

Risk Management Framework

PLEASE DESTROY ALL PREVIOUS VERSIONS OF THIS DOCUMENT

Risk management framework

Ratified as final by:	TBC
Date of final approval and implementation:	TBC
To be reviewed:	Every 3 years
Next review date:	December 2022
Version:	1.1
Reference:	TBC
Policy Area:	Governance
Applies/disseminated to:	All WEL CCG Staff
Responsible person:	Senior Corporate Governance Leads
Accountable Person:	Director of Corporate Services

Document Control

Date	Version	Amendments	Approval / Ratified
20/12/2016	1.0	First published version for WEL CCG	Newham CCG Executive Committee
29/10/2019	1.1	Revised for WEL CCG use	
11/02/2020	1.1	Review and approval for ratification	WEL CCGs Information Governance Steering Group (IGSG)

Table of Contents

Risk Management Framework	1
Risk management framework.....	2
2 Summary	4
3 Scope	4
4 Introduction.....	4
5 Roles and responsibilities	6
6 Description of terms and definitions	7
7 The risk management structure.....	7
8 Risk reporting and management	8
9 Independent assurance sources	10
10 Training.....	10
11 Implementation	11
12. Optional and development areas that move the risk management framework towards best practice.	11
13 Reviews and updates.....	12
Appendix 1: Definitions of key terms	13
Appendix 2: Risk categorisations	15
Appendix 3: Frequently Asked Questions.....	18

2 Summary

WEL CCGs recognises that risk management, as an on-going process, is a supporting element in the delivery of the CCG's strategic initiatives and corporate objectives and thus the CCG takes all reasonable steps in the management of risks.

3 Scope

This policy applies to all staff and the aim of the policy is to ensure that all risks are managed effectively and supported by robust controls in a timely fashion and to inform organisational learning and continuous improvement.

This includes, but is not limited to:

- staff employed by the organisation
- those engaged in duties for the organisation under a letter of authority
- honorary contract or work experience programme
- volunteers
- any other third party such as contractors or support services organisation
- Students or visitors.

4 Introduction

This document outlines the approach to risk management and board assurance that is in place across WEL CCG.

This approach to risk management and board assurance is in accordance with legislation, national and local guidance. It seeks to embed recognised and developed best practices through a process of on-going review and improvement whilst underpinning the production of the annual Governance Statement.

Through its adopted approach to risk management and board assurance WEL CCG has put in place mechanisms to ensure sound governance structures are in place to support key organisational objectives and the delivery of safe, effective and fit for purpose healthcare services.

WEL CCG will systematically identify, at all levels, risks that could affect ability to deliver upon objectives and take every reasonable step to control the risk. This will include a process to monitor, and if necessary improve, how well risks are being managed and be able to demonstrate this.

WEL CCG will employ effective techniques for risk management based on a system of enterprise risk management and consequently support themselves with good information systems, discuss and share risk information amongst themselves and other stakeholders, and train and support all their staff to an appropriate level of expertise.

WEL CCG also requires that organisations and people commissioned to provide health services or business support in the achievement of its objectives have in place demonstrably effective risk management systems.

The establishment of effective risk management systems is recognised as being fundamental in ensuring good governance.

Its aim is to continually improve the quality of health service commissioning through the identification, prevention, control and containment of risks of all kinds.

To do this, a systematic and consistent approach to risk management has been established by WEL CCG, which extends from board assurance to operational risk level by way of a standardised risk registers which will be utilised throughout the organisation to identify, monitor and report on operational risks to enable effective assessment and escalation of risks to board assurance level where appropriate.

The WEL CCG Board ensures that there are robust and independent assurances given on the soundness and effectiveness of the systems and processes in place for meeting their objectives and delivering appropriate outcomes.

They therefore have overall responsibility for ensuring that the process of risk identification, evaluation and control is effective. This is achieved through the management and application of the Board Assurance Framework (BAF).

The Board Assurance Framework (BAF) enables the WEL CCG Board to be assured that the controls applied in the mitigation of strategic risks are operating effectively. Hence the BAF is a key element of the risk management process.

