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# BOARD ASSURANCE FRAMEWORK

**January 2025 v2**

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## 1. PURPOSE

The purpose and design of the Board Assurance Framework (BAF) is to ensure that the Board can be effective in driving the delivery of the corporate objectives and that they are receiving sufficient and timely assurance information on the management of risks to deliver on these objectives.

The BAF brings together in one place, all of the relevant information on the risks to achieving the Board's strategic objectives. It is an essential tool for the Board to manage assurance against delivery of key organisational objectives. It is envisaged that through appropriate utilization of the BAF, the Board can have confidence that they are providing thorough oversight of strategic risk.

The Trust Board is comprised of the Chair, Non-Executive Directors, the Chief Executive and Executive Directors. Members of the Senior Leadership Team (SLT) attend Trust Board meetings.

### Trust Corporate Objectives

- Promoting safe, high-quality care
- Supporting people to live long, healthy, active lives
- Improving our services
- Making best use of our resources
- Being a great place to work – supporting, developing and valuing our staff
- Working in partnership

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## 2. INTRODUCTION

What is a Board Assurance Framework?

***"An assurance framework is a structured means of identifying and mapping the main sources of assurance in an organisation, and coordinating them to best effect"***

HM Treasury Guidance on Assurance Frameworks (2012)

A BAF should document the arrangements in place for managing an organisation's assurance, and is a key document presented to the Trust Board.

As above, the BAF is intended as an extension of the Trust's existing risk management arrangements to aid the Trust Board in driving the delivery of the corporate objectives and ensuring that it is receiving sufficient and timely assurance information on the management of risks to deliver on these objectives.

The Trust Board is the decision-making body for the Southern Health and Social Care Trust, responsible for setting strategy and monitoring performance, ensuring that the Trust meets its statutory and regulatory duties and effectively manages risks.

Trust Board is responsible for: <sup>1</sup>

- Establishing the overall strategic direction of the Trust within the policy and resources framework determined by the Department and Minister;
- Constructively challenging the Trust's Senior Leadership Team in its planning, target setting and delivery of performance.
- Ensuring that the Department of Health (through the SPPG) is kept informed of any changes which are likely to impact on the strategic direction of the Trust or on the attainability of its targets, and determine the steps needed to deal with such changes.
- Ensuring that any statutory or administrative requirements for the use of public funds are complied with, that the Board operates within the limits of its statutory authority and any delegated authority agreed with the sponsor Department, and in accordance with any other conditions relating to the use of public funds, and that, in reaching decisions, the Trust Board takes into account all relevant guidance issued by Department of Finance and the Department of Health;
- Ensuring that the Trust Board receives and reviews regular financial information concerning the management of the Trust, is informed in a timely manner about any concerns about the activities of the Trust and provides positive assurance to the sponsor Department that appropriate action has been taken on such concerns.
- Demonstrating high standards of corporate governance at all times, including using the independent audit committee to help the Board to address the key financial and other risks facing the Trust.
- Appointing a Chief Executive to the Trust and, in consultation with the sponsor Department, setting performance objectives and remuneration terms linked to these objectives for the Chief Executive, which give due weight to the proper management and use of public monies.
- Act in good faith and in the best interests of the Trust.

In accordance with Health and Social Services Trusts (Membership and Procedure) Regulations (NI) 1994, the composition of the Board shall include a Non-Executive Chair, seven Non-Executive members, and up to 5 executive members including the Chief Executive, Executive Directors of Social Work, Medicine, Nursing and Finance. Other members of the Senior Leadership Team (SLT) attend Board meetings and report to the Board.

The Southern Health and Social Care Trust's vision is to deliver safe, high-quality care that is co-produced and co-designed in partnership with service users and staff who deliver our services. This vision is reflected in our current Trust Corporate Objectives, which are underpinned by our Health and Social Care Values – Working Together, Excellence, Openness & Honesty and Compassion.



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<sup>1</sup> [Policies and Procedures | Southern Health & Social Care Trust \(hscni.net\)](https://www.hscni.net) (standing orders.)

The BAF is an integral part of the governance arrangements for the Southern Trust and is underpinned by the Risk Management Strategy and the Corporate Risk Register and should be read in conjunction with the Integrated Governance and Assurance Framework.

### 3. WHAT ASSURANCE MEANS

Assurance is evidence that shows we are reasonably managing our risks and that our objectives are being delivered. Sources of this evidence incorporate the three levels of assurance (Three Lines of Assurance): (1) department or service (those responsible for the area reported on); (2) organisational oversight (internal but independent of the area reported on); and (3) independent assurance (internal audit and other external assurance providers)

Sources of assurance include, but are not limited to:

- Reviews or checks within a department / service (e.g., manager reviews information completed by staff under their particular area of responsibility)
- An organisation wide review (e.g., corporate review of sickness and absence);
- Internal audit reports; or
- Inspection and review by an external body (e.g. Accreditation Authorities (UKAS), RQIA).

#### Definitions of Assurance

Assurance	Definition
Provides:	<b>'Confidence' / 'Evidence' / 'Certainty'</b>
To:	<b>Directors / Non-Executives / Management</b>
That:	<b>What needs to be happening is actually happening in practice</b>

Assurance will come from a variety of sources, both internal and external. When challenging assurance information at Board level, the Trust Board should continually ask:

- Where does the assurance come from?
- How reliable is this assurance?
- What is this assurance telling me?
- Is the assurance proportionate to the level of risk?

### 4. ASSURANCE MAPPING

Assurance mapping is a key part of developing and maintaining board assurance arrangements. It provides the Trust with an improved ability to understand and confirm that they have assurance over key controls, or where control gaps exist, and whether actions are in place to address these gaps. The assurance mapping process, using the Three Lines of Assurance model, and the way of illustrating the results using a BAF Risk Document, can give confidence to the Senior Leadership Team and Trust Board that they 'really know what they think they know'.

The assurance mapping process identifies and records the key sources of assurance that inform Board members of the effectiveness of how key strategic risks are managed or mitigated, the key controls and processes that are relied on to manage risks and as a result support the achievement of the Trust's corporate objectives.

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## 5. TRUST, DEMONSTRATE, CHECK

### Trust and Confidence

First line assurance involves a level of 'trust' and confidence by line management, that operational staff are delivering services within the expected standards, guidelines, policy, legislation, and that they are using regular review/local audit/data analysis, from of a variety of sources to support this trust. Directorate Senior Leadership Teams will routinely use first line assurances to support their decision-making about service risks. e.g., self-assessment returns, incident reviews, 1:1 meetings etc.

### Demonstrate

Second Line assurance necessitates the Senior Leadership Team to seek evidence and 'demonstrate' that controls and assurances are in place regarding performance, delivery of service, compliance with legislation, guidelines and policy, and that risk management systems are robust. It requires a level of internal independence from immediate line management to support what is believed to be true, as true. e.g., performance reports, finance reports, Committee meetings, KPIs etc.

### Check

Third line assurance requires a level of independent verification 'check'. This means that an external party independent to the organisation will review and confirm that the position held by the Trust is accurate and where there are gaps, allow for further planning and actions to be taken. e.g., RQIA, Internal/External audit, professional regulatory bodies, Accreditation Authorities (UKAS), NISCC, Royal colleges etc.

