North Central London
Clinical Commissioning Group

North Central London CCG
Governing Body Meeting
10 December 2020

Report Title	Board Assurance Framework	**Date of report**	2 December 2020	**Agenda Item**	4.1
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Name of Authorising Finance Lead	Not applicable.	**Summary of Financial Implications** The BAF report assists the CCG in managing its most significant financial risks.			

Report Summary

This report is the Governing Body Board Assurance Framework ('BAF') for North Central London CCG. It captures the most serious risks that have been identified as threatening the achievement of the CCG's strategic objectives.

At the September 2020 Governing Body meeting the Governing Body discussed risks around Continuing Health Care ('CHC'). The CHC risks have been developed and being overseen by the Quality and Safety Committee. They have not been included in the BAF report as they do not meet the escalation threshold of 15.

At the time this report was written NHS England had only just released its consultation on Integrating Care. The Accountable Officer has identified a risk, which she will own, that the CCG's goals are not fully transitioned into the new arrangements. This risk will be developed further and be presented at the appropriate Governing Body committee for oversight. Additional risks may also arise as a result of the consultation and will appear in the future as appropriate.

Board Assurance Framework ('BAF')

There are 6 risks that reach the threshold of 15 or higher for inclusion on the BAF. Since the September 2020 BAF report there is 1 new risk, 3 risks that have dropped below the BAF threshold, and 2 risks have closed.

The full version of the BAF can be found here.

Key Highlights:

FIN1: *Failure to Deliver 2020/21 Statutory and Other Financial Requirements Set By NHS England (Threat):*

	The CCG has now come out of the initial COVID-19 period (months 1 to 6) which had resulted in changes to the normal financial processes in place. This included suspending the 20/21 financial planning process, budget setting and contracting round. Planning for the restart of CHC services and the new requirement of a 6 week discharge process implemented from 1 September 2020. Guidance has been received from NHSE that indicates that the CCG will breakeven for the first six months of the year (April to Sept). Breakeven is dependent on the CCG receiving full reimbursement for reasonable costs claimed during this time. Full reimbursement has been received up to month 5. Month 6 reimbursement is subject to an NHSE assurance process. Planning is underway for month 7 to 12 with the latest plan submission being 18 November 2020. Finalisation of the CCG control will be dependent on confirmation from NHSE/I. There is an expectation that the CCG year-end position is breakeven and work is underway on a financial recovery plan to support this. This plan will be reported to the Finance Committee in December 2020. **Oversight Committee:** Finance Committee **Current Risk Rating:** 16 **FIN3:** *Long Term Financial Sustainability (Threat):* The CCG has now come out of the initial COVID-19 period which had resulted in changes to the normal financial processes in place. This included suspending the 20/21 financial planning process, budget setting and contracting round. Further guidance is required to inform the COVID-19 exit to enable full financial implications to be assessed. The financial regime, originally for M1-M4 20/21, is designed to bring each organisation to break-even by way of retrospective top-ups. This arrangement was extended for M5-M6. As of end of November 20, we have now resubmitted M7-M12 plans. In the 18th November submissions, there is now a system deficit of £64.7m that we expect to be offset by £39.8m of funding to compensate for the loss of non-NHS income contribution and a further benefit relating to Proton Beam therapy funding at UCLH of £8m, giving a net shortfall of £16.7m. The CCG deficit for M7-M12 after the distribution of system funds is £12.2m and the CCG has committed to review this position in order to improve the position. We are not aware as yet by how much the financial regime going forward into 2021/22 will incorporate a financial reset or whether the historic underlying deficit will be re-instated. However we are aware that the financial full year effects of capacity increases (e.g. ITU, Endoscopy) to achieve activity targets in M7-M12 do not currently have a financial mitigation. The current risk score has decreased from 25 to 20 to reflect a slightly reduced risk to the likelihood due to the national focus on shared ICS risk arrangements and closer working arrangements with Trust partners in the current period and going forward. **Oversight Committee:** Finance Committee **Current Risk Rating:** 20 **STR2:** *Failure to Deliver the 2020/21 System efficiency plans (SEP) and Transformation Programme (Threat):* Due to the impact of COVID-19 many of the SEP schemes are currently on hold. Therefore there is a material risk that the SEP will under deliver in 20/21, however

