

Integrated Governance and Assurance Framework

2025/2026

Directorate of Strategic Planning & Customer Engagement

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Version 1.0

BUSINESS SERVICE ORGANISATION

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1.0 Summary of Framework

1.1 Introduction

The Board of Business Services Organisation (BSO) has responsibility to provide effective leadership and strategic direction to the organisation and to ensure that the policies and priorities set by the Minister for the Department of Health (DoH) are implemented. It is responsible for ensuring that the organisation has effective and proportionate governance arrangements in place and an internal control framework which allow risks to be effectively identified and managed.

The Board will set the culture of the organisation which demonstrates the shared values. BSO is a Non-Departmental Public Arms-Length Body (ALBs) of the DoH which was established on 1 April 2009 by the Health and Social Care (Reform) Act (Northern Ireland) 2009. Health and Social Care (Reform) Act (Northern Ireland) 2009 can be found at Appendix 4.

BSO functions are to provide a broad range of business support functions and specialist professional services to the public health and social care sector in Northern Ireland. These services are provided to the six Health and Social Care (HSC) Trusts and ten ALBs of the DoH and, more recently, also to the Northern Ireland Fire and Rescue Service (NIFRS).

BSO is largely funded through Service Level Agreement (SLA) arrangements with its customers and provides services to or on behalf of its customers with these arrangements managed through agreed SLAs

1.2 The Integrated Governance and Assurance Framework

This Integrated Governance and Assurance Framework sets out the Board's arrangements for Integrated Governance, organisational structure and accountability arrangements. This document should be read, in conjunction, with BSO's Annual Business Plan 2025/26. ⁽²⁾ BSO's Annual Business Plan can be found at Appendix 3.

The Integrated Governance and Assurance Framework is owned by the Accounting Officer and used to help meet their obligations to maintain a sound system of risk management and internal control. The Board have an oversight role and is responsible for ensuring that it has effective systems in place for governance, essential for the achievement of organisational objectives and, in line, with the objectives set by the Minister.

The Framework is a core part of BSO's arrangements for managing risk and is therefore integral to the risk management framework used for the effective delivery of BSO's outcomes and objectives.

The Board must also ensure that decision-making is informed by providing evidence-based assurances on the management of risks that may impact on achieving our objectives. This will enable the Board to undertake a holistic view of the organisation,

1.4 Integrated Governance and Assurance Framework Definition

An Integrated Governance and Assurance Framework provides an overview of governance responsibilities and accountabilities.

This Framework sets out how the BSO Board can be assured that the objectives of the organisation can be achieved. It provides a comprehensive overview of core governance related documents and processes. It aims to demonstrate to wider stakeholders how BSO complies with governance requirements as per legislative requirements and good practice.

The layout of this Integrated Governance and Assurance Framework is based on the four performance and assurance dimensions also known as the 'Four Dimensions of Governance' as set out in the Department of Health Social Services and Public Safety ('DHSSPS') Framework Document September 2011.

The Four Dimensions are:

- **Corporate Control**
- **Safety & Quality**
- **Finance**
- **Operational Performance and Service Improvement**

These Four Dimensions of Governance are included in Diagram 1 and are key to the BSO Integrated Governance and Assurance Framework. The diagram outlines how the Four Dimensions of Governance apply to BSO.

These are detailed at Section 3.

- a) **Corporate Control** – the arrangements by which the individual HSC bodies direct and control their functions and relate to stakeholders;
- b) **Safety and Quality** – the arrangements for ensuring that health and social care services are safe and effective and meet patients' and clients' needs, including appropriate involvement;
- c) **Finance** – the arrangements for ensuring the financial stability of the HSC system, for ensuring value for money and for ensuring that allocated resources are deployed fully in achievement of agreed outcomes in compliance with the requirements of the public expenditure control framework;
- d) **Operational Performance and Service Improvement** – the arrangements for ensuring the delivery of Departmental targets and required service improvements.

Corporate Control	Finance	Operational Performance and Service Improvement	Safety and Quality
<ul style="list-style-type: none"> • Standards of Public Administration • Management Statement/Financial Memorandum • Standing Orders • Audit • Organisational Assurance Standards (formerly Controls Assurance Standards) • Governance Statement • Mid-Year Assurance Statement • Annual Report • Reporting to Sponsor Branch • Accountability Reviews • Corporate Planning – Corporate Business Plan/ Corporate Strategy/ Business Plan • Information Governance • Risk Management • Schedule of Assurances • Business Continuity and Emergency Preparedness • Incidents & Near Misses • Equality Scheme (including Action Plan) • Procurement • Use of External Management Consultants • Complaints • Code of Conduct 	<ul style="list-style-type: none"> • Reporting • Standing Financial • Instructions • Budget & Financial • Planning • Financial Reporting • Annual Accounts • Fraud Policy & Bribery Act • 	<ul style="list-style-type: none"> • Performance • Management • Framework • Corporate Objectives • Corporate Scorecard • Staff Development & • Appraisal • Review of Performance • 	<ul style="list-style-type: none"> • Service Level Agreements • Service Offering • Customer Reports • Annual assurance letters • Customer Forums • Arms-Length Bodies (ALB) Forum • Business System Forum • BSI Forum • AD Forum • Service Area Forum • Customer Surveys

This Framework should provide the Board with confidence that the systems, policies and people are operating effectively, are subject to appropriate scrutiny and that the Board is able to demonstrate that they have been informed about key risks affecting the organisation.

2.0 Framework Statement

2.1 Strategic Context

The Programme for Government (PfG) Framework sets out the major outcomes that the Northern Ireland Executive wants to achieve for Northern Ireland society. By setting clear priorities, the PfG Framework informs the targeting of funds. BSO reflects these priorities and strategic outcomes in their own strategic directions and sets them out in BSO’s Corporate Plan. BSO’s Organisation Corporate Plan 2024-2027 can be found at Appendix 5.

In order to produce outcomes for which the DoH is ultimately responsible, a strong partnership is required between the DoH and those HSC organisations which commission and deliver the services that lead to those outcomes. The objectives of both partners are therefore inextricably linked.

BSO’s Corporate Plan (2024-2027) ⁽⁴⁾ sets BSO’s Vision and Objectives which commits to “making the delivery of Health and Social Care possible”. The core objectives within the Corporate Plan are centred around the HSC Values of:

BSO Vision and Values

Our Vision:

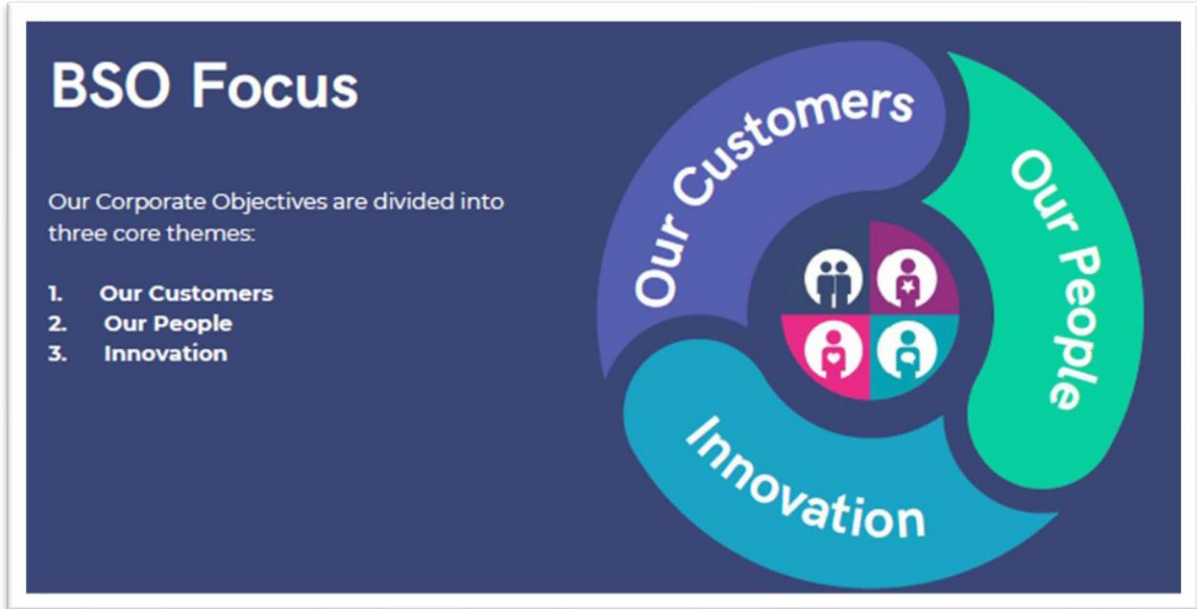
“BSO – making delivery of health and social care possible”



BSO is committed to providing high quality business services which support our customers to improve health and well-being.

In addition to the Corporate Plan, the BSO Annual Business Plan sets out annual targets to progressively deliver these corporate objectives and describes how BSO plans to use its resources to implement these.

The BSO Corporate Plan sets out our priorities for period 2024-2027 and provides an opportunity to re-focus, reassess and re-design the strategic direction of BSO. For this Corporate Plan period we focus our key priorities around three central core themes:



BSO Corporate Objectives



The Corporate objectives are cascaded to Directorates and their respective Service Areas, where more detailed targets and actions are identified in order to support BSO's overall objectives. This then enables staff members to develop their individual objectives, aligning these with the objectives of BSO. This process forms an integral part of the BSO's accountability and integrated governance and assurance frameworks.

