

# Risk management - HIQA experience

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# Code of practice “must haves”

- Board must have formal and transparent arrangements for RM
- Board approval RM policy, framework, systems
- Key elements for Board oversight – ARC, RM a standing item on Board agenda, BM with RM experience, appoint a CRO, approve RM policy, appetite, review management reporting, external review, confirm in annual report an assessment by the Board of the principal risks etc.....

# RM - HIQA

## It is not:

- Easy
- Automatic
- Static or finished product
- An isolated function
- needs continued focus

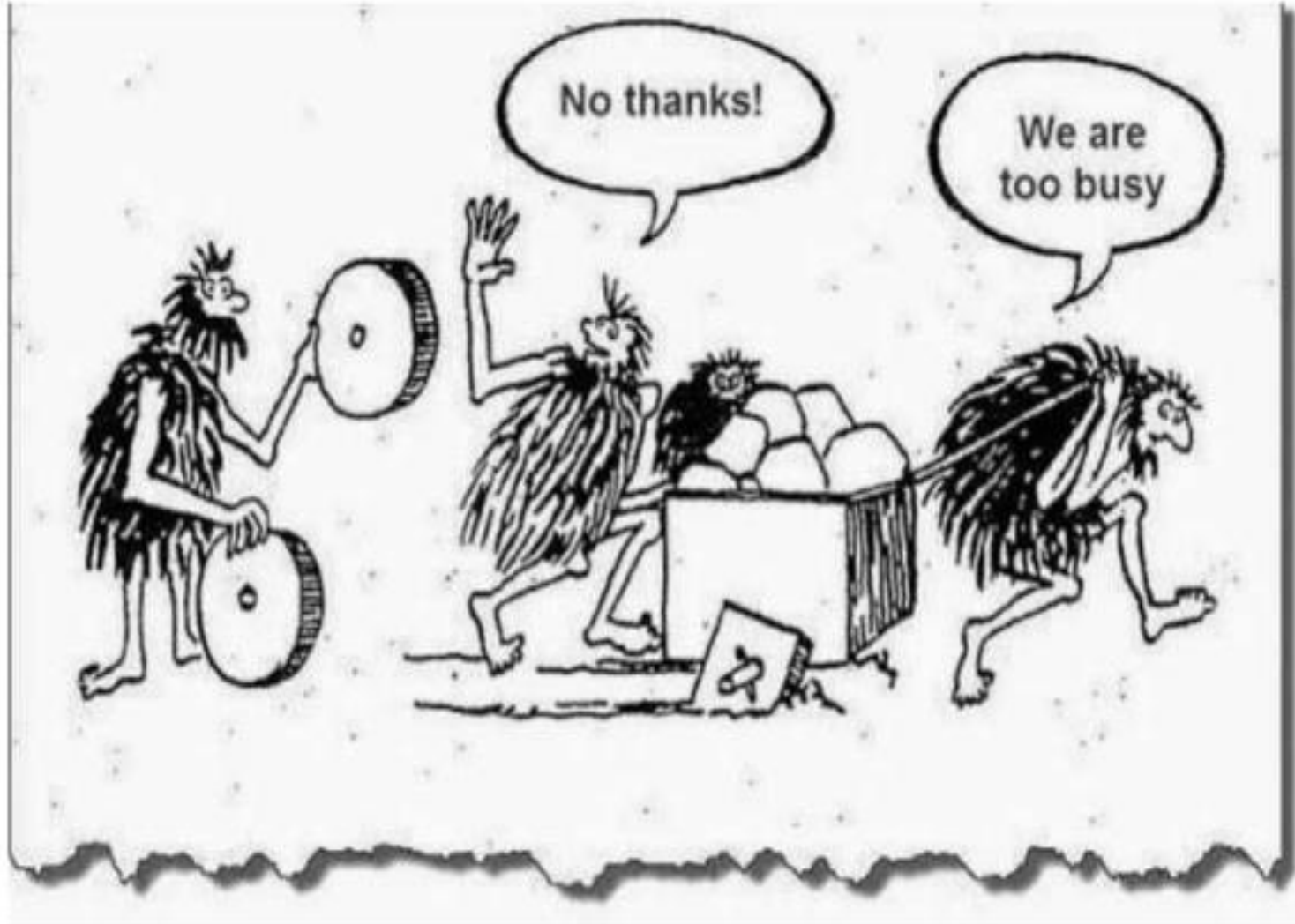
## It is:

- Difficult
- Slow
- Incremental and evolving
- **Integrated with the business**
- Systematic

# Challenges

- Resistance
- Culture of RM still poor in public sector
- Support at the top is absent/weak
- Waste of time/value not recognised
- Too complicated/switch off factor

... so we end up behind schedule



## Embedding RM?

- Top level interest and support
- Think of your end game – where is RM needed most?
- Use internal audit
- Engage with distinct areas in organisation
- Integrate into oversight structures
- Integrate with business planning process



# HIQA – key developments

- IA audit on RM and performance management
- IA got it on the agenda at higher level (support)
- Structured sessions with Board, Exec Management, senior managers and teams (stakeholder piece)
- **Risk appetite** statement – collaborative
- Understanding:
  - our risk categories
  - what risks are/are not acceptable
  - how to make this tangible (*tolerance criteria*)
- Improve consistency in RM

# Extract from risk appetite statement

*“Regulation monitors the quality and safety of services by on-site inspection and/or assessment of information...we recognise, through inspection and centre profiling activities, that different sectors can have different risk profiles....where centres are deemed higher risk there is no appetite for reduced inspection activity or delayed regulatory action...in this way HIQA deploys its resources where the need is greatest”*