	this is partly mitigated by national contracting frameworks with c86% of CCG spend being committed and on block contracts. Levels of acute activity are also expected to be significantly lower than 19/20 therefore if there is a switch to Payment by Results ('PBR') during the financial year significant over performance is not expected. We have performed a desktop review of SEP schemes and although most programmes have been put on hold, there are some areas that have accelerated beyond our original plans (e.g. outpatient transformation with virtual consultations and rapid response). This will mitigate against some of the delay in starting schemes. Once transformation projects restart we will implement the normal level of controls in managing the SEP (such as reporting and monitoring tools and governance to oversee performance and delivery). The current risk score has been decreased from 20 to 16 due to the likelihood of the extension of the COVID-19 period and the 20/21 block contract regime for NHS provider. **Oversight Committee:** Finance Committee **Current Risk Rating:** 16 **PERF7:** *Failure to manage winter pressures and impact on waiting time standards and capacity for elective pathways (Threat):* The following steps have been implemented to address this risk: • Single Points of Access for discharge have removed DTOC and reduced medically optimised patients in hospital beds by 50%. Extended lengths of stay (over 21 days) have fallen by 36% close to the target level of by 40%; • Delivery of new models for same day emergency care, frailty pathways and discharge-to-assess pathways are in place across NCL; • Plans to reduce ambulance conveyances to emergency departments through use of alternative care pathways including rapid response, and transfer of low acuity calls to NHS 111 for onward referral into local urgent care services; • Additional call handling and clinical assessment capacity in place in the NHS 111 service to respond to COVID-19. Out of hours Pulse Oximetry delivered by 111 home visiting service being developed. • GP Connect in place in NCL practices to facilitate referrals from urgent care system including NHS 111 into practice appointments; • There are plans to increase GP streaming in emergency departments. The risk rating has been increased from 16 to 20 due to negative impact already measured in terms of waiting times. • London Region communications published w/c 26/10 encouraging patients to use 111 in first instance for non-urgent issues; National communications campaign to begin Dec 20. • National Covid Response Service in operation. **Oversight Committee:** Quality and Safety Committee **Current Risk Rating:** 20 **PERF9:** *Inadequate support from Primary Care Support England (Capita contract) for general practices (Threat)):* Due to Covid NHS England asked that we cease all list cleaning and list reconciliations in March 2020. Both have re-commenced in July 2020. Capita re-commenced list reconciliation based on a priority list of practices provided by NHS England, moving from the previous CCG by CCG plan. The priority list of practices has been determined by those with the highest difference between National Health Application and Infrastructure ('NHAIS') and Personal Demographics

	Service ('PDS') in terms of number of registered patients and number of patients who had differences in demographics. Capita will complete the review of this priority list of circa 400 practices shortly, and future plans regarding list reconciliation priorities are being reviewed with NHS England. For list cleaning we have a new plan of areas we will be targeting for certain cohorts. Over 100's and demolished are completed on a national scale. Transient, multiple occupancy and students are targeted by areas with the highest list inflation. Under 16's is currently suspended at the request of NHS England. For list cleaning we plan to target practices who aligned to Camden CCG during Jun 2021 for multiple occupancy, Haringey CCG and Camden CCG monthly (Sept 2020 - August 2021) for transients. In July we re-commenced list reconciliation based on a priority list of practices provided by NHS England. Previously we were targeting practices by CCG. This priority list of practices targeted those who had the most differences between NHAIS and PDS in terms of number of registered patients and number of patients who had differences in demographics. We are due to complete this priority list of approx. 400 practices shortly. We are currently discussing future plans regarding list reconciliation priorities with NHS England. Once NHS England confirm it is highly likely that the date in our plan will change for those practices we have completed as part of the priority list. **Oversight Committee:** Primary Care Commissioning Committee **Current Risk Rating:** 16 <u>New risk</u> The following risk has increased above the BAF threshold: **COMM8:** *Failure to Support System Financial Recovery through Contracts that are not shifting activity into out of hospital settings (Threat):* The Phase 3 system return confirmed funding arrangements to assist with system capacity and COVID related expenditure. Trusts have had baselines agreed to work within (including the capacity and COVID funding) to provide some financial assurance and stability for the system in the final half of the 2020/21 financial year. Whilst block contract arrangements mitigate financial risk arising in the current financial year, there is a residual risk of increased acute contract baselines going forward. While acute activity levels are generally lower, the ability to move finances to support more care delivered in the community is severely restricted. As such the risk has been increased from 12 to 16. **Oversight Committee:** Strategy and Commissioning Committee **Current Risk Rating:** 16 <u>Reducing risks</u> The following risks have reduced below the BAF threshold. They will continue to be monitored below this level: **QUAL10:** *Child and Adult Safeguarding (Threat):*

