MIAA 26/27 Insight

Board Assurance Frameworks

Managing What Matters Most

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Background & Context

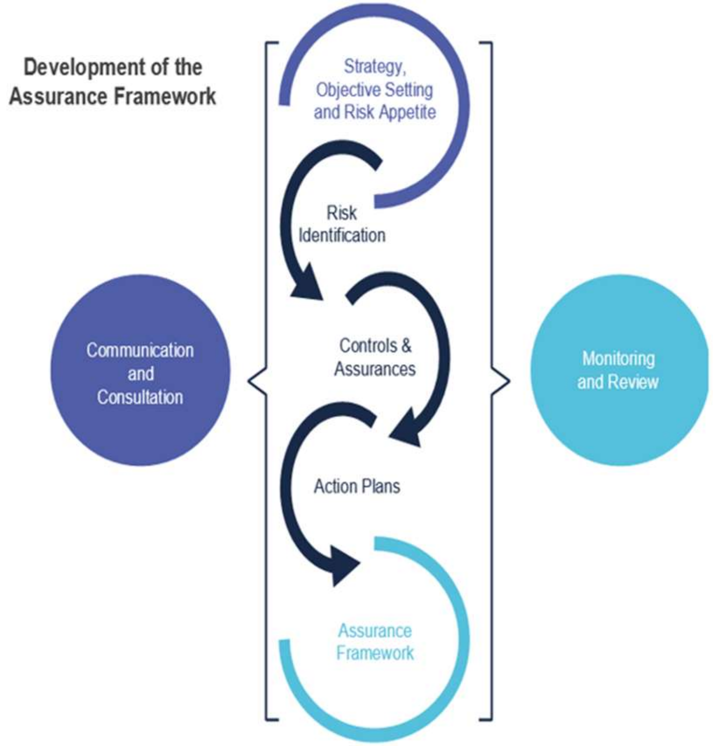
An efficient and effective Board Assurance Framework (BAF) is a fundamental component of good governance, providing a tool for the Board to identify and ensure that there is sufficient, continuous and reliable assurance, organisational stewardship and the management of the major risks to organisational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

Review of BAFs across MIAA's NHS client base for 2023/24 to 2025/26 identified a number of risk themes. The NHS principal strategic BAF risks have continued to evolve between 2023/24 and 2025/26, reflecting changes in the operating environment, strategic priorities, and emerging challenges.

Whilst **People, Quality & Safety**, and **Financial Sustainability** have remained consistent areas of strategic focus, their relative priority has shifted over time in response to organisational needs and external pressures. The prominence of **Strategic Direction & Partnerships** in 2024 reflected an increased focus on system working, collaboration, and organisational transformation, whilst **Quality & Safety** emerged as the highest-ranked strategic risk in 2025, highlighting the continued importance of delivering safe, effective, and high-quality care.

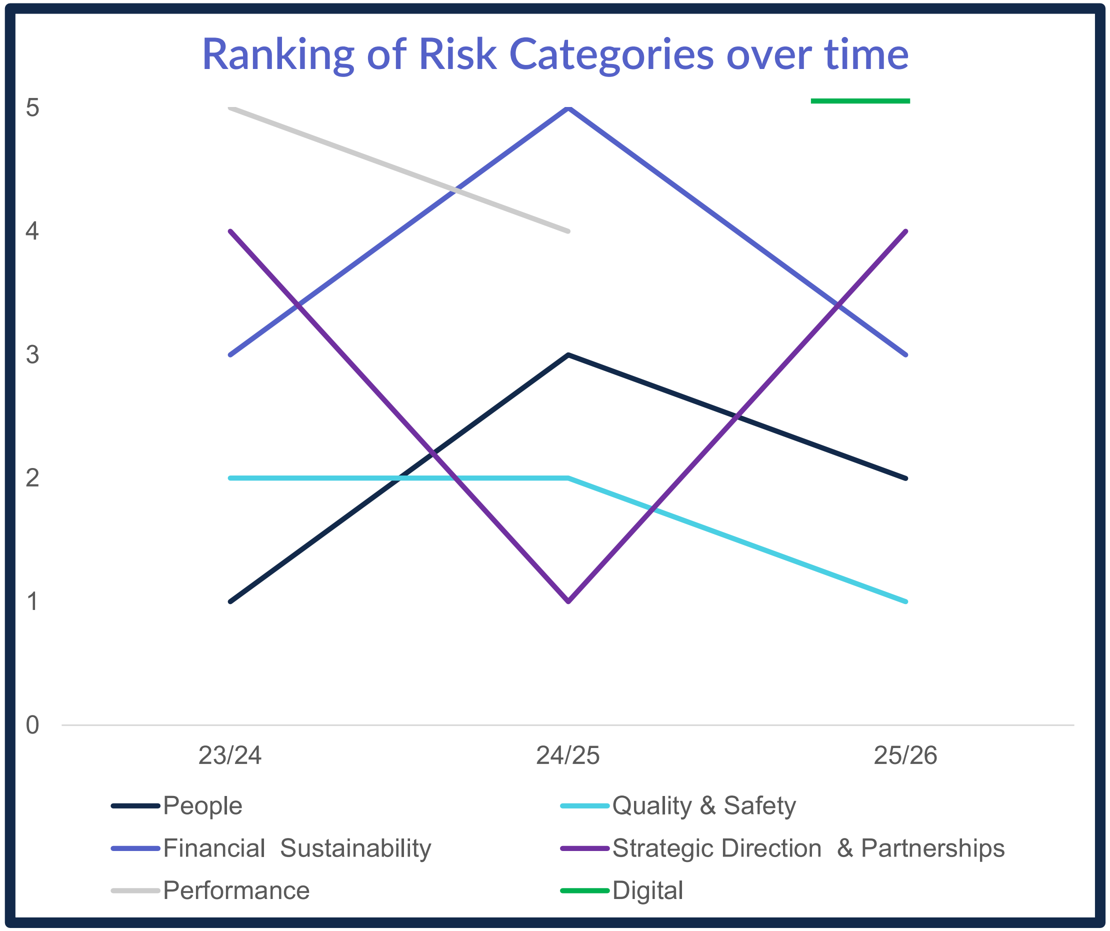
The introduction of **Digital** as a top five principal strategic risk in 2025/26 demonstrates the growing significance of digital transformation, technology, data, and cyber resilience in supporting service delivery and achieving strategic objectives.

