

Business Planning, risk and control framework

ISHA's financial strategy underpins the strategic objectives. Our first priority is to make sure that the business remains financially viable and protects service delivery to residents.

Our business plan has been tested for ISHA Group to:

1. Maintain our existing homes and services to our residents
2. Improve our existing homes and services to our residents
3. Develop more low cost homes in our areas of operation
4. Develop and implement a community development programme for our residents that improves health and well-being and employment and training opportunities

The areas of activity above are numbered to reflect their order of priority. In the event that external events impacted negatively upon the business plan, the Board has agreed the hierarchy of which areas of work would need to be curtailed first, with the maintenance of our existing homes and services being the highest priority to preserve.

Our business plan is robust and we will continue to ensure there is access to sufficient liquidity at all times. Our financial forecasts are based on appropriate and reasonable assumptions and effective systems are in place to monitor and accurately report delivery of our plans.



Our risk management framework takes account of both the risks and opportunities within the sector and wider economy and is aligned to our strategic priorities. Every year the Board formally reviews its appetite for risk, which sets the parameters for our business. At the last assessment the Board re-confirmed our risk appetite is Cautious. This means our preference is for safe delivery options that have a low degree of residual risk and may have limited potential for reward.

ISHA's Board formally monitors at every meeting our compliance with our funders' covenants and all other regulatory and statutory requirements.

We have further strengthened our assessment of long term viability to make sure our assets are protected by:

Establishing a record of assets and liabilities, and a method for making sure it is updated;

Stress tested the business plan across a range of multiple scenarios that would break the plan. From these tests we have identified further key mitigations to protect the business from breach of viability.

Before any new liabilities are taken on, the Board require that the risks of those liabilities are business planned, and what the liability on our current and future business would be.

We annually assess our compliance with our code of Governance (NHF 2015 edition) and compliance with the regulatory code and Economic and Customer standards. We publish in our financial statements our compliance with these codes, and use the assessment as a further test of our risk management framework.

We have integrated our risk and performance review cycle to make sure that the Board is reviewing key risk-informed performance.