	Further mitigations of the additional resource of a facilitator, review of business continuity plans, training, and task and finish groups are now in place, so the risk rating was reduced from 16 to 12 in October 2020. The Director of Quality and Chief Nurse is the lead for Safeguarding and is attending Children Safeguarding Boards across NCL boroughs, having oversight of issues and risks **Oversight Committee:** Quality and Safety Committee **Current Risk Rating:** 12 **QUAL11:** *Impact on the delivery of health services and health inequalities as a result of the COVID-19 Pandemic and potential second wave of COVID- 19 Pandemic occurring post relaxation of national lockdown measures (Threat)* The Director of Quality and Chief Nurse and the Head of Governance and Risk reviewed this risk and Risk QUAL 12. They concluded that the risks largely replicated each other and could be combined so the key elements of QUAL 12 were incorporated into this risk QUAL 11, in particular a focus on health inequalities. There is ongoing monitoring of COVID levels across NCL and oversight of harm reviews within provider organisations. We have established a quality slide for the COVID recovery weekly report. Communications from the Executive Director of Quality for further support to the register of staff is in place to support test and trace for the COVID-19 outbreak cell. The Director of Quality and Chief Nurse is the lead for Safeguarding and is attending Children Safeguarding Boards across NCL boroughs, having oversight of issues and risks. In addition, Quality teams are supporting the Clinical Advisory Group, primary care group and providers during the recovery period. **Oversight Committee:** Quality and Safety Committee **Current Risk Rating:** 12 **QUAL 13:** *Risk that there will be outbreaks of COVID-19 both inside and outside the STP/CCG organisations which result in substantial impact either from patients needing hospital care or from disruption to services as a result of contact tracing and staff isolation (Threat)*: This risk has reduced from 15 to 12 due to a number of factors. These include: • Lessons learned from the first wave of Covid 19 being incorporated into plans; • A significant improvement in the testing of Covid 19 with testing being faster and more widespread. This results in staff being tested quicker and being able to return to work faster where they are able; • The current wave of Covid 19 not hitting the system as hard as the first wave. There is ongoing monitoring of COVID-19 levels across NCL with IPC webinars ongoing to support care providers. Quality teams are supporting Providers at outbreak meetings. Communications from the Executive Director of Quality for further support to the register of staff is in place to support test and trace for the COVID-19 outbreak cell.