Reviewing the evolution of these risks provides an opportunity to understand how the NHS risk profile has changed over time and to ensure the BAF remains aligned to organisations' strategic objectives, risk appetite, and future priorities.



Key Message: *Whilst strategic priorities have evolved, across our organisations principal risks continue to focus on delivering safe care, supporting workforce, maintaining financial sustainability, and responding to an increasingly complex operating environment.*

Evolution of Top Five Principal BAF Strategic Risks (2023/24–2025/26)



Key Insights

- **Quality & Safety** has risen to the highest-ranked strategic risk in 2025/26
- **People** remains a consistently high priority across all years
- **Financial Sustainability** remains a constant strategic concern
- **Strategic Direction & Partnerships** peaked as the highest-ranked risk in 2024/25
- **Digital** emerges as a new top 5 principal strategic risk in 2025/26

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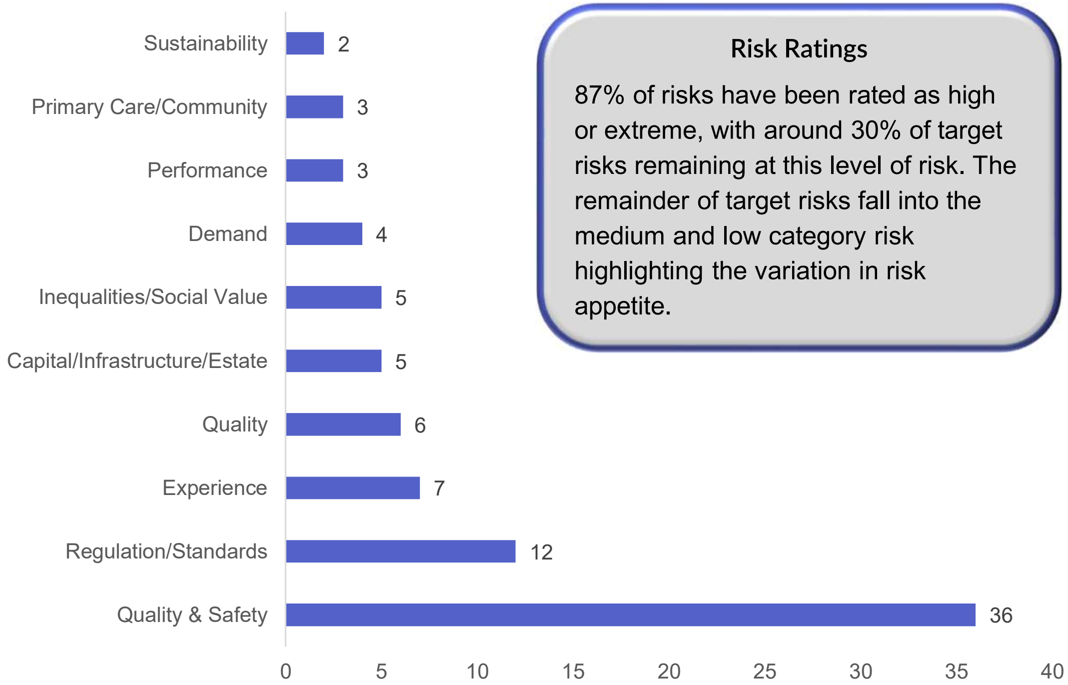
2025/26 Priority 1: Quality & Safety

Top 10 Quality & Safety Sub-Categories



Risk Ratings

87% of risks have been rated as high or extreme, with around 30% of target risks remaining at this level of risk. The remainder of target risks fall into the medium and low category risk highlighting the variation in risk appetite.

