



# Assurance Frameworks – Are they being used effectively?

January 2023

# Assurance Frameworks

## 1. Introduction and Background

An efficient and effective Assurance Framework (AF) is a fundamental component of good governance, providing a tool for the Board to identify and ensure that there is sufficient, continuous and reliable assurance, organisational stewardship and the management of the major risks to organisational success.

The principles of assurance frameworks have been in place for many years, and there has been a continued focus on ensuring the embeddedness of these processes and the extent they are used by the Board.

Whilst traditionally the AF focused on risks, controls and assurances within the organisation, we are starting to see a wider focus across organisation boundaries and an increase in external risks to reflect the environment within which organisations are operating. With the creation of Integrated Care Boards (ICBs) and the emphasis on local system working we see this trend continuing with the need for System risks to be considered and as appropriate reflected in AFs. The fundamental principles of good risk management, of which the AF is an integral part, are the same for both organisational and System level risks, but System risks will tend to be more complex and be impacted by multiple factors.

This briefing summarises the anonymised results of a survey of NHS Foundation Trust/Trust Board members and other relevant personnel, across MIAA's client base, to collate views on the utilisation and effectiveness of the AF within their organisations. The topics covered by the survey were:

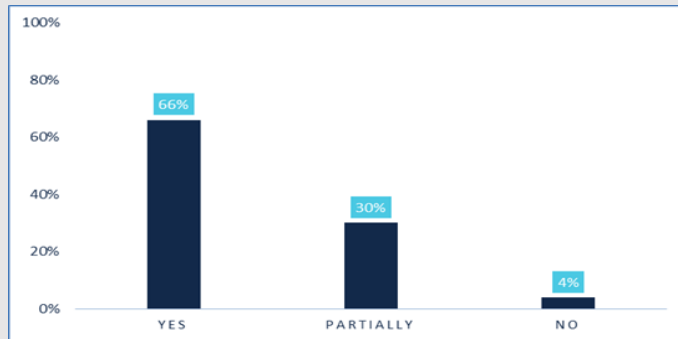
- Alignment of the organisation's strategic objectives and key risks;
- Utilisation and consideration of risk appetite;
- Board engagement with and scrutiny of the AF; and
- System related risks.

## 2. Survey Results

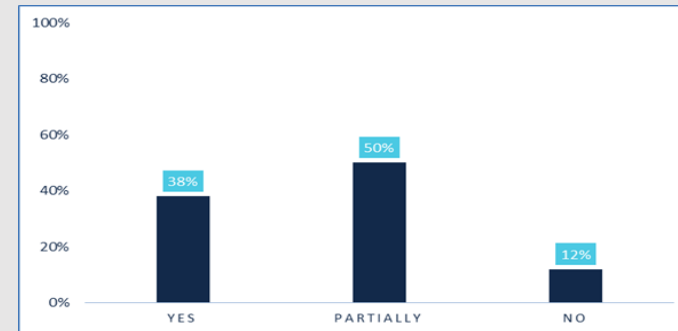
### Survey Responses – MIAA Clients

#### Strategic Objectives

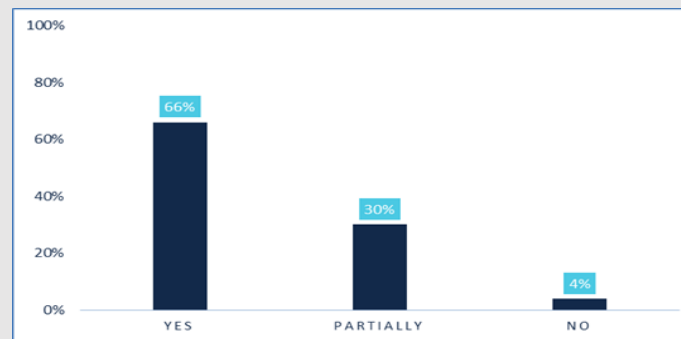
1. In your view, are the organisation's strategic objectives clear and well defined?