2.2 Corporate Objective Setting

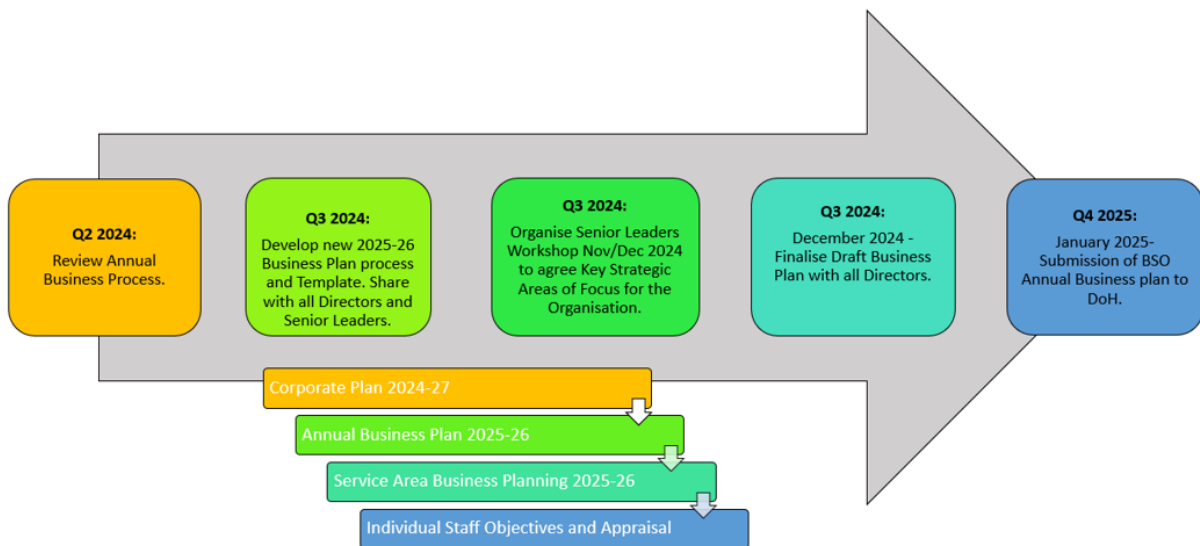
The DoH HSC Framework Document (Appendix 10) sets out an enhanced framework for managing performance and accountability for HSC with the performance management role undertaken within BSO. The key regional forum for holding BSO to account is through the DoH accountability review meetings.

In response to this framework BSO is committed to embedding effective organisational performance management arrangements through the implementation of a whole systems approach with clear and robust accountability and assurance arrangements to deliver better outcomes for its customers.

BSO’s Annual Business Plan 2025-26 ⁽²⁾ – year 2 of the BSO Corporate Plan 2024-27 ⁽⁴⁾ outlines a framework detailing the various plans and strategies in place to drive the work of the organisation. An Annual Business Plan is developed in partnership with service areas and monitored by the BSO Board through a quarterly Performance Against Business Plan (PABP) Report.

The Board in partnership with the Executive Leadership Team (ELT) and Service Areas develop a vision and objectives, in consultation, with our customers to drive the work of BSO for the 3 years ahead.

2025-26 Annual Business Planning Approach



A part of BSO Performance Management, BSO establishes the corporate scorecard as the primary system for performance reporting in BSO. Performance Reporting serves as a key control; it provides a measurement of outcomes that could identify a need for internal control improvements, identifying performance problems and the proposed corrective action.

Directors of BSO have:

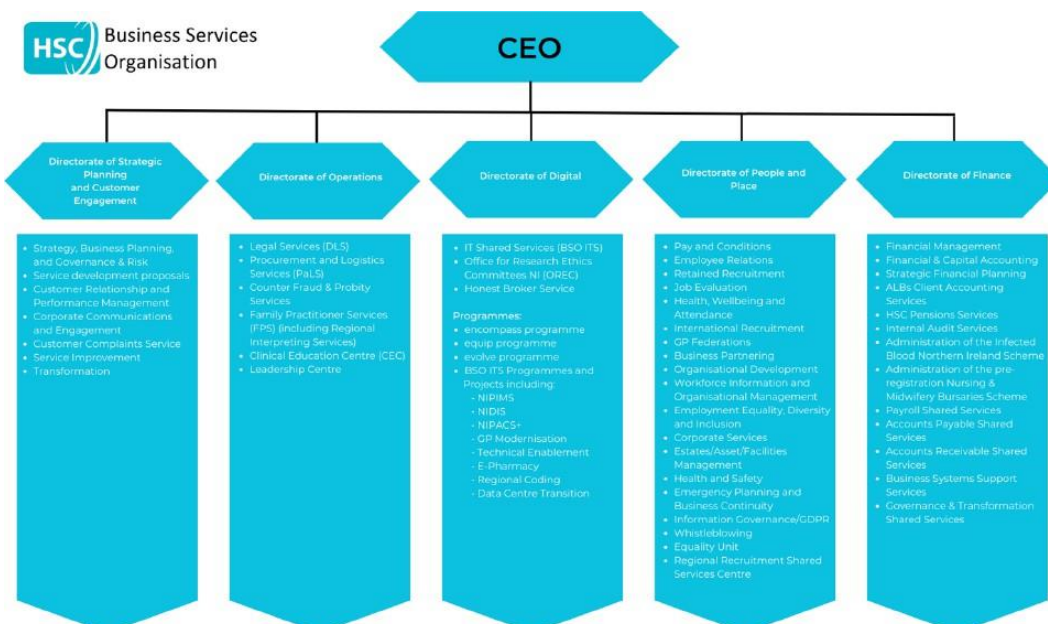
- defined corporate objectives;
- identified corporate risks that may threaten the achievement of these objectives;
- controls in place to manage these risks, underpinned by organisational assurance; and
- explicit arrangements for obtaining assurance on the effectiveness of existing controls across all areas.

On an on-going basis the Board will:

- assess the assurances given;
- identify where there are gaps in controls and/or assurances;
- take action on where gaps have been identified to eliminate and mitigate associated risks; and
- maintain dynamic risk management arrangements, regularly reviewing the Corporate Risk Report and giving due consideration to acceptable risk.

2.3 Management Arrangements

The management structure within BSO encourage strong leadership to facilitate the effective management and clear lines of accountability. Each Director is responsible for the management of individual service areas within their Directorate and ongoing performance monitoring.



2.4 Accountability to the Minister and the Department

BSO is a Non-Departmental Public Arms-Length Body of the Department of Health which was established on 1 April 2009 by the Health and Social Care (Reform) Act (Northern Ireland) 2009. ⁽³⁾

BSO has a range of statutory duties and shall, as a body corporate, exercise the functions assigned to it by the DoH, including those set out in Article 15 of the Health and Social Care (Reform) Act (Northern Ireland 2009) ⁽³⁾ and any other statutory provisions deemed by DoH to be functions of BSO, including the Governance Resources and Accounts Act (Northern Ireland) 2001 ⁽⁵⁾. As a statutory body BSO has specific powers to contract in its own name and where appropriate act as a regulator if directed by the DoH. Government Resources and Accounts Act (Northern Ireland) 2001 can be found at Appendix 6.

BSO is accountable to the Minister responsible for Health for all funds allocated to it for the purposes of carrying out its core functions. HSC organisations are under Ministerial direction to use BSO for regional provision of services unless BSO cannot provide that service. The functions of the former Health and Social Care Board (HSCB) (excluding discharge of Social Care and children) transferred to the Department's newly formed Strategic Planning and Performance Group (SPPG). Former HSCB staff continue to undertake their previous roles carrying out these functions albeit under the direction of the Department. BSO acts as the hosting organisation for SPPG staff. BSO is not involved in the governance and assurance arrangement for the SPPG.

2.5 Accountability of BSO Board

The BSO Integrated Governance and Assurance Framework provides a structure for reporting key information to the Board. It identifies which of the Organisation's objectives are at risk because of inadequacies in the operation of controls or where the organisation has insufficient assurance about them. It provides structured assurances about where risks are being effectively managed and which objectives are being delivered through performance reporting.

All business shall be conducted in the name of BSO. All funds received in trust shall be held in the name of BSO as corporate trustee.

2.6 Remit

The powers of BSO established under statutory instruments shall be exercised by the Board meeting in public session except as otherwise provided for in Standing Orders. BSO Standing Orders can be found at Appendix 7.

The Board shall define and regularly review the functions it exercises on behalf of the Minister.

The Board has resolved that only the Board may exercise certain powers and decisions in formal session. These powers and decisions are set out in 'Powers Reserved to the Board' (Section 3) and have effect as if incorporated into the Standing Orders.

2.7 Composition of the Board

The DoH determines the composition of the Board which is currently as follows:

- a) A Chairperson appointed by the Minister;
- b) A prescribed number of persons appointed by the Minister;
- c) Chief Executive of BSO;
- d) Such other officers of BSO that may be prescribed; and
- e) Not more than a prescribed number of other officers of BSO appointed by the chair and members specified in b) and c) above.
- f) Under Regulation 2(1) of the 2009 Regulations the prescribed number of members for the purposes of Paragraph b) shall be 8.
- g) Under Regulation 2(2) of the 2009 Regulations the prescribed officers shall be:
 - (i) Director of Finance
 - (ii) Director of People and Place
 - (iii) Director of Operations
 - (iv) Director of Strategic Planning and Customer Engagement
 - (v) Director of Digital Operations

2.8 Composition of Executive Leadership Team

- a) Chief Executive;
- b) Executive Director of Finance, Executive Director of People and Place, Executive Director of Operations, Executive Director of Strategic Planning and Customer Engagement, and Executive Director of Digital Operations.
- c) and any other Officer whom the Chief Executive determines should be a member of the Executive Leadership Team.

