

7.3 Training arrangements

Specialist training in the use of Datix is provided by the Corporate Governance Team for all lead persons with responsibilities for maintaining and managing incidents and risks.

8.0 References and Related Documents

8.1 Related Policies

This policy should be read in conjunction with the following policies:

- Incident Reporting Policy
- Patient Services Policy
- Information Governance Policies
- Standards of Business Conduct and Conflict of Interest Policy
- Whistle Blowing Policy
- Anti-Fraud, Bribery and Corruption Policy
- Development and Management of Procedural Documents Policy

Appendix A – Risk Guidance

Risk Rating

It is necessary to rate risk systematically using standard methodology, so prioritisation of remedial action can occur. All incidents should be rated in 2 ways:

Assessment of Consequence

Choose the most appropriate domain for the identified risk from the left hand side of the table then work along the columns in the same row to assess the severity of the risk on the scale of 1 to 5 to determine the consequence score, which is the number given at the top of the column.

	Consequence score (severity levels) and examples of descriptors				
	1	2	3	4	5
Domains	Negligible	Minor	Moderate	Major	Catastrophic
Impact on the safety of patients, staff or public (physical/psychological harm)	Minimal injury requiring no/minimal intervention or treatment. No time off work	Minor injury or illness, requiring minor intervention Requiring time off work for >3 days Increase in length of hospital stay by 1-3 days	Moderate injury requiring professional intervention Requiring time off work for 4-14 days Increase in length of hospital stay by 4-15 days RIDDOR/agency reportable incident An event which impacts on a small number of patients	Major injury leading to long-term incapacity/disability Requiring time off work for >14 days Increase in length of hospital stay by >15 days Mismanagement of patient care with long-term effects	Incident leading to death Multiple permanent injuries or irreversible health effects An event which impacts on a large number of patients
Quality/complaints/audit	Peripheral element of treatment or service suboptimal Informal complaint/inquiry	Overall treatment or service suboptimal Formal complaint (stage 1) Local resolution Single failure to meet internal standards Minor implications for patient safety if unresolved Reduced performance rating if unresolved	Treatment or service has significantly reduced effectiveness Formal complaint (stage 2) complaint Local resolution (with potential to go to independent review) Repeated failure to meet internal standards Major patient safety implications if findings are not acted on	Non-compliance with national standards with significant risk to patients if unresolved Multiple complaints/independent review Low performance rating Critical report	Totally unacceptable level or quality of treatment/service Gross failure of patient safety if findings not acted on Inquest/ombudsman inquiry Gross failure to meet national standards

Human resources/ organisational development/staffing/ competence	Short-term low staffing level that temporarily reduces service quality (< 1 day)	Low staffing level that reduces the service quality	Late delivery of key objective/ service due to lack of staff Unsafe staffing level or competence (>1 day) Low staff morale Poor staff attendance for mandatory/key training	Uncertain delivery of key objective/service due to lack of staff Unsafe staffing level or competence (>5 days) Loss of key staff Very low staff morale No staff attending mandatory/key training	Non-delivery of key objective/service due to lack of staff Ongoing unsafe staffing levels or competence Loss of several key staff No staff attending mandatory training /key training on an ongoing basis
Statutory duty/ inspections	No or minimal impact or breach of guidance/ statutory duty	Breach of statutory legislation Reduced performance rating if unresolved	Single breach in statutory duty Challenging external recommendations/ improvement notice	Enforcement action Multiple breaches in statutory duty Improvement notices Low performance rating Critical report	Multiple breaches in statutory duty Prosecution Complete systems change required Zero performance rating Severely critical report
Adverse publicity/ reputation	Rumours Potential for public concern	Local media coverage – short-term reduction in public confidence Elements of public expectation not being met	Local media coverage – long-term reduction in public confidence	National media coverage with <3 days service well below reasonable public expectation	National media coverage with >3 days service well below reasonable public expectation. MP concerned (questions in the House) Total loss of public confidence
Business objectives/ projects	Insignificant cost increase/ schedule slippage	<5 per cent over project budget Schedule slippage	5–10 per cent over project budget Schedule slippage	Non-compliance with national 10–25 per cent over project budget Schedule slippage Key objectives not met	Incident leading >25 per cent over project budget Schedule slippage Key objectives not met
Finance including claims	Small loss Risk of claim remote	Loss of <0.1 per cent of the total CCG budget Claim less than £10,000	Loss of 0.1–0.25 per cent of the total CCG budget Claim(s) between £10,000 and £100,000	Uncertain delivery of key objective/Loss of 0.25–0.5 per cent of the total CCG budget Claim(s) between £100,000 and £1 million Purchasers failing to pay on time	Non-delivery of key objective/ Loss of >0.5 per cent of the total CCG budget Failure to meet specification/ slippage Loss of contract / payment by results Claim(s) >£1 million
Service/business interruption Environmental impact	Loss/interruption of >1 hour Minimal or no impact on the environment	Loss/interruption of >8 hours Minor impact on environment	Loss/interruption of >1 day Moderate impact on environment	Loss/interruption of >1 week Major impact on environment	Permanent loss of service or facility Catastrophic impact on environment

Assessment of Likelihood of Reoccurrence

The tool described here provides a simple way of rating the potential risk

associated with hazards. It requires an assessment of rating the potential consequences and the likelihood of recurrence of harm from the hazard. (A hazard is anything that has the potential to lead to or cause actual harm, the risk is how likely the hazard will cause harm).

