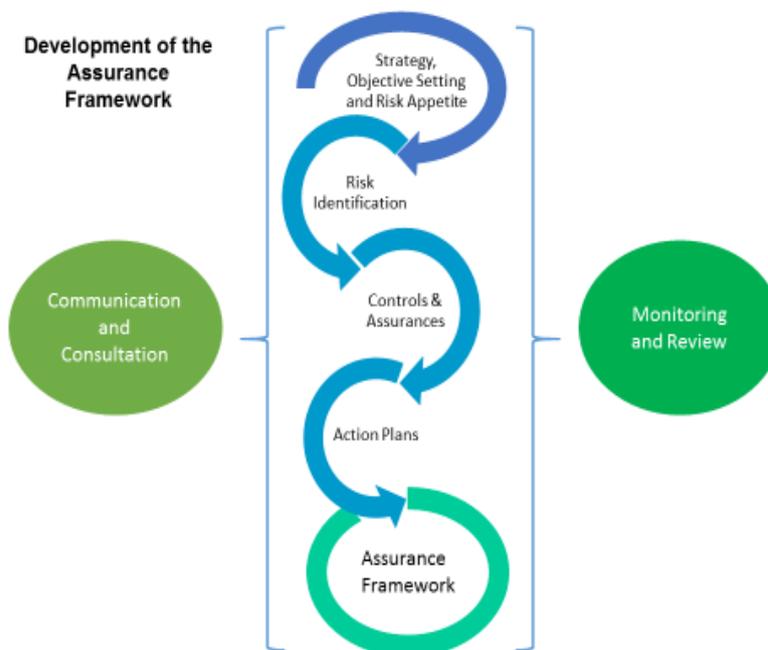


Risk Management – Adapting and Responding to COVID-19

1. Introduction and Context

An efficient and effective Assurance Framework is a fundamental component of good governance, providing a tool for Boards and Governing Bodies to identify and ensure that there is sufficient, continuous and reliable assurance, organisational stewardship and the management of the major risks to organisational success. The Assurance Framework is a key piece of evidence to support organisations in reaching conclusions on the effectiveness of internal control systems and determining and managing the extent of their strategic risks.

Robust risk management processes, of which the Assurance Framework is a fundamental part, are a key mechanism for effective organisational management and enable organisations to not only be aware of the risks they face and manage them but also take risks in a controlled and managed environment. Risk management and internal controls should be fully embedded at all levels of the organisation. NHS risk registers are populated from a wide range of sources and this adds to the complexity of



achieving a coordinated and consistent approach to the assessing, recording and managing of risk. The response to the COVID-19 emergency situation requires NHS organisations to operate in a different way to 'business as usual' practice. In the current emergency situation and during recovery maintaining robust risk management processes is fundamental to organisational success. On the pages that follow we have listed key areas for organisations to consider as they review and adapt their risk management and assurance framework processes (it should be noted that this document makes the assumption that basic key risk management principles and controls are in place).

2. Assurance Framework (AF) – Areas to consider

Areas for NHS organisations to consider	
	<p>Strategy, Objective Setting and Risk Appetite</p> <ul style="list-style-type: none"> • Do you need to revisit your (short, medium and long term) objectives in light of current information? Has the whole Board/Governing Body agreed these revised objectives? • Have the revised objectives been shared with management for further cascade? • If you are not revisiting objectives how are new COVID-19 linked risks being captured on the AF? • Is there a need to review the current risk appetite/risk tolerance to understand the impact on the organisation's current risk profile? Has the whole Board/Governing Body agreed this? • Has the revised risk appetite been communicated across the organisation and understood by those required to manage risk? • How will you monitor and adjust risk appetite? • Have Divisions/Care Groups adopted the interim objectives as they apply to them? • Have risk management strategies been reviewed and adjusted given changes resulting from the pandemic? • Do you need to provide training/communicate with staff to enable them to manage risk appropriate to any new arrangements so that relevant risks are reported and escalated? • Have you identified opportunities to change structures and ways of working to free up capacity? • Are there plans to have stress test scenarios? • How do you plan to return the Board/Governing Body focus to the future and further revisit/reset relevant objectives?
	<p>Risk Identification</p> <ul style="list-style-type: none"> • Have you reviewed your agreed threshold for escalating and recording significant risks on the AF (eg scoring over 12) and rescored them where appropriate? • Are significant risks identified and confirmed by GOLD Command recorded on the AF? • Have you identified any tactical/clinical risks eg PPE and ensured the right people are involved in decision making eg Ethics Committee? • Is there a record of COVID-19 related risks that need to be managed through the recovery phase eg decisions made, stewardship, new ways of working, succession planning