2. Do you feel that the organisation's strategic objectives are current and relevant given the changing landscape and integrated working?



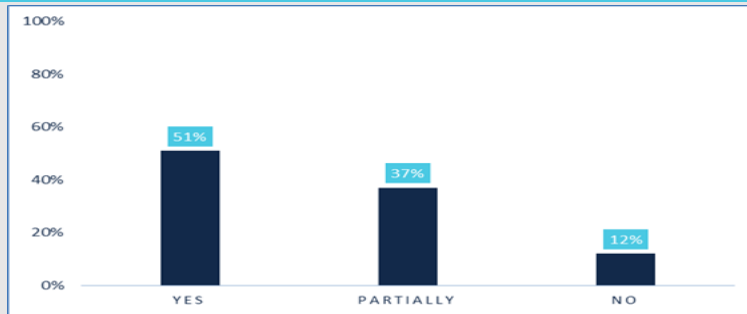
3. From your perspective, does the Assurance Framework align the organisation's strategic objectives to the key risks?



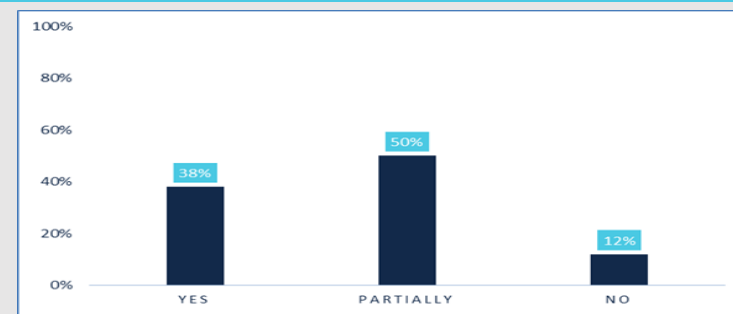
## Survey Responses – MIAA Clients

### Risk Appetite

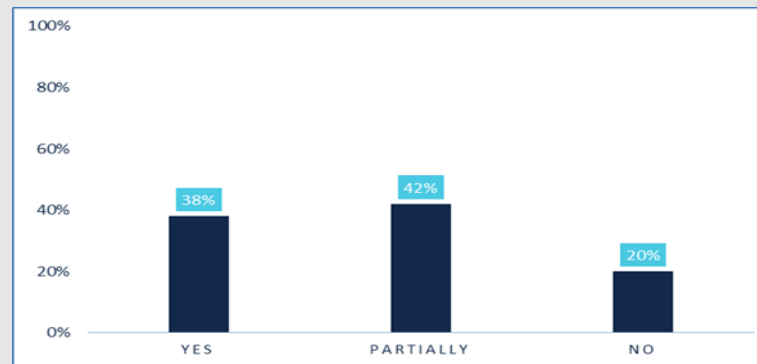
4. In your view, is the organisation's risk appetite clear, well defined and reviewed at the correct frequency?



5. In your opinion, is the risk appetite set at an appropriate level and reflective of the organisation's current circumstances and environment (including the impact of system working).



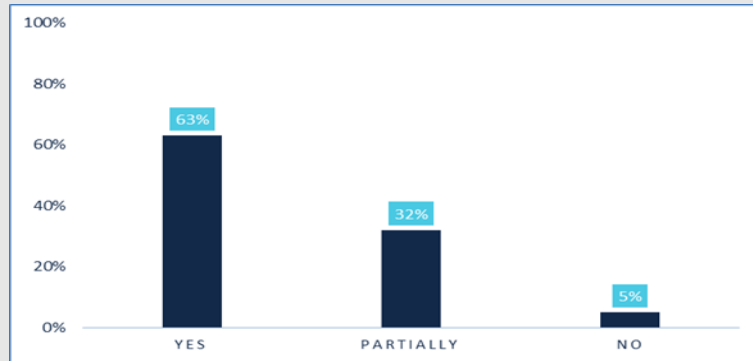
6. Do you believe risk appetite is duly considered and effectively utilised in the management of the organisation's Assurance Framework?



