

Agenda item:	13
Date of meeting:	24 September 2025
Report to the:	Group Trust Board
Title of report:	Group Trust Board Assurance Framework 2025-26
Report author:	Michelle Robinson, Assistant Company Secretary
Executive sponsor:	Rachel Hawkins, Director of Corporate Affairs
Recommendation:	Approve

Assurance level:	<p><b>Substantial</b> <input type="checkbox"/></p> <p><b>Reasonable</b> <input checked="" type="checkbox"/></p> <p><b>Partial</b> <input type="checkbox"/></p> <p><b>Minimal</b> <input type="checkbox"/></p>
Rationale:	<ul style="list-style-type: none"> <li>• Key evidence in of mitigation and controls (included in the individual risks on a page detail)</li> <li>• Risk management policy and supporting procedures in place in both Trusts including monthly review of risks.</li> <li>• Internal audit reports for risk management audits.</li> </ul>

## 1.0 Executive Summary

1.1 The current Group Trust Board Assurance Framework (BAF) brings together those strategic risks which relate to each individual Trust as well as the joint risks which relate to the development of a Group Model structure.

## 2.0 How the report supports tackling Health Inequalities

2.1 The report doesn't specifically address Health Inequalities.

## 3.0 Links to Board Assurance Framework / Trust(s) Risk and Issue Registers

3.1 As listed in Appendix 1.

## 4.0 Legal and Regulatory requirements

4.1 Well Led Framework

## 5.0 Previous consideration by Committee or Executive

5.1 Board Assurance Framework, 16 July 2025.

## 6.0 Overview of the Group Trust Board Assurance Framework

6.1 This first joint Trust Board Assurance Framework (BAF) incorporates a register of the principal risks faced by each Trust in meeting its strategic objectives.

It provides a clear and comprehensive method of:

- ❖ describing the main risks to achieving each organisation's strategic objectives,
- ❖ describing the controls, assurance and oversight of these risks and
- ❖ identifying any gaps in controls and assurance

- 6.2 The Trusts' Risk and Issue Management Policies set out the key responsibilities for managing risk and issues within each organisation, including the way in which a risk or issue is identified, articulated, evidenced, evaluated and controlled as well as the Trust's framework for escalation, oversight and assurance.
- 6.3 The approach of both Trust's is that all risks and issues should be locally managed in an open and honest way in accordance with Service Directorates' governance structure and escalated in accordance with the escalation criteria.
- 6.4 Strategic risks and issues are owned by the Group Board, discussed as an integral part of each Board's public meetings and at Board development sessions and reviewed bi-monthly by the Executive Team.
- 6.5 This Board Assurance Framework is maintained by the Corporate Governance team. It will be reviewed at each Audit & Risk Committee meeting and once a year the Audit & Risk Committee will review all open risks and issues. Other Board Committees will review relevant risks and issues on an ongoing basis in line with their terms of reference and annual cycle of business. The summary Board Assurance Framework is reviewed by the board at each Public Trust Board meeting.
- 6.6 'Board Assurance Framework Risks and Issues' refers to:
- ❖ all strategic risks
  - ❖ all strategic issues
  - ❖ all other risks and issues meeting the threshold to be reportable to the Board and its subcommittees i.e. 12 and above / consequence rating of 5 (major).

## 7.0 Analysis of Board Assurance Framework

- 7.1 There are 10 strategic risks on the Board Assurance Framework as shown in the Dashboard at the end of the report. **Appendix 1** provides more detail on each individual risk.

One Group risk is rated 15 or above:

### **Risk 3709 - Cybersecurity** (rated 16)

- 7.2 **Risk 3706** (NCHC - Intermediate bedded care capacity and flow) has been removed from the BAF as the risk has been at target for four months and will now be monitored by the Norfolk Service Assurance Committee.
- 7.3 There are currently no strategic issues assigned to the Board.
- 7.4 The Group Trust Board can take **reasonable assurance** of the risk management and assurance process based on current arrangements and policies in both Trust's. The intention will be to strengthen and align processes through a single risk and issue management policy by December 2025.

