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Iechyd Cyhoeddus  
Cymru  
Public Health  
Wales

**Name of Meeting**

Board

**Date of Meeting**

30 September 2021

**Agenda item:**

5.2

## Strategic Risk Register (SRR) update

**Executive lead:** Rhiannon Beaumont-Wood, Executive Director Quality, Nursing and Allied Health professionals.

**Author:** John Lawson, Chief Risk Officer

**Approval/Scrutiny route:** Business Executive Team – 21 September 2021

### Purpose

This paper introduces the revised Strategic Risk Register and updated Corporate Risk Register.

### Recommendation:

APPROVE



CONSIDER



RECOMMEND



ADOPT



ASSURANCE



### In relation to the proposed new Strategic Risk Register:

The Board is asked to:

- **Receive** the Strategic Risk for the purposes of scrutiny and challenge;
- **Approve** the new Strategic Risk Register as outlined at **Appendix B (Strategic Risks 1, 3 and 5)**, including the details provided for each risk (scores, decisions and DCA) and the revised wording for Risk 3.
- **Agree** that *Strategic Risk 2 (Appendix C)* be transferred to the Corporate Risk Register;
- **Note** that *Strategic Risk 4* will be considered in the private session of the Board for approval, due to the confidential nature of the risk and the actions.

### In relation to the outstanding actions from the previous strategic Risk Register:

The Board is asked to:

- **Take assurance** that the actions on the previous Strategic Risk Register Actions have been assessed as outlined in **Appendix D**, and are being managed effectively.

**In relation to the Corporate Risk Register:**

The Board is asked

- To **consider** the revised Corporate Risk Register (**Appendix E**), noting the changes outlined above as a result of a review of the CRR by the Business Executive Team;
- **Take assurance** that corporate risks of the organisation are being managed appropriately.

**Link to Public Health Wales [Strategic Plan](#)**

Public Health Wales has an agreed strategic plan, which has identified seven strategic priorities and well-being objectives.

This report contributes to the following:

<b>Strategic Priority/Well-being Objective</b>	All Strategic Priorities/Well-being Objectives
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**Summary impact analysis**

<b>Equality and Health Impact Assessment</b>	An EHIA is not required.
<b>Risk and Assurance</b>	The strategic risk register is a key source of assurance to the Board setting out the approach and management of strategic level risks.
<b>Health and Care Standards</b>	This report supports and/or takes into account the <a href="#">Health and Care Standards for NHS Wales</a> Quality Themes  All themes
<b>Financial implications</b>	None as a result of this paper. Any cost related to the management of the strategic risks are encompassed within relevant organisational budgets.
<b>People implications</b>	None as a result of this paper. Any people related requirements related to the management of the strategic risks are encompassed within relevant organisational budgets.

## 1. Situation

The Strategic Risk Register (SRR) is the vehicle through which the Board takes assurance that it has a clear understanding of the risks facing the organisation in the delivery of its strategic objectives, together with the severity and the impacts if the risks are realised. Additionally it provides assurance that any necessary actions required to mitigate those risks have been identified and are being suitably managed. In a Board development session in June 2021, the Board agreed that there was a need to review the strategic risks facing the organisation in the context of the organisation's move towards recovery from the COVID-19 emergency.

This paper presents the five new strategic risks in an updated format of the SSR, along with a clear outline for how the pre-existing strategic risks are to be closed and the actions monitored to ensure that they are completed or closed as appropriate.

The paper also introduces the Corporate Risk Register, which has been recently revised by the Business Executive Team to better align with the new strategic risks identified.

For ease of reference, the following attachments are provided to support this paper:

- Appendix A – Revised Strategic Risk Register summary of the risk descriptors (for approval)
- Appendix B – Revised Strategic Risk Register (for approval (Risks 1,3 and 5)
- Appendix C - Updated Strategic Risk 2 (for transfer to the CRR)
- Appendix D – Summary of the Outstanding Strategic Risk Actions (for assurance)
- Appendix E – Revised Corporate Risk Register (for assurance)

*Note – The Strategic Risk 4 is provided to the Board for approval in private session due to the confidential nature of the content.*

## 2. Background

In July 2018, the Board approved the then Board Assurance Framework, which contained seven strategic risks. Over the following two years, those risks were revised to take account of the COVID-19 response and two further additional risks were added. These risks were last presented to a formal Board meeting in November 2020.

In a Board development event held in January 2021, it was agreed that there was a requirement for the strategic risks to be reviewed and re-articulated in the context of the response to and recovery from the COVID-19 emergency.

As a result of this review, five new strategic risks were identified and were agreed in a Board Meeting on 24<sup>th</sup> June 2021. It was agreed that further work needed to be undertaken to assess what controls and actions are required to reduce the risk.

These risks have been entered onto the revised SSR and as such now replace the previously identified strategic risks which were presented to the Board in November 2020.

All five strategic risks have now been assessed by their respective owners, with controls identified, scores determined and decisions made. Actions have been identified to further reduce the risk.