	The risk to staffing levels is monitored by the Quality and Safety Committee. Whilst the risk remains high the risk has reduced. It will be re-escalated to the BAF if necessary. **Oversight Committee:** Quality and Safety Committee **Current Risk Rating:** 12 <u>Closed risk</u> The following risks have been closed: **FIN6:** *Acute Contracts. Increasing demand and potential for increasing costs (Threat):* This risk was added to the BAF during the NHS's initial response to Covid 19. At this time it was unclear what the plans for NHS recovery would be once the suspension of elective activity was removed. However, since then the moratorium on elective activity has been removed, the CCG has received M7 – M12 guidance that relates to cost and the Phase 3 letter relating to activity. Therefore, the CCG is in a new stage of recovery and this risk is no longer appropriate. The risk has been closed and incorporated into three risks. The activity element is captured by COMM13 and the financial elements captured by COMM15 and COMM16. COMM15 addresses the risk relating to in-year impact whilst COMM16 addresses the impact of the backlog on negotiations for the Acute contracts for 2021/22. None of these risks reach the escalation threshold for oversight by the Governing Body or its committees but are kept under review by the Executive Director of Strategic Commissioning. They will be escalated to the relevant Committee if necessary. **QUAL 9:** *Service Quality (Threat):* This risk focussed on a critical reduction in the quality of services in key non-Covid 19 areas and consequently patients not receiving appropriate care. Following presentation of this risk at the Quality and Safety Committee meeting on 15th October 2020 the risk was reassessed as there was duplication with risk QUAL 11. Therefore, risk QUAL 9 was closed and merged where appropriate with QUAL 11. The Quality and Safety Committee continues to have oversight of risk QUAL 11. **<u>Risk Appetite Scores</u>** On 5th November 2020 the Governing Body met to discuss and agree its risk appetite scores in accordance with the CCG's risk management strategy and policy. The risk appetite scores set the high level principles underpinning the CCG's approach to each area of risk and risk culture. The new risk appetite scores are found at appendix 2 of this report
Recommendation	The Governing Body is asked to: • **REVIEW** the report and provide feedback on the risks; and, • **NOTE** the Risk Appetite Scores.
Identified Risks and Risk Management Actions	The BAF is a risk management document which highlights the most significant risks to the achievement of the CCG's strategic objectives.
Conflicts of Interest	Conflicts of interest are managed robustly and in accordance with the CCG's Conflict of Interest Policy.

Resource Implications	Updating of the BAF is the responsibility of each risk owner and their respective directorates. The Governance and Risk Team helps to support this by providing monitoring, guidance and advice.
Engagement	The BAF report is presented to each Governing Body meeting. The Governing Body includes clinicians, lay members and representatives of patients and other key stakeholders.
Equality Impact Analysis	This report was written in accordance with the provisions of the Equality Act 2010.
Report History and Key Decisions	The Board Assurance Framework report is presented to each Governing Body meeting. Risks are kept under review by the risk owners and by the committees of the Governing Body.
Next Steps	To continue to manage risk across the organisation in a robust way.
Appendices	The following documents are included: • BAF Risks Highlight Report; • Risk Scoring Key • Risk Appetite scores

