



NHS Forth Valley

12 August 2008

**This report relates to
Item 7 on the Agenda**

Risk Management Annual Report

*(Paper presented by Ms Elaine Vanhegan, Head of
Performance Management)*

For Noting

RISK MANAGEMENT

Annual Report 2007-08

CHIEF EXECUTIVE'S FOREWORD AND STATEMENT OF ASSURANCE

As Chief Executive, I am accountable to the Board for the effective management of risks relating to NHS Forth Valley. This Annual Report provides assurance to the NHS Board that there are adequate and effective risk management arrangements within NHS Forth Valley. The Risk Management Strategy which was approved by the Board on 29 March 2005 was reviewed during 2006. This was subsequently approved by the NHS Board in November 2006. Although it was due for update by March 2008, time has been taken to consider the overall position of risk within NHS Forth Valley with a revised Strategy presented and approved by the NHS Board in May 2008.

The establishment of a Risk Network was a key action during 2007/08 addressing area wide roll out of both the Strategy and principles of risk management. The group functions as a forum for the sharing of information, issues, concerns and good practice with reference to risk management across Forth Valley. Comprising of a broad range of senior staff, the group supports the day to day implementation of the NHS Forth Valley Risk Management Strategy.

The Network compliments the Area Wide Health and Safety Committee. The Health and Safety Committee membership, role and remit was reviewed in April 2007 to ensure appropriate membership from across the organisation giving clear direction.

Progress continues with the Corporate Risk Register (CRR) with Unit/CHP/Departmental Risk Registers reviewed routinely. The escalation process for the Corporate Register has been updated to incorporate the role of the Risk Network. The network reviews issues from departmental registers for inclusion in the CRR therefore ensuring operational linkage and enhanced robust escalation. The CRR is then routinely revised at the Performance Management Group (PMG) on a monthly basis with agreed NHS Board escalation at that point. Over time it is anticipated that this process will be automated through the Safeguard System in line with the agreed risk categories and corporate objectives. The formal roll out of this system is subject to review by Information Technology to ensure a coordinated project management approach and ongoing support. This is a key action included in the recent internal audit report and identified through the action planning to date. Work is ongoing in terms of ensuring consistency between risk registers across the organisation.

I am satisfied that the Risk Management approach in NHS Forth Valley remains appropriate to the needs and circumstances within the organisation and will continue to develop. The work undertaken to ensure linkage between the corporate objectives and strategic priorities to corporate risks ensures that key risks to the delivery of corporate plans and objectives are being addressed. I am also satisfied that risk management arrangements in place are robust at an operational level, delivered through the General Management, Unit and CHP structures supported by the Risk Management Team and the recently established Risk Network.

Fiona Mackenzie
Chief Executive
NHS Forth Valley
June 2008

	Page
CONTENTS	
Chief Executives Forward and Statement of Assurance	3
Strategic Context	5
• Risk Management Strategy	5
• Strategy Implementation	5
Operational Progress	6
• Risk Management Team	6
• Supporting Groups	6
• Assessments	6
• Risk Registers	7
• Incident Reporting	8
• Training	8
• Infections Control	9
• HSE Activity	9
• Service Continuity Planning	9
CNORIS Premiums and Claims	10
Significant Incidents	10
Conclusion	11

<p style="text-align: center;">NHS FORTH VALLEY RISK MANAGEMENT ANNUAL REPORT 2007-08</p>

STRATEGIC CONTEXT

Risk Management Strategy

The Risk Management Strategy which was approved by the Board on 29 March 2005 was reviewed during 2006. This was subsequently approved by the NHS Board in November 2006. Although it was due for update by March 2008, time has been taken to consider the overall position of risk within NHS Forth Valley with a revised Strategy being presented to and approved by the NHS Board in May 2008.

A review of the overarching approach has been undertaken to ensure that risk management remains robust within NHS Forth Valley as the organisation faces the challenges of the next 3 years in implementing the Integrated Healthcare Strategy acknowledging the financial context of NHS Scotland. During February and March 2008 'Time Out' sessions were held for both the Executives and General Managers. The strategic approach in terms of ensuring appropriate assurance through the Governance Committees has been reaffirmed with ongoing work to embed the overall principles at operational level continuing.

Progress has been made with implementation of the Strategy across NHS Forth Valley. In the context of the review operational implementation is being refreshed to take risk management to the next level within Forth Valley. This acknowledges the implementation stages of the Integrated Healthcare Strategy, the setting up of new project Boards and also other developments such as the Scottish Patient Safety Programme. This work, led by the Head of Risk Management, will ensure that all the components of risk are linked accordingly preventing duplication, streamlining information flows and enhancing escalation. The content of the Strategy document has therefore been streamlined with the development of a separate Operational Implementation Plan reflecting the work described. This will be reviewed by the Governance Committees during the summer of 2008.