The outcome of such verification is considered by both Senior Leadership Team and Trust Board or its subcommittees (e.g. Audit Committee). Identified gaps in controls and / or assurance will be monitored by the Trust Board until resolved and in line with the agreed risk appetite.

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## 6. GOVERNANCE STRUCTURE

The Trust Board, as required by the Department of Health, is required to have in place integrated governance structures and arrangements that will lead to good governance and to ensure that decision-making is informed by intelligent information covering the full range of corporate, financial, clinical, social care, information and research governance aspects (see appendix 2).

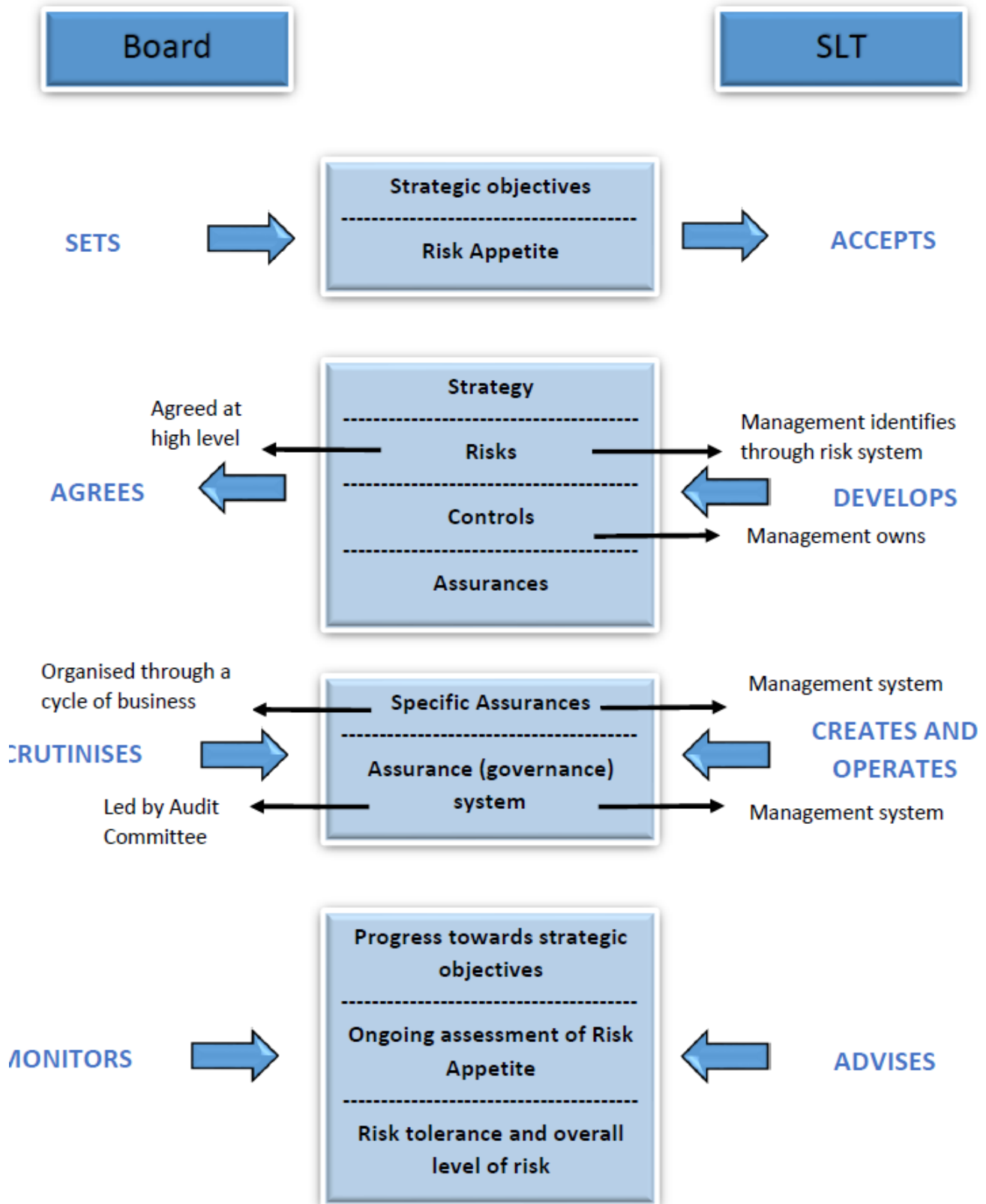
The Southern Health and Social Care Trust, in keeping with its Standing Orders and Scheme of Reservation and Delegation, operates a corporate governance structure led by Trust Board supported by sub committees.

As outlined below, assurance is provided through the committee structure to Trust Board. The Senior Leadership Team is represented on each committee and provides information to support decision-making and effective operation of the Trust at all levels.

Within the governance structure, there are sub-committees and groups, each with delegated responsibility. The reporting and accountability mechanisms will be described in the new Integrated Governance and Assurance Framework. Governance and reporting arrangements are vital aspects of an effective BAF, and as such, clear lines of accountability, roles and responsibilities have been defined for the Senior Leadership Team and the Trust Board.

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7. DIAGRAM OF THE LINES OF ACCOUNTABILITY AND ROLES AND RESPONSIBILITIES FOR SLT AND THE BOARD



## 8. RISK APPETITE

- All risks which are identified within the Trust are graded in accordance with the regional risk matrix and entered on the appropriate risk register. **Corporate Risks** work 'bottom up' and the Senior Leadership Team act as the filter for risk issues from Directorate Risk Registers for identification as Corporate Risks.
- Based on the knowledge of risks identified, the SLT will determine the level of assurance that should be available to them regarding those risks and review the Corporate Risks on a monthly basis.

The risk appetite of the Trust Board is the decision on the appropriate exposure to risk it will accept in order to deliver its strategy over a given time frame.

The Trust understands its risk appetite, i.e. 'the amount and type of risk that it is prepared to pursue, retain or take' in pursuit of its strategic objectives, is key to achieving effective risk management. It represents a balance between the potential benefits of innovation and the threats that change inevitably brings and therefore should be at the heart of an organisation's risk management strategy – and indeed its overarching strategy.

### Southern Health and Social Care Trust Risk Management Statement

*The Southern Health and Social Care Trust (SHSCT) recognises that its long-term sustainability depends upon optimising risk in relation to the delivery of its strategic objectives, and also that the relationship with service users, staff, contractors, the general public and other stakeholders is key to the Trust's success.*

*As such, SHSCT upholds a duty of care to ensure that Health and Safety is not compromised and therefore, taking into consideration that most risks cannot be completely eliminated, the Trust will have a low tolerance to risks that could result in a negative impact on the Health and Safety of service users, staff, contractors, the general public and other stakeholders.*

*However, within the boundaries of regulatory constraints, the Trust has an open appetite to take well-considered and balanced risks to pursue innovation and opportunities where outcomes can be improved for the population we serve, whilst being confident that through good risk management the threats can be managed.*

## Financial

- How will we use our resources?

## Regulatory

- How will we meet standards within regional, national and regulatory frameworks?

## Quality

- How will we deliver higher quality and safer services?