Summary

The 2025/26 profile reflects a clear transition to an integrated, safety-focused risk landscape, with Quality & Safety now the central priority, reinforced by increased regulatory and safeguarding pressures, and supported by a more streamlined distribution of secondary and residual risks.

Analysis

- The 2025/26 Quality & Safety risk profile shows a major shift towards a more integrated, safety-led approach, with **Quality & Safety** emerging as the dominant category at 36 risks, a substantial increase from 7 in 2024/25. This reflects organisations consolidating previously separate but related areas—most notably Quality (16 in 2024/25)—into a broader, more comprehensive risk, alongside increased organisational focus on patient safety, risk management, and assurance systems, and greater visibility of safety-related risks.
- In parallel, **Regulation / Standards / Frameworks** has increased significantly from 2 to 12 risks, highlighting heightened regulatory scrutiny, stronger emphasis on compliance and external assurance, and a growing focus on meeting required standards.
- Although standalone **Quality** risks have reduced to 6, this primarily reflects reclassification into the wider Quality & Safety category rather than a reduction in underlying concerns.
- Supporting this core risk cluster, **Capital / Infrastructure / Estate, Inequalities / Social Value**, each record 5 risks, and **Demand** 4 risks representing operational and system pressures that influence quality outcomes.
- **Performance** remains stable at 4, indicating ongoing challenges in maintaining service standards.
- Lower-tier categories, including **Primary Care / Community** and **Sustainability** (3 each), and a wider range of single-risk areas such as **Access, Emergency Care, Financial Sustainability, Leadership & Governance, Safe Staffing, Strategy, and System**, form a long tail of less prominent but still relevant risks.

2025/26 Priority 2: People

Top 10 People Sub-Categories

Risk Ratings

78% of risks have been rated as high or extreme risk. Interestingly, the target risks remain in the high or extreme risk range for 30% of risks with the remaining target risk scores varying across the medium to very low risk range, highlighting the different appetites in relation to People related risks across organisations.

Analysis

- The 2025/26 workforce risk profile shows a clear shift towards a more concentrated and intensified structure, with **Staff Experience/Culture** remaining the dominant category at 23 risks, despite a reduction from 31 in 2024/25. This continued prominence indicates that workforce challenges have not diminished but are increasingly being captured in a more integrated way, with staff experience now more closely linked to wider recruitment and retention pressures.
- **Recruitment** has risen significantly from 6 to 20 risks and now sits at a similar level to Staff Experience/Culture, representing a major escalation and confirming a more acute workforce supply challenge, including difficulties attracting and retaining talent and increasing vacancy pressures.
- **Equality, Diversity & Inclusion** has also emerged as a more prominent and clearly defined category at 7 risks, reflecting increased organisational focus and visibility of inclusion and inequality-related issues.
- In contrast, **Safe Staffing** has reduced from 5 to 3 risks, suggesting either improved control or, more likely, the absorption of staffing pressures into broader workforce themes such as experience and recruitment.
- Other supporting categories, including **Experience and Sustainability** (3 each), and **Absence** and **Inequalities / Social Value** (2 each), remain present but less significant relative to the dominant workforce risks.
- A wide range of residual categories—including **Financial Sustainability**, **Leadership & Governance, Performance, Training, Quality, Regulation, and Research & Innovation**—each record 1 risk, forming a longer tail of low-frequency risks and indicating a more compressed and prioritised risk profile compared to 2024/25.

Summary

The 2025/26 profile reflects a more concentrated and intensified workforce risk landscape, with Staff Experience and Recruitment now dominating, highlighting that organisational capacity, retention, and workforce supply are the primary pressures requiring focused and coordinated management.

2025/26 Priority 3: Financial Sustainability

Analysis

- The 2025/26 **Financial Sustainability** risk profile shows a further intensification and concentration of financial pressures, with Financial Plan / Sustainability remaining the dominant category and increasing from 29 to 35 risks. This rise indicates escalating challenges in maintaining financial balance, including reduced flexibility, growing difficulty in operating within constrained resources, and heightened exposure to external economic pressures such as inflation and funding limitations.
- Alongside this, **Capital / Infrastructure / Estate** risks have also increased from 10 to 13, reinforcing their role as a key secondary driver of financial risk and highlighting the ongoing cost and complexity associated with maintaining, upgrading, and investing in estates and infrastructure.
- In contrast, **Cost Savings / Efficiency** has reduced slightly from 4 to 3 risks, suggesting either marginal improvements in cost control or a shift towards these risks being absorbed within broader financial planning concerns.
- **Investment / Systems / Infrastructure**, recorded at 3 risks, reflects continued reliance on targeted investment to support efficiency and transformation, albeit at a relatively lower scale.
- A range of lower-level categories—including **Environmental Sustainability, Quality & Safety, Regulation / Standards / Frameworks,** and **Sustainability** (all at 2 risks)—remain present but less prominent, indicating that these considerations are still relevant but increasingly integrated into overarching financial risk themes.
- **Leadership and Governance** and **Targets / Standards** each record 1 risk, forming part of a long tail of low-frequency but strategically important issues that can carry disproportionate impact if not effectively managed.