The purpose of this strategy is to:

- Ensure compliance with all standards and regulations that apply to Healthcare for all commissioned services
- Ensure as far as reasonably possible within the boundaries of the operating environment, a common and integrated approach to risk management across WEL CCGs.
- Implementation and management of a robust assurance framework that addresses risks at all levels of the organisations with relevant and appropriate escalation mechanisms
- Ensure common understanding of terminology used in relation to risk issues

5 Roles and responsibilities

A prerequisite for the effective management of risk is the need for all of the WEL CCGs staff, clinicians, boards and sub committees to be clear on, and to execute fully, their specific duties in respect to their roles and responsibilities within the risk management structure.

The below table outlines the key staff, and committees operating on behalf of the CCG:

Role	Responsibilities
Governing Body	<p>The Governing Body will receive assurances from the Strategy and Transformation Committee regarding the robustness of the CCG's risk management and incident reporting procedures.</p> <p>The Governing Body will receive a BAF report which indicate</p>
Strategy and Transformation Committee	<p>The Strategy and Transformation Committee will receive reports from the CCG's Risk management function on a quarterly basis outlining day to day risk management issues, updates on the development of key policy, strategy and guidance documentation.</p> <p>The Strategy and Transformation Committee is responsible for co-ordinating and raising awareness of incident reporting and risk management within the CCG. The Strategy and Transformation Committee will be notified of any reported internal SIs, incidents and near misses on a quarterly basis.</p>
Accountable Officer	<p>Has overall accountability and responsibility for ensuring that the WEL CCG has in place appropriate systems for handling the management of incidents and near misses.</p> <p>The Accountable Officer is responsible for providing assurance that all risks to the organisation, and reported incidents, concerns or trends, are effectively managed and mitigated.</p>
Director of Corporate Services	<p>The Director of Corporate Services is the executive director for risk management and is responsible for ensuring that effective systems and processes are in place to address the risk agenda, including incident reporting, in addition to:</p> <ul style="list-style-type: none"> • Being accountable for risk management, fostering a culture of reporting incidents and learning lessons. • Ensuring incident reports are appropriately recorded and monitored as part of WEL CCG's overall approach to risk management. • Ensuring that the approach to risk management is

Role	Responsibilities
	<p>effective in terms of resource, commitment and execution and that this is communicated to all staff.</p> <ul style="list-style-type: none"> Ensuring the Governing Body is adequately briefed on risk and security issues and assurances are provided.
Corporate Governance Leads	Responsible for ensuring suitable advice, guidance support, tools and training are available to those with the CCG who report incidents and that investigations are undertaken thoroughly and in a time.
NEL CSU	<p>Provide specialist advice and support, under contract, to the CCG specifically in relation to SI matters reported by provider partner organisations.</p> <p>The CSU team will support the CCG by reviewing internal incident reports relating to IG incidents and providing an opinion as to whether or not the threshold for reporting an IG SIRI has been met.</p>
All Substantive/Permanent Staff	All those working for WEL CCG have an obligation to ensure that they report any incident or near miss they uncover during their time with the CCG. Where required, staff are obliged to take care in the investigation into any identified incidents and are expected to offer their full co-operation.
Third parties	The same responsibilities as for permanent staff apply to those working on behalf of the organisation, whether they are volunteers, students, work placements, contractors or temporary employees. Those working on behalf of, but not directly employed by, the organisation are required to sign a third party agreement outlining their duties and obligations.

6 Description of terms and definitions

In keeping with all subject areas risk management has a number of terms and definitions that are necessary in order to communicate its meanings, interpretations and outcomes in a common language.

The description of the terms and definitions that are relevant to the WEL CCG approach to risk and board assurance as described in this document are presented in [Appendix 1](#). This includes terms and definitions that reflect those areas of risk management which extend beyond the traditional reporting framework into one that moves the organisation more towards best practice risk management.

7 The risk management structure

The risk management structure is the vehicle by which risks are captured, reported and managed. It enables risks to be considered and managed at an operational level and strategic level depending on the nature and severity of the risk as represented

by an assessment of its likelihood of occurring and the consequences resulting from its potential occurrence.