North Central London CCG BAF Risks - Highlight Report				2020/21					Movement From Last Report	Target Risk Score
Risk ID	**Risk Title**	**Risk Owner**	**Key Updates**	**JUN**	**SEPT**	**DEC**				
FIN1	Failure to Deliver 2020/21 Statutory and Other Financial Requirements Set By NHS England (Threat)	Simon Goodwin - Chief Finance Officer	The CCG has now come out of the initial COVID-19 period (months 1 to 6) which had resulted in changes to the normal financial processes in place. This included suspending the 20/21 financial planning process, budget setting and contracting round. Planning for the restart of CHC services and the new requirement of a 6 week discharge process implemented from 1 September 2020. Guidance has been received from NHSE that indicates that the CCG will breakeven for the first six months of the year (April to Sept). Breakeven is dependent on the CCG receiving full reimbursement for reasonable costs claimed during this time. Full reimbursement has been received up to month 5. Month 6 reimbursement is subject to an NHSE assurance process. Planning is underway for month 7 to 12 with the latest plan submission being 18 November 2020. Finalisation of the CCG control will be dependent on confirmation from NHSE/I. There is an expectation that the CCG year-end position is breakeven and work is underway on a financial recovery plan to support this. This plan will be reported to the Finance Committee in December 2020.	20	16	16			→	12
STR2	Failure to Deliver the 2020/21 System efficiency plans (SEP) and Transformation Programme (Threat)	Will Huxter - Executive Director of Strategy	Due to the impact of COVID-19 many of the SEP schemes are currently on hold. Therefore there is a material risk that the SEP will under deliver in 20/21, however this is partly mitigated by national contracting frameworks with c86% of CCG spend being committed and on block contracts. Levels of acute activity are also expected to be significantly lower than 19/20 therefore if there is a switch to Payment by Results ('PBR') during the financial year significant over performance is not expected. We have performed a desktop review of SEP schemes and although most programmes have been put on hold, there are some areas that have accelerated beyond our original plans (e.g. outpatient transformation with virtual consultations and rapid response). This will mitigate against some of the delay in starting schemes. Once transformation projects restart we will implement the normal level of controls in managing the SEP (such as reporting and monitoring tools and governance to oversee performance and delivery). The current risk score has been decreased from 20 to 16 due to the likelihood of the extension of the COVID-19 period and the 20/21 block contract regime for NHS provider. Oversight Committee: Finance Committee	20	16	16			→	12
FIN3	Long Term Financial Sustainability (Threat)	Simon Goodwin - Chief Finance Officer	The CCG has now come out of the initial COVID-19 period which had resulted in changes to the normal financial processes in place. This included suspending the 20/21 financial planning process, budget setting and contracting round. Further guidance is required to inform the COVID-19 exit to enable full financial implications to be assessed. The financial regime, originally for M1-M4 20/21, is designed to bring each organisation to break-even by way of retrospective top-ups. This arrangement was extended for M5-M6. As of end of November 20, we have now resubmitted M7-M12 plans. In the 18th November submissions, there is now a system deficit of £64.7m that we expect to be offset by £39.8m of funding to compensate for the loss of non-NHS income contribution and a further benefit relating to Proton Beam therapy funding at UCLH of £8m, giving a net shortfall of £16.7m. The CCG deficit for M7-M12 after the distribution of system funds is £12.2m and the CCG has committed to review this position in order to improve the position. We are not aware as yet by how much the financial regime going forward into 2021/22 will incorporate a financial reset or whether the historic underlying deficit will be re-instated. However we are aware that the financial full year effects of capacity increases (e.g. ITU, Endoscopy) to achieve activity targets in M7-M12 do not currently have a financial mitigation. The current risk score has decreased from 25 to 20 to reflect a slightly reduced risk to the likelihood due to the national focus on shared ICS risk arrangements and closer working arrangements with Trust partners in the current period and going forward.	25	20	20			→	12