Top 10 Financial Sustainability Sub-Categories

Risk Ratings

Unsurprisingly, 90% of the risks in this category are rated as high/extreme risks with 47% of the target risk scores remaining at this level.

Summary

The 2025/26 financial risk profile reflects a more intense and centralised focus on financial sustainability, with growing pressure on core financial planning and infrastructure costs, indicating that maintaining affordability and long-term resilience is now the primary organisational challenge.

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2025/26 Priority 4: Strategic Direction & Partnership

Top 10 Strategic Direction & Partnership Sub-Categories

Risk Ratings

65% of risks have been rated as high or extreme risk. Target risks remain in the high or extreme risk range for 17% of risks with the remaining target risk scores varying across the medium to very low risk range, indicating in the main, the aspiration to significantly reduce risk levels over time.

Summary

The 2025/26 profile reflects a stronger concentration of risk around partnership effectiveness and strategic delivery, with collaboration remaining critical but increasing pressure now evident in organisations ability to execute complex transformation programmes, supported by a more streamlined distribution of secondary and residual risks.

Analysis

- The 2025/26 Strategic Direction & Partnership risk profile shows a more concentrated and explicitly defined structure, with **Partnership** remaining the dominant category at 20 risks, unchanged from 2024/25. This stability confirms that effective collaboration continues to be a critical dependency for delivering strategic objectives, with persistent challenges around alignment, communication, and shared priorities that have not materially reduced despite ongoing focus.
- Alongside this, **Strategy and Strategy / Transformation** have both emerged as major risk areas at 11 risks each, forming a combined core theme that represents a significant strengthening of strategic delivery risk compared to 2024/25, where such risks were more dispersed or less explicitly defined. This shift reflects increasing complexity in implementing change, greater reliance on transformation programmes, and heightened execution risk in achieving long-term organisational objectives.
- **System** risks have reduced slightly from 7 to 6 but remain important in supporting operational effectiveness, while **Leadership & Governance** has increased from 3 to 5, indicating growing recognition of the importance of oversight, accountability, and decision-making in managing strategic delivery pressures.
- In contrast, several categories—including **Capital / Infrastructure / Estate, Investment / Systems / Infrastructure, Equality, Diversity & Inclusion**, and **Financial Plan / Sustainability**—have reduced to 1 risk each, suggesting either improved control, reduced emphasis, or consolidation into broader strategic and partnership-related themes. The reduction in ED&I within this domain, alongside its prominence elsewhere, indicates a shift in categorisation rather than a reduction in underlying risk.
- A range of additional single-risk categories, including **Personal Development / Training, Regulation / Standards / Frameworks, Reputation, and Research & Innovation**, form a residual layer of lower-frequency risks, reflecting a more compressed and prioritised profile compared to 2024/25, with fewer mid-tier categories and a longer tail of minimal-risk areas.

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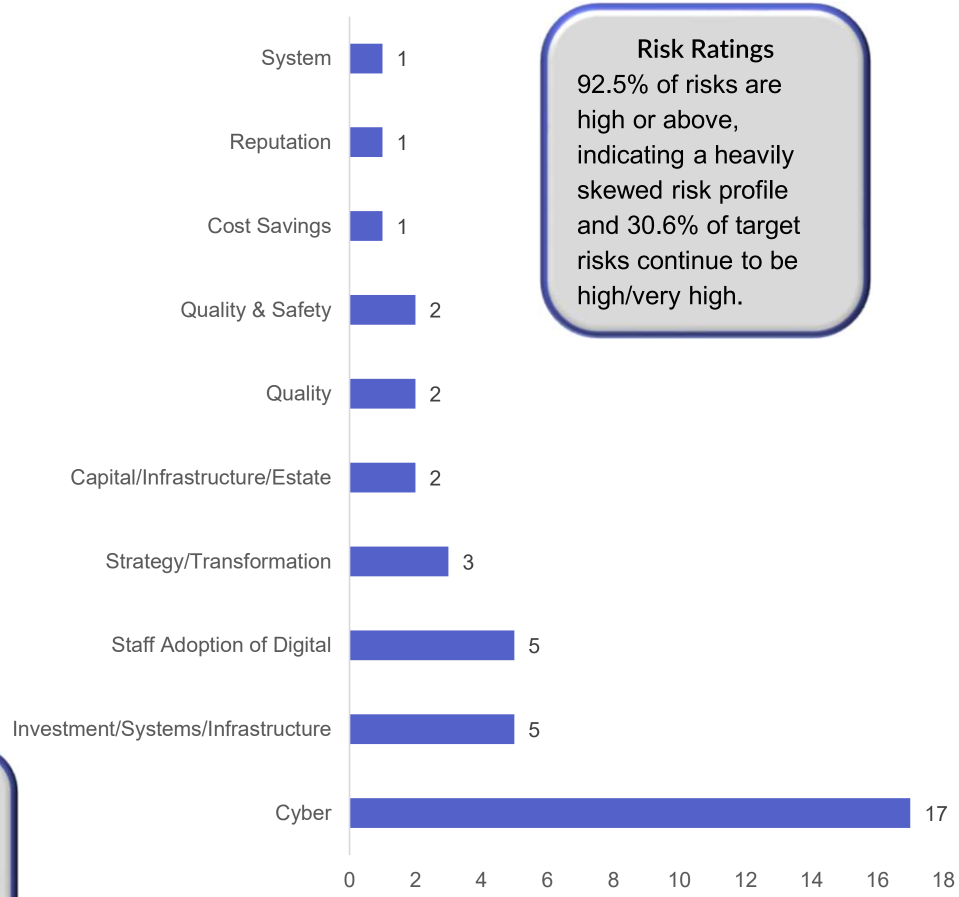
2025/26 Priority 5: Digital