## 8.0 Risk Appetite Statement

- 8.1 Risk appetite can be defined as “the amount of risk that an organisation is prepared to accept, tolerate, or be exposed to at any point in time” (HM Treasury Orange Book).
- 8.2 Both Trusts recognise that it is impossible to deliver its services and achieve positive outcomes for its stakeholders without taking risks. Indeed, only by taking risks can each Trust realise its aims. They must, however, take risks in a controlled manner, thus reducing its exposure to a level deemed acceptable from time to time by the Board and, by extension, external inspectors/regulators and relevant legislation.
- 8.3 Any risks falling outside either Trusts appetite should be escalated to the Board or a relevant sub-committee of the Board in line with the agreed escalation framework. The Board has defined the threshold for escalation of risks as follows:
- ❖ All risks rated 12 or above - escalated to the relevant Board level sub-committee
  - ❖ All risks scoring 15 or above - escalated to the full Board.
- 8.4 When a risk is escalated to the Group Trust Board, or a relevant sub-committee, the Board/sub-committee will need to review and decide whether the risk is within an acceptable risk tolerance for the organisation. Where the Group Trust Board is satisfied that the risk is within acceptable tolerance and that the appropriate mitigation actions and controls have been put in place including a timeline for when the risk is expected to come down, the risk can be de-escalated. The risk must be escalated again if the score increases, the score does not decrease as expected by a specified date or mitigation actions are overdue.
- 8.5 Methods of controlling risks must be balanced to support innovation and the imaginative use of resources. In addition, each Trust will consider the cost of mitigation, and this will help define its risk appetite. As a general principle both Trusts will seek to control all risks which have the potential to:
- ❖ cause significant harm to patients, staff, visitors, contractors and other stakeholders;
  - ❖ have severe financial consequences which could jeopardise either Trust’s viability;
  - ❖ jeopardise significantly the either Trust’s ability to carry out its normal operational activities;
  - ❖ threaten either Trust’s compliance with the law and other relevant regulations;
  - ❖ pose a significant threat to the reputation of either Trust; and/or
  - ❖ cause significant harm to the environment.
- 8.6 As such, both Trusts will have a low threshold for risk taking when it comes to patients and staff safety and will have a greater appetite to take considered risks in terms of their impact on operational and reputational issues. The Group Board will have the greatest appetite to pursue quality improvement and innovation and will take opportunities where positive results can be achieved. Risk appetite will be subject to change and will be considered and defined by the Group Trust Board.