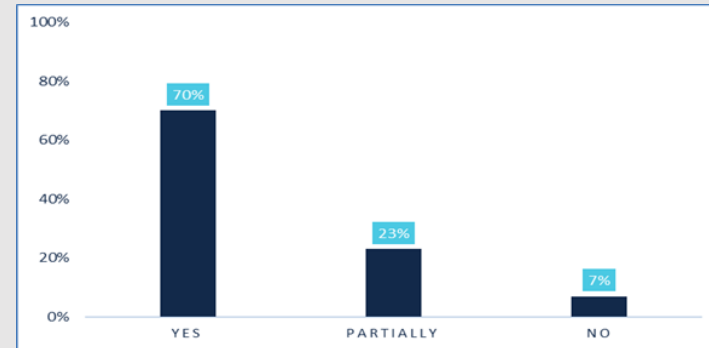
## Survey Responses – MIAA Clients

### Engagement and Reporting

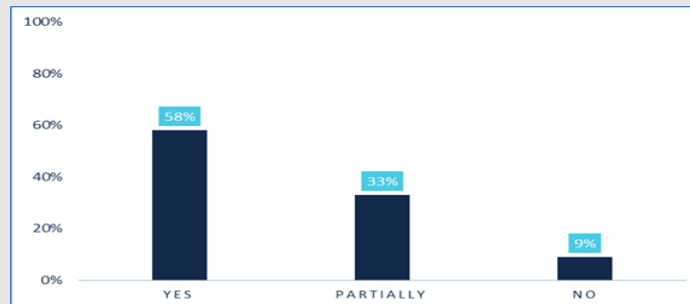
7. In your view, are the governance and reporting structures around the Assurance Framework clear?



8. In your opinion, does the Board/Governing Body effectively engage with the Assurance Framework (e.g. is it presented frequently enough, is it given sufficient time on the agenda, is the discussion suitably strategic etc.)?



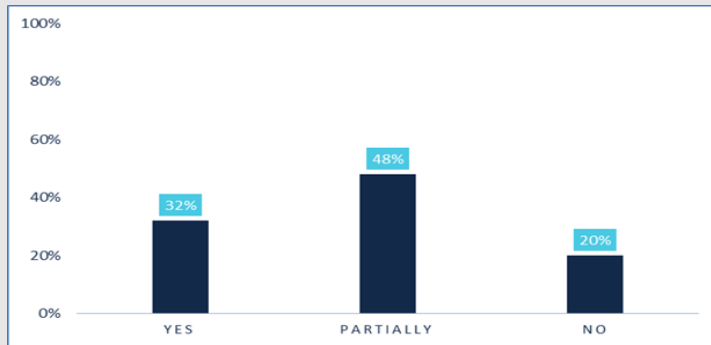
9. Do you feel adequately assured over the management and mitigation of risks on the Assurance Framework?