Analysis

- The 2025/26 digital risk profile shows a clear shift towards cyber security as the dominant concern, with **Cyber** risks increasing significantly from 9 to 17 and now representing the most prominent threat area. This rise reflects escalating exposure to cyber threats, including ransomware and data breaches, alongside heightened regulatory and organisational focus on cyber resilience, underlining the critical need for robust security frameworks, monitoring, and staff awareness.
- In contrast, **Investment / Systems / Infrastructure** risks have reduced substantially from 13 to 5, indicating either a relative stabilisation of system investment challenges or a shift in prioritisation away from infrastructure towards immediate security concerns.
- A notable emerging theme in 2025/26 is **Staff adoption of digital** (5 risks), highlighting challenges in embedding digital tools, ensuring workforce capability, and managing change effectively, with risks linked to underutilisation and inconsistent system use.
- **Strategy / Transformation** remains stable at 3 risks, reflecting ongoing challenges in aligning digital initiatives with organisational priorities and delivering transformation at pace and scale.
- Lower-tier categories, including **Capital / Infrastructure / Estate, Quality, Quality & Safety** (all 2), and **Cost Savings, Reputation, and System** (all 1), indicate a more compressed and prioritised risk landscape, with fewer mid-tier risks and a longer tail of lower-frequency issues.

Summary
Overall, compared to 2024/25, the profile demonstrates a transition from investment-led digital risk to being defined by the growing dominance of cyber risk, supported by ongoing challenges in digital adoption, indicating that strengthening cyber resilience and workforce engagement are now the key priorities for maintaining secure and effective digital operations.

Top 10 Digital Sub-Categories



Risk Ratings
92.5% of risks are high or above, indicating a heavily skewed risk profile and 30.6% of target risks continue to be high/very high.

2025/26 Themes beyond top 5 risks: Performance

Analysis

- The 2025/26 performance risk profile shows a clear and significant shift from the compliance- and target-driven focus seen in 2024/25 towards a more integrated, delivery-focused risk landscape.
- **Performance** has emerged as the dominant risk category, increasing markedly from 1 to 11 risks, indicating growing challenges in maintaining service standards and outcomes and a stronger emphasis on system-wide delivery rather than individual benchmarks.
- In contrast, **Regulation / Standards / Frameworks** risks have reduced substantially from 16 to 6, and **Targets / Standards** from 19 to 4, suggesting that compliance-related risks are increasingly being consolidated within broader performance issues rather than managed as standalone categories.
- At the same time, operational pressures have become more prominent, with **Emergency Services** risks increasing from 2 to 4 and **Access** emerging as a clearer theme with 3 risks, highlighting rising demand, waiting time challenges, and strain on system responsiveness and resilience.
- **Capacity** remains stable at 2 risks, while **Leadership and Governance** has seen a slight increase, indicating ongoing structural and oversight considerations supporting overall performance pressures.
- Lower-tier risk areas, including **Demand, Investment / Systems / Infrastructure**, and **Quality & Safety**, are present but limited in scale, reflecting a more concentrated and streamlined risk profile compared to the broader spread seen previously.

Summary:
The 2025/26 profile reflects a transition to a more focused and integrated performance risk landscape, with delivery pressures—particularly in access and emergency care—now at the forefront, requiring coordinated, system-wide management rather than isolated compliance monitoring.

Top 10 Performance Sub-Categories

Risk Ratings
85% of risks have been rated as high or extreme and around 50% of target risks remain at this level of risk.