The Framework allows the Board to make decisions on the efficient use of valuable resources to address the issues identified in order to improve the quality of services. The BSO Board can only properly fulfil its responsibility when it has a full grasp of the corporate risks facing the organisation. Based on the knowledge of risks identified, the Directors will determine the level of assurance that should be available to them with regard to those risks.

There are many individuals, functions and processes within and outside an organisation that produce assurances. These range from statutory duties to voluntary accreditation schemes and to management and other employee assurances. Taking stock of all such activities and their relationship (if any) to key risks is a substantial but necessary task.

The Board is committed to the effective and efficient deployment of all BSO's resources. This will require some consideration of the principle of reasonable rather than absolute assurance. In determining reasonable assurance, it is necessary to balance both the likelihood should it do so, against the cost of eliminating, reducing and minimising it (within available resources).

A key element in building the Integrated Governance and Assurance Framework is for the BSO Board to determine what level of assurance is appropriate given the risks and controls that have been identified. The most objective assurances are those derived from independent reviewers and this includes the use of Internal and External Audit. This is supplemented by external accreditors such as Investors in People (IIP), Chartered Institute of Public Finance and Accountancy (CIPFA) and further awards.

2.9 BSO Integrated Governance and Assurance Framework

The way BSO is directed and controlled is critical to its likelihood of achieving its strategic objectives. The Board's role is to provide leadership of the organisation within a framework of effective controls, which enables risk to be assessed and managed.

The key elements of any governance framework are:

- clear strategic objectives for the organisation;
- a well-organised Board, focused on the achievement of these objectives and the management of related risks.

This Framework provides a clear and concise structure for reporting key information to the Board and is essentially, although not exclusively a Board-level instrument. The objectives that are contained in the Corporate Plan (2024-27) ⁽⁴⁾ form the 'pillar' of the Framework. It identifies which of the Organisation's objectives are at risk because of inadequacies in the operation of controls or where the organisation has insufficient assurance about them. At the same time, it also provides structured assurances in areas where risks are being effectively managed and objectives are being delivered.

The Framework allows the Board to make decisions on the efficient use of valuable resources and to address the issues identified in order to improve the quality and safety of services.

The Board can only properly fulfil its responsibilities when it has a full understanding of the corporate risks facing the organisation. Based on the knowledge of risks identified, the Directors will determine the level of assurance that should be available to them with regard to those risks.

A key element in building the BSO Integrated Governance and Assurance Framework is for the Board to determine what level of independent assurance reporting is appropriate, given the risks and controls that have been identified. The most objective assurances are those derived from independent reviewers and this includes the use of Internal and External Audit.

This framework will support the Board to take the lead on, and oversee the preparation of, the BSO's Governance Statement for publication with its resource accounts each year.

2.10 Governance Statement

The Governance Statement ⁽⁷⁾ sets out BSO's system of internal controls and is signed by the Chief Executive, for inclusion in the Annual Report and Annual Accounts. The Statement includes BSO's capacity to handle risk and control framework, as well as a review of effectiveness of its internal control.

In addition to the Governance Statement, BSO must complete a Mid-Year Assurance Statement, to be signed by the Chief Executive and submitted to the DoH by the end of October each year. The Mid-Year Assurance Statement enables the Accounting Officer to attest to the continuing robustness of their organisations system of internal control, at the mid-year position and, therefore, covers the same areas as the Governance Statement at the end of the year.

The aims and purpose(s) of the Governance statement and Mid-Year assurance statement include:

- Providing a comprehensive statement describing BSO's approach to governance, risk management and internal governance arrangements;
- Providing an opportunity for the Directors to highlight any new and on-going significant governance issues identified during the current or previous reporting period(s);
- Detailing the measures that are in place to ensure the appropriate management and control of all public resources for which the accounting officer has overall responsibility; and
- Providing evidence of compliance with departmental issued policies and procedures; designed to contribute to the overall governance, assurance and risk management processes across the HSC.

The Chief Executive has overall responsibility for the control and management of BSO's resources and its Governance Statement. In practice this is achieved through a scheme of delegated responsibility. BSO Directors are responsible to the Chief Executive for the control, management and overall governance for their respective Directorates including the production of specific content.

Prior to submission, the Chief Executive will also seek assurances from individual Directors around full disclosure of significant divergences.

3.0 The Assurance Framework

The BSO Integrated Governance and Assurance Framework is the lens through which the Board examines the assurance necessary to discharge its duties.

3.1 Organisational Arrangements

An important element of BSO's arrangements is the need for robust governance within Directorates. This will be tested through the accountability review process. There are a number of internal and external mechanisms that support this.

BSO Board exercise financial supervision and control by:

- a) Requiring the submission and approval of budgets within approved funding/ overall income;
- b) Defining and approving essential features, in respect, of important procedures and financial systems (including the need to obtain value for money); and
- c) Defining specific responsibilities placed on Directors and employees as indicated in the Scheme of Delegation and Documents.

3.1.1 Governance and Audit Committee

In accordance with HM Treasury Orange Book Management of Risk - Principles and Concepts the GAC will report to the Chief Executive and Board and further strengthen assurance to BSO. The GAC Chair is responsible for producing an outcomes report of GAC meetings to the Chief Executive and Board.

As per Orange Book "Except in rare circumstances, every government organisation will have an Audit Committee (established as a Committee of the Board, ideally with non-executive membership and Chaired by a non-executive) which will be charged with supporting the Accounting Officer in their responsibilities for issues of risk, control and governance and associated assurance (see the "Audit Committee Handbook, HM Treasury, October 2003 for more detail).

The Audit Committee should be asked by the Accounting Officer /Board to:

- (a) gain assurance that risk, and change in risk, is being monitored;
- (b) receive the various assurances which are available about risk management and consequently delivering an overall opinion about risk management;
- (c) comment on appropriateness of the risk management and assurance processes which are in place. However, it should be noted that the Audit Committee should not itself own or manage risks and is, as with internal audit, not a substitute for the proper role of management in managing risk."

The Governance and Audit Committee will:

- Oversee the establishment and maintenance of an effective system of internal control;
- Review the adequacy of all control related disclosure statements (in particular, the Governance Statement), together with any accompanying Head of Internal Audit findings.
- Review the Audit Statement through external audit opinion or other appropriate independent assurances, prior to endorsement by the Board;
- Review the adequacy of the policies for ensuring compliance with relevant regularity, legal and code of conduct requirements, including BSO's Standing Orders and Standing Financial Instructions;
- Review the adequacy of the policies and procedures for all work related to fraud and corruption as required by the DoH and the Fraud Response Plan; and
- Review the structures, processes and responsibilities for identifying and managing key risks facing the organisation and receive regular reports and assurance on risk which contribute to the assurances required for the Board.
- In carrying out its work, the Committee will primarily utilise the work of Internal Audit, External Audit and other assurance functions but will not be limited to these functions. Terms of Reference can be found at Appendix 12.

3.1.2 Remuneration and Terms of Service Committee

The main functions of the Committee are:

- To make recommendations to the Board of the BSO on the total remuneration and terms of service package for Executive Directors, senior executives to ensure that they are fairly rewarded for their individual contribution to the organisation. This would include having proper regard to the Organisation's circumstances and performance and to the provision of any national arrangements for such staff, where appropriate.

The Remuneration Committee shall also ensure that Board members' total remuneration can be justified as reasonable in accordance with Departmental limits and in the light of general practice in the public sector in Northern Ireland;

- To oversee the proper functioning of performance and appraisal systems including the Knowledge and Skills Framework;
- To oversee appropriate contractual arrangements for all staff. This would include a proper calculation and scrutiny of termination payments, taking account of such national guidance as is appropriate;

- To agree and monitor a remuneration strategy that reflects national agreements and Departmental policy;
- To monitor the application of the remuneration strategy to ensure adherence to all equality legislation; and
- The Remuneration and Terms of Service Committee shall approve procedures presented by the Chief Executive for the determination of commencing pay rates, condition of service etc. for senior Executives.
- Terms of Reference can be found at Appendix 13.

3.1.3 Business and Development Committee

The Business and Develop Committee will:

- Scrutinise reports from officers on BSO's handling of complaints, Freedom of Information (Fols) and other administrative matters and consequential actions with a view to ensuring they have been addressed, in accordance, with relevant policies and protocols and identify if there are any recurring themes which require to be brought to the attention of the Board;
- Review on behalf of the Board the handling of Serious Adverse Incidents (SAIs) to ensure that lessons learned are acted upon and communicated where appropriate across the organisation and/or wider HSC;
- Review reports on People and Place matters with a view to supporting the management of the workforce in a manner conducive with organisation strategic plans and values and report significant matters to the Board;
- Keep under review the Organisation's performance in relation to delivery on SLAs and improve performance;
- Monitor the progress of implementation of major change projects in BSO as delegated by and on behalf of the Board;
- Monitor and make recommendations where necessary and advise the Board on the organisational process for Information Management;
- Scrutinise the policies and procedures for all work related to Information Management on behalf of the Board to ensure they comply with legislative and good practice standards;
- Review and approve policies on behalf of the Board relating to People and Place; and
- Scrutinise on behalf of the Board customer survey and Benchmarking results.
- The Terms of Reference can be found at Appendix 14.

4.0 Accountabilities and Responsibilities for Governance and Assurance Arrangements

The following section outlines the roles and responsibilities of the Board, Non-Executive Directors, Chief Executive, Executive Directors and Senior Managers in respect of integrated governance. Good governance requires all concerned to be clear about their roles and responsibilities. Governance means promoting organisational values at all levels, taking informed and transparent decisions and managing risk.