PERF7	Failure to manage winter pressures and impact on waiting time standards and capacity for elective pathways (Threat)	Paul Sinden, Executive Director of Performance & Assurance	The following steps have been implemented to address this risk: • Single Points of Access for discharge have removed DTOC and reduced medically optimised patients in hospital beds by 50%. Extended lengths of stay (over 21 days) have fallen by 36% close to the target level of by 40%; • Delivery of new models for same day emergency care, frailty pathways and discharge-to-assess pathways are in place across NCL; • Plans to reduce ambulance conveyances to emergency departments through use of alternative care pathways including rapid response, and transfer of low acuity calls to NHS 111 for onward referral into local urgent care services; • Additional call handling and clinical assessment capacity in place in the NHS 111 service to respond to COVID-19. Out of hours Pulse Oximetry delivered by 111 home vesting service being developed. • GP Connect in place in NCL practices to facilitate referrals from urgent care system including NHS 111 into practice appointments; • There are plans to increase GP streaming in emergency departments. The risk rating has been increased from 16 to 20 due to negative impact already measured in terms of waiting times. • London Region communications published w/c 26/10 encouraging patients to use 111 in first instance for non-urgent issues; National communications campaign to begin Dec 20. • National Covid Response Service in operation. Oversight Committee: Quality and Safety Committee	16	20	20			→	6
PERF9	Inadequate support from Primary Care Support England (Capita contract) for general practices (Threat)	Paul Sinden, Executive Director of Performance & Assurance	Due to Covid NHS England asked that we cease all list cleaning and list reconciliations in March 2020. Both have re-commenced in July 2020. Capita re-commenced list reconciliation based on a priority list of practices provided by NHS England, moving from the previous CCG by CCG plan. The priority list of practices has been determined by those with the highest difference between National Health Application and Infrastructure ('NHAIS') and Personal Demographics Service ('PDS') in terms of number of registered patients and number of patients who had differences in demographics. Capita will complete the review of this priority list of circa 400 practices shortly, and future plans regarding list reconciliation priorities are being reviewed with NHS England. For list cleaning we have a new plan of areas we will be targeting for certain cohorts. Over 100's and demolished are completed on a national scale. Transient, multiple occupancy and students are targeted by areas with the highest list inflation. Under 16's is currently suspended at the request of NHS England. For list cleaning we plan to target practices who aligned to Camden CCG during Jun 2021 for multiple occupancy, Haringey CCG and Camden CCG monthly (Sept 2020 - August 2021) for transients. In July we re-commenced list reconciliation based on a priority list of practices provided by NHS England. Previously we were targeting practices by CCG. This priority list of practices targeted those who had the most differences between NHAIS and PDS in terms of number of registered patients and number of patients who had differences in demographics. We are due to complete this priority list of approx. 400 practices shortly. We are currently discussing future plans regarding list reconciliation priorities with NHS England. Once NHS England confirm it is highly likely that the date in our plan will change for those practices we have completed as part of the priority list.	16	16	16			→	6
COMM 8	Failure to Support System Financial Recovery through Contracts that are not shifting activity into out of hospital settings(Threat)	Sarah Mansuralli, Executive Director of Strategic Commissioning,	The Phase 3 system return confirmed funding arrangements to assist with system capacity and COVID related expenditure. Trusts have had baselines agreed to work within (including the capacity and COVID funding) to provide some financial assurance and stability for the system in the final half of the 2020/21 financial year. Whilst block contract arrangements mitigate financial risk arising in the current financial year, there is a residual risk of increased acute contract baselines going forward. While acute activity levels are generally lower, the ability to move finances to support more care delivered in the community is severely restricted. As such the risk has been increased from 12 to 16. Oversight Committee: Strategy and Commissioning Committee			16			↑	9

Risk Key

Risk Improving ↓

Risk Worsening ↑

Risk neither improving nor worsening but working towards target →

Risk Scoring Key

This document sets out the key scoring methodology for risks and risk management.

1. Overall Strength of Controls in Place

There are four levels of effectiveness:

Level	Criteria
Zero	The controls have no effect on controlling the risk.
Weak	The controls have a 1- 60% chance of successfully controlling the risk.
Average	The controls have a 61 – 79% chance of successfully controlling the risk
Strong	The controls have a 80%+ chance or higher of successfully controlling the risk

2. Risk Scoring

This is separated into Consequence and Likelihood.

Consequence Scale:

Level of Impact on the Objective	Descriptor of Level of Impact on the Objective	Consequence for the Objective	Consequence Score
0 - 5%	Very low impact	Very Low	1
6 - 25%	Low impact	Low	2
26-50%	Moderate impact	Medium	3
51 – 75%	High impact	High	4
76%+	Very high impact	Very High	5

Likelihood Scale:

Level of Likelihood the Risk will Occur	Descriptor of Level of Likelihood the Risk will Occur	Likelihood the Risk will Occur	Likelihood Score
0 - 5%	Highly unlikely to occur	Very Low	1
6 - 25%	Unlikely to occur	Low	2
26-50%	Fairly likely to occur	Medium	3
51 – 75%	More likely to occur than not	High	4
76%+	Almost certainly will occur	Very High	5

3. Level of Risk and Priority Chart

This chart shows the level of risk a risk represents and sets out the priority which should be given to each risk:

