

**NHS 24
BOARD**

**18 JUNE 2020
ITEM NO 9.2
FOR ASSURANCE**

RISK APPETITE STATEMENT

Executive Sponsor:	Medical Director
Lead Officer/Author:	Head of Risk Management and Resilience
Action Required	The Board is asked to approve the risk appetite statement.
Key Points for this Committee to consider	<p>The Board discussed risk appetite on 16th January 2020 and again on 14th May 2020. The discussion took into consideration the current operating environment and strategic objectives. The May session also considered the current challenges and response to COVID 19.</p> <p>The Board agreed an increase in business (financial) risk appetite within robust controls and assurance.</p> <p>The Board also requested that whilst reputation and stakeholder engagement are closely aligned these should be separated out.</p>
Governance process	Before presentation to the Board the steps above outline the action taken to discuss risk appetite as a Board and Audit & Risk Committee.
Strategic alignment and link to overarching NHS Scotland priorities and strategies	This paper provides assurance to the Board that there is an effective risk management process in place to support delivering the NHS 24 contribution to the Health and Social Care Delivery Plan.
Key Risks	The risk appetite will impact on the amount and type of risk NHS 24 is willing to accept as an organisation. This is important to understand what controls will be required in the management of risk.
Financial Implications	There are no direct financial implications associated with this report.
Equality and Diversity	There are no direct equality and diversity (E&D) implications associated with this report. The participation and Equalities manager actively participates in risk management process.

1 RECOMMENDATION

- 1.1 The Board is asked to approve the risk appetite statement provided following Audit & Risk Committee endorsement.

2 BACKGROUND

- 2.1 The Board considered its risk appetite during a strategic risk session in January 2020. Due to the circumstances of COVID 19 it was felt there was another requirement to review this in line with the current operating environment within NHS Scotland. At the Board discussion on 14 May 2020 agreed an increased acceptance of business (financial) risk appetite within a robust control environment. The Board also requested that whilst reputation and stakeholder engagement are closely aligned these should be separated out for the purpose of the risk appetite statement.
- 2.2 The Audit & Risk Committee also requested this to be represented visually through appendix 1. Whilst the impact of COVID-19 is not explicit within the statement as outlined the revised statement was in the context of the current landscape and potential future opportunities through Respond, Recover & Renew (RRR).



NHS 24 RISK APPETITE STATEMENT

Title:	RISK APPETITE STATEMENT
Date Published	TBC
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Version:	2.2
Document Type:	Risk Management Guidance
Author:	Head of Risk Management and Resilience
Owner:	Medical Director
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Approved by and Date:	NHS 24 Board
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NHS 24 RISK APPETITE STATEMENT

JUNE 2020

The Board will not accept risks that negatively impact or are in detriment to the quality, safety and effectiveness of patient care.

In specific areas, the Board has a greater appetite for risk. These areas are aligned to our strategic objectives and include our ambitions to support the transformation of Health and Social Care in Scotland.

NHS 24 is a digital organisation in the health and care environment; and will proactively respond to changes and opportunities arising from the alignment of NHS 24 with Health & Social Care Integration and the National Clinical Strategy. Therefore, NHS 24 will accept a higher level of risk in this area in pursuit of these opportunities.

The Board will look to optimise opportunities from different ways of working and more effective use of technology and systems to benefit the public, the wider health and social care system and support the Scottish Government 2020 vision for health care. Change decisions will be considered where innovation and service design improves the quality, safety and effectiveness of patient care. The risks arising from innovative change will be managed through the governance frameworks and structured quality improvement. Strategic innovation and service design is appropriate for essential developments and with decision-making held by senior management.

There is a great degree of public scrutiny across the health sector and there is also a high level of interest in NHS 24. The Board recognises that confidence in the service is an outcome of implementing a successful strategy. As such, the Board is prepared to take considered decisions which have the potential to bring scrutiny to NHS 24, but only where the potential benefits are aligned to strategic objectives and outweigh the risks. There is a very low tolerance for decisions not aligned to strategic priorities and Annual Operating Plan (AOP) which may expose the Board to any negative impact on its reputation.

Stakeholder confidence in NHS 24 is vital to achieving our strategic objectives. Proactively engaging and involving stakeholders will ensure NHS 24 is in a position to support the design and delivery of services to meet their needs. NHS 24 has a low risk appetite to stakeholder engagement risk and will continue to coordinate activity across the organisation.

NHS 24 recognises that our staff are absolutely critical to the effective delivery of services and the success of the organisation as a whole, we therefore recognise that the support and development of our staff must be a key priority if we are to attract and retain highly skilled engaged staff. NHS 24 will pursue digital opportunities to support staff and provide a flexible working environment where possible. NHS 24 therefore has a moderate to low appetite for risks concerning staff which could adversely affect our standing as an employer or the experience of the staff working for us.

NHS 24 accepts a moderate to low level of operational risk arising from its service delivery. Operational, staff and clinical performance are closely monitored and aligned to the AOP and SPRA strategic planning process. Operational risk will be managed through maturity of the risk management framework.

NHS 24 has a statutory responsibility to maintain the financial balance and sustainability of the organisation. NHS 24 is also accountable for the delivery of best value and efficiency in resource allocation. Therefore capital investment and growth planning to enhance and

develop services will require to evidence value add to NHS Scotland as part of our decision making process. Realising benefits and efficient resource allocation are key drivers for NHS 24 in making financial decisions. The Board will accept a moderate appetite for risk in this area.

Appendix 1.

The figure below is a visual representation of the above statement.

	Lower Risk		Medium Risk		High Risk
	1	2	3	4	5
Business (Financial)					
Business (Operational)					
Business (Strategic)					
Staff					
Clinical					
Reputation & Stakeholder Engagement					