It shows the high level linkages between the operational level risks, (categorised as risks that are managed at e.g. committee and transformation programme level) and strategic risks (categorised as risks that are managed at senior organisational or Board level). A fundamental characteristic of the risk management structure is the inherent process of escalation between the lowest reported level of risk (committee and transformation programme level) to the highest level of reported level of risk (BAF). This ensures complete transparency of risks and risk management to the Board (and its associated sub committees).

The criteria for determining at which level in the escalation process a risk will sit is determined by the WEL CCG Governance Team in conjunction with the Board Non-Strategy and Transformation Lay Member for Governance. Significant operational risks managed at a Committee/Transformation programme level will be reviewed by the Strategy and Transformation Committee before a final determination is made on escalation to Board. This will be based on the following criteria:

- Action that is outside the remit of an individual committee lead
- Risks that have an impact on other or related areas of the organisation
- Risks that have a material impact upon the CCGs ability to deliver upon its strategic objectives
- Risks where no action has been taken to implement additional controls,
- Risks where additional controls have not succeeded in reducing the risk grading.

8 Risk reporting and management

The risk register is the vehicle used to record identified risks and the details of the associated controls and assurances that are put in place to manage an individual risk to its agreed acceptable level.

Each committee and transformation programme in the WEL CCG Governance Structure (as reflected in the CCG's Constitution) will be responsible for maintaining a risk register in line with its programme of work.

Committee and transformation programme senior management leads will hold responsibility for populating and updating risk registers for which they are responsible on a monthly basis in the coordination with the Governance and Risk Manager. A final determination on the escalation of risks to the Board Assurance Framework (BAF) will be made by the WEL CCG Governance and Engagement Team in conjunction with the Board Non-Strategy and Transformation Lay Member for Governance

There are two risk register formats employed for the reporting of risks.

Risk Register

The first format is used for recording risks at the lowest operational level; e.g. CCG Committee/Transformation Programme level.

Working in partnership with risk lead(s), or designated persons, risk registers will generally be updated on a monthly basis. Escalation of risks is in line with the risk reporting hierarchies described within this document, with a final determination to be made by the Head of Governance and Engagement, in conjunction with the Corporate Services, Governance and Risk Manager and the Board Non-Strategy and Transformation Lay member for Governance.

The Trust uses the Covalent Software to manage our risk registers.

Board Assurance Framework (BAF)

The BAF records more detail than the first format and is the vehicle by which the WEL CCG board is assured of the effectiveness of the risk management processes employed.

Working in partnership with the relevant senior management risk lead, or designated persons, risks reported through the BAF will generally be updated on a monthly basis.

The BAF is subject to internal and external audit and supports the annual governance or equivalent statement.

As with the risk register, the CCG manages and updates its BAF using the covalent software system.

Risk ratings

Every identified risk has a chance of occurring therefore each risk will have its own potential likelihood. Similarly if the risk were to occur then it would have its own measure of impact (also known as a consequence). It is important to recognise that risk can never be eliminated and the aim of risk management is to progressively manage risk within 'acceptable' levels. The acceptable level of risk is known as the 'risk tolerance' to a particular risk.

Likelihood and impact are typically allocated a number between 1 and 5. The total risk score is the impact multiplied by the likelihood. Hence the risk score can lie between 1 (1x1) and 25 (5x5). The overall risk score determines the risk rating. This in turn governs the actions that are required to manage the particular risk.

Risk rating categorisations are shown in [Appendix 2](#).

The approach to the management of risks within individual risk categories are typically associated with the need to Avoid, Reduce, Transfer or Accept the risk, i.e.

- **Avoid:** Not proceeding with activity likely to generate the risk
- **Reduce:** Reducing or controlling the likelihood and consequences of the occurrence

- **Transfer:** Arranging for another party to bear or share some part of the risk, through contracts, partnerships, joint ventures, insurance etc.
- **Accept:** some risks may be minimal and retention acceptable.

Risk appetite and tolerance:

In order to further strengthen the WEL CCG's risk management framework, the CCG will develop risk appetite and risk tolerance statements. The statements will be applied to the risk register and BAF to ensure the risk owners and management leads are held to account over the management of their risk, by ensuring that the appropriate mitigating

The definitions that the CCG will apply are as follows:

- **Risk appetite:** the amount and type of risk an organisation is willing to accept in pursuit of its business objectives.
- **Risk tolerance:** the organisation's readiness to bear the risk after treatment in order to achieve its strategic objectives. The tolerance relates to specific or individual risks.

