



## Report to the Board

22 September 2016

**Title:** Risk Appetite

**Report of:** Managing Director

### Purpose of report

1. To agree a statement for the risk appetite of The Gateshead Housing Company.

### Background

2. The Board agreed, at its meeting held on 8 July 2010, an updated Risk Management Policy. Within the Policy it outlines that the Board's role is to determine the company's appetite for risk and that this should be reviewed annually.
3. The company's fifth risk appetite statement was agreed at the meeting of the Board held on 17 September 2015 when it was agreed that the company's risk appetite should remain low.

### Risk Appetite Statement

4. Given that the company is a public sector organisation, accountable to the residents of Gateshead and manages homes on behalf of Gateshead Council, the company's appetite for taking risk is low. There could however be instances when its appetite for taking a risk may be different, for example for special projects or new ventures. Any decisions would be subject to Board approval.
5. The following risk appetite statement is therefore proposed: -

"The Gateshead Housing Company's appetite for taking risk is low, however there may be occasions when its appetite may increase for example for specific projects or new ventures. Any such increase would be subject to Board approval."

### Link to Values

6. This report links to the Company values of being: -
  - Accountable
  - Customer focused

### **Risk Management Implications**

7. The risk management implications are addressed in the report.

### **Financial Implications**

8. There are no financial implications directly arising from this report.

### **Equality and Diversity Implications**

9. There are no equality and diversity implications directly arising from this report.

### **Health Implications**

10. There are no health implications arising from this report.

### **Environmental Implications**

11. There are no environmental implications arising from this report.

### **Value for Money Implications**

12. A robust risk management process that is embedded throughout the company will provide value for money.

### **Consultation carried out**

13. It has not been necessary to carry out any consultation when compiling this report.

### **Impact on Customers**

14. An effective risk management process will maintain the delivery of services to customers.

### **Recommendation**

15. The Board is recommended to approve the risk appetite statement outlined in paragraph 5 of this report and to review the statement annually.