Strategy Implementation

The Governance Committees were updated on progress in relation risk management and the ongoing implementation of the Risk Management Strategy in October 2007. Over the past year Committees have also received the revised Risk Management Strategy, the Annual Report and regularly reviewed the Corporate Risk Register. Work is ongoing to ensure relevant information continues to be presented to Committees in order to ensure they can exercise their respective responsibilities. Key activities have been underway further to the NHS Quality Improvement Scotland (QIS) visit reviewing Clinical Governance and Risk Management and Internal and External Audits of Risk Management.

OPERATIONAL PROGRESS

Risk Management Team

The Risk Management Team have suffered particular staffing capacity challenges for a significant part of the reporting year. This issue was noted in the October 2007 Risk Management Update and minuted at the Governance Committees. There has been an impact on progress in a number of key areas particularly around taking forward Risk Registers. The Team, however, should be commended on maintaining a level of support to the organisation despite challenges.

The Head of Risk Management has returned from a period of leave and new staff are being recruited to the Team within Health and Safety, Security and Fire. The recent 'time out' sessions and action plans are assisting in reprioritising the work plan for the coming year.

The Risk Management Team support operational delivery through the General Management, Unit and CHP structure with risk managed in the line.

Supporting Groups

Risk Network

The establishment of a Risk Network was a key action during 2007/08 addressing area wide roll out of both the Strategy and principles of risk management. The Risk Network is chaired by Gillian Morton General Manager for Woman and Children and Clinical Services. It met for the first time in May 2007. The group functions as a forum for the sharing of information, issues, concerns and good practice with reference to risk management across Forth Valley. Comprising of a broad range of senior staff, the group supports the day to day implementation of the NHS Forth Valley Risk Management Strategy.

The Network also had a 'Time Out' session in April to ensure an understanding of the priorities and ownership of the agenda linking to the review by the Executive Team and General Managers.

Health and Safety Committee

The membership, Role and Remit of the Area Wide Health and Safety Committee, chaired by Margaret Duffy, Chief Operating Officer, was reviewed in April 2007 to ensure appropriate membership from across the organisation and clear direction for the committee.

Fire and Security Group

The membership of the Fire and Security Group chaired by David McPherson, General Manager for Facilities was reviewed in April 2007 to form an area wide group. As a result of the staffing pressures within the Risk Management Team the group has not met since July 2007. Significant issues have been addressed through the Health and Safety Committee. The role of the Fire and Security Group is under review.

Assessments

NHS Quality Improvement Scotland

NHS QIS have responsibility for overseeing the standard setting and accreditation process associated with risk management in NHS Scotland.

NHS QIS Clinical Governance and Risk Management Review visit January 2007 – Reported in September 2007. The QIS review process was assessed at four levels; *Developing, Implementing, Monitoring and Reviewing*. In terms of risk management the NHS Forth Valley assessment level was reported as at the *implementing level* detailing that the 'NHS Board is implementing its Risk Management policy, strategy, systems and processes across the organisation'. The methodology for application of the assessment continues to be refined by NHS QIS in conjunction with the service.

Evidence of an inclusive approach to risk management was highlighted by the Review Team who also noted involvement of a range of stakeholders in the development of the risk management framework. At a *monitoring* level, the report indicated that although there was evidence of some monitoring it found that monitoring was yet to be fully established across the organisation especially within CHPs with further work required to evidence risk management *review* as part of an ongoing cycle of continuous improvement across the Board. Significant work has been undertaken since the QIS Visit. An Action Plan from the full report has been developed and was presented to the Clinical Governance Committee in November.

The in year assessment against the Clinical Governance Risk Management Standards is being undertaken in May 2008 using the 'tracer' condition of Asthma services for Children and Young People. Risk is being assessed at a Childrens Service level. The Action Plan will be reviewed again after this assessment.

Internal and External Audit findings

Both internal and external audits have been undertaken and followed up. Key actions have been taken forward arising for these audits which focussed on the Risk Management Strategy and implementation. Main areas for focus relate to further embedding risk management and reporting operationally, consistency of risk registers with clear escalation and a more recent review indicating the need for a formal project management approach to the implementation of the Safeguard system. A focus within CHPs was seen as Priority 1 action in early 2007. Significant progress has been made in a number of key areas however work is still required to ensure a consistent approach across all CHPs and in operational Units within Acute services. Management actions from the recent Internal Audit are aligned and very much complimentary to the action planning already underway subsequent to the 'time out' sessions.