LIKELIHOOD	**CONSEQUENCE**				
	Very Low (1)	Low (2)	Medium (3)	High (4)	Very High (5)
Very Low (1)	**1**	**2**	**3**	**4**	**5**
Low (2)	**2**	**4**	**6**	**8**	**10**
Medium (3)	**3**	**6**	**9**	**12**	**15**
High (4)	**4**	**8**	**12**	**16**	**20**
Very High (5)	**5**	**10**	**15**	**20**	**25**

1-3 **Low Priority**	**4-6** **Moderate Priority**	**8-12** **High Priority**	**15-25** **Very High Priority**

Schedule 2
Risk Appetite

This schedule sets out the CCG's risk appetite. The Governing Body sets the CCG's risk appetite and considered the risk appetite at the Governing Body seminar on 29th October 2020 and 5th November 2020.

The chart below shows the appetite grading for risks based on their potential impact:

Appetite Description	Appetite Level
The CCG is not willing to accept these risks under any circumstances	1
The CCG is not willing to accept these risks (except in very exceptional circumstances)	2
The CCG is willing to accept some risk in this area	3
The CCG is willing to accept moderate risk in this area	4
The CCG is willing to accept high risk in this area	5

This schedule sets out the CCG's service areas for which the Governing Body will agree a risk appetite.

No.	Service Area	Governing Body Statement	Appetite Level
1.	Quality	We will ensure good quality service for all the people of the borough and will only rarely accept risks that threaten that goal.	2
2.	Safety	We hold patient and staff safety as the highest priority and will not accept any risk that threatens either.	1
3.	Compliance with legislation and statutory guidance	We will comply with all legislation relevant to the CCG and will not accept any risk that, if realised, would result in non-compliance.	1
4.	Compliance with non-statutory NHS England/Improvement guidance	The CCG will comply with all non-statutory guidance issued by NHS England/Improvement and will not accept any risk that, if realised, would result in non-compliance except in very exceptional circumstances.	2
5.	Procurement	We will procure services in line with English law and national guidance but will accept some procurement risk in the achievement of the CCG's objectives.	3

6.	Conflicts of Interest	We will preserve the integrity of our decision-making processes and our decisions and will comply with statutory guidance. Given the nature of the CCG and the challenges of delivering national and local plans such as the NHS Long Term Plan we are willing to accept exceptional risk in certain circumstances but these will be managed robustly.	2
7.	Reputation	We intend to maintain high standards of conduct and will accept risks that may cause reputational damage only in certain circumstances, and only when the benefits for patients and residents merit the risk.	3
8.	Innovation & Productivity	We aim to foster, and will encourage, a culture of innovation and efficiency; in so doing we are prepared to accept moderate risk. However, when doing so we will work within the risk appetite levels for each Service Area set out in this document and will not exceed them.	4
9.	Finance	We will strive to work within set financial limits and mitigate any risks that, if realised, would cause a breach to the CCG's agreed budget. The achievement of strategic objectives, value for money and cost effectiveness can justify calculated risk.	3
10.	Partnerships- Integrated Care System ('ICS')	We will accept a moderate level of risk in working with ICS partner organisations to achieve the aims and objectives of the NHS Long Term Plan and ensure the best outcomes for patients.	4
11.	Partnerships- Integrated Care Partnerships/Providers ('ICP')	We will accept some risk in working with ICP partner organisations to achieve the aims and objectives of the NHS Long Term Plan and ensure the best outcomes for patients.	3
12.	Partnerships- Other partnerships including non ICS, non ICP, other NHS providers, the third sector and the private sector.	We will accept some risk in working with non ICS/ICP partner organisations, other NHS providers, the third sector and/or the private sector to achieve the aims and objectives of the NHS Long Term Plan and ensure the best outcomes for patients.	3

Precedence of Risk Appetite Scores

For the avoidance of doubt where two risk appetite scores conflict with each other the lowest risk appetite score takes precedence. For example, the CCG may be working on a new and innovative service and so work within the risk appetite level of 4 for Innovation and Productivity. However, whilst doing so the CCG will work within the risk appetite levels of 1 for Safety and 2 for Quality.