Terms of Reference – Risk Management Group

Document Data	
Subject:	Risk Management
Document Type:	Terms of Reference
Document Status:	Draft
Executive Lead:	Chief Executive
Document Owner:	Head of Risk Management
Approval Authority:	Senior Leadership Team
Version :	5.4
Review Cycle:	12 Months
Next Review Date:	01/07/2022

Document Change Control				
Version	**Date**	**Revision Description**	**Editor**	**Approval Status**
0.1	06/04/2011	First draft by Trust Secretary with comments from Assistant Director of Governance and Risk Management	TSec	Draft
0.2	07/04/2011	Inclusion of ISO 31000 and Enterprise Risk Management practices	Tsec	Draft
0.3	11/05/2011	For comment by the Trust Management Executive	Tsec	Draft
0.4	12/05/2011	Revised to reflect risk management responsibilities of the Clinical Quality Group and the Service Delivery Group	Tsec	Draft
1.0	19/05/2011	Revised to reflect discussions of the Risk Management Group, approved by Chief Executive	Tsec	Archived
1.1	14/09/2011	Ratified by Trust Management Executive	Tsec	Approved
1.2	01/07/2013	Revised by the Trust Risk Manager to reflect changes introduced in the risk policy framework	Risk Manager	Draft
2.0	07/08/2013	Approved by the Risk Management Group	Risk Manager	Approved
3.0	01/04/2015	Revised to reflect amendments to committees and executive portfolios	Risk Manager	Approved
4.0	07/04/2016	Approved by the Risk Management Group	Risk Manager	Approved
5.0	04/04/2017	Approved by the Risk Management Group	Head of Risk Management	Approved
5.1	03/04/2018	Minor amendments to job titles and updates to additional standing agenda items.	Head of Risk Management	Approved
5.2	01/07/2019	Updates to Section 6 - Membership and Section 11 - Standing agenda items. Approved at SLT 17/07/19.	Head of Risk Management	Approved
5.3	01/07/2020	Updates to Section 6 – Membership and Section 11 – Standing agenda items. Approved at SLT 22/07/20.	Head of Risk Management	Approved
5.4	01/07/2021	Minor updates to terminology and additions to Section 11 – Standing agenda items. Approved at SLT 21/07/21.	Head of Risk Management	Draft

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1. Purpose, Role and Function of the Group

The Trust Risk Management Group (the "Group") is a formal Management Group established by the Chief Executive to discharge the responsibility of the Senior Leadership Team for the management of organisational risk (the Role of the Group).

The Function of the Group is to:

1.1.   Oversee the Trust's risk management arrangements, ensuring that risk appetite set by the Board is appropriate and adhered to,

1.2.   Ensure that suitable processes are in place to identify and treat risks in the five principal areas of organisational risk, i.e. strategic, compliance, operational, clinical and financial risk, and,

1.3.   Ensure a cohesive functional link between the Trust's corporate governance and risk management arrangements and those of the Divisions (e.g. Divisional Management Boards and Divisional Risk Management Groups).

2. Authority and Accountability

2.1.   The Group is authorised to discharge the authority of the Senior Leadership Team, and the authority delegated to the individual members of the Group, both in the Scheme of Delegation, and from time to time by the Chief Executive as recorded in the minutes of meetings.

2.2.   The functions and actions of the Group do not replace the individual responsibilities of Executive Directors as set out in job descriptions and other forms of delegation of duties. Individual Directors remain accountable to the Chief Executive for the management of risk.

3. Reporting

The Group shall report to the Senior Leadership Team and shall prepare the Trust Risk Register and Board Assurance Framework documentation for consideration.

The Group is supported by the following Officers with responsibility for specialist risk management functions and requires written reports on these areas of specialist risk management at each of its quarterly meetings:

3.1.   Chief Operating Officer/ Deputy Chief Executive:
- Compliance with the Foundation Trust Provider Licence,
- NHSI Single Oversight Framework, including:
- Day-to-day operations
- Estates and Facilities
- Emergency Planning, and,
- Operational finance risk.