Additional Specific Key Action

In order to ensure a consistent approach across the organisation some further key actions have been undertaken. These assist in addressing specific requirements from Internal and External review and include:

- Standardising agendas in all groups considering risk management and clinical governance resulting in a consistent approach
- Risk Management and Clinical Governance is a standing agenda item at CHP Management Teams and reporting to CHP Committees is being established.
- The establishment of an area wide Clinical Incident Review Group ensuring learning from significant incidents, claims and complaints is taken forward appropriately across Forth Valley.
- The ongoing development of the area wide Health and Safety Committee with established reporting lines.
- Review of the project management arrangements to support the Integrated Healthcare Strategy ensuring a risk based approach is incorporated within the developing projects. Project Boards report through the Healthcare Strategy Programme Board to the Strategic Projects and &Property Committee(SP&PC) providing assurance regarding the management of risk to enable the SP&PC to fulfil its governance role on behalf of the NHS Board. Key operational risks will also be highlighted to the Acute Services Committee and appropriate CHPs.

Risk Registers

Progress continues with the Corporate Risk Register (CRR) with Unit/CHP/Departmental Risk Registers reviewed routinely. The escalation process for the Corporate Register has been updated to incorporate the role of the Risk Network. The network reviews issues from departmental registers for inclusion in the CRR therefore ensuring operational linkage and enhanced robust escalation. The CRR is then routinely revised at the Performance Management Group (PMG) on a monthly basis with agreed NHS Board escalation at that point. Over time it is anticipated that this process will be automated through the Safeguard System in line with the agreed risk categories and corporate objectives. The formal roll out of this system is subject to review by Information Technology to ensure a coordinated project management approach and ongoing support. This is a key action included in the recent internal audit report and

identified through the action planning to date. Work is ongoing in terms of ensuring consistency between risk registers across the organisation.

Incident Reporting

A full summary of the Incident Reports will be available in the Health and Safety Annual Report which will be signed off by the Health and Safety Committee presented to the Board in September as a legislative requirement. Key points to note include:

- The total number of incidents reported during 2007/08 was 10840, a minor increase (2%) from the previous year
- The total number of incidents involving staff reported during 2007/08 was 3531, a 6% increase on 2006/07
- The total number of 'patient' incidents reported during 2007/08 was 8063 a decrease of 1% from last year
- The total number of 'others' incidents reported during 2007/08 were 542 a decrease of 18% from last year.

Themes for noting:

- Violence, Aggression and Harassment reported incidents involving staff remains the highest reported cause group.
- In the region of 70% of the patient related incidents reported fall into the cause groups Slips, Trips and Falls and Violence, Aggression and Harassment.

Statutory and Mandatory Training

Training has continued in most areas throughout the year despite staffing difficulties.

International Training

In May 2007 the Violence and Aggression Co-ordinator, designed and delivered a specific training for trainer's course to a group of staff in Tbilisi as part of an ongoing collaborative relationship between NHS Forth Valley and the Georgian Association for Mental Health.

Key areas of note:

Manual Handling

- The number for courses provided by the core team increased this year, as have the number of staff attending core team courses (8%). 49 workshops were cancelled due to poor attendance. An issue which is being addressed through the Risk Network, H&S Committee and General Managers.
- There has also been a decrease in the onsite training delivered by Unit Trainers (32%). This results from two unit trainers being on long term sick, two unit trainers left the service and issues with staff being released to take part in training due to staff shortages, ward/dept workloads and sickness/annual leave. Again this is being addressed through the structures indicated.

Fire

- The contract with Central Scotland Fire and Rescue was withdrawn in 2007 as a result in a change in the law. As a result of this and vacancies within the Team there was a reduction in staff training during the year. Two Fire Officers have since been appointed to the Risk Team and it is anticipated that training Programmes will recommence.

Violence and Aggression

- 1066 members of staff were trained this year. This is a rise of 11% when compared to 2006/07.

Health and Safety

- The numbers of training courses run and staff trained in health and safety was reduced this year. This was in part due to the high sickness level within the Team previously highlighted but also that in 2006/07 there was a significant amount of IR1 training following the launch of the new IR1 form. IR1 training accounted for 54% of the trained numbers in 2006/07 and 20% in 2007/08.

Consultant Away Day

- Consultant away days were held on 18th May and 19th November. The Risk Management Team delivered a programme of statutory/mandatory training at both acute sites. The activity figures from these days are included in the training tables.

