

Context to the review of the strategic risk register

1. Background

At its private meeting in April 2019, the Board was asked to discuss and approve the strategic risks identified for 2019-2020. Although the Board approved the risks, it asked for a summary of the process adopted for identifying strategic risks. This Annex sets out this process. It also summarises for new Board members the Trust's approach to managing risks as set out in the Trust's Risk Management Policy

2. The process for identifying strategic risks

At the end of each financial year the Executive Team meets to review all strategic risks – ie those risks to achieving the Trust's strategic objectives. The refresh of risks is undertaken to achieve the following:

- to close any risks specific to the financial period coming to an end;
- to open new risks specific to the new financial period;
- to review all risks being carried forward to ensure they are still relevant and the right mitigations and controls are in place; and
- to identify emerging risks

As a result of the review the Executive Team:

- Closed 5 risks
- Carried over 2 existing risks into the new financial year which were reviewed and updated.
- Opened 7 new risks. The revised strategic risk register is attached in Annex .

3. The Trust's approach to managing risk

The Risk Management Policy sets out the key responsibilities for managing risk within the organisation, including the ways in which risk is identified, evaluated and controlled. It identifies strategic and operational risk and how both should be identified, recorded and escalated and highlights the open and honest approach the Board expects with regard to risk management.

In general, the Trust's approach is that all risks are locally owned and managed and then escalated where appropriate to the Board or its subcommittees. All risks rated 12 or above are escalated to the relevant Board level subcommittees. All risks scoring 15 or above are escalated to the full Board.

In addition the Wider Executive Team conducts a monthly review of risks covering all new risks added in the previous month, all risks scoring 15 or above and a thematic analysis of risks relating to a specific service.

They also specifically review all new risks which could potentially have a significant impact on the Trust. The goal is to ensure that risks with which could potentially have a significant impact on the Trust are flagged, even if the likelihood of occurrence is low, and the controls

and mitigations reviewed. This relates to all new risks which have a potential impact/consequence scored at Major-4 or Catastrophic-5. Additionally the focus of the whole leadership will lead to a more consistent risk description, mitigation and management approach across the Trust. Additionally the focus of the whole leadership will lead to a more consistent risk description, mitigation and management approach across the Trust.