4.1 Roles:

All employees of BSO, including permanent and temporary staff should be familiar with the roles and responsibilities set out in this policy statement.

4.1.1 Role of BSO Board

The role of the Board is defined as having corporate responsibility for ensuring that the organisation fulfils the aims and objectives set by the Department/Minister and for promoting the efficient, economic and effective use of staff and other resources.

To this end the Board shall exercise the following key functions:

- To establish the overall strategic direction of the organisation with the policy and resource framework determined by the Department/Minister;
- Oversee the delivery of planned results by monitoring performance against objectives and ensuring corrective action is taken as necessary;
- To ensure effective financial stewardship through value for money, financial control and financial planning and strategy;
- To ensure that high standards of corporate governance and personal behaviour are maintained in the conduct of the business of the whole organisation;
- To appoint, appraise and remunerate senior executives;
- To ensure that there is effective dialogue between the organisation and local community/customers on its plans and performance and that these are responsive to the community's/customer's needs; and
- To ensure that BSO has robust and effective arrangements in place for effective governance and risk management.

The BSO Board meets monthly in public. Certain issues may be taken in a confidential section of the meeting which is not in public session. The schedule of meeting dates

and venues for the financial year is posted on the BSO website. The Standing Orders sets out how the BSO Board will conduct its business.

The DoH requires that BSO operates a board-approved schedule of delegated decision-making based on a system of good practice updated by the DoH. This can be seen embedded in the BSO Standing Orders Schedule of Powers Delegated by the BSO Board and that associated Standing Orders Appendices 1 – 3 outlining the BSO's Scheme of Delegation.

The BSO's Scheme of Delegated Authority (SODA) sets out which individuals have the power as authorised signatories in relation to certain types of payment and to what level.

4.1.2 Role of the BSO Chairperson

The Chair is accountable to the Minister of the Sponsor Department. The Chair shall ensure that BSO's policies and actions support the wider strategic policies of the Minister and that BSO's affairs are conducted with probity.

The Chair shares with other Board members the corporate responsibilities, and in particular for ensuring that BSO fulfils the aims and objectives set by the Sponsor Department and approved by the Minister.

4.1.3 Role of the Non-Executive Directors

Non-Executive Directors responsibilities include:

- a) **strategy** - by constructively challenging and contributing to the development of strategy;
- b) **performance**- through scrutiny of performance management in meeting agreed goals and objectives;
- c) **risk** - by satisfying themselves that financial and other information is accurate and that financial controls and systems of risk management are robust and defensible.

Non-Executive Directors are responsible for ensuring the Board acts in the best interests of the public and is fully accountable to the public for the services provided by BSO.

4.1.4 Role of the BSO Chief Executive

The Chief Executive is designated as BSO's Accounting Officer by the departmental Accounting Officer (Permanent Secretary). The Chief Executive is accountable to the BSO Board for their stewardship of the organisation, which includes advising the Board on matters of financial propriety, regularity, prudent and economical administration, efficiency and effectiveness.

The Chief Executive, through their leadership, creates the vision for the Board to modernise and improve services. They are responsible for the Statutory Duty of

Quality and for ensuring that the objectives it sets are accomplished through effective and properly controlled executive action.

As Accountable Officer, the Chief Executive has responsibility for ensuring that BSO meets all of its statutory and legal requirements and adheres to guidance issued by the Department in respect of Governance. This responsibility encompasses the elements of financial control, governance and risk management, including organisational controls.

4.1.5 Role of the Executive Leadership Team (ELT)

ELT is accountable to the Chief Executive for ensuring effective governance arrangements are in place in their individual areas of responsibility. Collectively ELT shall ensure that adequate information is provided in a timely way to the Director of Finance to enable reliable financial projections to be made and necessary advice provided to the Chief Executive on any financial risk to the break-even position.

4.1.6 Role of Executive Directors

Directors are responsible for maintaining effective oversight within their directorates. As part of this responsibility, directors should hold monthly meetings with Assistant Directors, Heads of Service and any other staff directors deem relevant to:

- Review performance against business plans
- Monitor key performance indicators (KPIs)
- Review and assess service risks and issues
- Track progress on audit recommendations
- Any other business relevant to strategic and operational planning, customer engagement, horizon scanning etc.

Directors are expected to use these meetings to ensure effective management within their directorate and to identify any emerging issues. Where concerns cannot be resolved within the service area or where risks may have an impact on the wider organisation, Directors must escalate to ELT.

Performance and risk-related concerns should first be raised through the Strategic, Engagement and Improvement team as part of the Strategic Planning and Customer Engagement Directorate prior to ELT, to ensure appropriate procedures and management of escalations are being adhered to.

4.1.7 Role of the Executive Director of Finance

The Executive Director of Finance provides specialist financial advice to the BSO Board, Chief Executive and a wide range of stakeholders. The Director of Finance is accountable to the Chief Executive for ensuring

- a) that effective processes and systems are in place to ensure good financial governance within BSO.

- b) compliance with financial regulations
- c) Provides strong financial advice and guidance to the leadership team.

4.1.8 Role of Executive Director of People and Place

The Director of People and Place is accountable to the Chief Executive for the development and delivery of high-quality human resources, organisational development and corporate service functions.

The Director of People and Place has corporate responsibility for BSO's corporate governance and information governance.

This Director is the Senior Information Risk Owner for BSO and has lead responsibility for the overall information risk policy and risk assessment process - and for advising the Chief Executive on information risk aspects.

They are responsible for managing information risks, including maintaining and reviewing an information risk register.

4.1.9 Role of Director of Strategic Planning and Customer Engagement

The Director of Strategic Planning and Customer Engagement (SP&CE) is accountable to the Chief Executive for planning, performance, corporate governance and customer engagement activities.

They are the primary lead for:

- a) Strategic planning function, ensuring there is a robust performance management framework;
- b) Development and maintenance of the Corporate Governance function across BSO Service Areas, including robust risk management processes
- c) Ensuring strategic plans align with BSO's mission and goals;
- d) Facilitating cross-departmental collaboration;

4.1.10 Role of Executive Director of Operations

The Director of Operations is accountable to the Chief Executive for the delivery of services to customers within HSC. They ensure that these services are delivered efficiently and effectively to specified levels of quality and cost.

They lead the delivery of Service Areas in Operations through performance management frameworks, customer focused delivery models and service improvement strategies.

4.1.11 Role of Director of Digital Operations

The Director of Operations leads the regional Digital Shared Services Programme team to effectively transition and develop a number of key shared digital functions. They are responsible for developing and operating an effective governance over all digital activity in the organisation.

They ensure engagement across all stakeholders so that effective decisions can be made for Information and Communications (ICT) investments including project prioritisation, infrastructure management and resource management.

4.2 Board Reporting

It is essential that key information is reported to the Board to provide structured assurances about where risks areas being effectively managed and objectives are being delivered.

This will allow the Board to decide on an efficient use of their resources and address the issues identified to improve the quality and safety of services provided.

4.3 Assistant Directors' Performance/ELT Group

The Assistant Directors' Performance/ELT Group has been introduced as mechanism for supporting collaborative working, quality improvement and showcasing and sharing best practice and learning across directorates within BSO.

The Network will be a vehicle for supporting the development of a performance culture, encouraging a learning organisation and supporting talent management. A workplan for the Network will be agreed on an annual basis. This will normally be agreed through an annual Network Workshop. The workplan will be informed by the priorities within the Corporate Plan. The Network prepare and submit a report to ELT every six months on progress against the Workplan.

5.0 Risk Management

HSC organisations face a wide range of uncertainties and factors that may affect achievement of their objectives. This can create a positive risk (opportunities) or a negative risk (threats).

Risk management focuses on identifying threats and opportunities, while internal control helps counter threats and take advantage of opportunities. Effective risk management should help organisations make informed decisions about the level of risk that they are prepared to take and implement appropriate internal controls that allow them to pursue their objectives.

The management of risk is a key organisational responsibility. Staff at all levels need to understand that the management of risk is one of their most important responsibilities.

BSO manages risk by undertaking assessments of the organisations objectives and identifying the strategic risks to achieving these objectives. These are reported on within the Corporate Risk and Assurance Report (CRAR). There are systems in place to monitor and review risks, which are delegated below Corporate level.

BSO recognises that risk reduction and management can be enhanced by the effective involvement of stakeholders at an early stage of planning or making decisions about service delivery or service development.

BSO has a Risk Management Strategy that underpins its policy on risk and explains its approach to acceptable risk. This can be found at Appendix 9.

BSO is committed to promoting and maintaining an open and learning culture in which the emphasis is placed on continual quality improvement, learning lessons and being open and transparent. BSO has processes in place for learning from experience, learning from adverse incidents, complaints, litigation and external reviews/inspections.

Assurance Mapping remains a key process for BSO. BSO has identified Organisational Assurance Leads that are accountable for action planning against each standard.

5.1 Risk Appetite

Risk appetite is

‘The amount of risk that an organisation is prepared to accept, tolerate, or be exposed to at any point in time’ (HMT Orange Book definition 2004)

It is the role of the Board to decide which risks they need to reduce, which they are prepared to accept and what their tolerances are for those risks they are willing to accept. The Board must make a considered choice about its risk appetite, taking account of its legal obligations, business objectives, and public expectations.

Risk appetite is important to BSO for a number of key reasons:

- If BSO does not know what its collective appetite for risk is and the reasons for it, then this may lead to erratic or inopportune risk taking, exposing the organisation to a risk it cannot tolerate; or an overly cautious approach which may stifle growth and development; and
- If BSO leaders do not know the levels of risk that are legitimate for them to take, or do not take important opportunities when they arise, then service improvements may be compromised and user outcomes affected.