Infection Control

Work is in progress to implement and establish robust systems to meet the Healthcare Associated Infection (HAI) targets outlined in the national HAI delivery plan five key targets. The HAI/Prevention & Control of Infection Annual Report 2008/09 is also currently being finalised for presentation to Area Prevention and Control of Infection Committee (APCIC) and contains details of further planned work in relation to the national HAI delivery plan five key targets -

1. Patient Safety, Practice & Culture
2. Education
3. Surveillance, Information & Audit
4. Guidance and Standards
5. Physical Environment

HSE Activity

The HSE visited the organisation on a number of occasions during 2007/08

- Pathology lab in May following a RIDDOR reported in March 2006; recommendations and observations were made which were subsequently addressed.
- Pathology lab re COSHH risk assessments and compliance with the Dangerous Substances and Explosive Atmosphere Regulations 2002 (DSEAR). Work in relation to full compliance regarding these issues is ongoing.
- As part of a national campaign the HSE visited the organisation in March 2008 in relation to the management of Stress in the organisation. An inspector interviewed key staff from both senior management and staffside. Initial feedback was positive and an action plan generated galvanising existing good practice and targeting areas for improvement.

Service Continuity Planning and Major Emergency Procedure

On assessing Emergency Planning and Business Continuity the NHS QIS Review in January 07 considered there were robust mechanisms in place for Emergency Planning however the Business Continuity planning arrangements were less well developed. In line with the Civil Contingencies Act (2005) NHS Forth Valley requires to ensure Service Continuity Plans exist for all services which are reviewed at least annually by Heads of Service in consultation with specialist advisors. A full review of Business Continuity is underway within the organisation to ensure compliance with legislation. Work has been undertaken to address this issue with a specific focus in the next 12 months on co-ordinating and streamlining the numerous plans already in place across NHS Forth Valley.

The Risk Management Department have been actively involved in updating the Major Emergency Procedures throughout the year.

NHS FORTH VALLEY CNORIS PREMIUMS & CLAIMS 2007/2008

The NHS in Scotland participates in the Clinical Negligence and Other Risks Indemnity Scheme (CNORIS) which is effectively an insurance policy to share risk of high cost claims. We are required each year to determine which level of premium we take up, and the cost of this premium is based on an actuarial assessment of our claims history. For 2007-08 the cost of the premium chargeable to NHS Forth Valley was £717,000. NHS Forth Valley is only liable to pay out the first £25,000 of any claims covered by the scheme.

The level of claims paid out during 2007-08 is noted in the table below.

	Clinical	Non Clinical	Ex Gratia Payments
Claims paid during 2007-08	£0.399m	£0.091 m	£0.045 m
Number of claims paid	13	15	71

As at March 2008 the draft annual accounts include provisions for claims as noted below. This represents the assessed value of high risk claims and 50% of medium risk claims.

	Clinical	Non Clinical
Provisions - Value	£9.252 m	£0.325 m
Provisions - Number of cases	43	19
Income Provision (CNORIS offset)	(£7.495m)	
Income Provision - Number of cases	22	

As at March 2008 the draft annual accounts include provisions for contingent liabilities as noted below. This represents the value of 50% of medium risk claims and all low risk claims.

	Clinical	Non Clinical
Contingent Liabilities - Value	£3.087m	£0.184 m
Number of cases	50	16
Asset Provision (CNORIS offset)	(£2.420 m)	(£.100 m)
Asset Provision - Number of cases	14	1

Note: The above figures are subject to finalisation of the annual accounts.

SIGNIFICANT INCIDENTS/EVENTS DURING THE YEAR

Incidents

Major Emergency

- No full call outs to Standby or Full Alert
- One call for information from the Scottish Ambulance Service to 'prepare' with a suspect package found at Corntonvale Prison. This did not move to full standby or full alert.
- Specific work undertaken around redesign of On Call arrangements after the Glasgow Airport Incident with shared learning.

Untoward incidents advised to the Clinical Governance Committee

There no incidents reported to the Committee.

CONCLUSION

Significant work has been undertaken to implement the Risk Management Strategy with ongoing effort to ensure techniques are fully embedded within operational structures and evidenced through Governance Committees. The recent review of the Strategy, reaffirming this approach is positive in the context of a challenging delivery agenda within NHS Forth Valley.

The challenges within the integrated Risk Management Team require to be acknowledged noting role of the Team being key to taking the agenda forward. The progress which has been made despite these challenges remains significant.

This Annual Report was approved by the Audit Committee in June.

The NHS Board are asked to note the following points:

- The review of the strategic approach to Risk within NHS Forth Valley undertaken in February and March and the work to update the Strategy which was approved by the Board in May 08.
- The anticipated refresh of operational implementation with a plan to be presented to the Governance committees during the Summer.
- The developing role of the Risk Network established in 2007.
- The continuing development of the Corporate Risk Register with ongoing work linking to operational registers and steps required to roll out Safeguard.
- That risk is on Governance Committee agendas with action ongoing to fully integrate this approach within CHPs and Acute Services.
- That the NHS Board is routinely sighted on key risks through the Board Executive Performance Report.