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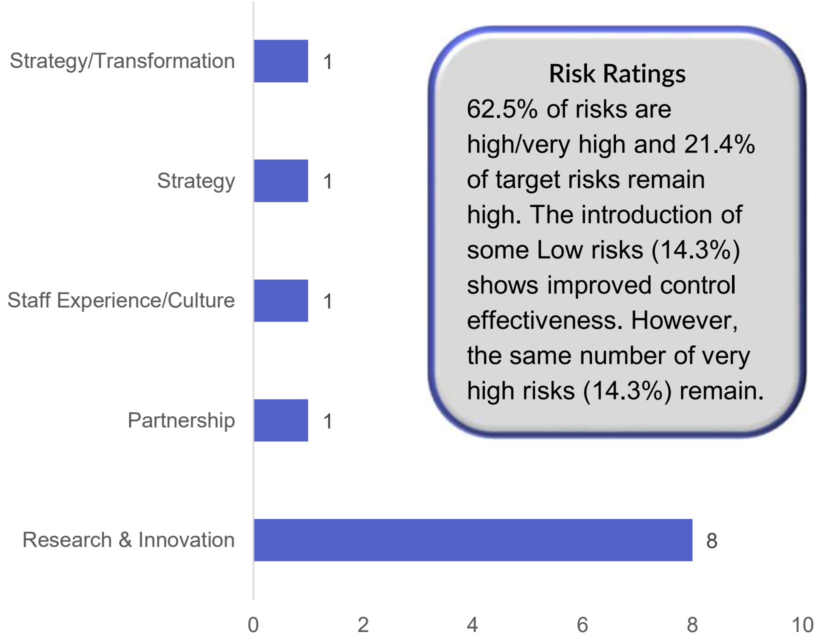
2025/26 Themes beyond top 5 risks: Research & Innovation

Analysis

- The 2025/26 Research & Innovation risk profile shows a clear shift from a previously dispersed and low-volume risk landscape in 2024/25 to a more concentrated and theme-led structure, with **Research & Innovation** emerging as the dominant category at 8 risks. This increased prominence reflects a move towards explicitly recognising innovation-related challenges as a standalone priority, alongside greater visibility of risks associated with delivering innovation outcomes and a consolidation of issues that were previously distributed across categories such as strategy, infrastructure, and performance.
- In contrast to 2024/25, where no single category dominated, the current profile indicates a more mature and structured approach to categorising innovation risks. Supporting categories—including **Partnership, Staff Experience / Culture, Strategy**, and **Strategy / Transformation**—each record only 1 risk, forming a minimal but important enabling layer.
- The reduction in **Strategy / Transformation** risks from 3 to 1 suggests less fragmentation and a greater consolidation of strategic considerations within the overarching Research & Innovation category rather than a reduction in underlying risk.
- **Partnership** and workforce-related risks continue to highlight the importance of collaboration, engagement, and organisational culture in delivering innovation, albeit at lower recorded levels.

Research & Innovation Sub-Categories



Risk Ratings

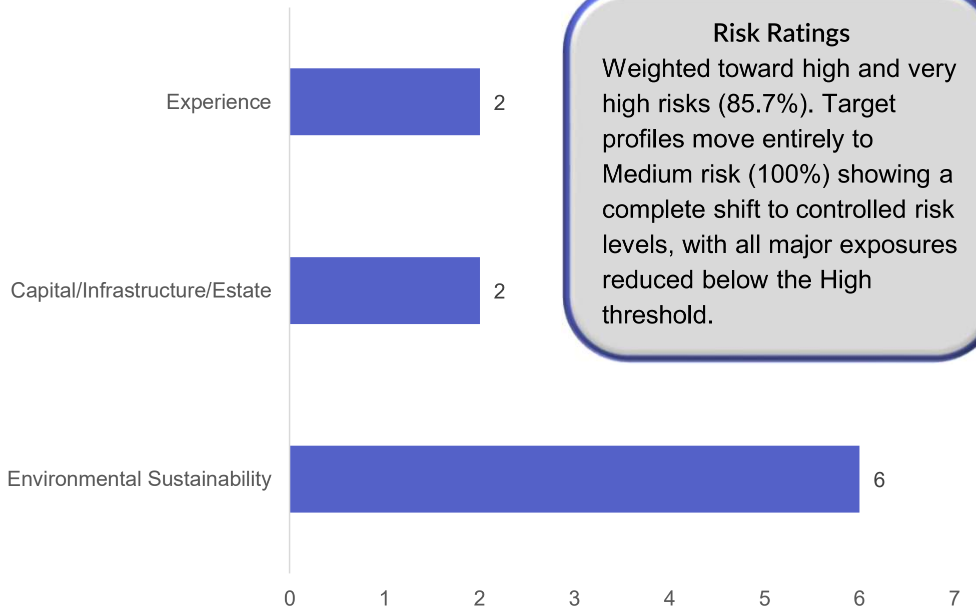
62.5% of risks are high/very high and 21.4% of target risks remain high. The introduction of some Low risks (14.3%) shows improved control effectiveness. However, the same number of very high risks (14.3%) remain.

Summary

The 2025/26 profile reflects a centralised approach to Research & Innovation risk, with the majority of concerns now concentrated within a single dominant category, supported by a small number of enabling factors, signalling increased maturity, visibility, and prioritisation of innovation-related risks.