## Reputational

- How will we be perceived by our stakeholders (patients, clients, the public,etc)?

## People

- How will we recruit, develop and retain our staff?

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Domain Name	Average Risk Rating Score*	Suggested Risk Appetite Statement Based on Group Feedback
<b>Financial</b>	<b>3</b>	The Trust has an <b>OPEN</b> appetite for some financial risks where this is required to mitigate risks to patient safety or quality of care. We will ensure that all such financial responses deliver optimal value for money. The Trust has an <b>OPEN</b> risk appetite for any risk which has the potential to reduce of cost base. The Trust has <b>MINIMAL</b> risk appetite for risks that involve paying for services that do not represent value for money or is not within the current budget allocations.
<b>Regulatory</b>	<b>3</b>	The Trust has an <b>OPEN</b> appetite for regulatory risks in circumstances where quality and safety of services is not compromised. The Trust is willing to take decisions that may receive regulatory challenge where we would be reasonably confident this could be challenged successfully.
<b>Quality</b>	<b>4</b>	The Trust has a <b>SEEK</b> appetite for improving quality through innovation while remaining mindful that a <b>CAUTIOUS</b> approach will be required for systematic changes that may result in unintended adverse outcomes. Quality remains central to our strategic vision and we are willing to take risks that will provide a long term gain in improving our services.
<b>Reputational</b>	<b>4</b>	The Trust has a <b>SEEK</b> appetite towards the Trust reputation, we are willing to take decisions that are likely to bring scrutiny to the organisation. We are content to outwardly promote ideas and innovations where the benefits outweigh the risks.
<b>People</b>	<b>4</b>	We have a <b>SEEK</b> appetite towards People risks. The Trust values our people and equip them with the skills to provide the right care. We also recognise that to achieve our necessary workforce objectives in terms of recruitment, training and culture, we need to have a <b>SEEK</b> appetite towards innovating how we recruit, develop and maintain staff.

***\*Based on Trust Board Risk Appetite Workshop 18<sup>th</sup> September 2023***

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## 9. ASSESSMENT

The BAF requires the Board to consider the effectiveness of each control through the process of obtaining assurances that the systems and processes are in place and operating effectively.

The board assurance arrangements preparedness assessment (appendix 3) should be completed on an annual basis by members of the Trust Board, to provide a measure of progress as well as highlighting areas that require further development within the Trust.

Trust Board receives assurances through a range of internal control frameworks including:

- Reports from sub-committees to the Board;
- Risk management process;
- Monitoring of the Corporate Plan;
- Performance management framework;
- Audit;
- Mid-year and annual governance statements etc.
- Executive Director Governance frameworks
- Quality Management System

In addition, the Trust Board ensures objective assurance is also provided from independent reviewers including RQIA, Accreditation Authorities, Departmental reviews, Internal and External Audit.

As with risk management, managing assurances through the BAF is an on-going process. To ensure that the process is useful, the frequency with which updates are required should be considered as part of setting the board assurance arrangements but may also evolve over time with familiarity.

The 'three lines of assurance' approach is a model that pulls risk management and compliance into a common and robust framework. By defining the sources of assurance in three broad categories, it helps to understand how each contributes to the overall level of assurance provided and how best they can be integrated and mutually supportive. (See *Assurance Mapping*)

**RISK SCORING IS BASED ON LIKELIHOOD AND IMPACT AS SUMMARISED IN THE RISK ASSESSMENT MATRIX BELOW:**

<b>Risk Likelihood Scoring Table</b>			
<b>Likelihood Scoring Descriptors</b>	<b>Score</b>	<b>Frequency (How often might it/does it happen?)</b>	<b>Time frame Descriptions of Frequency</b>
<i>Almost certain</i>	5	Will undoubtedly happen/recur on a frequent basis	Expected to occur at least daily
<i>Likely</i>	4	Will probably happen/recur, but it is not a persisting issue/circumstances	Expected to occur at least weekly
<i>Possible</i>	3	Might happen or recur occasionally	Expected to occur at least monthly
<i>Unlikely</i>	2	Do not expect it to happen/recur but it may do so	Expected to occur at least annually
<i>Rare</i>	1	This will probably never happen/recur	Not expected to occur for years

<b>Impact (Consequence) Levels</b>					
<b>Likelihood Scoring Descriptors</b>	<b>Insignificant (1)</b>	<b>Minor (2)</b>	<b>Moderate (3)</b>	<b>Major (4)</b>	<b>Catastrophic (5)</b>
<b>Almost Certain (5)</b>	<b>Medium</b>	<b>Medium</b>	<b>High</b>	<b>Extreme</b>	<b>Extreme</b>
<b>Likely (4)</b>	<b>Low</b>	<b>Medium</b>	<b>Medium</b>	<b>High</b>	<b>Extreme</b>
<b>Possible (3)</b>	<b>Low</b>	<b>Low</b>	<b>Medium</b>	<b>High</b>	<b>Extreme</b>
<b>Unlikely (2)</b>	<b>Low</b>	<b>Low</b>	<b>Medium</b>	<b>High</b>	<b>High</b>
<b>Rare (1)</b>	<b>Low</b>	<b>Low</b>	<b>Medium</b>	<b>High</b>	<b>High</b>

**ASSESSMENT OF CONTROL EFFECTIVENESS RATINGS IS SUMMARIZED BELOW BASED ON HM TREASURY GUIDANCE**

<b>High</b>	Controls in place assessed as adequate/effective and in proportion to the risks
<b>Medium</b>	Some areas of concern over the adequacy/effectiveness of the controls in place in proportion to the risks
<b>Low</b>	Significant concerns over the adequacy/effectiveness of the controls in place in proportion to the risks
	Insufficient information at present to judge the adequacy/effectiveness of controls

**TYPES OF CONTROL:**

Control Type	Control Description
<b>Preventative Control</b>	Designed to prevent the risk from occurring (e.g. robust policy frameworks, training programs etc.)
<b>Detective Control</b>	Aimed at identifying the risk if it arises (e.g. monitoring systems, audits)
<b>Corrective Control</b>	Help in managing consequences if a risk materializes (e.g. crisis response measures, contingency measures)

**TYPES OF LINES OF ASSURANCE:**

Line	Line Description
<b>First Line</b>	Frontline or operational delivery areas. Provided by those responsible for service delivery. Provides Assurance that performance is monitored, risks are identified and addressed, and objectives are being achieved.
<b>Second Line</b>	Associated with oversight of management activity. Separated from delivery but not independent of Trusts management chain. Could include compliance assessments or reviews to determine policies are being met and objectives achieved.
<b>Third Line</b>	Independent and more objective assurance. Focuses on the role of internal audit but can include other sources including External Audit and Independent Inspections e.g. RQIA and Internal Audit

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## 10. BAF DASHBOARD

The Board Assurance Framework (BAF) records Executive-led assessments of the key risks to the delivery of the Trust's Strategic Priorities and the level of internal control to prevent these risks occurring / mitigating their impact.

The Summary Dashboard which forms part of the Executive Summary for the BAF prompts Board debate around:

- the level of assurance in place that demonstrate the controls being relied upon to manage each Strategic Risk are effective and where gaps in assurance may exist; and
- the acceptance of current levels of strategic risk by reviewing ratings for the likelihood of each risk occurring (Current Risk Rating).