The BSO Risk Appetite Matrix can be found in Appendix 2.

5.2 Risk Registers

5.2.1 Corporate Risk and Assurance Report (CRAR)

This report is designed to allow the Board to concentrate on the top-level risks, but without restricting its freedom to maintain a watch on the full array of risks to strategic objectives.

It is essential that BSO has robust systems in place to deal with a wide range of risks and these systems should be reviewed routinely. As risks (and the appropriate response) can change over time and depending on circumstances, the systems should include the routine monitoring of risks and procedures to raise concerns with the Board as quickly as possible and in line with their risk tolerances.

Regular risk assessments should be carried out and information provided on ‘close calls’ and ‘near misses’ to enable the Board to evaluate the strength of the risk management procedures.

The management of risk at strategic and directorate levels needs to be integrated so that the levels of activity support each other. All staff should be aware of the relevance of risk to the achievement of their objectives.

The CRAR acts as high-level strategic risk identification, in regard, to corporate objectives, highlighting gaps in control and/or gaps in assurance process and the details of necessary action.

5.2.2 Service Risk Registers

Service Risk Registers are managed by each business area. Registers quantify all risks; set out controls in place; and determine the residual risk that remains. They

comprise risks for each service area within a Directorate. Directors manage the risk in their Directorate. Actions Plans are developed for all risks where these risks are being treated and progress monitored by Directors. Service Risk Registers are operationally managed at local level. Assistant Directors/Senior Managers (also known as Risk Managers) will report at least quarterly to their Director.

Risk Registers can gather risk details from many assessment sources. It is very important that the risk identification process determines the relevance and significance of such risks to corporate objectives.

Assurance regarding the effectiveness of the risk management policy is gained through the annual risk management systems audit by Internal Audit. In addition, the CRAR and Service Risk Registers are subject to regular monitoring. The Corporate Risk Register is reported to ELT on a monthly basis, GAC on a quarterly basis and Board on a quarterly basis. A service risk report is also submitted to ELT and GAC on a regular basis.

5.2.3 Corporate Issues Log

The Corporate Issues Log is a formal record of any issues that are identified and assessed as affecting the wider Organisation's operations, performance and reputation beyond the service level. An issue refers to a challenge that is currently happening or will occur. The Corporate Issue Log is maintained by SP&CE and Issued to ELT in a quarterly Report.

The Issues log provides a clear and structured method for tracking resolution actions and support issue owners (Directors) in proactively managing potential challenges. Any identified corporate issues should be reported directly to the GRO for inclusion in the Quarterly Corporate Issues report. The Corporate Issue log is managed by ELT with assigned corporate issue owners who are responsible for reviewing and updating the issues on a regular basis ensuring corporate issues are managed affectively.

5.2.4 Service Issue Log

The Service Issues Log is a formal record of any issues that are identified and assessed as affecting the operations, performance and/ or reputation within a service area. An issue refers to a challenge that is currently happening or will occur. The Service Issue Log is maintained by SP&CE and Issued to ELT in a quarterly report.

The Issues log provides a clear and structured method for tracking resolution actions and supporting issue owners in proactively managing potential challenges. Service Issue owners can escalate any service issue they believe are or will have an impact on the wider organisation to the GRO who will include for approval in the Quarterly Corporate Issues Report. Service Issues are managed by Service Level senior managers who are responsible for reviewing and updating the issues on a regular basis ensuring issues are managed affectively. ELT are responsible for ensuring issues are managed appropriately across BSO.

6.0 Assurance

6.1 Assurance Definition

Assurance refers to a declaration or guarantee providing confidence or certainty regarding a particular outcome. This involves the process of evaluating organisation operations. Assurance is the process of evaluation of organisational operations, controls, risk processes to ensure accuracy and compliance with statutory requirements and legislation

The word assurance is used a lot in everyday language and can mean different things to different people. It is important that everyone involved in developing, implementing and maintaining the integrated governance and assurance framework, is clear on what is meant by assurance and where assurances come from.

Figure 1: Definitions of Assurance

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

Assurance draws attention to the aspects of risk management, integrated governance and systems of internal control that are functioning effectively and, just as importantly, the aspects which need to be given attention to improve them. It helps the Board to judge whether or not its agenda is focusing on the issues that are most significant in relation to achieving the Organisation's objectives and whether best use is being made of resources.

When challenging assurance information at a Board level, the questions the Board should continually ask include:

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

6.2 Assurance Mapping

Assurance mapping is a key part of developing and maintaining board assurance arrangements. It provides the Board 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 and the way of illustrating the results using a Corporate Risk Document can give confidence to ELT and the Board.

Understanding where this assurance comes from helps provide a clearer picture and whether it has enough detail and whether the coverage of assurance is set at the right level to provide confidence to the Board.

6.3 Three Lines of Defence

Assurance is delivered at multiple levels within BSO.

The Three lines of Defence was published by the Institute of Internal Auditors to provide a framework for considering arrangements for managing risk and exercising associated controls within an organisation.

The Model clarifies control and risk management responsibilities.

Main features of the model include:

- (a) Governing bodies sit above the three lines. They have overarching responsibilities for setting strategy and objectives including the risk management and governance control frameworks to manage risks.
- (b) **First Line:** The first line is comprised of functions that **own and manage risk** within the organisation. The primary responsibility for risk management across the organisation sits with senior managers who are accountable for identifying, mitigating and managing risks within their service area. Senior managers are responsible for implementing appropriate controls and actions for their risks.
- (c) **Second Line:** The second line is comprised of functions that **oversee risk management** within the organisation. This includes ELT, Committees and Board. Senior managers (as part of the first line of defence) regularly report their assurances to oversight functions whereby they provide scrutiny and challenge ensuring the first line of assurance is robust and effective.
- (d) **Third Line:** The third line is comprised of functions that provide **independent assurances** through objective scrutiny and challenge. This includes Internal Audit and other appropriate independent assurance providers. Third line functions are accountable to a Governing Audit Committee and operate independently from senior managers/ ELT to ensure impartial assessments of the organisations first and second lines of defence are being delivered.

Three Lines of Assurance		
Line 1	Line 2	Line 3
Department level assurance. Service Level internal controls that enforce required working practices in day-to-day activities. E.g. policies, systems and procedures.	Organisational oversight assurance. Oversight functions undertaking scrutiny and monitoring of the governance framework so as to ensure it operations in an efficient and effective manner. E.g. Executive Leadership Team, Committees.	Independent assurance External and Independent functions providing independent and objective challenge and assurance with regard to the organisations governance arrangements. E.g. Internal audit and other independent assurance providers.

Regulators and External Audit may play an additional role in assessing governance and controls where relevant to financial or regulatory reporting.

The 'Three Lines of Defence' approach pulls risk management and compliance into a common and robust framework. By defining the sources of assurance in three broad categories, it provides clarity on how each contributes to the overall level of assurance provided and how best they can be integrated into the organisation and mutually supportive.

An updated version of the Three Lines Model was published by the IIA in July 2020 setting out three key areas of responsibility:

(a) **Accountability:**

The Governing body is accountable to stakeholders for oversight. Governance of an organisation requires appropriate structures and processes that enable accountability, action and assurance. It is the role of the Governing body to ensure appropriate structures and processes are in place for effective governance.

(b) **Actions**

Management is responsible for taking actions including risk management including designing and implementing the controls and procedures necessary to achieve organisational objectives. Management's responsibility to achieve organisational objectives comprises both first- and second-line roles.

First line roles are most directly aligned with the delivery of products and/or services to clients of the organisation, and include the roles of support functions. Second-line roles provide assistance with managing risk.

(c) **Assurance**

Assurance and advice may be given by an independent internal audit function to provide insight, confidence and encouragement for continuous improvement. In its third-line role, internal audit provides independent and objective assurance and advice on the adequacy and effectiveness of governance and risk management. It achieves this through the competent application of systematic and disciplined processes, expertise, and insight. It may consider assurance from other internal and external providers.

The independence of internal audit from the responsibilities of management is critical to its objectivity, authority, and credibility

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. Robust internal controls are maintained through three lines of assurance as described in the figure below:

7.0 Innovation and Improvement

Innovation plays a vital role within any successful healthcare organisation. Essentially innovation in the public sector is about the creation and implementation of new, or changed policies, processes, products, services and methods of delivery which result in improvements in the efficiency, effectiveness or quality or outcomes. BSO ELT and Board encourage their staff to be innovative in the application of new ideas to produce better outcomes in support of its corporate business plan.

Innovation of processes and deploying new technology can result in driving significant efficiencies across BSO. Identifying and implementing more efficient ways of working can contribute to improved future financial sustainability. All business areas focus on innovation and improvement as part of the annual business planning cycle.

BSO continues to invest in ongoing learning opportunities for staff thereby ensuring that they are aware of emerging technologies and improvements in working practices, for example recent programmes of e-learning cyber security initiatives.

BSO actively promotes a culture of continuous learning, encouraged through the annual reporting cycle and setting of individual and team objectives and targets.

This commitment by BSO to staff development enhances individual competencies and contributes to a more innovative organisation.

8.0 Monitoring

To ensure the quality and robustness of the Integrated Governance and Assurance Framework it will be evaluated and reviewed by the Board annually to ensure it is fit for purpose.

Any review should take consideration of the Internal Auditor's to improve the robustness of the Framework.

9.0 Equality Statement

In line with duties under the equality legislation (Section 75 of the Northern Ireland Act 1998), Targeting Social Need Initiative, Disability discrimination and the Human Rights Act 1998, an initial screening exercise to ascertain if this policy should be subject to a full impact assessment has been carried out.