### **3. Revised Strategic Risk Register**

The five new strategic risks identified and the articulation approved by the Board on 24 June 2021, now form the updated Strategic Risk Register. The risk headlines are shown below, and full details together with risk owners are available in **Appendix B**.

As part of the ongoing development of the risk management system, some minor changes to the presentation of the risks will be noted.

Strategic Risk 1. Inability to sustain the COVID-19 response

Strategic Risk 2. Fail to reactivate, innovate and improve statutory and core public health functions

Strategic Risk 3. Fail to deliver effective and timely system leadership

Strategic Risk 4. Suffer a cyber-attack on IT systems

Strategic Risk 5. Fail to support and protect the health, well-being, welfare and resilience of our staff

Throughout September, much work has been progressed to assess these risks, determine the severity of them, and identify the controls in place along with the actions required to establish the further controls required to mitigate the risk to an acceptable level. This work culminated in a Risk Management workshop with the Executive Team and what follows is a summary by the risk owner of the context and background to the risk.

## **Strategic Risk 1**

*There is a risk that Public Health Wales will be unable to sustain the Health Protection response (for COVID 19 and other infectious disease / environmental hazards) for the ongoing progression of the pandemic. This will be caused by an inability to mobilise sufficient numbers of trained staff resulting in harm.*

*Risk owner - National Director Health Protection and Screening Services, and Medical Director*

### *Contextual summary*

The risk that Public Health Wales will be unable to sustain a Health Protection response for the ongoing progression of the pandemic remains high. Whilst COVID response remains our priority, balancing response to infectious disease (including COVID) and environmental hazards with re-mobilising staff to address wider COVID harms represents a significant challenge. Supporting staff well-being is an absolute priority and this, together with recruitment challenges and unplanned absence can affect overall availability of trained specialist staff capacity. The likelihood of this risk is impacted by factors not in the control of Public Health Wales e.g. COVID epidemiology (including Variants of Concern) and Government policy. Our ongoing organisational strategic response to the pandemic remains critical to our ability to manage this risk, and will continue to be managed. Key actions to mitigate to a tolerable level include, ongoing strategic engagement with Welsh Government and response partners, recruitment of additional specialist staff to improve resilience, regular review of response delivery model, 'surge' and business continuity planning. Our support/leadership of the strengthening of the wider health protection system in Wales can also assist with reducing impact over time.

## **Strategic Risk 2**

*There is a risk that Public Health Wales will fail to sufficiently re-activate, innovate and improve (where appropriate) statutory and core public health functions to meet the needs of the population. This will be caused by insufficient workforce capability and capacity for reactivation and recovery, resulting in harm to the population and the reputation of the organisation.*

*Risk owner – Executive Director of Quality, Nursing and Allied Health Professionals*

### *Contextual summary*

It is recognised that this risk was articulated in a particular context and point in time, which reflected the changing phases of the emergency response and the supporting governance architecture put in place to support the response at

that time. The organisation has moved forward in the past month and accountability for many elements of this risk have been re-established within Directorate structures.

**It is proposed therefore that this is no longer considered to be a Strategic Risk. There is however a need to re-examine this risk in the broader organisational context and it is recommended therefore that this risk now be transferred to the Corporate Risk Register for further action.**

### ***Strategic Risk 3***

*There is a risk that Public Health Wales will fail to mobilise sufficiently qualified staff, deliver effective and timely system leadership and manage expectations relating to delivering our roles in tackling broader population health harms in Wales. This will be caused by insufficient investment and resources dedicated to improving population health and reducing avoidable population harm.*

*Risk owner - Director of Policy and International Development*

#### *Contextual summary*

Although this risk was identified at a particular time when many staff were mobilised into the pandemic response, we still face perhaps unprecedented challenges to population health and health inequalities, which have been exacerbated by the pandemic. Remobilising, recruiting, training and retaining the necessary capacity to provide the necessary system leadership, advocacy, intelligence and support to deliver our roles in tackling broader population health harms remains a risk. We have already successfully established new structures, which bring together all directorates in order to identify and help address broader harms during the pandemic and in the shorter term. We are now undertaking a number of organisational restructures which will provide us with more focused, effective and robust systems to help address population harms on a longer-term basis.

**This risk has therefore been re-articulated from the original wording that was agreed by the Board.**

### ***Strategic Risk 4***

*There is a risk that PHW will suffer a cyber-attack on its IT systems of such magnitude that it will be unable to maintain core business and public facing services. This will be caused by our inability to keep pace with the technological advances of cyber criminals and will result in statutory functions not being met and public safety being seriously compromised.*

*Risk owner - Deputy Chief Executive*

## *Contextual summary*

The risk of Public Health Wales being the victim of a cyber-attack remains high however over the last 18 months, significant work has been undertaken to reduce the impact of any cyber-attack on our systems. Whilst the actions identified to mitigate this risk to a tolerable level are crucial for us to maintain continuity of our services and keeping the public and service users safe, we are still potentially vulnerable due to the unintentional actions of our staff. This will continue to be managed, including through ongoing phishing exercises and training however due to ever more sophisticated and modern techniques, we will continually need to maintain and upgrade our defences. The recent cyber-attack in the Republic of Ireland highlights the challenges, us along with other organisations face, in managing the cyber security threat.