The Strategic Risks contained in the BAF summary dashboard are expanded on within Directorate risk registers, and specifically those risks which have been categorised as Corporate Risks of a high or extreme level.

### **THE STRATEGIC PRIORITIES THAT THE BAF IS BASED ON:**



The key risk areas identified that could impact on the Trust's ability to meet its Strategic Priorities are:

<b>STRATEGIC RISKS</b>	<b>ALIGNED TO STRATEGIC PRIORITIES</b>
<p><b>Workforce and people risks</b> (combining staff wellbeing, recruitment, retention, and capacity across specialties)</p>	1, 5
<p><b>Operational and service delivery risks</b> (encompassing delays, access to services, and maintaining service quality)</p>	1, 4, 7, 8, 9
<p><b>Cyber security risks</b> (technology enablement, digital readiness, and cyber security threats)</p>	1, 3, 6
<p><b>Financial and sustainability risks</b> (covering financial recovery, budgeting, and sustainability efforts)</p>	1, 2, 6, 7, 8, 9
<p><b>Compliance and reputational risks</b> (addressing regulatory compliance, infection control, and public perception)</p>	2, 1

<b>1</b>	<b>STRATEGIC RISK: WORKFORCE AND PEOPLE</b>
<b>Risk Description (linked to corporate objective)</b>	There is a risk that staffing shortages, retention issues, and workforce wellbeing concerns will affect the Trust's ability to deliver safe and effective patient care.
<b>Impact of the Risk (implications)</b>	<ul style="list-style-type: none"> <li>• Reduced service capacity,</li> <li>• increased patient harm,</li> <li>• staff burnout,</li> <li>• higher turnover,</li> <li>• reputational damage.</li> </ul>
<b>Initial Risk Score and Rating</b>	<b>Score 25 (5 x 5) EXTREME</b>
<b>Current Risk Score and Rating</b>	<b>Score 16 (4 x 4) HIGH</b>
<b>Target Risk Score and Rating</b>	<b>Score 9 (3 x 3) MEDIUM</b>

<b>Existing Control and Source of Assurance (reflecting current risk rating)</b>	<b>Type of Control</b>	<b>Line of Assurance</b>	<b>Where is this assurance reported to and frequency of assurance? (i.e. what committee/Group within Trust)</b>	<b>Control Effectiveness (RAG Rating)</b>
<b>Recruitment Initiatives:</b> Ongoing campaigns, including targeted international recruitment	<b>Preventative</b>	<b>First line</b>	Monthly recruitment report to Medical Director, Chief Executive & Director HROD, copies to Divisional MDs	

efforts to fill critical vacancies in specialties.				
<b>Workforce Monitoring and Reporting:</b> Regular reporting on workforce metrics (e.g., vacancy rates, locum usage) to ensure transparency and enable timely interventions.	<b>Detective</b>	<b>Second Line</b>	<ul style="list-style-type: none"> <li>• Finance, Performance &amp; Workforce Committee deep dives per Division/ Service</li> <li>• Medical Director reports</li> <li>• Job Planning Steering Group</li> <li>• Monthly locum usage report issued to service areas</li> <li>• Reports to Trust Board/Board Committees</li> </ul>	
<b>Wellbeing and Support Services:</b> Dedicated health and wellbeing programs, such as clinical psychology services, occupational health support, and resources for managing stress and burnout.	<b>Preventative</b>	<b>Second Line</b>	<p>Progress reports to:</p> <ul style="list-style-type: none"> <li>• SLT, <ul style="list-style-type: none"> <li>• Trust Board,</li> <li>• People &amp; Culture Steering Group</li> </ul> </li> <li>• Health and Safety Committee, <ul style="list-style-type: none"> <li>• Finance, Performance and Workforce Committee</li> <li>• Strategy &amp; Transformation Committee</li> </ul> </li> </ul>	
<b>Collaboration with Other Trusts:</b> Cooperative initiatives with other Trusts and agencies to share resources or leverage expertise in hard-to-fill areas.	<b>Corrective</b>	<b>Second Line</b>	<p>Reports to:</p> <ul style="list-style-type: none"> <li>• SIPB (Strategy Implementation Programme Board)</li> <li>• SPPG (Strategic Planning and Performance Group)</li> <li>• DOH (Department of Health)</li> </ul>	

<p style="text-align: center;"><b>Current gaps in controls/ Assurance</b></p>	<p style="text-align: center;"><b>Mitigating Actions</b></p>
<p><b>Reliance on Locum Staff:</b> High dependency on temporary locum staff, which can lead to inconsistencies in care and increased costs.</p>	<p><b>International Recruitment:</b> Expansion of overseas recruitment campaigns, including partnerships with recruitment agencies to secure international healthcare professionals.</p> <p><b>Other medical / non-medical recruitment:</b> Review potential for non-consultant roles to release consultant capacity.</p> <p>Use of other (non-medical) disciplines to provide services for patients.</p>
<p><b>Persistent Vacancies:</b> Ongoing difficulties in filling specific roles, especially in rural or less desirable locations, and challenges with long-term workforce planning.</p>	<p><b>Workforce Planning and Retention Efforts:</b> Long-term workforce planning that includes strategic initiatives to retain and support current staff through better career development, coaching, and flexible work options.</p>
<p><b>Training Gaps:</b> Limited time and resources for training and development programs that could aid staff retention and reduce turnover</p>	<p><b>Wellbeing Programs Expansion:</b> Enhanced support for wellbeing programs, such as stress management training and increasing access to occupational health services.</p>

<b>2</b>	<b>STRATEGIC RISK: OPERATIONAL AND SERVICE DELIVERY</b>
<b>Risk Description (linked to corporate objective)</b>	There is a risk that demand and capacity mismatches for services, diagnostics, or treatments may lead to delays and impact care quality and outcomes.
<b>Impact of the Risk (implications)</b>	<ul style="list-style-type: none"> <li>• Extended waiting times,</li> <li>• potential patient harm,</li> <li>• reduced treatment efficacy,</li> <li>• unmet clinical needs,</li> <li>• diminished public trust</li> </ul>
<b>Initial Risk Score and Rating</b>	<b>Score 25 (5 x 5) EXTREME</b>
<b>Current Risk Score and Rating</b>	<b>Score 16 (4 x 4) HIGH</b>
<b>Target Risk Score and Rating</b>	<b>Score 9 (3 x 3) MEDIUM</b>