The outcome of the Equality screening for this policy is:

Major impact

Minor impact

No impact

SIGNATORIES

(Policy – Guidance should be signed off by the author of the policy and the identified responsible director).

Director

Date: _____

10.0 Appendices/Attachments

Appendix 1 - BSO FORUMS			
Forum	Service Level	Chair	BSO Representatives
ALB Corporate Forum	Corporate	Director of Strategic Planning & Customer Engagement	<ul style="list-style-type: none"> Director of Strategic Planning & Customer Engagement Assistant Director of Strategic Planning & Customer Engagement
Strategic Customer Forum	Corporate	Director of Strategic Planning & Customer Engagement	<ul style="list-style-type: none"> Director of Strategic Planning & Customer Engagement Assistant Director of Strategic Planning & Customer Engagement Director of Finance
Service Area Customer Forum	Corporate	Assistant Director of Strategic Planning & Customer Engagement	<ul style="list-style-type: none"> All BSO Heads of Service
DLS Customer Forum	Legal Services	Director of Strategic Planning & Customer Engagement	<ul style="list-style-type: none"> Director of Strategic Planning & Customer Engagement Chief Legal Advisor Director of Finance
Joint Negotiating Forum	Corporate	Director of People & Place	<ul style="list-style-type: none"> BSO Directors Assistant Directors of People & Place Senior HR Managers
Regional Shared Services Customer Forum	Shared Services	Head of Shared Services	
Regional Payroll Customer Forum	Payroll Shared Service	Head of Payroll Shared Service	<ul style="list-style-type: none"> Head of Payroll Shared Service Assistant Director of Finance Assistant Director of Human Resources
Regional Recruitment Customer Forum	Recruitment & Selection Shared Services	Head of Recruitment and Selection Shared Services	<ul style="list-style-type: none"> Head of Recruitment and Selection Shared Services Assistant Director of People & Place
Business Systems Forum	Shared Services	Head of Shared Services	<ul style="list-style-type: none"> Head of Recruitment and Selection Shared Services
HSC Pension Service Customer/ Employer Forum	Pensions	Senior Trust Liaison Manager	<ul style="list-style-type: none"> Senior Trust Liaison Manager Trust Liaison Managers Head of Payroll Senior HR Manager
Client Equality Forum	Equality	Head of Equality	<ul style="list-style-type: none"> HR Manager
Information Governance Forum	Corporate Services	Assistant Director of Corporate Services	<ul style="list-style-type: none"> Assistant Director of Corporate Services Head of Internal Audit
ITS Forum	ITS	ITS Business Performance Service Manager	
Digital Forum	Digital	Director of Digital	

Appendix 2 – Risk Appetite Matrix

This matrix should be used as guidance for assessing risk appetite in conjunction with the Risk Appetite Statement. Overall risk appetite and position for BSO is cautious. However yellow highlight outlines where there is a deviation.

DOMAIN	RISK TOLERANCE LEVELS				
	AVERSE	CAUTIOUS	MODERATE	OPEN	HUNGRY
	Avoidance of risk and uncertainty is a key Organisational objective	Preference for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward	Some potential for loss, harm or damage, but not severe	Willing to consider all potential delivery options and choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward (and value for money)	Eager to be innovative and to choose options offering potentially higher business rewards (despite greater inherent risk)
PEOPLE <i>(Impact on the Health/Safety/Welfare of any person affected: e.g. Patient/Service User, Staff, Visitor, Contractor)</i>	<ul style="list-style-type: none"> Near miss, no injury or harm. 	<ul style="list-style-type: none"> Short-term injury/minor harm requiring first aid/medical treatment. Any safety incident that required extra observation or minor treatment e.g. first aid Non-permanent harm lasting less than one month Admission to hospital for observation or extended stay (1-4 days duration) Emotional distress (recovery expected within days or weeks). 	<ul style="list-style-type: none"> Semi-permanent harm/disability (physical/emotional injuries/trauma) (Recovery expected within one year). Admission/readmission to hospital or extended length of hospital stay/care provision (5-14 days). Any safety incident that resulted in a moderate increase in treatment e.g. surgery required 	<ul style="list-style-type: none"> Long-term permanent harm/disability (physical/emotional injuries/trauma). Increase in length of hospital stay/care provision by >14 days. 	<ul style="list-style-type: none"> Permanent harm/disability (physical/emotional trauma) to more than one person. Incident leading to death.
QUALITY & PROFESSIONAL STANDARDS/ GUIDELINES <i>(Meeting quality/ professional standards/ statutory functions/ responsibilities and Audit Inspections)</i>	<ul style="list-style-type: none"> Minor non-compliance with internal standards, professional standards, policy or protocol. Audit / Inspection – small number of recommendations which focus on minor quality improvements issues. 	<ul style="list-style-type: none"> Single failure to meet internal professional standard or follow protocol. Audit/Inspection – recommendations can be addressed by low level management action. 	<ul style="list-style-type: none"> Repeated failure to meet internal professional standards or follow protocols. Audit / Inspection – challenging recommendations that can be addressed by action plan. 	<ul style="list-style-type: none"> Repeated failure to meet regional/ national standards. Repeated failure to meet professional standards or failure to meet statutory functions/ responsibilities. Audit / Inspection – Critical Report. 	<ul style="list-style-type: none"> Gross failure to meet external/national standards. Gross failure to meet professional standards or statutory functions/ responsibilities. Audit / Inspection – Severely Critical Report.

<p>REPUTATION <i>(Adverse publicity, enquiries from public representatives/media Legal/Statutory Requirements)</i></p>	<p>Zero appetite for any decisions with high chance of repercussion for organisations' reputation</p> <ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Local public/political concern. • Extended local press < 7-day coverage with minor effect on public confidence. • Advisory letter from enforcing authority/increased inspection by regulatory authority. • Business as Usual 	<ul style="list-style-type: none"> • Regional public/political concern. • Regional/National press < 3 days coverage. Significant effect on public confidence. • Improvement notice/failure to comply notice. • Programmes and Innovations 	<ul style="list-style-type: none"> • MLA concern (Questions in Assembly). • Regional / National Media interest >3 days < 7days. Public confidence in the organisation undermined. • Criminal Prosecution. • Prohibition Notice. • Executive Officer dismissed. • External Investigation or Independent Review (e.g., Ombudsman). • Major Public Enquiry. 	<ul style="list-style-type: none"> • Full Public Enquiry/Critical PAC Hearing. • Regional and National adverse media publicity > 7 days. • Criminal prosecution – Corporate Manslaughter Act. • Executive Officer fined or imprisoned. • Judicial Review/Public Enquiry.
<p>FINANCE <i>(Protect assets of the org. and avoid loss)</i> <i>*Loss approval processes must be followed in line with MPMNI and delegated limits defined within the latest HSC circular</i></p>	<ul style="list-style-type: none"> • Loss of assets due to minimal damage to premises/property. • Loss – £0K to £1K. • Minor loss of non-personal information. 	<ul style="list-style-type: none"> • Loss of assets due to minor damage to premises/ property. • Loss – £1K to £10K. • Loss of information. • Impact to service immediately containable, medium financial loss. 	<ul style="list-style-type: none"> • Loss of assets due to moderate damage to premises/ property. • Loss – £10K to £300K. • Loss of or unauthorised access to sensitive / business critical information • Impact on service contained with assistance, high financial loss 	<ul style="list-style-type: none"> • Loss of assets due to major damage to premises/property. • Loss – £300K to £2m. • Loss of or corruption of sensitive / business critical information. • Loss of ability to provide services, major financial loss 	<ul style="list-style-type: none"> • Loss of assets due to severe organisation wide damage to property/premises. • Loss – £2m+. • Permanent loss of or corruption of sensitive/business critical information. • Collapse of service, huge financial loss
<p>FINANCE <i>(Programmes and projects)</i> <i>*Programmes and projects will be subject to budgetary requirements. Programme spend and authorisation should be completed in line with the delegated limits set out in the SFIs</i></p>	<ul style="list-style-type: none"> • Defensive approach to transformational activity – aim to maintain/protect, rather than create or innovate. • Priority for close management controls and oversight with limited devolved authority outside of ELT. • Oversight held within BSO ELT and reported on quarterly or at key milestones. • Benefits led plans fully aligned with BSO strategic priorities, functional standards. • Financial approvals in line with project or programme governance and BSO SFI. • Strict financial oversight provided by relevant BSO Director and BSO Finance Director • Overview of individual programme or project budget included in monthly board accounting statement. 	<ul style="list-style-type: none"> • Innovations avoided unless essential. • Decision making authority held by Directorate senior management team. • Benefits led plans aligned with BSO strategic priorities, functional standards • Oversight held within BSO ELT and reported on at key milestones. • Financial approvals in line with project or programme governance and BSO SFI. • Strict financial oversight provided by relevant BSO Director and BSO Finance Director • Programme budget including in monthly board accounting statement. • For annual project budgets in excess of £1m, project should be included in monthly accounting statement 	<ul style="list-style-type: none"> • Tendency to stick to the status quo, innovations generally avoided unless necessary. • Decision making authority generally held by project or programme senior management and SRO. • Plans closely aligned with regional strategic priorities, and broadly aligned with BSO functional standards and strategic objectives. • Reporting to ELT as required or through portfolio updates. • Financial approvals in line with project or programme governance and BSO SFI. • Collaborative financial oversight provides at BSO Director level in collaboration with BSO Finance Director • For annual project budgets in excess of £20m, project should be included in monthly accounting statement 	<ul style="list-style-type: none"> • Innovation supported, with demonstration of commensurate improvements in management control. • Responsibility for noncritical decisions may be devolved within the project or programme structure. • Plans aligned with HSCNI functional standards and organizational or regional governance groups. • Limited oversight or reporting by BSO senior management. • Financial approvals in line with project or programme governance • Financial oversight with Directorate level head of service. 	<ul style="list-style-type: none"> • Innovation pursued – desire to 'break and mould' and challenge current working practices. • High levels of devolved authority – management by project team rather than close control • Plans aligned with organisational or regional governance. • No oversight by BSO senior management. • Financial limits set by business case. • Financial oversight by Project or Programme manager with management by exception. • Budget reporting at project level.