Areas for NHS organisations to consider

	<p>safeguarding, staff welfare, emerging harm and reduced incident rates?</p> <ul style="list-style-type: none"> • Have you identified ways to protect against and manage long term risk exposure arising from the pandemic? • If you have created an additional COVID-19 risk register how will you bring this together with the existing risk register? • What assurance do you have that incident reporting is functioning as normal and feeding risks via the incident/risk management system e.g. DATIX? • What assurance do you have that Freedom to Speak Up arrangements are functioning as normal and feeding risks via the risk management system e.g. DATIX?? <p>Controls and Assurance and gaps</p> <ul style="list-style-type: none"> • Have you reviewed the key controls you're relying on to ensure they are effective, sustainable and able to be evidenced? • Where there are gaps in revised key controls has remedial action to mitigate gaps been documented? • Have you reviewed your key assurances for all risks on the AF? • Have you reviewed and identified sources of independent assurance to inform the AF and assessed whether those assurances are reliable, effective and able to be evidenced? • Have you separated out potential and positive sources of assurance – are gaps fully recorded? • Have you re-evaluated internal audit and second-line defence function plans eg clinical audit to ensure they adequately cover business as usual and pandemic risk elements? <p>Mitigating Actions</p> <ul style="list-style-type: none"> • Have you determined strategies and actions to manage revised and new risks including clear timescales for action? • Have actions been mapped to a Committee or linked to Gold Command (or equivalent)? • Are agendas and action sheets for relevant committees/groups driving risk mitigation?
	<p>Monitoring and Review</p> <ul style="list-style-type: none"> • Are significant risks from the AF and evidence of effective management of these risks ie actions are being progressed reported at each Board/Governing Body meeting? • Following review of significant risks have you determined how often they will be reviewed going forward?

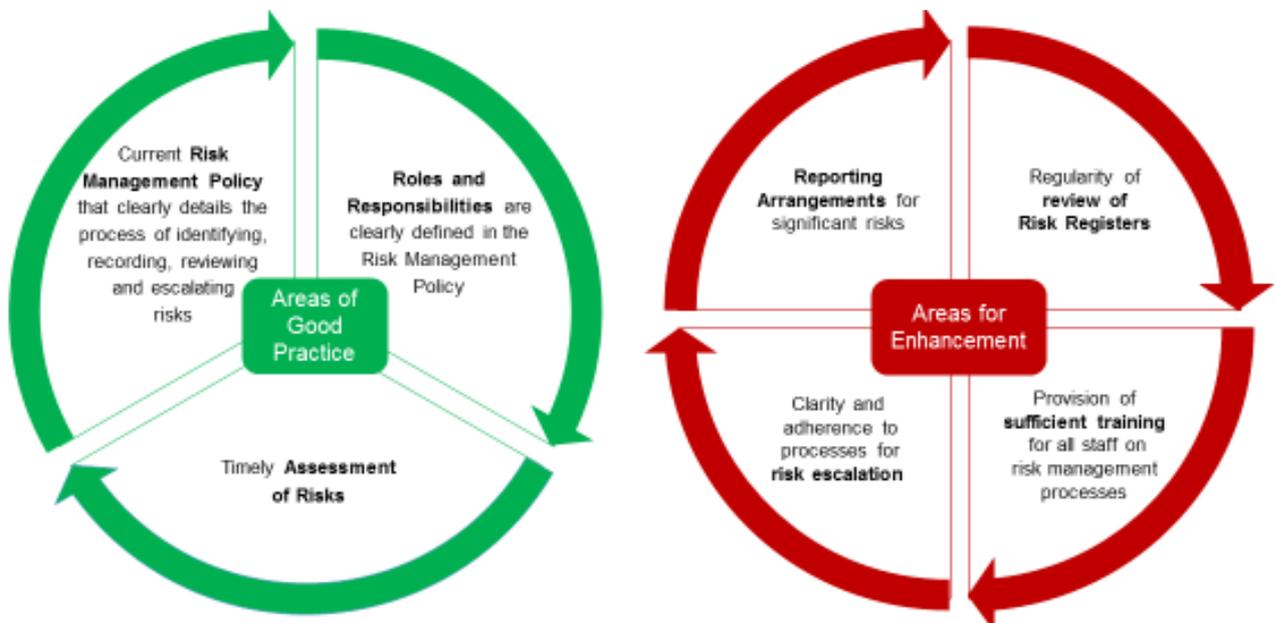
Areas for NHS organisations to consider

	<ul style="list-style-type: none"> • Have you got a log of risks/issues being deferred as not considered a priority and are these being monitored for changes that may increase the risk score and escalate the issue for action? • Are you over-managing low priority risks? • Is your risk management team monitoring movements in risks to identify unusual trends (up and down)? • Is there a programme of deep dives to assess how risks have been managed during the period to inform the second wave or next pandemic event? • Is it clear how you will monitor progress towards achieving revised objectives?
 <p>Communication and Consultation</p>	<p style="background-color: #76b82a; color: white; padding: 5px;">Communication and Consultation</p> <ul style="list-style-type: none"> • How will you maintain momentum for change, retain staff involvement and engagement and continue with successful new ways of working when the pressure is reduced? • Is the mandate clear to the Audit Committee about their role in reviewing governance, including the AF, during the period as impacted by COVID-19? • How are you making connections across stakeholders in relation to revised objectives, AF priorities and risks that impact on them eg NEDs and Governors or Lay Members and CCG Members? • Do you have a record of how the organisation adapted its risk management arrangements to allow a prompt and effective response to the pandemic that can be readily incorporated into your 2020/21 Annual Governance Statement?

3. Benchmarking of Assurance Framework and Risk Management Reviews

Pre-COVID-19 MIAA have undertaken internal audit reviews of Risk Management and Assurance Framework arrangements across our range of NHS clients during 2019/20. The diagrams below summarise areas of good practice and enhancements identified from these reviews. As organisations have adapted their risk management response to the COVID-19 pandemic it important that pre-existing good practice is not lost and areas that required enhancement pre-COVID-19 remain visible to the organisation.

Risk Management



Assurance Framework