<b>Existing Control and Source of Assurance (reflecting current risk rating)</b>	<b>Type of Control</b>	<b>Line of Assurance</b>	<b>Where is this assurance reported to and frequency of assurance? (i.e. what committee/Group within Trust)</b>	<b>Control Effectiveness (RAG Rating)</b>
<b>Capacity and Demand Monitoring:</b> Systems in place to review service capacity regularly and	<b>Detective</b>	<b>Second Line</b>	<ul style="list-style-type: none"> <li>• Performance report and Corporate CPD scorecard to Performance Committee</li> <li>• Monthly acute divisional performance meeting</li> </ul>	

prioritise high-need patients, including managing waiting lists and using virtual consultations			<ul style="list-style-type: none"> <li>• Monthly Acute Directorate SMT Performance and Governance meeting</li> <li>• Monthly report to SLT on rebuild/Service Delivery plan</li> </ul>	
<b>Contingency and Escalation Plans:</b> Plans for emergency scenarios or high-demand periods to maintain service continuity, such as extra weekend clinics or temporary staffing increases.	<b>Corrective</b>	<b>Second line</b>	<ul style="list-style-type: none"> <li>• Emergency Planning and Business Continuity Meeting</li> <li>• Organisational Governance Steering Group</li> <li>• SLTRA</li> </ul>	
<b>Independent Sector Contracts:</b> Engagement with independent sector providers to supplement capacity and reduce backlogs for elective procedures and diagnostics.	<b>Preventative</b>	<b>Second line</b>	<ul style="list-style-type: none"> <li>• Performance Report to Performance Committee</li> <li>• Corporate CPD Performance Scorecard to Performance Committee</li> <li>• Risk escalation to ARAC/Governance Committee</li> </ul>	
<b>Use of Virtual Consultations:</b> Digital consultations to alleviate demand on physical appointments, ensuring that essential services remain accessible.	<b>Corrective</b>	<b>First line</b>	<ul style="list-style-type: none"> <li>• Performance report and corporate CPD performance scorecard to Performance Committee</li> <li>• Monthly acute divisional performance meeting</li> <li>• Monthly Acute Directorate SMT</li> </ul>	

<b>Current gaps in controls/ Assurance</b>	<b>Mitigating Actions</b>
<b>Resource Constraints:</b> Persistent limitations on staffing and physical resources prevent timely responses to fluctuating demand.	<b>Developing New Service Models:</b> Initiatives like ambulatory care models or same-day emergency care (SDEC) to improve patient flow and reduce demand on inpatient services.
<b>Data and Real-Time Capacity Management:</b> Limited access to integrated systems for real-time data tracking, impacting efficient resource allocation and patient flow.	<b>IT System Enhancements:</b> Investment in digital systems to improve scheduling, patient tracking, and data analysis, enabling faster and more accurate decisions.
<b>Physical Space Limitations:</b> Lack of available space in hospitals for additional beds, particularly during peak demand.	<b>Collaboration with the Independent Sector:</b> Increasing contracts and partnerships with external providers for elective care and diagnostics to alleviate pressure on NHS facilities.

<b>3</b>	<b>STRATEGIC RISK: CYBER SECURITY</b>
<b>Risk Description (linked to corporate objective)</b>	Risk to the HSC network availability in the event of a cyber attack on HSCNI or a supplier/partner organisation, resulting in the compromise of the HSC network and systems or the disablement of ICT connections and services to protect the HSC and its data.
<b>Impact of the Risk (implications)</b>	<ul style="list-style-type: none"> <li>• Unparalleled HSC-Wide disruption of services due to lack of/unavailability of systems that facilitate HSC services (e.g. appointments, admissions to hospital, ED attendance) or data contained within. This may result in the need to cancel appointments and treatments, or divert emergency/essential clinical or other services.</li> <li>• Significant business disruption which could also lead to increased waiting lists, delayed urgent clinical interventions, suboptimal clinical outcomes and potentially bring liabilities for the Service</li> <li>• Unauthorised access to, or interference with, any Trust medical devices, systems or information (including clinical/medical systems)</li> <li>• Theft of patient/client data, confidential information or finances</li> <li>• Substantial fines and significant reputational damage</li> </ul>
<b>Initial Risk Score and Rating</b>	<b><u>Score 25 (5 x 5) EXTREME</u></b>
<b>Current Risk Score and Rating</b>	<b><u>Score 16 (5 x 4) HIGH</u></b>
<b>Target Risk Score and Rating</b>	<b><u>Score 9 (3 x 3) MEDIUM</u></b>

<b>Existing Control and Source of Assurance (reflecting current)</b>	<b>Type of Control</b>	<b>Line of Assurance</b>	<b>Where is this assurance reported to and frequency of assurance? (i.e. what committee/Group within Trust)</b>	<b>Control Effectiveness (RAG Rating)</b>
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risk rating)				
<p><b>People:</b> The Trust has a number of people controls in place in relation to Cyber Security:</p> <ul style="list-style-type: none"> <li>• Mandatory training for Cyber and Information Governance.</li> <li>• Supplementary Cyber Training provided via the Metacompliance Platform.</li> <li>• Test phishing exercises issued periodically to staff.</li> <li>• Annual Cyber Comms Plan</li> </ul>	<p><b>Preventative</b></p>	<p><b>First Line</b></p>	<ul style="list-style-type: none"> <li>• Cyber Oversight Group</li> <li>• Trust Digital Governance Steering Group</li> <li>• Organisational Governance Steering Group</li> <li>• SLT Risk and Assurance</li> <li>• Governance Committee</li> </ul>	
<p><b>Governance:</b> The Trust have a number of Governance controls in place in relation to Cyber Security:</p> <ul style="list-style-type: none"> <li>• Compliance with NIS regulations</li> <li>• Annual Digital Internal Audit</li> </ul>	<p><b>Preventative</b></p>	<p><b>Third Line</b></p>	<ul style="list-style-type: none"> <li>• Technology Enabled Change Programme Board</li> <li>• Internal audits to Audit Committee</li> <li>• Trust Cyber Security Oversight Group</li> <li>• Regional Cyber Programme Board</li> <li>• NIS Regulations Self-Assessment and Audit</li> <li>• Trust Digital Governance Steering Group</li> <li>• Organisational Governance Steering Group</li> <li>• SLT Risk and Assurance</li> <li>• Governance Committee</li> </ul>	

<ul style="list-style-type: none"> <li>• Change Control Process in place for the Digital Environment.</li> <li>• HSC Information Security Policy and associated User standards</li> <li>• User account management Processes inc: Joiners, Movers and Leavers.</li> <li>• Vulnerability Management Group to review and address known Vulnerabilities</li> </ul>				
<p><b>Technical:</b> The Trust has a number of technical controls in place in relation to Cyber Security:</p> <ul style="list-style-type: none"> <li>• Local and regional Digital Infrastructure</li> <li>• IT Security Software</li> <li>• Network Segmentation</li> <li>• Implementation of Multi Factor Authentication</li> <li>• Privileged tiered IT Accounts and</li> </ul>	<p><b>Preventative</b></p> <p><b>Detective</b></p> <p><b>Corrective</b></p>	<p><b>First Line</b></p>	<ul style="list-style-type: none"> <li>• Cyber Oversight Group</li> <li>• Trust Digital Governance Steering Group</li> <li>• Regional Cyber Programme Board</li> <li>• Organisational Governance Steering Group</li> <li>• SLT Risk and Assurance</li> <li>• Governance Committee</li> </ul>	