### **Strategic Risk 5**

*There is a risk that Public Health Wales will fail to sufficiently and effectively support and protect the health, well-being, welfare and resilience of our staff. This will be caused by constant need to balance the needs of the staff against the needs of the population, resulting in an inability to recruit and retain staff to deliver strategic and operational objectives*

*Risk Owner – Director of People and Organisational Development*  
*Contextual summary*

Balancing our response management with the recovery of services and represents a significant challenge. The health and wellbeing of our staff remains our absolutely priority, but it must be recognised the ongoing nature of the pandemic and the impact personally and professionally has been significant. Our People Strategy and Strategic Equality Plan will be crucial to our ability to manage this strategic risk.

### **Revised Approach to Strategic Risk**

As part of the review of the risk process, there have been some changes to the information provided to the Board on the Strategic Risks, to provide a greater level of assurance to the Board.

#### *Risk Owner's overview assessment status*

In the past, the focus has been on producing a list of controls. Whilst this does work for risks in many circumstances, it has become clear from discussions with risk owners that in addition to a simple list, a narrative assessment on the level of control that exists around the risk would provide a more holistic picture.

In doing so, the Strategic Risk Register should provide a greater level of assurance than a list of 'assets' that are often difficult to describe well.

### *Delivery Confidence Assessment*

In addition to providing updates on specific actions, risk owners now also provide a Delivery Confidence Assessment (DCA). This assessment is intended to describe the level of confidence that the risk owner has, that the controls in place, along with the controls and actions identified will mitigate the risk to the level required.

The DCA is a simple Red, Amber Green (RAG) status assessment, with the colours meaning as follows:

DCA RAG	DCA Description
<b>Green</b>	High degree of confidence exists that the controls and actions identified will mitigate the risk to the required level.
<b>Amber</b>	It is feasible that the controls and actions identified will mitigate the risk to the required level but issues remain outstanding that require addressing.
<b>Red</b>	There is little confidence that the controls and actions identified will mitigate the risk to the required level.

### **In relation to the proposed new Strategic Risk Register:**

The Board is asked to:

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- **Approve** the new Strategic Risk Register as outlined at **Appendix B (Strategic Risks 1,3 and 5)**, including the details provided for each risk (scores, decisions and DCA) and the revised wording for Risk 3.
- **Agree** that *Strategic Risk 2 (Appendix C)* be transferred to the Corporate Risk Register;
- **Note** that *Strategic Risk 4* will be considered in the private session of the Board for approval, due to the confidential nature of the risk and the actions.

### **4. Outstanding actions from the previous Strategic Risk Register**

There are currently 101 outstanding actions from the original nine strategic risks (**Appendix D**). Risk owners were been asked to confirm the status as one of four categories. At the time of writing, the status of the outstanding actions is as follows:

Category	Description	Number
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A	Action is subsumed into a new action on the new SRR	25
B	Action has been transferred to another location (e.g. Directorate SMT)	27
C	Action completed	26
D	Action no longer relevant	22
Total		100

One outstanding action is awaiting confirmation from the action owner.

In relation to the outstanding actions from the previous strategic Risk Register: The Board is asked to:

- **Take assurance** that the actions on the previous Strategic Risk Register have been assessed as outlined in **Appendix D**, and are being managed effectively.

## 5. Corporate Risk Register

The paper also introduces the Corporate Risk Register, which has been recently revised by the Business Executive Team to better align with the new strategic risks identified. As part of the exercise to refresh the Strategic risks, a similar exercise was undertaken in parallel to revise the Corporate risks, to ensure that they aligned to the new strategic risks.

On 21 September 2021, the Business Executive Team approved a revised Corporate Risk Register (**Appendix E**), which incorporates a number of changes that were made to the Corporate Risks as a result of this refresh.

In summary:

- There are now seven Corporate Risks.
- Ten risks have been removed from the register as they were considered to be suitable for de-escalation to Directorate level.
- Two risks from Health Protection and Screening Services have been reviewed and retained on the register, as have two risks from People and Organisational Development.
- Three new Corporate Risks have been added. These cover:
  - The ability to respond to the forthcoming public inquiry;
  - The ability to properly exploit data;
  - The ability to effectively manage the organisational change process.

The Corporate Risk Register (**Appendix E**) is provided on this occasion showing details of all the risks outlined above. For future iterations the Register, only the current seven risks will be shown.

### **In relation to the Corporate Risk Register:**

The Board is asked

- To **consider** the revised Corporate Risk Register, noting the changes outlined above as a result of a review of the CRR by the Business Executive Team;
- **Take assurance** that corporate risks of the organisation are being managed appropriately.

## **6. Next steps**

If approved, the new strategic risk register will form a key element of the Risk Management Development Plan which will be presented to the Executive in October 2021. Whilst the plan has yet to be approved, one of the elements will be an assurance mapping exercise which will ensure that appropriate sources of assurance are identified and assessed for their adequacy.

## **7. Recommendations:**

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