9 Independent assurance sources

External Audit

External Audit provides assurance that the BAF is in place, in collaboration with the processes carried out by Internal Audit.

Internal Audit

Internal Audit reviews the process for the maintenance and delivery of the BAF and provides the assurance that it meets the requirements of the Department of Health. Internal Audit also reviews other risk areas in line with an agreed annual audit plan and reports its findings to the audit committee

WEL CCG Board

The WEL CCG Board will receive all reports pertaining to risks on the Board Assurance Framework and new board assurance risks.

10 Training

The provision of appropriate and targeted training is a key ingredient to the achievement of embedding risk management systems and processes into WEL CCG. Training will be delivered through a number of channels that will include real time coaching by risk leads and, where deemed appropriate, formal training sessions which will be coordinated through the CCG's workforce development programmes that may include external provision. Training will include such things as;

- understanding the processes of risk management
- learning how to conduct a risk assessment
- Understanding how risk management works in the CCG and how to contribute to it.
- developing the risk management processes in line with new and emerging best practice

11 Implementation

The effective implementation of this Risk Management Framework will facilitate the delivery of high quality service and, alongside staff training and support, will provide an awareness of the measures needed to prevent, control and contain risk.

WEL CCG will:

- Ensure all staff and stakeholders have access to a copy of this Risk Management Framework
- Produce Risk Registers for Committees and Transformation boards as denoted in the CCG's Governance Structure. Produce a Board Assurance Framework which will be subject to regular review by the WEL CCG Board.
- Communicate to staff any action to be taken in respect of risk issues.
- Develop policies, procedures and guidelines based on the results of assessments and all identified risks to assist in the implementation of this Strategy.
- Ensure that all training programmes raise and sustain awareness throughout the WEL CCG of the importance of identifying and managing risk.
- Ensure that all staff have the knowledge, skills and support and access to expert advice necessary to implement policies, procedures and guidelines associated with this Strategy.
- Monitor and review the performance of the organisation in relation to the management of risk and the continuing suitability and effectiveness of the systems and processes in place to manage risk.

All procedural documents including the Risk Management Framework will be made available on the WEL CCG Website.

12. Optional and development areas that move the risk management framework towards best practice.

The following areas, whilst not necessarily essential to a risk management framework, do, if implemented, afford for a more robust risk management process. They extend the basic framework in to one which provides for more effective and proactive risk management which in turn supports a more dynamic and innovative approach to the wider CCG clinical, financial, and corporate and resource management thereby providing for improved outcomes across all the CCG activities.

Programme and project risks

Risks associated with specific projects (e.g. QIPP projects) are in general reported and managed through the QIPP reporting process. The Strategy and Transformation Committee holds responsibility but each QIPP initiative together with their risks has been mapped to a respective commissioning committee or transformation programme.

Where there is a significant health economy impacting programme then a specific risk strategy may be developed

13 Reviews and updates

Reviews on the approach to risk management and board assurance described in this document are a proactive activity in order to seek out and implement best practices. Updates will therefore be implemented where identified best practices provide desired improvements to the latest approach. There will be an annual refresh and update.

This policy will be reviewed by the Corporate Service, Governance Leads every three years and updated with any relevant changes in guidance which have a material impact on information governance or security arrangements.

Each updated version of this document will be attributed a unique sequential reference number, which will be denoted.

Appendix 1: Definitions of key terms

Risk: The threat that an event or action may adversely affect an organisation's ability to achieve its business objectives

Risk Description: This is a brief description of the risk that may occur and how it could prevent the achievement of a particular strategic objective.

The Treasury recommends the following format for articulating risks 'Because of 'this / these' (causes) we are concerned that this (risk event) might happen and it matters because of its (impact on the achievement of the strategic / principle objective) i.e. its effect

Risk Management: The culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects

Risk Register: The vehicle used to record identified risks and the details of the associated controls and assurances that are put in place to manage an individual risk to its agreed acceptable level.
Strategic objectives

The key areas against which WEL CCG intends to deliver and which are set out in detail in the CCGs Operating Plan. Each identified risk will be linked to one of these objectives. This will be evidence through the risk register framework.