2025/26 Themes beyond top 5 risks: Environmental Sustainability

Environmental Sustainability Sub-Categories



Risk Ratings

Weighted toward high and very high risks (85.7%). Target profiles move entirely to Medium risk (100%) showing a complete shift to controlled risk levels, with all major exposures reduced below the High threshold.

Summary

The 2025/26 Environmental Sustainability profile reflects a more focused and delivery-oriented risk landscape, where core sustainability risks remain dominant and are increasingly supported by infrastructure and engagement considerations, reinforcing the need for practical implementation alongside strategic commitment.

Analysis

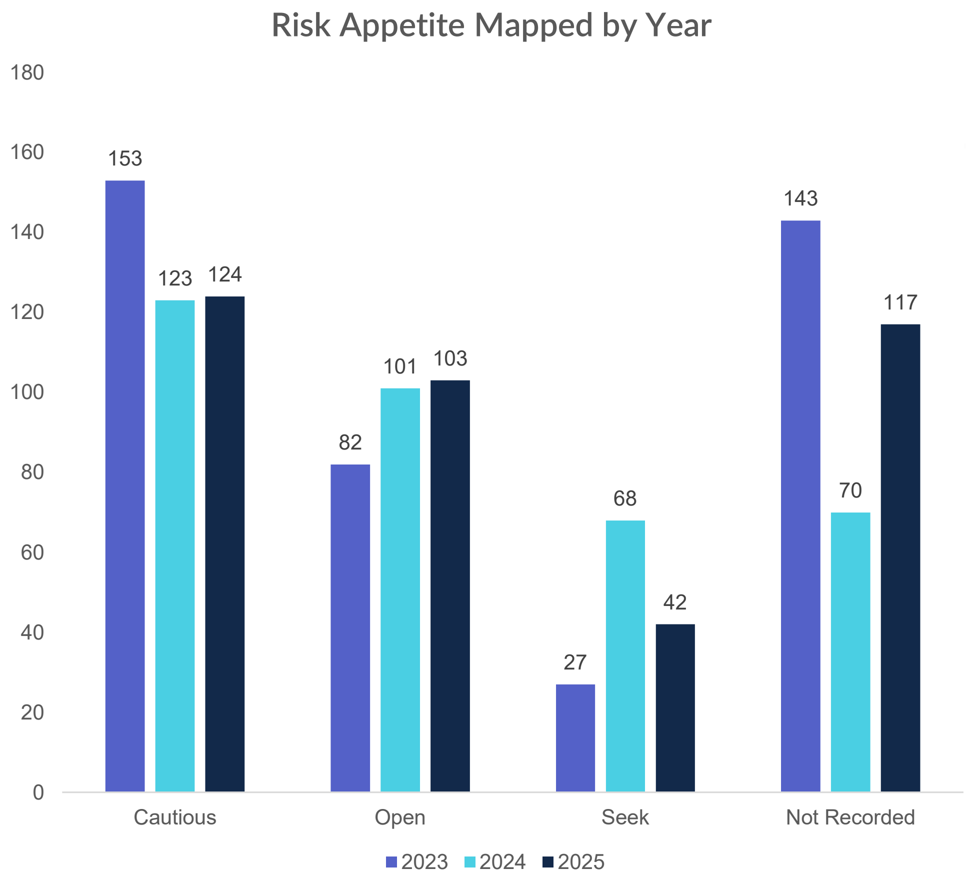
- The 2025/26 Environmental Sustainability risk profile shows a largely stable but more clearly defined and centralised structure compared to 2024/25, with **Environmental Sustainability** remaining the dominant category at 6 risks. As in the previous year, this reflects ongoing challenges in meeting environmental targets and regulatory expectations, managing resource use and carbon reduction commitments, and responding to wider external pressures such as climate-related impacts. However, the continued prominence of this category now indicates a more focused and mature articulation of sustainability risks, with related issues increasingly consolidated within a single core theme.
- In contrast to 2024/25, there is a stronger emphasis on operational enablers, with **Capital / Infrastructure / Estate** emerging as a distinct category (2 risks), highlighting the importance of estates and infrastructure in supporting sustainability objectives, including the need for investment in energy-efficient assets and the associated cost and delivery challenges.
- **Experience** has also increased slightly from 1 to 2 risks, reflecting growing recognition of the role of staff, patient, and stakeholder engagement in driving behavioural change and supporting environmental goals.
- Meanwhile, the absence of a standalone Strategy category suggests that strategic considerations have become more embedded within the overarching Environmental Sustainability theme, indicating a shift away from planning-focused risk towards delivery and implementation challenges.