Privileged Access Workstations				
<p><b>3<sup>rd</sup> Party Supply Chain:</b> The Trust has a number of controls in place for 3<sup>rd</sup> Party Suppliers to protect the IT network and ensure continuity of service provision:</p> <ul style="list-style-type: none"> <li>• Third Party Supplier contracts and access request process</li> <li>• 3<sup>rd</sup> Party Supplier Cyber Reconnection Protocol</li> <li>• Digital Services Technical Design Authority (TDA)</li> </ul>	<b>Preventative</b>	<b>First Line</b>	<ul style="list-style-type: none"> <li>• Cyber Oversight Group</li> <li>• Contract Management Steering Group</li> <li>• Trust Digital Governance Steering Group</li> <li>• Regional Cyber Programme Board</li> <li>• Organisational Governance Steering Group</li> <li>• SLT Risk and Assurance</li> <li>• Governance Committee</li> </ul>	

<b>Current gaps in controls/ Assurance</b>	<b>Mitigating Actions</b>
<p><b>People:</b> Low uptake of regional Metacompliance training and high interaction with test phishing email exercises.</p>	<p><b>Training and Awareness:</b> Training and awareness campaign for Metacompliance campaigns.</p> <p>Phishing email communication part of Cyber Annual Comms Plan. Users that have clicked on link or entered data as part of the test Phishing exercises</p>

	are being contacted and asked to complete relevant Cyber Training. Repeat offenders escalated to Directors.
<b>Governance:</b> The Trust has a number of recommendations outstanding from the Stage 1 and Stage 2 CAF NIS assessments.	<b>Additional Resources:</b> Funding required for additional resources to implement recommendations.
<b>Technical:</b> The Trust has an ageing Digital estate that requires investment.	<b>Investment Priorities:</b> Annual Capital investment priority list developed with strategic prioritisation of funds for high risk areas.
<b>Technical:</b> Different network segmentation solutions are in operation across the Trust.	<b>Additional Investment:</b> Business Case for extension of SDA implementation under development.
<b>Technical:</b> Approval for regional Cyber Programme Business Case remains outstanding. This would increase Cyber resources and provide additional technical security solutions.	<b>Regional Business Case Approval:</b> Regional Cyber Business Case requires regional approval and endorsement. Updates being provided via Regional Cyber Programme Board.
<b>Technical:</b> Failure to comply with Technical Standards as part of ICT Security Policy.	<b>Mandatory MFA Registration:</b> Mandatory enforcement of MFA registration for Microsoft 365 users.
<b>3<sup>rd</sup> Party Supply Chain:</b> Trust has been unable to implement the regional 3 <sup>rd</sup> Party Supplier Management Framework due to resource constraints.	<b>Redevelopment of 3<sup>rd</sup> Party Management Framework:</b> Pilot to be completed of new 3 <sup>rd</sup> Party Management Framework and learning applied to inform new documentation.
<b>3<sup>rd</sup> Party Supply Chain:</b> Digital related contracts that are managed outside of Digital Services may not have appropriate cyber security and data protection clauses.	<b>Digital Checklist for Contract Management:</b> Checklist to be developed for Digital related contracts to assist contract owners with contract management obligations.

<p><b>3<sup>rd</sup> Party Supply Chain:</b> Trust has been unable to implement the regional 3rd Party Supplier Management Framework due to resource constraints.</p>	<p><b>Redevelopment of 3<sup>rd</sup> Party Management Framework:</b> Pilot to be completed of new 3<sup>rd</sup> Party Management Framework and learning applied to inform new documentation.</p>
<p><b>3<sup>rd</sup> Party Supply Chain:</b> Digital related contracts that are managed outside of Digital Services may not have appropriate cyber security and data protection clauses.</p>	<p><b>Digital Checklist for Contract Management:</b> Checklist to be developed for Digital related contracts to assist contract owners with contract management obligations.</p>

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<b>4</b>	<b>STRATEGIC RISK: FINANCIAL AND SUSTAINABILITY</b>
<b>Risk Description (linked to corporate objective)</b>	There is a risk that financial constraints and limited sustainability resources will impede the trust's ability to achieve budgetary and environmental targets.
<b>Impact of the Risk (implications)</b>	<ul style="list-style-type: none"> <li>• Budget deficits,</li> <li>• over-reliance on non-recurrent funding,</li> <li>• inability to meet sustainability goals,</li> <li>• reduced investment in patient services</li> </ul>
<b>Initial Risk Score and Rating</b>	<b><u>Score 25 (5 x 5) EXTREME</u></b>
<b>Current Risk Score and Rating</b>	<b><u>Score 16 (4 x 4) HIGH</u></b>
<b>Target Risk Score and Rating</b>	<b><u>Score 9 (3 x 3) MEDIUM</u></b>

<b>Existing Control and Source of Assurance (reflecting current risk rating)</b>	<b>Type of Control</b>	<b>Line of Assurance</b>	<b>Where is this assurance reported to and frequency of assurance? (i.e. what committee/Group within Trust)</b>	<b>Control Effectiveness (RAG Rating)</b>
<b>Financial Monitoring and Forecasting:</b> Regular budget reviews, tracking of financial performance, and forecasting to identify and	<b>Detective</b>	<b>Second line</b>	<ul style="list-style-type: none"> <li>• Trust Board</li> <li>• SLT</li> <li>• Chief Executive accountability meetings</li> <li>• Finance, Performance and Workforce Committee</li> <li>• Delivering Value Programme Board</li> </ul>	

address budget variances early.				
<b>Cost-Saving Initiatives:</b> Implementing energy-saving and sustainability projects, such as LED lighting, energy-efficient systems, and renewable energy sources.	<b>Preventative</b>	<b>Second line</b>	<ul style="list-style-type: none"> <li>• Organisational Governance Steering Group</li> <li>• SLTRA</li> <li>• Governance Committee</li> </ul>	
<b>Contingency Planning:</b> Financial contingency plans, including scenarios for managing budget cuts, unexpected costs, or over-reliance on temporary funding.	<b>Preventative</b>	<b>Second line</b>	<ul style="list-style-type: none"> <li>• Trust Board</li> <li>• SLT</li> </ul>	
<b>Financial Recovery Plans:</b> Structured recovery plans to address deficits, with monthly financial reports tracking progress toward financial stability.	<b>Corrective</b>	<b>Second line</b>	<ul style="list-style-type: none"> <li>• Trust Board</li> <li>• SLT</li> <li>• Finance, Performance and Workforce Committee</li> <li>• Delivering Value Programme Board</li> </ul>	

<p style="text-align: center;"><b>Current gaps in controls/ Assurance</b></p>	<p style="text-align: center;"><b>Mitigating Actions</b></p>
<p><b>Heavy Reliance on Non-Recurrent Funding:</b> Dependence on temporary funding streams creates financial instability and limits long-term planning.</p>	<p><b>Long-Term Financial Planning:</b> Developing longer-term financial strategies to reduce reliance on non-recurrent funding and optimize resource allocation.</p>
<p><b>Limited Sustainability Resources:</b> Insufficient funds or staff for sustainability projects, particularly in environmental initiatives aimed at reducing the trust’s carbon footprint.</p>	<p><b>Focus on Cost-Effective Sustainability Projects:</b> Prioritizing sustainability initiatives that also generate cost savings, like energy efficiency, to support both financial and environmental goals.</p>
<p><b>Difficulty Achieving Long-Term Financial Goals:</b> Constraints in meeting both short- and long-term financial targets due to unpredictable funding and increasing costs.</p>	<p><b>Alternative Funding Exploration:</b> Identifying additional funding sources, such as grants or partnerships, to support essential projects and reduce reliance on core budgets.</p>

