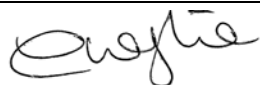


Date:	21st June 2018
Meeting:	Governing Body
Item Number:	Item 8.6
Public/Private:	Public <input checked="" type="checkbox"/> Private <input type="checkbox"/>

Author: <i>(Name, Title)</i>	Erika Stoddart Lay Chair Governance
GB Lead: <i>(Name, Title)</i>	Catherine Wylie Director of Nursing & Quality
Director approval <i>(name)</i>	Catherine Wylie Director of Nursing & Quality
Director Signature	

Report Title:
Governing Body Risk Appetite
Decisions to be made:
To review and agree the Governing Body's risk appetite

Continue to improve the quality of services	<input type="checkbox"/>	Improve patient experience	<input type="checkbox"/>
Reduced unwarranted variations in services	<input type="checkbox"/>	Reduce the inequalities gap in North Lincolnshire	<input type="checkbox"/>
Deliver the best outcomes for every patient	<input type="checkbox"/>	Statutory/Regulatory	<input checked="" type="checkbox"/>
Purpose (tick one only)	Approval <input type="checkbox"/>	Information <input type="checkbox"/>	To note <input type="checkbox"/> Decision <input checked="" type="checkbox"/>

Executive Summary (Question, Options, Recommendations):		
Following on from the workshop held in May, the Governing Body is asked to review and agree its risk appetite specifically in relation to; reputation, compliance, finance, operations and strategy as set out in the attached paper.		
Recommendations	1 To agree the Governing Body's risk appetite 2 3	
Report history		
Equality Impact	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Sustainability	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Risk	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Identifying the Governing Body's 'risk appetite' is a key element of the CCG's approach to managing risks and supporting effective decision making.
Legal	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Finance	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	

Patient, Public, Clinical and Stakeholder Engagement to date

	<i>N/A</i>	<i>Y</i>	<i>N</i>	<i>Date</i>		<i>N/A</i>	<i>Y</i>	<i>N</i>	<i>Date</i>
Patient:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		Clinical:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Public:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		Other:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Governing Body Workshop 8 th May 2018

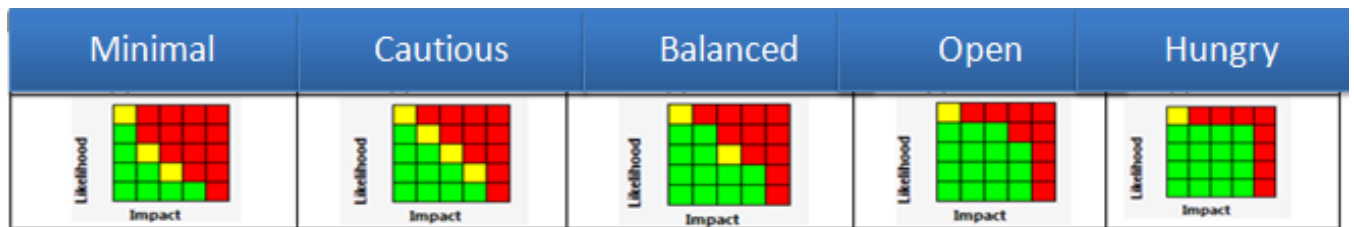
Report on Risk Appetite for June Governing Body

The Governing Body held a workshop on Risk Appetite on the 8th May 2018. The meeting looked at individual and group risk profiles and determined that the group as a whole was well weighted between risk takers and risk avoiders. The findings now need to be used when discussing issues/decisions that have risk implications.

The group also looked at risk appetite and split risks into 5 areas; Reputation, Compliance, Financial, Operational and Strategic.

It defines its risk appetite as:

	Very Low	Minimal	Avoidance of any risk or uncertainty. Every decision will be to terminate the risk.
	Low	Cautious	Preference for the safe option but is able to tolerate low level risk and uncertainty. Every decision will be to mitigate the level of risk.
	Medium	Balanced	Will consider all options and tolerate a modest amount of risk if the reward is demonstrated. Acceptance that some loss may occur in pursuit of reward.
	High	Open	Open to consider all options and take a greater amount of risk and uncertainty to achieve a bigger reward. Likely to chose an option that has a greater reward and accepts some loss.
	Very High	Hungry	Eager to take on risk to achieve objectives, will chose the option with greater reward and will accept any loss as the price for reward.



The CCG uses a 5 by 5 matrix and has determined its risk appetite as follows:

Risk Type	Appetite	Maximum Score	Grid
Reputation	Cautious	6	<div style="text-align: center;"> <div style="background-color: #0056b3; color: white; padding: 5px; margin-bottom: 5px;">Cautious</div> </div>
Compliance	Cautious	6	<div style="text-align: center;"> <div style="background-color: #0056b3; color: white; padding: 5px; margin-bottom: 5px;">Cautious</div> </div>

Financial	Balanced	8	
Operational	Open	12	
Strategic	Open	12	

NB. These scores are the residual risk scores after controls and actions have been taken.

The Governing Body must now ratify the appetite or amend as necessary to allow staff to assess risks against our agreed appetite.

Erika Stoddart

Lay Chair of Governance and Chair of the Integrated Audit and Governance Committee

29 May 18