

Risk Appetite Statement

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 economy where safety, quality and sustainability of services are of mutual benefit to local citizens, to stakeholders and to organisational 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 is working towards a mature risk appetite over time.

It 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 board 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 “significant” 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 moderate. It will have zero tolerance of instances of fraud. |
| Regulatory compliance risk | It will accept no or minimal risk in relation to breaches of regulatory and statutory compliance. |
| Risks to quality and innovation outcomes | Low to moderate (quality and innovation outcomes which predict clearly identifiable benefits and can be managed within statutory safeguards) |
| Risk of harm to clients and staff | Similarly, it will accept no or minimal risks of harm to service users or to staff. By minimal risks, the IJB means it will only accept minimal risk to services users or staff when the comparative risk of doing nothing is higher than the risk of intervention |
| Reputational risk | It will accept moderate to high risks to reputation where the decision being proposed has significant benefits for the organisation's strategic priorities |
| 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 minimal tolerance for risks relating to patient safety and service quality. It has low to moderate tolerance for risks relating to service redesign or improvement. |

The IJB has an appetite to take decisions which may expose the organisation to additional scrutiny and interest where there is evidence of confidence by key stakeholders, especially the public, that difficult decisions are being made for the right reasons. This is most likely to be evident in relation to innovation where there is a perceived need to challenge relationships, standards and working practices and/or where the IJB considers there are identifiable, longer-term benefits of greater integration of systems and technology.

This risk appetite statement will be reviewed regularly, at least as often as the IJB's strategic plan is reviewed and more often when required.