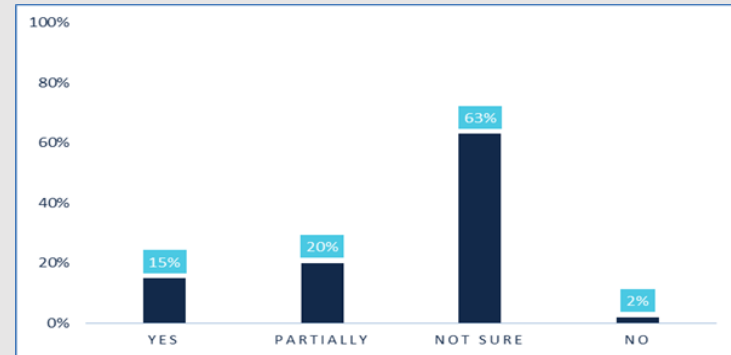
## Survey Responses – MIAA Clients

### System Risks

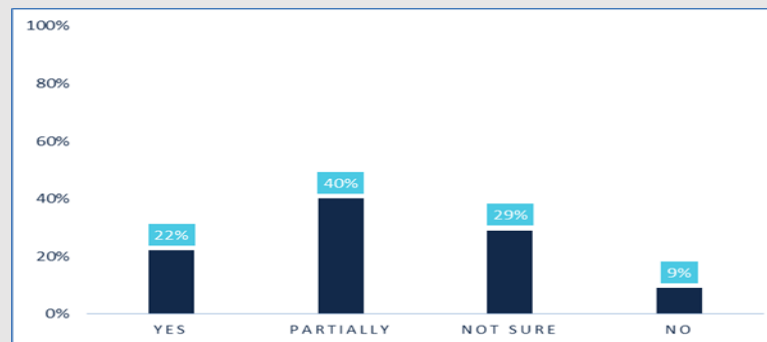
10. In your view, are the risks around system/partnership working clearly articulated and reviewed at the correct frequency with the pace of change?



11. Do you feel that system risks contained in your Assurance Framework are consistent with other Trusts/Trusts within the provider collaborative and the wider system?



12. In your opinion, are controls, assurances and gaps of each risk reflective of system working arrangements?



### 3. Survey Findings

#### Areas of good practice

- Most respondents felt that their organisation's strategic objectives were clear and well defined. Objectives were also viewed as being current and relevant within the changing landscape/integrated working arrangements.
- 96% of respondents felt that the AF aligns the organisation's strategic objectives to the key risks and were either in full or partial agreement with this statement.
- Half of the respondents agreed that risk appetite is set at an appropriate level and reflective of the organisation's current circumstances and environment, 38% partially agreed.
- The majority of respondents felt that the governance and reporting structures around the AF were clear and that there is effective engagement with the AF in terms of frequency in presentation, sufficient time on agendas and discussions being suitably strategic.
- 62% of respondents were in full or partial agreement that controls, assurances and gaps for all risks were reflective of System working arrangements. 29% were not sure and 9% selected no.

#### Areas for Enhancement/Consideration

- Risk appetite is an area for ongoing focus both in terms of how organisations define their appetite and the extent to which this reflects the current circumstances and environment. Also, respondents highlighted concerns in how well risk appetite was utilised in the management of the AF. 20% of respondents felt that the risk appetite was not duly considered and effectively utilised in the management of the organisation's AF, 42% of respondents were in partial agreement with this statement.
- 42% respondents either answered partially agreed or no when asked if they felt adequately assured over the management and mitigation of risks on the AF.
- A greater percentage of respondents answered no or partially agreed (67%) in response to questions relating to risks around System/partnership working being clearly articulated and reviewed at the correct frequency with the pace of change.
- In response to the question relating to the consistency of System risks in the organisation's AF and those of other Trusts/Foundation Trusts within provider collaboratives and the wider system, the majority of respondents selected not sure (63%), 15% answered yes, 20% partially agreed with this statement and 2% selected no.

This Insight provides information to support NHS organisations in understanding current Board level views of the AF. It is intended to prompt and inform discussions.

1. If strategic objectives and key risks are not aligned on the AF what is being done to rectify this?
2. Is risk appetite regularly discussed at Board level?
3. Is risk appetite discussed when reviewing the AF? Are risk scores challenged/viewed in line with risk appetite?
4. Is the Board agenda led by strategic objectives and AF risks? If not, why?
5. What are the mechanisms by which the Board receives assurances on the management of AF risks? Is this sufficient?
6. Is there enough focus on System related risks and mitigations in place and are these sufficiently reviewed in line with the pace of change?

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**Find out more:** If you have any queries or feedback on this briefing, please contact: Sarah Dowbekin, Head of R&D, QA & Professional Standards at MIAA (M: 07788 308 155; E: [sarah.dowbekin@miaa.nhs.uk](mailto:sarah.dowbekin@miaa.nhs.uk))