Board Assurance Framework (BAF): Provides the CCG Board with a simple but comprehensive mechanism for effective and focussed monitoring and reviewing of strategic (significant) risks, any gaps in their controls and assurances and action plans to mitigate or reduce the level of risk.

A key area for internal auditors is the quality and degree of assurances that are in place to demonstrate that the controls in place to manage as particular risk are being effective or not. At its simplest, the BAF is a list of:

- The main risks to an organisation achieving its objectives
- What controls are in place to the prevent the risk occurring or reduce the impact should it occur
- What assurances exist to ensure the controls are in place.
- Details of gaps in controls and assurance
- Action plans to ensure that the gaps are managed appropriately.

Strategic (significant) level risk: Those risks that threaten the achievement of the organisation's strategic objectives. Specifically, these tend to be those risks rated as being major or severe.

Operational level risks: Those risks that impact on the day to day activities of the organisation and its associated activities. These risks are likely to be associated with a Committee or Transformation Programme, although this may not always be the case. Specifically, these are those risks rated as being low or medium and will be managed locally.

Initial (Gross) Risk: The risk rating of an identified risk area prior to any controls being put in place. This assessment is made at the beginning of each (financial) year or when a new project etc is started. The assessment of this risk does not change. It is the bench mark against which the management of the risk is measured until such time that it reaches its agreed acceptable level.

Current (Residual) Risk: The risk rating of an identified risk as the effects of the controls and assurances put in place become effective. This level of risk is expected to improve over time until it reaches its agreed acceptable level. It is an indication of the effectiveness of the controls and assurance put in place.

Forecast Risk: The risk rating that is expected to be achieved at the end of the current financial year during which the risk is being managed. This level of risk is expected to improve over time but may not achieve the target risk level set due to circumstances - internal and / or external – which were not anticipated / evident when the Target risk was set at the beginning of each (financial) year or when the project etc. was started.

Target (Acceptable Level) Risk: The risk rating which represents the agreed acceptable level of risk expected to be achieved at the end of the current financial year during which the risk process is being monitored. The assessment of this risk does not change. It is a bench mark of the effectiveness of the controls and assurance put in place over the current year / period of risk management. It represents the organisations tolerance to the particular risk.

Controls: Those actions that have been designed to manage the identified strategic risks. When controls are being designed, then consideration should be given to their likelihood of being effective. Some controls will only be effective if linked to other control systems.

Gaps in control: Those areas where there are inadequate controls in place to manage a strategic risk or where the existing controls are not effective.

Assurance Mechanisms: Those processes, systems and methods in place that provide timely assurance that the key controls to manage the strategic risks that have been put in place are effective. Assurance mechanisms are provided through two main sources:

- internal assurances e.g. performance reports, subcommittee reports
- external assurances e.g. external audit reports, CQC reports, clinical audit

Gaps in Assurance: Those areas where there is insufficient assurance that the controls in place are adequate and effective.

Appendix 2: Risk categorisations

The following risk rating methodology ensures consistency of risk rating categorisations recognising the bounds of individual subjectivity that inherently exist within the risk assessment process.

This is based on the universally acknowledged approach to assessing risks through a consideration of risk likelihood and risk consequence, the resultant risk ratings are sense checked against a general 'risk rating conditions criteria' that takes into account the inevitable intuitive nature of risk assessment particularly within robust and mature operating environments.

This acknowledges that there is no risk classification system that is applicable to all types of organisations (ISO31000) and consequently respects the variability and dynamism of the CCG activities.

Risk rating categorisations:

Risk likelihood

The likelihood of a particular risk occurring is assessed against the criteria shown in Figure 3 below. A score of '1 to 5' is allocated dependent upon the assessed likelihood category determined.