<b>5</b>	<b>STRATEGIC RISK: COMPLIANCE AND REPUTATIONAL</b>
<b>Risk Description (linked to corporate objective)</b>	There is a risk that failure to comply with regulatory, safety, or infection control standards could affect the trust's reputation and service continuity.
<b>Impact of the Risk (implications)</b>	<ul style="list-style-type: none"> <li>• Legal and regulatory sanctions,</li> <li>• harm to patient safety,</li> <li>• loss of public trust,</li> <li>• potential litigation</li> </ul>
<b>Initial Risk Score and Rating</b>	<b><u>Score</u> 25 (5 x 5) EXTREME</b>
<b>Current Risk Score and Rating</b>	<b><u>Score</u> 16 (4 x 4) HIGH</b>
<b>Target Risk Score and Rating</b>	<b><u>Score</u> 9 (3 x 3) MEDIUM</b>

<b>Existing Control and Source of Assurance (reflecting current risk rating)</b>	<b>Type of Control</b>	<b>Line of Assurance</b>	<b>Where is this assurance reported to and frequency of assurance? (i.e. what committee/Group within Trust)</b>	<b>Control Effectiveness (RAG Rating)</b>
<b>Infection Control Protocols:</b> Strict adherence to infection prevention and control guidelines, including	<b>Preventative</b>	<b>First line</b>	<ul style="list-style-type: none"> <li>• HCAI and AMS Strategic Forum</li> <li>• Ventilation, water, environmental and decontamination committees</li> <li>• Safety and Quality Steering Group</li> <li>• SLTRA</li> </ul>	

regular audits and training for clinical staff.			<ul style="list-style-type: none"> <li>• Governance Committee</li> <li>• PHA</li> </ul>	
<b>Regular Compliance Audits:</b> Scheduled compliance checks to ensure alignment with healthcare regulations, quality standards, and best practices.	<b>Detective</b>	<b>First Line</b>	<ul style="list-style-type: none"> <li>• HCAI and AMS Strategic Forum</li> <li>• Ventilation, water, environmental and decontamination committees</li> <li>• Safety and Quality Steering Group</li> <li>• SLTRA</li> <li>• Governance Committee</li> <li>• PHA</li> </ul>	
<b>Transparent Public Communication:</b> Proactive public engagement and communications to maintain trust, especially in response to adverse events or incidents.	<b>Corrective</b>	<b>Second Line</b>	<ul style="list-style-type: none"> <li>• Weekly reports to SLT in relation to datix incidents, SAIs, etc.</li> <li>•</li> </ul>	
<b>Training and Awareness Programs:</b> Staff education on regulatory and quality standards, ensuring that compliance expectations are widely understood.	<b>Preventative</b>	<b>Second Line</b>	<ul style="list-style-type: none"> <li>• People and Culture Steering Group</li> <li>• Finance, Performance and Workforce Committee</li> </ul>	

<p style="text-align: center;"><b>Current gaps in controls/ Assurance</b></p>	<p style="text-align: center;"><b>Mitigating Actions</b></p>
<p><b>Under-Resourced Compliance Functions:</b> Limited staff or resources for thorough compliance management, particularly in areas such as clinical audits.</p>	<p><b>Strengthening Internal Audits:</b> Expanding the compliance function, including clinical audits, to better identify and rectify areas of risk.</p>
<p><b>Inconsistent Infection Control Implementation:</b> Variability in adherence to infection control standards across sites or departments.</p>	<p><b>Enhanced Training for Staff on Infection Control:</b> Increased training sessions and compliance monitoring to ensure consistent adherence to infection protocols.</p>
<p><b>Public Perception and Media Exposure:</b> Heightened risk of reputational damage due to public scrutiny of NHS services, especially with delays or complaints.</p>	<p><b>Crisis Communication Planning:</b> Developing robust communication strategies to respond swiftly and transparently to incidents that may impact public trust, such as service delays or quality concerns.</p>

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## **11. APPENDICES**

Appendix 1 - Applying Risk Appetite Matrix

Appendix 2 - Trust High Level Governance Structure

Appendix 3 - Board Assurance Arrangement Preparedness Assessment

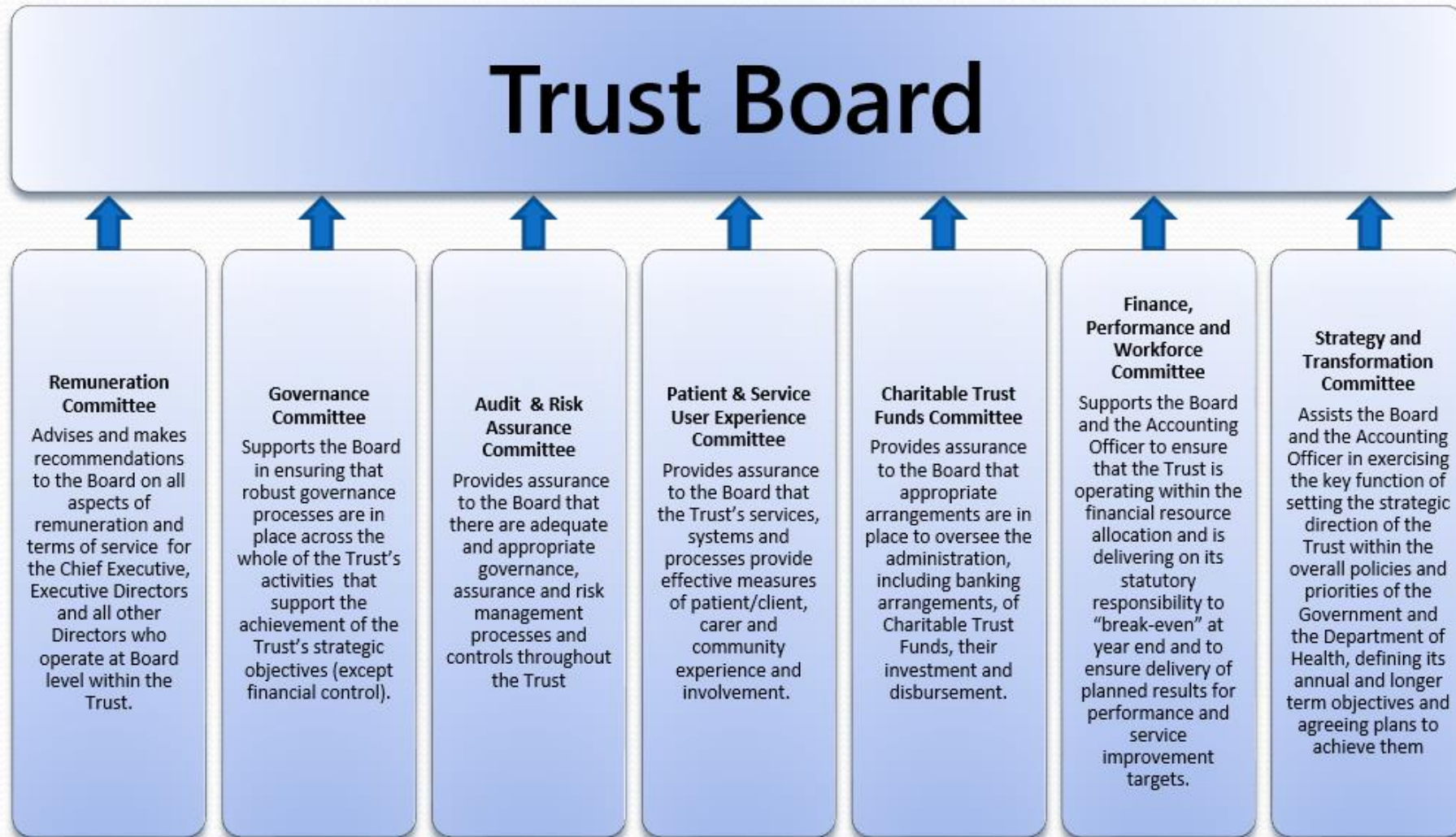
## APPENDIX 1 - Applying Risk Appetite Matrix