<p>Information & Assets</p>	<p>No tolerance for security risks causing loss or damage to:</p> <ul style="list-style-type: none"> • HSC BSO property • Assets • Information <p>Lock down data & information. Access tightly controlled, high levels of monitoring</p> <ul style="list-style-type: none"> • Controls in place limiting staff and visitor access to information, assets and estate. <p>Access to staff personal devices restricted in official sites</p>	<p>Risk of loss or damage to HSC BSO property, assets, and information minimised through stringent security measures, including:</p> <ul style="list-style-type: none"> • Minimising level of risk due to potential damage from disclosure. • Controls limiting staff and visitor access to information, assets and estate. • Staff personal devices permitted, but may not be used for official tasks. 	<p>Limited security risks accepted to support business need, with appropriate checks and balances in place:</p> <ul style="list-style-type: none"> • Controls managing staff and limiting visitor access to information, assets and estate. • Staff personal devices may be used for limited official tasks with appropriate permissions. 	<p>Considered security risk accepted to support business need, with appropriate checks and balances in place:</p> <ul style="list-style-type: none"> • New starters may commence employment at risk, following partial completion of vetting processes • Controls limiting visitor access to information, assets and estate. • Staff personal devices may be used for official tasks with appropriate 	<p>Considered security risk accepted to support business need, with appropriate checks and balances in place:</p> <ul style="list-style-type: none"> • Controls limiting visitor access to information, assets and estate. • Staff personal devices may be used for official tasks with appropriate
<p>RESOURCES <i>(Service and Business interruption, problems with service provision, including staffing (number and competence), premises and equipment)</i></p>	<ul style="list-style-type: none"> • Loss/ interruption < 8 hour resulting in insignificant damage or loss/impact on service. • No impact on public health social care. • Insignificant unmet need. • Minimal disruption to routine activities of staff and organisation. 	<ul style="list-style-type: none"> • Loss/interruption or access to systems denied 8 – 24 hours resulting in minor damage or loss/ impact on service. • Short term impact on public health social care. • Minor unmet need. • Minor impact on staff, service delivery and organisation, rapidly absorbed. 	<ul style="list-style-type: none"> • Loss/ interruption 1-7 days resulting in moderate damage or loss/impact on service. • Moderate impact on public health and social care. • Moderate unmet need. • Moderate impact on staff, service delivery and organisation absorbed with significant level of intervention. • Access to systems denied and incident expected to last more than 1 day. 	<ul style="list-style-type: none"> • Loss/ interruption 8-31 days resulting in major damage or loss/impact on service. • Major impact on public health and social care. • Major unmet need. • Major impact on staff, service delivery and organisation - absorbed with some formal intervention with other organisations. 	<ul style="list-style-type: none"> • Loss/ interruption >31 days resulting in catastrophic damage or loss/impact on service. • Catastrophic impact on public health and social care. • Catastrophic unmet need. • Catastrophic impact on staff, service delivery and organisation - absorbed with significant formal intervention with other organisations.

APPENDIX 3: BSO's Annual Business Plan 2025/26



BSO Business Plan
2025-26 Final Versio

APPENDIX 4: Heath and Social Care (Reform) Act (Northern Ireland) 2009

[Health and Social Care \(Reform\) Act \(Northern Ireland\) 2009 \(legislation.gov.uk\)](https://legislation.gov.uk)

APPENDIX 5: Business Services Organisation Corporate Plan 2024 – 2027



Business Services
Organisation Corpo

APPENDIX 6: Government Resources and Accounts Act (Northern Ireland) 2001

[Government Resources and Accounts Act \(Northern Ireland\) 2001 \(legislation.gov.uk\)](https://legislation.gov.uk)

APPENDIX 7: BSO Standing Orders 2024/25



BSO Standing
Orders SFI 2024 25 F

APPENDIX 8: BSO Governance Statement 2023-24



BSO Governance
Statement 2023-24.

APPENDIX 9: BSO Risk Management Strategy

**To be approved*

APPENDIX 10: DoH Framework Document

The Department has produced this Framework Document to meet the statutory requirement placed upon it by the Health and Social Care (Reform) Act (NI) 2009. The Framework Document describes the roles and functions of the various health and social care bodies and the systems that govern their relationships with each other and the Department.

[DHSSPS Framework Document - Approved version September 2011](#)

APPENDIX 12 – GOVERNANCE AND AUDIT COMMITTEE

Governance and Audit Committee

CONSTITUTION

The Board has established a Committee of the Board to be known as the Governance and Audit Committee (The Committee). The Committee is a non-executive committee of the Board and has no executive powers, other than those specifically delegated in these Terms of Reference.

MEMBERSHIP OF THE COMMITTEE

The Committee shall be approved by the Board from amongst the Non-Executive Directors of BSO and shall consist of not less than on three members. A quorum shall be two members. The Chair of the Governance and Audit Committee will be approved by the Board. The Chair of the organisation shall not be a member of the Committee.

Membership may be reviewed periodically by the Board. The Chair will serve for a period of four years or as long as he/she is a member of the Board, if shorter. The Chair may be permitted to serve a second term if approved by the Board.

The Committee has the ability to co-opt members for a period of less than 1 year to provide specialist skills that enhance the effectiveness of the Committee.

ATTENDANCE AND SECRETARIAT

The Director of Finance and appropriate Internal and External Audit representatives shall normally attend meetings. However at least once a year the Committee will meet privately with the External and Internal Auditors.

The Governance and Audit Officer, Finance Directorate, shall be Secretary to the Committee and shall attend to take minutes of the meeting and provide appropriate support to the Chair and committee members.

The Chair of BSO will be invited to attend one Governance and Audit Committee per year.

The Committee has the right to request the attendance of other Directors and staff from within BSO should a relevant issue arise.

The Chief Executive of BSO should attend at least one Governance and Audit Committee per year.

FREQUENCY OF MEETINGS

Meetings shall be held not less than four times in a financial year. The External Auditor, Head of Internal Audit or a Governance and Audit Committee Member may request a meeting if they consider that one is necessary.

AUTHORITY

The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee. The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of external parties with relevant experience and expertise if it considers this necessary.

To maintain confidentiality of BSO business and, as directed by the GAC Chair, certain papers may be taken in a confidential section of the meeting and records of these discussions will not be available publicly. Confidential discussions at GAC meetings will be reported to the BSO Board under the confidential section of the BSO Board meeting.

ROLES AND RESPONSIBILITIES

The role and responsibilities of the Committee can be categorised as follows:

Governance and Internal Control

The Committee will:

- oversee the establishment and maintenance of an effective system of internal control;
- review the adequacy of all control related disclosure statements (in particular the Governance Statement), together with any accompanying Head of Internal Audit statement, external audit opinion or other appropriate independent assurances, prior to endorsement by the Board;
- review the adequacy of the policies for ensuring compliance with relevant regularity, legal and code of conduct requirements, including BSO's Standing Orders and Standing Financial Instructions;
- review the adequacy of the policies and procedures for all work related to fraud and corruption as required by the DoH and the Fraud Response Plan;
- review the structures, processes and responsibilities for identifying and managing key risks facing the organisation, and receive regular reports and assurance on risk which contribute to the assurances required for the Board.
- provide scrutiny, challenge and support in ensuring organisational compliance with Information Governance (IG) legislation and adherence to IG policies and procedures including assessment of their adequacy to satisfactorily meet IG requirements.

In carrying out its work, the Committee will primarily utilise the work of Internal Audit, External Audit and other assurance functions, but will not be limited to these functions.

Internal Audit

The Committee shall seek to ensure that there is an effective internal audit function established by management that meets the Public Sector Internal Audit Standards and provides appropriate independent assurance to the Governance and Audit Committee, Chief Executive and Board. This will be achieved by:

- formal consideration of the provision of the Internal Audit service;
- review and approval of the Internal Audit strategy and operational plan, ensuring that this is consistent with the audit needs of the organisation and consistent with the Controls Assurance Framework;

- consideration of the Head of Internal Audit annual report, major findings of internal audit work (and management's response), and encourage co-ordination between the Internal and External Auditors to optimise audit resources;
- monitoring the Internal Audit function to ensure it is adequately resourced and has appropriate standing within the organisation;
- review outcomes of external quality assessments;
- annual review of the effectiveness of internal audit.

External Audit

The Committee shall review the work and findings of the External Auditor appointed by the Comptroller and Auditor General and consider the implications of, and management's responses to, their work. This will be achieved by:

- consideration of the performance of the External Auditor;
- discussion and noting with the External Auditor, before the audit commences, of the nature and scope of the audit as set out in the Annual Plan and of their coordination with External Auditors of third party organisations as appropriate;
- discussion with the External Auditors of their local evaluation of audit risks and assessment of BSO;
- review of all External Audit reports, including consideration of the annual Report to those Charged with Governance (RTTCWG) before submission to the Board and any work carried out in addition to the annual audit plan, together with the appropriateness of management responses;

Financial Reporting

The Governance and Audit Committee shall be provided with the draft Annual Report and Accounts to allow adequate time for review before submission to the Board, focusing on:

- the Letter of Representation which accompanies the draft final accounts;
- the assurances contained in the Governance Statement and other disclosures relevant to the Terms of Reference of the Committee;
- changes in, and compliance with, accounting policies and practices;
- unadjusted errors in the financial statements;

- major judgmental areas;
- significant adjustments resulting from the audit.