Figure 1 Likelihood of the risk occurring table

Risk Likelihood					
Score	1	2	3	4	5
Description	Rare	Unlikely	Possible	Likely	Certain
Frequency	The risk may occur but only in exceptional circumstances	The risk is not expected to happen but there is a possibility that it could occur at some time	The risk might occur at some time. There is some history of it, or similar occurrences, having occasionally happened in the past	There is a strong possibility that the risk will occur. There is a history of it, or similar occurrences, frequently happening in the past	The risk is expected to occur. There is a history of it, or similar occurrences, regularly happening in the past

Risk impact

The impact (sometimes referred to as consequence) of a risk occurring is assessed against the criteria shown in Figure 4.

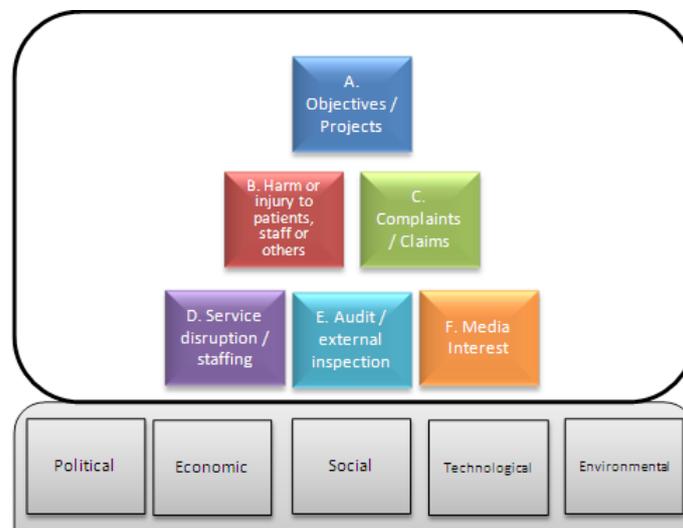
A score of 1 to 5' is allocated dependent upon the assessed impact that the risk would have on the organisations corporate, principle and business objectives, if it were to occur.

Figure 2: Impact on corporate objective(s) if risk occurs

Risk Impact		
Score	Description	Impact Description
5	Severe	There is a very major and potentially disastrous impact on the achievement of the corporate objective(s)
4	Major	There is a major impact on the achievement of the corporate objective(s)
3	Moderate	There is a significant impact on the achievement of the corporate objective
2	Minor	There is some impact, albeit not significant, on the achievement of the corporate objective(s)
1	Insignificant	There is minimal impact on the achievement of the corporate objective(s)

It must be noted that the impact on corporate objectives is just one area that a risk can impact. Figure 5 below shows some of the areas a risk can impact that should be considered when analysing the impact a risk could have.

Figure 3 Areas of risk impact



Risk classification and risk categorisation

For the majority of public services, including the NHS, risk classification is determined by the product of the assessed risk likelihood score and the assessed risk impact score the output which is then mapped on to a risk rating matrix (see Figure 6).

This enables risks to be prioritised or ranked for further analysis.

Figure 4 Risk Rating scores (likelihood score x impact score)

		Likelihood				
Impact		Rare (1)	Unlikely (2)	Possible (3)	Likely (4)	Certain (5)
Severe (5)		5	10	15	20	25
Major (4)		4	8	12	16	20
Moderate (3)		3	6	9	12	15
Minor (2)		2	4	6	8	10
Insignificant (1)		1	2	3	4	5

The risk rating score determines the severity of the risk and aligns it to a particular risk category.

These are described at a high level in Table 1 below.

They provide a sense check against the assessed risk rating categorisation and therefore provide a means of ensuring, as far as practicably possible, a high degree of consistency of risk assessment across the CCG within the boundaries of inevitable individual risk owner subjectivity