3.2.   Director of People:
- Legal Compliance (employment law)
- Workforce Planning
- Occupational, Health, Safety and Wellbeing
- Education, Learning and Development
- Essential Training

3.3.   Chief Nurse & Medical Director:

Clinical Risk management which shall be conducted in a formal Patient Safety Group, reporting to the Clinical Quality Group.

- Care Quality Commission compliance
- Clinical practice standards
- Evidence-based practice
- Incident reporting and oversight
- Areas of key clinical risk
- Data quality and clinical record-keeping
- Research and Innovation

3.4.   Director of Finance:

Finance Risk, which shall be reported on a finance risk register maintained by the Director of Finance in cooperation with the Finance Committee.

- Financial Planning, and,
- Information technology systems
- Information Governance Framework (compliance with the DSP Toolkit)

4. Duties

The Trust Risk Management Group shall undertake the following duties:

4.1.   Formulate risk strategy and policy based on the risk appetite, risk attitudes and risk exposures identified by the Board, and recommend these to the Board for approval.

4.2.   Ensure that the material risks facing the Trust are identified and that appropriate arrangements are in place to manage & mitigate those risks.

4.3.   Regularly review risk registers and ensure the risk profile and associated mitigating actions are congruent with the Trust's control environment.

4.4.   Review and challenge risk information received from the Trust's risk functions to ensure that the Trust is not exceeding the risk appetite set by the Board.

4.5.   Ensure that Trust Risk Management functions have an appropriate and achievable mandate to roll-out the risk management structure to the Divisions and to require Divisional compliance with Trust policies, procedures and standards.

4.6.   Ensure that all internal control requirements are met for the Chief Executive to sign the Annual Governance Statement.

4.7.   Bring to the attention of the Senior Leadership Team, and Trust Board of Directors, any urgent risk management matters requiring intervention.

4.8.   Where appropriate, refer Trust-wide issues with significant potential impact on Divisions to the Senior Leadership Team, the SLT Delivery Group, or the Clinical Quality Group for action.

4.9.   Prepare, review and approve procedural documents (strategies, policies, protocols and procedures) as set out in the Procedural Document Management Policy, relating to Risk Management.

4.10. Maintain and monitor a Schedule of Matters Arising of agreed actions and performance-manage each action to completion.

4.11. Maintain the corporate records and evidence required to support the Board Assurance Framework, and pursue gaps in evidence and assurance around the mitigation of strategic risks to secure the successful achievement of the Board's objectives.

5. Risk Management Responsibilities

5.1. Responsibility of the Trust Board of Directors and Chief Executive:

- Determine strategic approach to risk and set risk appetite
- Establish the structure for risk management
- Understand the most significant risks
- Manage the organisation in a crisis

5.2. Responsibility of Individual Executive Directors:

- Build risk aware culture within the Directorates and Divisions
- Set risk management performance targets
- Ensure implementation of risk improvement recommendations
- Identify, calibrate, report and address risk within allocated specialist risk management functions
- Ensure cohesive and uniform addressing of risk across all specialist risk management functions

5.3. Responsibility of the Divisions:

- Manage risk in Divisions
- Build risk aware culture within the Division
- Agree risk management performance targets
- Ensure implementation of risk improvement recommendations
- Identify and report changed circumstances / risks

5.4. Head of Risk Management

- Develop the risk management policy and keep it up to date
- Document the internal risk policies and structures
- Advise on the co-ordination of risk management (and internal control) activities
- Compile risk information and prepare reports for the Risk Management Group, Senior Leadership Team and the Board of Directors.