### Applying risk appetite matrix

RISK APPETITE LEVEL ▶	0 NONE	1 MINIMAL	2 CAUTIOUS	3 OPEN	4 SEEK	5 SIGNIFICANT
	Avoidance of risk is a key organisational objective.	Preference for very safe delivery options that have a low degree of inherent risk and only a limited reward potential.	Preference for safe delivery options that have a low degree of residual risk and only a limited reward potential.	Willing to consider all potential delivery options and choose while also providing an acceptable level of reward.	Eager to be innovative and to choose options offering higher business rewards (despite greater inherent risk).	Confident in setting high levels of risk appetite because controls, forward scanning and responsive systems are robust.
RISK TYPES ▼						
FINANCIAL How will we use our resources?	We have no appetite for decisions or actions that may result in financial loss.	We are only willing to accept the possibility of very limited financial risk.	We are prepared to accept the possibility of limited financial risk. However, VFM is our primary concern.	We are prepared to accept some financial risk as long as appropriate controls are in place. We have a holistic understanding of VFM with price not the overriding factor.	We will invest for the best possible return and accept the possibility of increased financial risk.	We will consistently invest for the best possible return for stakeholders, recognising that the potential for substantial gain outweighs inherent risks.
REGULATORY How will we be perceived by our regulator?	We have no appetite for decisions that may compromise compliance with statutory, regulatory or policy requirements.	We will avoid any decisions that may result in heightened regulatory challenge unless absolutely essential.	We are prepared to accept the possibility of limited regulatory challenge. We would seek to understand where similar actions had been successful elsewhere before taking any decision.	We are prepared to accept the possibility of some regulatory challenge as long as we can be reasonably confident we would be able to challenge this successfully.	We are willing to take decisions that will likely result in regulatory intervention if we can justify these and where the potential benefits outweigh the risks.	We are comfortable challenging regulatory practice. We have a significant appetite for challenging the status quo in order to improve outcomes for stakeholders.
QUALITY How will we deliver safe services?	We have no appetite for decisions that may have an uncertain impact on quality outcomes.	We will avoid anything that may impact on quality outcomes unless absolutely essential. We will avoid innovation unless established and proven to be effective in a variety of settings.	Our preference is for risk avoidance. However, if necessary we will take decisions on quality where there is a low degree of inherent risk and the possibility of improved outcomes, and appropriate controls are in place.	We are prepared to accept the possibility of a short-term impact on quality outcomes with potential for longer-term rewards. We support innovation.	We will pursue innovation wherever appropriate. We are willing to take decisions on quality where there may be higher inherent risks but the potential for significant longer-term gains.	We seek to lead the way and will prioritize new innovations, even in emerging fields. We consistently challenge current working practices in order to drive quality improvement.
REPUTATIONAL How will we be perceived by the public and our partners?	We have no appetite for decisions that could lead to additional scrutiny or attention on the organisation.	Our appetite for risk taking is limited to those events where there is no chance of significant repercussions.	We are prepared to accept the possibility of limited reputational risk if appropriate controls are in place to limit any fallout.	We are prepared to accept the possibility of some reputational risk as long as there is the potential for improved outcomes for our stakeholders.	We are willing to take decisions that are likely to bring scrutiny of the organisation. We outwardly promote new ideas and innovations where potential benefits outweigh the risks.	We are comfortable to take decisions that may expose the organisation to significant scrutiny or criticism as long as there is a commensurate opportunity for improved outcomes for our stakeholders.
PEOPLE How will we be perceived by the public and our partners?	We have no appetite for decisions that could have a negative impact on our workforce development, recruitment and retention. Sustainability is our primary interest.	We will avoid all risks relating to our workforce unless absolutely essential. Innovative approaches to workforce recruitment and retention are not a priority and will only be adopted if established and proven to be effective elsewhere.	We are prepared to take limited risks with regards to our workforce. Where attempting to innovate, we would seek to understand where similar actions had been successful elsewhere before taking any decision.	We are prepared to accept the possibility of some workforce risk, as a direct result from innovation as long as there is the potential for improved recruitment and retention, and developmental opportunities for staff.	We will pursue workforce innovation. We are willing to take risks which may have implications for our workforce but could improve the skills and capabilities of our staff. We recognize that innovation is likely to be disruptive in the short term but with the possibility of long term gains.	We seek to lead the way in terms of workforce innovation. We accept that innovation can be disruptive and are happy to use it as a catalyst to drive a positive change.

## Trust High Level Governance Structure





## APPENDIX 3 – Board Assurance Arrangement Preparedness Assessment

### Board Assurance Arrangement Preparedness Assessment<sup>2</sup>

1= Not yet established/fit for purpose

2= Exist, but further improvement required

3= Fully effective

Board assurance arrangements preparedness		Assessment of preparedness		
		1	2	3
1	The organisation's strategic plan objectives are clearly defined and understood?			
2	The organisation has a clearly defined approach to the management of risk?			
3	The organisation's approach to the management of risk ensures the focus is on those risks that will have a material impact on the achievement of its objectives?			
4	The organisation has a clear understanding of risk mitigation, including existing controls and planned actions?			
5	The organisation has clearly established risk management reporting and monitoring?			
6	There is commitment to the development of board assurance arrangements from the top of the organisation and this is shared throughout?			
7	The organisation has established a board assurance policy and plan that is integrated with its risk management and other management arrangements?			
8	There is a clearly defined structure within the organisation that will support the development, establishment and embedding of the board assurance arrangements?			
9	The organisation has clearly defined roles and specified responsibilities in connection with the application and operation of the board assurance arrangements?			
10	The board assurance BAF monitoring and review arrangements have been defined for the purposes of ensuring the right information gets to the right place and people to aid risk management and assurance decision-making?			
11	The board assurance framework BAF produces useful information?			
12	The organisation has mechanisms in place to ensure communication of outcomes from the risk management and board assurance framework BAF to inform the organisation of issues arising?			
13	The board is clear about its roles and responsibilities and feels that these are discharged effectively?			
14	At least annually the board undertakes a review of its own effectiveness and this is used to inform a board improvement / development plan?			

<sup>2</sup> [board-assurance-a-tool-kit.pdf \(nhsproviders.org\)](https://www.nhs.uk/consult/condboardassurancesystem/condboardassurancesystem.pdf)