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## Annex

### 13.1 Joint BAF Summaries 2025-26 v4.7

**BOARD ASSURANCE FRAMEWORK 2025-2026**

**BAF Dashboard 2025-26**

Risk No	Org Ref	Risk Description	Executive Lead	Lead Committee	Initial	Risk Score 2024/25				Risk Score 2025/26					Anticipated Closure Date		
						Aug/ Sept	Oct/ Nov	Dec/ Jan	Feb/ Mar	Apr/ May	Jun/ Jul	Aug/ Sep	Oct/ Nov	Dec/ Jan		Feb/ Mar	Target
3709	CCS/ NCHC	If we do not address cybersecurity threats (such as data breaches and patient privacy, ransomware, operational disruption, insider threats and third-party risks) then there is an increased likelihood of a major service disruption and possible compromise to patient care.	Chief Information Officer	Board / Finance & Infrastructure	20	16	16	16	16	16	16	16				12	31/03/2026
							→	→	→	→	→	→					
3708	CCS/ NCHC	If NCH&C & CCS cannot secure recurrent and long term efficiencies and/or additional resources, it may not be able to fund increasing demand for services in future years.	CFO	Board / Finance & Infrastructure	20	16	16	16	16	16	16	12				9	31/03/2030
							→	→	→	→	→	↓					
3682	CCS/ NCHC	There is a risk that conflicts of interest between both CCS and NCHC Boards could exist at both at an individual board member and organisational level that would then lead to poor governance and a risk that the transaction leading to a single organisation being compromised	Director of Corporate Affairs	Board	12				9	9	9	6				2	31/03/2026
										→	→	↓					
3655	CCS/ NCHC	There is a risk that the non-executive and executive and wider senior leadership capacity and expertise required to deliver the transaction to support the move to a new/single organisation, will result in failure to deliver the current quality, operational, workforce and financial performance and plans	Chief People Officer and Deputy Chief Executive	Board	9	9	9	9	6	9	9	9				6	31/03/2026
						→	→	→	↓	↑	→	→					
3654	CCS/ NCHC	There is a risk that the implementation of the group model arrangements could lead to reduced board, executive and management oversight and support for the delivery of current plans leading to poor patient care and performance failures	Chief People Officer and Deputy Chief Executive	Board	15	12	12	6	4	12	8	8				8	31/03/2026
						↓	→	↓	↓	↑	↓	→					
3656	CCS/ NCHC	If stakeholders withdraw their support, there is a risk that the group model programme and transaction could not be delivered and therefore impact the performance and delivery of the existing services of the Trust and sustainability in the future	CEO	Board	9	9	9	6	6	6	6	6				3	31/03/2026
						→	→	↓	→	→	→	→					
3653	CCS/ NCHC	There is a risk that clinical quality and patient safety could be compromised if the following; gaps in staffing/staff morale, group model planning, financial pressures and cost efficiencies compliance with regulatory bodies, are not managed and mitigated. The impact of this potential risk could lead to increase level of 'harm,' a reduction in clinical quality/safety across services and an increase in patient dissatisfaction.	Chief Nursing and Allied Health Professional Officer	Board / Quality Committee	8	12	12	12	12	12	12	12				6	31/12/2025
						↑	→	→	→	→	→	→					
3699	CCS/ NCHC	There is a risk that staff morale and engagement may be adversely affected whilst we culturally align our two organisations	Chief People Officer and Deputy Chief Executive	Board / Service Assurance Committees / PPEC / Quality Committee	16					12	12	12				8	30/06/2026
											→	→					

3691	CCS	There is a risk that due to increasing inflationary pressures and a challenging efficiency target, the Trust may not deliver a balanced financial plan for 2025/26 which could impact on the delivery of services.	CFO	Board / Finance & Infrastructure	12					12	12	12				8	31/03/2026
										N/A	→	→					
3707	NCHC	If the Trust is not able to deliver the 2025/26 financial breakeven plan then the Trust risks contributing to an ICS failure to break even. This will lead to a need to repay the system (and Trust) deficit in future years and will result in additional scrutiny from NHS England	CFO	Board / Finance & Infrastructure	20					16	16	16	12			9	31/03/2026
										→	→	↓					

Risk Matrix					
Likelihood/ Frequency ↓	Consequence/Impact →				
	Insignificant 1	Minor 2	Moderate 3	Major 4	Catastrophic 5
5 Almost Certain	Moderate 5	High 10	Significant 15	Significant 20	Significant 25
4 Likely	Moderate 4	High 8	High 12	Significant 16	Significant 20
3 Possible	Low 3	Moderate 6	High 9	High 12	Significant 15
2 Unlikely	Low 2	Moderate 4	Moderate 6	High 8	High 10
1 Rare	Low 1	Low 2	Low 3	Moderate 4	Moderate 5

Group Trust Board Committees
Finance & Infrastructure Committee
Service Assurance Committees
People Participation & Equalities Committee (PPEC)
Quality Committee
Remuneration Committee
Audit & Risk Committee
Charitable Funds Committee

Risk Score = Consequence x Likelihood (C x L)

For grading risk, the scores obtained from the risk matrix are assigned grades as follows

	1 - 3	Low risk
	4 - 6	Moderate risk
	8 - 12	High risk
	15 - 25	Extreme risk