5.5. Responsibilities for specialist risk management groups (functions):

- Manage risk in the specialist area
- Assist the Trust in establishing specialist risk policies
- Develop specialist contingency and recovery plans
- Keep up to date with developments in the specialist area
- Support investigations of incidents and near misses

5.6. Responsibility of individual employees:

- Understand, accept and implement Risk Management processes
- Report inefficient, unnecessary or unworkable controls
- Report loss events and near miss incidents
- Co-operate with management on incident investigations

5.7. Responsibilities for the internal audit manager:

- Develop a risk-based internal audit programme
- Audit the risk processes across the organisation
- Receive and provide assurance on the management of risk
- Report on the efficiency and effectiveness of internal control

6. Membership

6.1. The following shall be members of the Risk Management Group:
- Chief Executive (who shall Chair the Group)
- Director of Finance
- Medical Director
- Chief Operating Officer
- Chief Nurse
- Director of Strategy & Transformation
- Director of People

6.2. Only members have the right to attend meetings. Other managers may be required in attendance at the discretion of the Chair of the Group.

6.3. Members are expected to attend three [3] of the four [4] scheduled meetings within any twelve [12] month period. A nominated deputy may attend to make up the quorum in exceptional circumstances only, and with the prior agreement of the Chair.

6.4. In the absence of the Chair of the Group, the remaining members present shall elect one of their number to chair the meeting.

6.5. The following shall be required to attend by standing invitation of the Chief Executive to provide specialist advice to the Group:
- Head of Risk Management
- Director of Corporate Governance
- Head of Legal Services
- Director of Estates & Facilities
- Head of Health & Safety Services
- Head of Quality (Patient Safety)
- Emergency Planning and Business Continuity Lead
- Internal Auditor
- Head of Information Governance.

7. Quorum

7.1. The quorum necessary for the transaction of business shall be four [4] members, of which one [1] must be either the Medical Director or the Chief Nurse.

7.2. A duly convened meeting at which a quorum is present shall be competent to exercise all or any of the powers and discretions exercisable by the Group.

8. Secretariat Services

The Trust Secretariat shall provide secretariat support to the Group.

8.1.   The Secretary shall call routine meetings of the Group at the request of the Chair not less than seven [7] clear days prior to the date of the meeting. The Chair may call extraordinary meetings in the event of urgent business with no prior notice.

8.2.   The agenda shall be agreed by the Chair in consultation with the Head of Risk Management and the Director of Corporate Governance.

8.3.   Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be available to each member of the Group and where appropriate, other persons required to attend, no later than three [3] working days before the date of the meeting.

8.4.   Supporting papers shall be provided to members and to other attendees as appropriate, at the same time.

8.5.   The Secretary shall:
- Minute the proceedings and resolutions of the Group, including the names of members present and others in attendance,
- Maintain a Schedule of Matters Arising to record and track the progress of actions delegated for action by the Group,
- Make available online the Minutes and the Schedule of Matters Arising within five [5] working days of meetings of the Group.

9. Frequency of Meetings

9.1.   The Group shall meet at least quarterly and at such other times as the Chair shall require.

10. Review of Terms of Reference

10.1.   At least once a year, the Group shall review its own performance, constitution and Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Chief Executive for approval.

11. Standing Agenda Items

The Trust Secretariat will operate a forward planner to schedule agenda items during the year.

The following items shall be received and reviewed at each meeting of the Risk Management Group:

11.1.   Corporate Risk
- Risk Management Policy Review
- Log of Serious Concerns
- Strategic Risk Register
- Corporate Risk Register
- Annual Review of the Trusts risk appetite

11.2.   Risk Registers
- Divisional Risk Registers (on rotation)
- Integration Risk Report
- Risk Management KPI report

11.3.   Compliance Risk Function

- CQC Regulation 17 Compliance Report

11.4. Risk Reports

- Thematic Risk report
- Clinical Risk Report
- Operational Risk Report
- Workforce Risk Report
- Information Governance Risk Report
- Finance Risk Report
- Legal Risk Report
- Health & Safety Risk Report
- Digital Services Risk Report
- Business Continuity Report
- Patient Experience & Clinical Effectiveness Report

11.5. Items for Information

- Trust Health & Safety Committee Chairs Report
- Trust Fire Safety Committee Chairs Report
- Datix Governance Group Chairs Report
- Information Risk Management Group Chairs Report
- Policy Assurance Group Chairs Report
- Inquest Core Group Chairs Report
- Claims Core Group Chairs Report