The Committee should also ensure that the systems for financial reporting to the Board, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided to the Board.

General Responsibilities

The Committee will also have a role in a number of areas where its independence, objectivity and skills are of importance:

- i. The Governance and Audit Committee shall oversee the adequacy of BSO's arrangements for ensuring that value for money is obtained in the expenditure of all public funds entrusted to its care. This will include a review of the findings from, and management's response to, all value for money audit reports issued to BSO as part of the regional VFM programme sponsored by DoH. These findings will be reported to the BSO Board;
- ii. Consider relevant reports from the Public Accounts Committee and any relevant circulars issued by the DoH and consider with management the implications for BSO;
- iii. Review proposed changes to Standing Orders, Standing Financial Instructions and the Scheme of Delegation and examine the circumstances where Standing Orders are waived;
- iv. Review all losses and compensation payments as part of the annual accounts process and recommend any appropriate actions;
- v. The Governance and Audit Committee chair will authorise the payment of any expenses of the Chair of BSO, following validation of their accuracy by the Chief Executive of BSO;
- vi. Consider any ultra vires transaction advised to them and recommend an appropriate course of action.
- vii. Review the BSO Register of Direct Award Contracts.

REPORTING

The minutes of Governance and Audit Committee meetings shall be formally recorded by the Secretary to the Committee and submitted to the Board. The Chair of the Committee shall draw to the attention of the Board any issues that require disclosure to the full Board, or require executive action.

The Chair of the Governance and Audit Committee, shall on behalf of the Committee, prepare and publish an annual report on the activities of the Committee and this shall be presented to the Board of Directors.

REVIEW OF EFFECTIVENESS

The Governance and Audit Committee will, on an annual basis review its effectiveness using an appropriate assessment methodology. It will also ensure that its members are kept up to date with developments in audit practice through accessing appropriate training.

OTHER MATTERS

The Committee shall be supported administratively by the BSO Director of Finance and the Governance and Audit Officer, whose duties in this respect will include:

- Agreement of agenda with the Chair and attendees;
- Collation and distribution of papers sufficiently in advance of each meeting to facilitate their full consideration and discussion at the meeting;
- Taking the minutes and keeping a record of matters arising and issues to be carried forward;
- Advising the Committee on pertinent areas.

APPENDIX 13 – REMUNERATION AND TERMS OF SERVICE COMMITTEE

Remuneration and Terms of Service Committee

Terms of Reference

The main functions of the Committee are:

- to make recommendations to the Board of the BSO on the total remuneration and terms of service package for Executive Directors, senior executives to ensure that they are fairly rewarded for their individual contribution to the organisation. This would include having proper regard to the Organisation's circumstances and performance and to the provision of any national arrangements for such staff, where appropriate. The Remuneration Committee shall also ensure that Board members' total remuneration can be justified as reasonable in accordance with Departmental limits and in the light of general practice in the public sector in Northern Ireland;
- to oversee the proper functioning of performance and appraisal systems;
- to oversee appropriate contractual arrangements for all staff. This would include a proper calculation and scrutiny of termination payments, taking account of such national guidance as is appropriate;
- to agree and monitor a remuneration strategy that reflects national agreements and Departmental policy;
- to monitor the application of the remuneration strategy to ensure adherence to all equality legislation.

Relationship with and Reporting to the Board

The Committee shall report, in writing, to the Board on the basis for its decisions. Minutes of the Board meeting shall record such decisions.

Composition of the Remuneration and Terms of Service Committee

The Committee shall comprise the BSO Chairperson and at least one Non-Executive Director. None of these members should be members of the Governance and Audit Committee. A quorum shall be two members.

The Chief Executive and other senior executives shall not be present for discussions about their own remuneration and terms of service. However, they can be invited to attend meetings of the Committee to discuss other staffs' terms as required.

The Chief Executive, People and Place and the Director of Finance shall provide advice and support to the Committee.

Establishment of Remuneration and Terms of Service Committee

The Committee shall be constituted as a Committee of the Board with the power to make decisions on behalf of the Board of the BSO and where appropriate make recommendations to the Board. The Terms of Reference are to be approved by the Board and recorded in the Board minutes.

Committee meetings shall be conducted formally and minutes submitted to the Board at its next meeting in accordance with policy.

The Committee shall expect to meet at least three times per year. Agenda and briefing papers shall be prepared and circulated in sufficient time for members to give them due consideration.

Attendance

- Only the members of the Committee, the Chief Executive, Director of People and Place and the Director of Finance shall attend the meetings as a matter of course.
- Appropriate administrative support staff shall be in attendance to record the business of the meetings.
- The Director of People and Place will be responsible for the implementation of remuneration and terms and conditions of service in the BSO. He/she shall deal with all matters affecting terms and conditions of service. He/she shall be present at every meeting.
- Other Executive or Non-Executive Board members and officers may be invited to attend as required. The Director of Finance shall have a standing invitation to attend all meetings.
- Any member of staff of the BSO may be required to attend a meeting of the Committee, as necessary.
- The Committee Chair shall request fuller explanatory information in papers put before them, if there are any doubts or uncertainties and the issues discussed shall be summarised in the minutes.

Frequency of Meetings

Meetings should be held as appropriate to review remuneration matters or deal with specific matters. Further meetings may be arranged at the discretion of the Chairperson, as necessary.

APPENDIX 14 – BUSINESS AND DEVELOPMENT COMMITTEE

CONSTITUTION

The Board has established a Committee of the Board to be known as the Business and Development Committee ('the Committee'). The Committee is a non-executive Committee of the Board and has no executive powers, other than those specifically delegated in these Terms of Reference.

The Terms of Reference will be approved by the Board and recorded in the Board minutes.

Committee meetings shall be conducted formally and a report made to the Board at its next meeting. Agenda and briefing papers shall be prepared and circulated in sufficient time for members to give them due consideration.

MEMBERSHIP OF THE COMMITTEE

The Committee shall comprise of three Non-Executive Directors of BSO. The quorum for meetings of the Committee shall be two members.

Membership may be reviewed periodically by the Chair of the Board. The Committee Chair will serve for an initial period of one year or as long as he/she is a member of the Board, whichever is shorter.

- The Chair of the Board shall designate a Chairman of the Business and Development Committee from its members and has the power to co-opt members.

The Committee has the ability to co-opt members for a period of less than one year to provide specialist skills that enhance the effectiveness of the Committee.

ATTENDANCE AND SECRETARIAT

Only the members of the Committee, Director of Strategic Planning and Customer Engagement (SP&CE), Director of Operations and Director of Human Resources shall attend the meetings as a matter of course. Other Executive and Non-Executive Board members and officers may be invited to attend as required. The Chief Executive of BSO should attend at least one Business and Development Committee meeting per year.

The Committee has the right to request the attendance of any member of BSO staff should a relevant issue arise.

The Manager of Chair and Chief Executive's Office shall be Secretary to the Committee and shall attend to take minutes of the meeting and provide appropriate support to the Chair and committee members.

4 FREQUENCY OF MEETINGS

The Committee shall meet up to 4 times per year. Further meetings may be arranged at the discretion of the Committee Chair as necessary.

5 AUTHORITY

The Committee is authorised by the Board to investigate any activity within its terms of reference. The Committee Chair is authorised to seek any information required from any employee and all employees are directed to co-operate with any request made by the Committee.

6 TERMS OF REFERENCE

The Terms of Reference will be kept under review in light of any emerging or changing accountability arrangements for the Business Services Organisation.

The Committee will:

- Scrutinise reports from officers on BSO's handling of complaints, FOIs and other administrative matters and consequential actions with a view to ensuring they have been addressed in accordance with relevant policies and protocols and identify if there are any recurring themes which require to be brought to the attention of the Board;
- Review on behalf of the Board the handling of serious adverse incidents to ensure that lessons learned are acted upon and communicated where appropriate across the organisation and/or wider HSC;
- Review reports on Human Resources and Corporate Services matters with a view to supporting the management of the workforce in a manner conducive with organisation strategic plans and values and report significant matters to the Board
- Keep under review the Organisation's performance in relation to delivery on Service Level Agreements;
- Monitor the progress of implementation of major change projects in BSO as delegated by and on behalf of the Board;
- Monitor and make recommendations where necessary and advise the Board on the organisational process for Information Management;

- Scrutinise the policies and procedures for all work related to Information Management on behalf of the Board to ensure they comply with legislative and good practice standards.
- Review and approve policies on behalf of the Board relating to Corporate Services and / or Human Resources.
- Scrutinise on behalf of the Board customer survey and benchmarking results.

The Chairman of the Board may use their discretion to refer to any relevant matter to the Committee.

7 REPORTING

The minutes of the Business and Development Committee meetings shall be formally recorded by the Manager of Chair and Chief Executive's Office and submitted to the Board. The Chair of the Committee shall report to the full Board on the work of the Committee.

8 REVIEW OF EFFECTIVENESS

The BSO Board shall as part of its annual governance self-assessment review the effectiveness of the Business and Development Committee

APPENDIX 15 – BSO Partnership Agreement



BSO Partnership
Agreement - FINAL 1