Proposed Risk appetite statement

A Group strategy 2026-2031 has been developed as part of a collaboration and Group model working with Sandwell and West Birmingham NHS Trust and The Dudley Group NHS Foundation Trust, through which it aims to improve services and health outcomes for local people, and to support and develop its workforce. This strategic framework is based around three strategic goals:

- **Our Patients:** Deliver high-quality care, by the right person in the right place, at the right time.
- **Our People:** Be a brilliant place to work and thrive through happy, engaged, productive teams.
- **Our Population:** Work together with our partners to improve life chances and health outcomes.

The NHS operates in a challenging environment, affected by economic pressures and is aspiring to deliver the vision set out in the Fit for the Future: 10 Year Health Plan for England. To fulfil its aspirations in changing times, the Group has established its own Fit for the Future Programme that will need to be innovative and has committed to a series of multi-year commitments.

- ✓ Community First
- ✓ Prevention through Partnerships
- ✓ Focus on People and Culture
- ✓ Make Money Matter

This will mean doing some things differently to how they have been done before, introducing new types of service and activity, and collaborating with other organisations to provide services. Transformational change such as this is never without an element of risk.

As the provider of essential public services funded by the taxpayer, and also one of the largest employers locally, we have a duty to identify and manage reasonably foreseeable risks that affect our organisation, its patients and staff. We have a robust, formal process to do this using a Risk Management Framework. However, we recognise that risk is inherent to healthcare, and that sometimes it is necessary to take risks in pursuit of opportunity. We are risk-aware rather than risk-averse. This means that we use data, information and our shared risk appetite to guide us in our decisions about the risks we are willing to take, and how we manage them.

Risk appetite

Risk appetite is defined as a decision about the level of risk that an organisation is prepared to accept, after balancing the potential opportunities and threats a situation presents. It takes into account the potential benefits of innovation and the threats that change inevitably brings. Our Trust board has defined its appetite for each of the main types of risk facing NHS organisations: Quality Safety and Patient Experience; Finance, Productivity and Value for Money; Regulatory, Statutory and Compliance; People, Workforce and Culture; Operational Performance and Access; Strategy, Integration and Partnerships; Digital, Data and Information Governance; Estates, Infrastructure and Capital; Reputation and Public Confidence; Research, Innovation and Continuous Improvement.

Quality Safety and Patient Experience
Measured: We are willing to accept moderate risk where there is compelling evidence of benefit and robust mitigation measures in place supported by strong governance.

Finance, Productivity and Value for Money
Measured: We are willing to accept moderate risk where there is compelling evidence of benefit and robust mitigation measures in place supported by strong governance.

Regulatory, Statutory and Compliance
Limited: We will take a cautious approach, accepting only low levels of risk. Any risk must be well understood, tightly controlled, and supported by strong assurance.

People, Workforce and Culture
Progressive: We will accept higher levels of risk where benefits are clear, mitigations are robust, and alignment with strategic objectives is maintained.

Operational Performance and Access
Measured: We are willing to accept moderate risk where there is compelling evidence of benefit and robust mitigation measures in place supported by strong governance.

Strategy, Integration and Partnerships
Transformational: We acknowledge that there are higher levels of acceptable risk where the potential benefits are substantial, mitigations are robust, and alignment with long-term strategic objectives is clear.

Digital, Data and Information Governance
Progressive: We will accept higher levels of risk where benefits are clear, mitigations are robust, and alignment with strategic objectives is maintained.

Estates, Infrastructure and Capital
Progressive: We will accept higher levels of risk where benefits are clear, mitigations are robust, and alignment with strategic objectives is maintained.

Reputation and Public Confidence
Limited: We will take a cautious approach, accepting only low levels of risk. Any risk must be well understood, tightly controlled, and supported by strong assurance.

Research, Innovation and Continuous Improvement
Limited: We will take a cautious approach, accepting only low levels of risk. Any risk must be well understood, tightly controlled, and supported by strong assurance.

Reviewed October 2026