Likelihood score	1	2	3	4	5
Descriptor	Rare	Unlikely	Possible	Likely	Almost certain
Frequency How often might it/does it happen	This will probably never happen/recur	Do not expect it to happen/recur but it is possible it may do so	Might happen or recur occasionally	Will probably happen/recur but it is not a persisting issue	Will undoubtedly happen/recur, possibly frequently

Risk Rating = Consequence X Likelihood

Measures of Consequence

Level	Descriptor	Description
1	Insignificant	No adverse outcome or injury
2	Minor	Short term adverse outcome
3	Moderate	Semi-permanent outcome or injury
4	Major	Permanent adverse outcome or Injury
5	Catastrophic	Death; Not meeting Statutory Duties

Measures of Likelihood of Reoccurrence

Level	Descriptor	Description
1	Rare	Can't reasonably believe that this will ever happen again
2	Unlikely	Do not expect it to happen again but it is possible
3	Possible	May re-occur. Occasionally
4	Likely	Will probably re-occur but is not a persistent issue
5	Almost certain	Likely to re-occur on many occasions, a persistent issue

Risk Grading Matrix

Likelihood	Consequence				
	Insignificant	Minor	Moderate	Major	Catastrophic
Rare	1	2	3	4	5
Unlikely	2	4	6	8	10
Possible	3	6	9	12	15
Likely	4	8	12	16	20
Almost Certain	5	10	15	20	25

Equality Analysis

Establishing Relevance to Equality

1. Name of the proposal being analysed	Risk Management Framework	2. Officer/s responsible for the analysis	Director of Corporate Affairs	3. Senior responsible officer/s	Director of Corporate Affairs
4. Date analysis started	17 May 2017	5. Date analysis completed	17 May 2017	6. Date of approval	

Please state if the proposal being analysed is: (please tick which one is applicable)

1. Strategy		2. Policy	x	3. New service	
4. Service redesign		5. Service review		6. decommissioned services	

Please state organisation this proposal relates to: (please tick which ones are applicable)

MHCC	x	MCCG	
MCC		Other please state:	

The purpose of the Analysis

The purpose of this relevance assessment is to analyse the information gathered on (proposed or existing function name here) to test it for potential relevance to equality. A relevance ranking of high medium or low will be applied.

1. About the Service

Please use this section to provide a concise overview of your service, its key delivery objectives and its desired outcomes.

The Risk Management Framework is an inward looking policy/procedural document which sets out how risks will be managed and reported throughout MHCC.

2. General Questions

Please complete the questions below in support of the relevance test assessment

Question	Answer
Does the service affect service users, employees or the wider community & potentially have a significant effect in terms of equality?	No
Is it a major Service change that will significantly affect how functions are delivered in terms of equality?	No
Will it have a significant effect on how other organisations operate in terms of equality?	No
Does the Service relate to functions that previous engagement has identified as being important to particular protected groups?	No
Does or could the policy affect different protected groups differently?	
Does it relate to an area with known inequalities e.g. access to public transport for disabled people.	No
Does it relate to an area where equality objectives have been set by your organisation?	The Risk Management Framework covers the whole organisation
Please provide any evidence of engagement that you have considered to assess the service for its relevance to equality include any data, research, engagement etc.:	N/A

3. Relevance Assessment Findings

If your assessment has identified **a relevance to equality** you will be required to undertake an Equality Analysis, please complete the following table:

The analysis has demonstrated relevance to equality with regard to:

Protected Groups – Please tick relevant groups	Aims of the Equality Duty – Please tick relevant aim
<ul style="list-style-type: none"> Age 	Eliminate unlawful discrimination, harassment and victimisation (i.e. the

<ul style="list-style-type: none"> • Disability • Race • Gender • Gender reassignment • Marriage and Civil Partnership • Pregnancy and Maternity • Sexual Orientation • Relief or Belief 	<p>function removes or minimises disadvantages suffered by people due to their protected group)</p> <p>Advance equality of opportunity between those who share a protected group and those who do not (the service takes steps to meet the needs of people from protected groups where these are different from the need of other people)</p> <p>Foster good relations between people who share a protected groups and those who do not (i.e. the service encourages people from protected groups to participate in public life or in other activities where their participation is disproportionately low)</p>
--	---

If the assessment has **identified NO relevance to equality** please detail below your rationale and how the information you have used supports this conclusion.

The Risk Management Framework is an inward facing document which is sets out an approach to risk management. The only equality element which may be relevant would be the reliance on an electronic system to store information and any equality implications as a result of this e.g difficulty for people with visual impairment. However, this is issue would need to be analysed as part of IT policies' EA, rather than every policy which has an IT element included.

4. Conclusions

Relevance Ranking – Please identify in this section the degree to which the function has been assessed as relevant to equality. (Please mark the applicable box):

No	Ranking description	X
1	High – The function shows a high degree of relevance to one or more protected groups and/or one or more aim of the general equality duty	
2	Moderate – The function shows a moderate degree of relevance to one or more protected groups and/or one or main aim of the general equality duty	
3	None – The function is not relevant to any protected group and/or any of the aims of the general equality duty	x

5. Outcome – Please identify here whether your analysis demonstrates the need for the completion of an Equality Analysis (please mark the applicable box):

No	Outcome Description	
1	The relevance assessment has identified a high or medium	

	relevance ranking and a Equality Analysis is required	
2	The relevance assessment has identified a low relevance ranking and in consideration of the evidence above a Equality Analysis process is not required	x

Sign off and Approval Process

Sign off - Line Management

Name:		Line Manager Signature:	
Date:		Service:	

Director Level Sign Off

Name:		Director Signature:	
Date:		Directorate:	

Once completed please send to hr.manchester@nhs.net