

IJB Risk Appetite Statement -October 2022

Aberdeen City Health and Social Care Integration Joint Board (the IJB) recognises that it is both operating in, and directly shaping, a collaborative health and social care partnership, existing in a mixed economy where safety, quality and sustainability of services are of mutual benefit to local citizens and to all stakeholders. It also recognises that its appetite for risk will change over time, reflecting a longer-term aspiration to develop innovation in local service provision based on evidence of benefits and on a culture of continuing, planned engagement with the public and other stakeholders, including those involved in service delivery. As a result, the IJB risk appetite will evolve and change over time.

The IJB recognises that achievement of its priorities will involve balancing different types of risk and that there will be a complex relationship between different risks and opportunities. The risk appetite approach is intended to be helpful to the board in decision-making and to enable members to consider the risks to organisational goals of *not* taking decisions as well as of taking them.

The IJB has identified several broad dimensions of risk which will affect the achievement of its strategic priorities. The IJB will set a level of appetite ranging from “none” up to “very high (none, low, medium, high, very high)” for these different dimensions. Higher levels of all risk types may be accepted if specific and effective controls are demonstrably in place and there are clear advantages for integration objectives. The dimensions of risk and corresponding risk appetite are:

Dimension of Risk	Corresponding Risk Appetite
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Financial risk	Low to medium. It will have zero tolerance of instances of fraud. The Board must make maximum use of resources available and also acknowledge the challenges regarding financial certainty.
Regulatory compliance risk	It will accept no or low risk in relation to breaches of regulatory and statutory compliance.
Risks to quality and innovation outcomes	Low to medium (quality and innovation outcomes which predict clearly identifiable benefits and can be managed within statutory safeguards)
Risk of harm to patients/clients and staff	Similarly, it will accept low risks of harm to patients/clients or to staff. By low risks, the IJB means it will only accept low risk to patients/clients or staff when the comparative risk of doing nothing is higher than the risk of intervention
Reputational risk	It will accept medium to high risks to reputation where the decision being proposed has significant benefits for the organisation's strategic priorities. Such decisions will be explained clearly and transparently to the public.
Risks relating to commissioned and hosted services	The IJB recognises the complexity of planning and delivery of commissioned and hosted services. The IJB has no or low tolerance for risks relating to patient/client safety and service quality. It has medium to high tolerance for risks relating to service redesign or improvement where as much risk as possible has been mitigated.

The IJB has an appetite to take decisions which may expose the organisation to additional scrutiny and interest. Wherever possible, decisions will be taken following consultation/co-production with the public and other key stakeholders. Concerted efforts will be made to explain reasons for decisions taken to the public transparently in a way which is accessible and easy to understand.

| This risk appetite statement will be reviewed annually, and when the IJB's strategic plan is reviewed and more often when required.