Risk Appetite Case Study – Risk Appetite by Risk Category

Appendix 3

Revenue Funding & Liquidity Risk

Financial Management & Waste Reduction Risk

Physical Assets Risk

Information Technology Risk

Information Security Risk

Information Governance Risk

**External Risk**

**Financial Risk**

**Clinical Risk**

**Operational Risk**

**Workforce Risk**

Level 1

**Risk Appetite Levels:**

**Eager**

**Open**

**Cautious**

**Minimal**

**Averse**

**Supply Chain Risk**

**Partnership Working Risk**

Financial Reporting Risk

Workforce Retention Risk

Workforce Performance Risk

Workforce Deployment Risk

Workforce Supply Risk

Business Continuity Risk

Change Risk

Health & Safety Risk

Capacity Planning Risk

**Counter-Fraud Risk**

**Legal & Governance Risk**

**Regulatory Risk**

Strategic Planning Risk

Patient Experience Risk

Patient Safety & Outcomes Risk

Research, Innovation & Development Risk

Infection Prevention & Control Risk

Level 2

Risk Appetite Case Study – Risk Appetite Statements

Appendix 3

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| **Workforce Risk** | **The Trust’s appetite for workforce risk is cautious. Our workforce decisions are heavily scrutinised by NHS England, Regulators and the Media. We will accept only limited risks if by taking them they could yield improvements to the Trust’s patient care and outcomes elsewhere within the Trust, but we will not accept such risks where this is not the case.** |
| Workforce Supply Risk | We will deliver safe and effective patient care through having adequate systems and processes in place to ensure the Trust has access to appropriate levels of workforce supply. |
| Workforce Deployment Risk | We will deliver safe and effective patient care through the deployment of resources with the right mix of skills and capacity to do what is required. |
| Workforce Performance Risk | We will deliver safe and effective patient care through having the right systems and processes in place to manage performance of our workforce. |
| Workforce Retention Risk | We will deliver safe and effective patient care through retaining the appropriate level of resources to continue to meet the patient demand for our clinical services. |

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| **Operational Risk** | **The Trust’s appetite for operational risk is cautious. The management of our operational risks requires our ongoing commitment to meet minimum good practice standards across applicable risk management disciplines, such as information governance. Capabilities that require upgrades should be prioritised as part of the Trust’s change agenda. We will not accept operational risks that could directly impact upon the safe and effective delivery of patient services.** |
| Business Continuity Risk | We will develop and maintain stable and resilient services, operating to consistently high levels of performance. |
| Change Risk | We will deliver change aligned to the Trust’s strategy on time and to budget with benefits achieved and no significant adverse impacts. |
| Health & Safety Risk | We will protect the health & wellbeing of our patients and workforce by delivering services in line with or in excess of minimum health & safety laws and guidelines. |
| Information Governance Risk | We will appropriately manage information management risk through the collection, storage, management and maintenance of information. As a minimum, we will meet data protection and healthcare information governance requirements. |
| Information Security Risk | We will ensure the confidentiality, integrity and availability of information, and it’s appropriate and legitimate use. |
| Information Technology Risk | We will develop and maintain stable and resilient services, operating to consistently high levels of performance. |
| Physical Assets Risk | We will optimise patient and workforce experience through the effective management of our buildings and estates. |

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| **Clinical Risk** | **The Trust’s appetite for clinical risk is minimal. Our clinical decisions are heavily scrutinised and measured by NHS England, Regulators, Patients and the Media. We will accept only very limited clinical risks if essential to patient care and outcomes, aim to optimise patient experience and capacity demand for elective and non-elective admissions and ensure the lowest possible levels of infection and transmission within our hospitals. We will not accept any risks that may threaten our standing with our Regulators and the Public.** |
| Capacity Planning Risk | We will ensure that capacity is planned to meet the demand for elective and non-elective (acute) admissions to our hospitals, managing this risk to provide safe treatment and care to our patients. |
| Infection Prevention & Control Risk | We will manage the risks related to infection prevention and control to reduce the transmission of infection in our hospitals. |
| Patient Experience Risk | We will comply with or exceed minimum patient experience targets. |
| Patient Safety & Outcomes Risk | We will provide high quality services to patients and manage risks that could limit the ability to achieve safe and effective care for our patients. |
| Research & Innovation Development Risk | We will deliver agreed minimum research and innovation priorities with health, social care, voluntary, education and private sectors. |

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| **Financial Risk** | **The Trust’s appetite for financial risk is cautious. Our financial decisions are heavily scrutinised, with value for money and patient care and outcomes being a key factor in decision making. We will accept risks that may result in limited financial impacts or losses on the basis that there may be upside opportunities with the safe and effective delivery of patient care and outcomes, but we will not accept risks that may lead to material variances to forecast, reporting misstatements or unplanned overspend against our agreed revenue control target. We also adopt a zero-tolerance approach to fraud.** |
| Counter-Fraud Risk | We will adopt a zero-tolerance approach to workforce fraud through the maintenance of an anti-fraud culture, investigating all reported instances of fraud and following disciplinary and criminal proceedings. |
| Financial Management & Waste Reduction Risk | We will deliver sound financial management and reporting for the Trust with no material misstatements or variances to forecast. |
| Financial Reporting Risk | We will deliver sound financial management and reporting for the Trust with no material misstatements or variances to forecast. |
| Revenue Funding & Cash Management Risk | We will retain a minimum balance of £3m in line with requirements for a Trust of our size. |
| Supply Chain Risk | We will manage suppliers in a manner that protects the Trust’s interests and service to our patients. |

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| **External Risk** | **The Trust’s appetite for external risk is averse. Given that the Trust is only able to deliver safe and effective patient care and outcomes with the support of the Regulator, we have zero appetite for any management decisions that present risks to the Trust maintaining its CQC registration, compliance with the law and any risks that may cause an adverse impact to the reputation of the Trust or wider NHS.** |
| Legal & Governance Risk | We will operate the Trust in compliance with the Law and UK Corporate Governance Code, where applicable. |
| Partnership Working Risk | We will maintain well-established partnerships which will mitigate the threats to the achievement of our strategic goals. |
| Regulatory Risk | We will comply with or exceed all regulations, retain its CQC registration and always operate within the law. |
| Strategic Planning Risk | We will deliver Our Vision “to be the best for specialist and integrated care” though the delivery of a set of Strategic Goals and operating in line with Our Values. |