Figure 5 – Risk Category Description

Risk Category	Risk Category description
High (Risk Score 15-25)	High categorisation level risks are not acceptable under any circumstances as they will (i) prevent the achievement of the corporate, principle and business objectives and will damage the organisation’s reputation, politically and financially as well as creating a significant and unacceptable response from stakeholders, (ii) impact on individual or population health outcomes resulting in death. They require specific monitoring and appropriate action plans at Board level to ensure that their impact is mitigated at the earliest opportunity
Medium (Risk Score 4-12)	High categorisation risks are generally not acceptable as they are likely to (i) cause much disruption and efficiency losses to the achievement of corporate, principle and business objectives, (ii) impact on individual or population health outcomes resulting in greater chances of suboptimal health outcomes. They require specific monitoring and appropriate action plans at individual directorate senior management level to ensure that their impact does not increase to a higher risk level
Low (Risk Score 1-3)	Low categorisation risks are in general at an acceptable level of risk as they are (i) unlikely to cause much disruption and efficiency losses to the achievement of corporate, principle and business objectives, (ii) impact on individual or population health outcomes resulting in some chances of suboptimal health outcomes. They are unlikely to require specific application of resources and will be subject to on-going review and monitoring at a departmental / functional level

Appendix 3: Frequently Asked Questions

What is meant by ‘risk management’? Risk management is a process whereby CCGs and other organisations identify and manage risks that could prevent them from achieving their objectives. These can be strategic objectives or more local departmental objectives.

Why is risk management important? CCGs and other organisations will often redefine their objectives as they respond to the continually changing circumstances with which they are faced. These can be related to internal organisation changes and /or external changes that impact on the environment in which the organisation is operating. Such changes can expose the CCG /organisation to new or changing risks. A sound and robust risk management system therefore provides the internal control mechanism to ensure a thorough and regular evaluation of the nature and the extent to risks which the CCG/ organisation is exposed.

So, what is a risk? A risk is something which if it arises may impact on an organisation’s ability to achieve its objectives successfully – this can be at any level of the organisation. When considering the severity of a risk it is considered in terms of (i) the likelihood of it arising (ii) its impact should it arise.

What is the best way to describe a risk? When describing a risk it should be worded so that it is clear how the risk, if it arose, would impact on the achievement of the objective. In other words the risk is expressed as a cause and effect relationship.

e.g. Objective: Improve Patient Safety and Experience:

Risk Description – Poor communication by doctors and nurses, together with weaknesses in key CCG processes, has a negative impact on patient experience.

What is a risk register and why do we need one? The Risk Register provides a means of recording risks at the lowest operational level e.g. departmental or intermediate level dependent upon organisational structure and reporting arrangements. The risk register is a day-to-day tool to help managers achieve their objectives whilst driving and evidencing risk management activities. The risk register must be simple, practical and worthwhile.

What is the difference between a risk register and the Board Assurance Framework (BAF)? The BAFs fundamental purpose is to provide the CCG Board with assurance that the risks to delivering the organisation’s strategic objectives and goals are being managed effectively’ the lens through which the CCG Board examines the assurances it requires to discharge its duties.

What are the key areas of the BAF?

Controls: A control is something which occurs or is currently in place to mitigate the likelihood of the risk arising or the impact of the risk should it arise.

The following is not a control as it describes something which has not yet happened or is already in place:

‘Slips, trips and falls programmed being developed’

Assurances: An assurance is evidence that the controls / systems that are in place to control a risk are working. Assurances can be internal (e.g. performance reports, subcommittee reports) or external (e.g. external audit reports, CQC reports, clinical audit). It is good practice to include the date when an assurance was received. By including the date it helps demonstrate how relevant the assurance is.

Risk	Assurance	Good vs. Poor Assurance
Poor records management by local managers and supervisors results in high levels of unrecorded employee absences	Internal audit report	X
	Internal audit report on absence management (January 2012) provided substantial assurance that existing controls are operating effectively	√

Gaps in Controls: An identified control not currently in place, which if in place would help to mitigate the risk

E.g. Absence of a robust system to monitor feedback from GPs on a regular basis.

Gaps in Assurances: A control is in operation but there is no mechanism to provide assurance as to how effectively this is operating

e.g. *there is no independent assurance over the GP Liaison Improvement Plan.*

Actions: Those things that are planned to be carried out with the intention of improving the controls in place to manage the risks or to increase the assurance over the controls in operation. The actions column should clearly state the date by which the action is to be completed

Who holds responsibility for updating and monitoring the BAF and to monitor it?

The responsibility for updating the BAF sits with the Corporate Senior Corporate Governance Leads in consultation and partnership with relevant senior management risk leads. It is then reviewed by the WEL CCG Board.