# HIQA – key elements

- Revised risk management policy and procedure reflect new approach
- Meaningful concrete approach to identifying, assessing and addressing risk
- Meaningful integration with business planning and associated activities
- System “clearview”

# Clearview

## Clearview – Corporate Risks

**Risk Ref:** 16-160      **Risk Category:** Strategic  
**There is a risk that.....**

**Relates to objective:** Objective 03 HIQA will promote sustainable improvement through the development of standards, guidance and strategic improvement initiatives

Risk Owner	Rating Changed	Likelihood	Impact	Tolerance	In Tolerance	Rating	Trend
Kathleen Lombard	7 Nov 2017	(4) Likely	(3) Moderate	(1) Low	✘	(2) Medium	↓

KeyControls	Assurance On Controls	Gaps



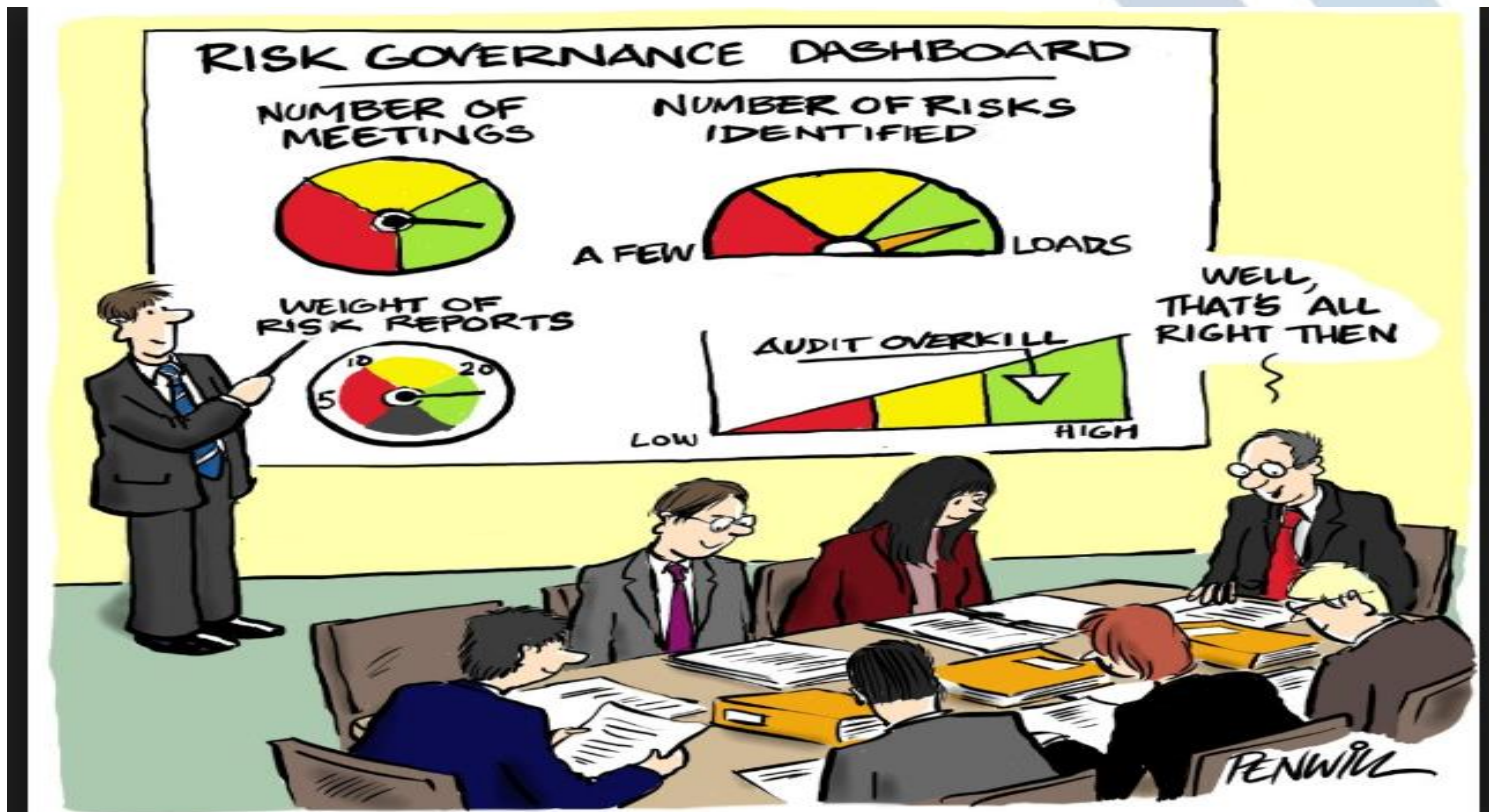
Action Proposed	Action Owner	Action Date	Action Status

# What has improved

- Risks are actively and systematically considered at the business planning phase
- Programmes of work driven by the need to manage risk are incorporated in the Business plan.
- Improved consistency through risk categorisation and established indicators for each risk category.
- More time is allocated to RM corporately - reflecting a key governance principle of “setting the tone at the top”.
- This has in turn driven better understanding of the rationale for sound risk management.

# Lessons learned

- Start simple/keep pace with organisational understanding



# Lessons learned

- Be patient - Building understanding takes time
- Incremental
- Be willing to revise, revise and revise
- Engage!
- Persist

Questions?