BAF Risk Appetite

Analysis

- Risk appetite remains a key tool for effective risk management, providing a structured framework for assessing acceptable levels of risk across different domains. However, across the 2023/24–2025/26 period, application remains inconsistent, with variation in how risk appetite is recorded across BAFs. While 2024/25 showed some improvement, this has not been sustained in 2025/26, with inconsistencies in classification and use still evident.
- A persistent issue is the number of risks with no recorded appetite, limiting its effectiveness as a decision-making and assurance tool. This improved significantly from 140 in 2023/24 to 70 in 2024/25, but has increased again to 117 in 2025/26, indicating a lack of consistent embedding.
- Where appetite is recorded, organisations continue to favour a 'Cautious' approach (2023/24: 153; 2024/25: 123; 2025/26: 124), reflecting the safety-critical nature of healthcare.
- At the same time, 'Open' appetite has steadily increased (82 to 103), suggesting greater willingness to accept managed risk in areas such as transformation and innovation.
- 'Seek' appetite is more variable, rising from 27 in 2023/24 to 68 in 2024/25 before falling to 42 in 2025/26, indicating recalibration in pursuing higher-risk opportunities.
- Where risk appetite is recorded, organisations should reflect on this when making decisions in these areas.

Summary
Strengthening the consistency, completeness, and alignment of risk appetite across organisations is a clear priority, supporting better governance, improved system-wide alignment, and more effective decision-making in areas requiring balanced risk-taking.



Looking Ahead - 2027 & Beyond

Financial sustainability will remain a critical and intensifying challenge, driven by economic pressures, rising demand, and infrastructure costs. Continued focus will be required on delivering financial plans, prioritising resources, and strengthening long-term resilience to avoid service disruption, reduced capacity, and increased regulatory scrutiny.

Quality of care and patient safety will remain paramount, with stronger emphasis on integrated assurance frameworks, safeguarding, and regulatory compliance. Maintaining consistent standards within increasingly complex systems will require robust governance, continuous monitoring, and proactive risk management.

Workforce challenges will continue to be central, with sustained focus on staff experience, recruitment, and retention, alongside pressures on capacity and workload. Addressing these issues will require coordinated workforce strategies, effective planning, and ongoing investment in development and wellbeing.

Digital transformation will remain a key priority, with increasing emphasis on cyber security, system resilience, and effective adoption of technology. Investment in secure infrastructure, data quality, and digital capability will be essential, alongside managing emerging risks associated with technologies such as artificial intelligence.

Partnerships and collaboration will continue to be critical to delivering integrated care, with greater reliance on alignment, shared accountability, and coordinated leadership as risks become more interconnected.

Performance pressures particularly in access, capacity, and timeliness are likely to persist, requiring continued focus on balancing service demand with quality and safety.

Environmental sustainability will remain a core priority, with growing emphasis on delivery and the role of infrastructure and estates in supporting sustainability goals, alongside managing climate-related risks to system resilience.

Research and innovation will continue to support long-term improvement, with greater focus needed on delivery, coordination, and translating innovation into measurable outcomes.

Summary

Financial, performance, and workforce pressures will continue to intensify, requiring strong prioritisation, system-wide working, and robust governance. At the same time, digital, environmental, and innovation agendas will be key to building long-term resilience and sustaining quality and patient safety.

Conclusion & Final Thoughts…

Common risks across all years continue to highlight sustained pressures in financial sustainability, quality and safety, workforce capacity, and infrastructure resilience. Digital risks—particularly cybersecurity and system resilience—have become more prominent, while regulatory compliance and performance standards remain critical system-wide concerns.

Partnership risks persist, particularly in achieving alignment and shared delivery across integrated care systems, while health inequalities and environmental sustainability remain key cross-cutting issues, increasingly framed in operational terms.

Compared to 2023/24 and 2024/25, the 2025/26 profile shows a shift towards more integrated and concentrated risk themes. Quality and safety risks are now combined, reflecting a stronger focus on patient safety and assurance, while performance risks have broadened from target delivery to wider service pressures including access, capacity, and timeliness.

Workforce risks have become more central and consolidated, with greater emphasis on staff experience, recruitment, and retention. Financial risks are increasingly focused on delivery of the financial plan and long-term resilience, alongside infrastructure and demand pressures. Digital risk has evolved from investment-led concerns to a greater focus on cybersecurity, resilience, and adoption.

This evolving profile highlights the need for coordinated, system-wide risk management and strong governance to address sustained pressures on performance, workforce capacity, financial stability, and service resilience.

Overall, the 2025/26 profile reflects a transition to a more interconnected, delivery-focused risk landscape, with key risks increasingly interdependent.

Areas for organisations to consider

- Are target risk scores clearly aligned with the organisation’s defined risk appetite?
- Where risk appetite is defined, is this and applied consistently and used to support decision making?
- Do your risks reflect key sector-wide themes, particularly Workforce, Partnership Working, Financial Sustainability, Performance, and Quality & Safety?
- Are Research & Innovation, Digital (including cyber security), and Environmental Sustainability given sufficient focus as part of the Assurance Framework?
- Are high and extreme risks understood, appropriately escalated, and consistently reviewed at senior forums with clear oversight and challenge?

For further information or to discuss how MIAA can support you please contact:

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