

# Annex 2: NHS England Operational Risk Register: Q3

ORR Summary	Risk Appetite	Inherent Score	Current Score	Target Score	Move in Score	Risk Owner
<p><b>13180: Cyber secure and resilient</b> NHS England fails to deliver proportionately cyber secure and resilient services resulting in compromised data, unavailability and lost productivity, leading to patient harm and poor outcomes.</p> <p><b>Key controls and mitigations:</b> Controls include secure architecture, change management, cryptography, identity and access controls, and operational resilience measures like Cyber Security Operations Centre monitoring and backups. Additional safeguards cover vulnerability management, secure configuration, and supplier security. Mitigations focus on asset inventory, assurance frameworks, legacy tech removal, insider threat monitoring, and proactive vulnerability management. Actions also include centralised logging, threat modelling, and strengthening supply chain security.</p>	Low/ Medium	25 (L5xI5)	25 (L4xI5)	16 (L4xI4)	Q1 ▲ Q2 ► Q3 ►	DG Technology and Data
<p><b>19817 There is a risk that historical non-compliance with IR35 regulations in the use of contingent labour may result in financial penalty</b> Due to historical non-compliance with IR35 regulations in the use of contingent labour within Health Education England, NHS England may face a financial penalty from HMRC. This risk affects a number of role groups, many of whom worked on a sessional basis, making compliance tracking challenging. Penalties could be suspended if NHSE demonstrates improved processes and controls, but this is not yet confirmed.</p> <p><b>Key controls and mitigations:</b> Work is ongoing to review compliance with IR35 regulations since 2017 (pre-HEE merger with NHSE). Regular updates and dialogue with HMRC. Correspondence shared with off payroll workers at pace to collate required data for upload onto ESR. Ongoing discussions with HMRC to understand required next steps to drive potential liability reductions in the future.</p>	Medium	25 (L5xI5)	25 (L5xI5)	15 (L3xI5)	Q2: NEW Q3 ►	Interim DG Workforce
<p><b>8736: Lack of system support for the management of performance concerns</b> There is a significant operational risk due to delays in the rebuild and reprocurement of two national IT systems: Revalidation Management System and Athena. These systems are essential for implementing the Performers List Regulations, Responsible Officer Regulations, and NHS England policy. The current platforms are outdated and increasingly unstable, requiring intensive support from the National Professional Standards Team just to maintain basic functionality. The delay in progressing system redevelopment is compounding the pressure, creating a fragile operating environment and increasing the risk of service disruption.</p> <p><b>Key Controls and mitigations:</b> reprioritisation of resources is taking place, though maintaining all systems and supporting rebuilds remains unsustainable. Capacity and risk concerns are being escalated through governance channels. Interim support options are being explored to stabilise operations and mitigate the impact of delays. The Technology and Data Directorate has been asked to take forward re-platforming of Athena. A rapid review is being undertaken as to whether the changing expertise within the directorate would now allow remediation and development of the current system. Given the uncertainty over future organisational structures, funding has not yet been made available for the replacement of RMS. Work is therefore focussing on the security, stability and useability of the existing system.</p>	Medium	25 (L5xI5)	25 (L5xI5)	20 (L4xI5)	Q3 NEW	Medical Director

**Inherent** score is the score assigned to a risk before any controls are in place or if the controls fail in their entirety. This is unlikely to change after the original assessment. The inherent score should be higher than or equal to the current score.

**Current** score is the level of risk that remains after all existing controls have been applied. This will vary over time and should be reassessed each time the risk is reviewed to make sure it accurately reflects the current position.

**Target** score is the level that future mitigation should aim to achieve, or better. This may vary over time and should be reassessed each time the risk is reviewed to make sure it is achievable in the timeframe. The target score should be lower than or equal to the current score.

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<p><b>16936: Digital workforce retention and recruitment</b>  <b>Description revised:</b> In the event of being unable to recruit and retain a skilled digital and data workforce of appropriate capacity and capability there is a risk of failing to achieve the 1% annual productivity improvements enabled by digital and its ability to transform the delivery of health and care.</p> <p><b>Key controls and mitigations</b> Controls include workforce strategy development, contingent labour reviews, spend controls, and workforce census to identify skills gaps. Engagement with Government Digital Service supports benchmarking and planning. Mitigations involve forecasting future skills, embedding digital literacy in programmes, reviewing contingent labour use, and securing funding for training through Spending Review and apprenticeships.</p>	Low/ Medium	25 (L5xI5)	25 (L4xI5)	12 (L3xI4)	Q1 ► Q2 ► Q3 ►	DG Technology and Data
<p><b>13263: Demand and capacity in primary care and community services.</b>            There is a risk that demand exceeds capacity across primary and community health services.</p> <p><b>Key controls and mitigations - Controls:</b> Contractual levers are applied through General Practice, Pharmacy, Optometry, and Dentistry contracts. Preparations for 2026/27 contract discussions are underway, expected to be challenging due to stakeholder expectations for increased funding. The Medium-Term Planning Framework introduces an 18-week standard for Community Health Services waits from 2026/27, with targets of 78% by March 2027 and 80% by March 2029. <b>Mitigations:</b> The 2025/26 GP contract changes were implemented on 1 October, though the GP Committee England has returned to dispute over safeguards. The Community Pharmacy contract is agreed, and guidance for optimising reduced budgets in Community Health Services has been published. Planning for the 2026/27 package is in progress.</p>	Low/ Medium	20 (L5xI4)	20 (L5xI4)	9 (L3xI3)	Q1 ► Q2 ► Q3 ►	National Director for Primary Care, Community, Vaccinations and Screening
<p><b>14710: Location, function, condition and age of the NHS estate</b>            45% of estates infrastructure (including RAAC) is not fit for the services the NHS delivers today and holds significant risk, through failing services and poor technical oversight and assurance. This results in disruption to productive clinical services and can lead to significant risks to patient and staff safety. We are also witnessing an increase in Private Finance Initiative (PFI) failure through financial distress and failure of projects.</p> <p><b>Key controls and mitigations:</b> The Premises Assurance Model and the Estates Return Information Collection data collection are used to monitor estates risks. National programmes are in place to manage RAAC risks and ensure structural assessments. Technical standards and guidance are being developed, with Finance reviewing funding for technical assurance team. Supplier resilience and PFI risks are being managed with limited resources. Long-term infrastructure strategies are being developed with finance and strategy teams.</p>	Low	25 (L5xI5)	20 (L4xI5)	16 (L4xI4)	Q1 ► Q2 ► Q3 ►	Interim DG Finance
<p><b>15077: Significant operational disruption to critical digital live services</b>            In the event of a significant operational disruption to critical live services there is a risk of negatively impacting patient care, causing patient harm and impacting the operational running of the health and care system.</p> <p><b>Key controls and mitigations:</b> Preventative controls include regular resilience testing of systems and the development of a new digital workforce strategy. Detective controls involve early outage detection and 24/7 monitoring by the IT Operations Centre. Resilience testing schedules are in place for different service tiers, the resilience plan continues to be developed with aspects implemented; an update on this work was provided to Cyber risk committee in September. Mitigating actions are supported by major incident and business continuity processes. Some key recruitment is being undertaken to help alleviate some of the resourcing pressures</p>	Low/ Medium	25 (L5xI5)	20 (L5xI5)	15 (L3xI5)	Q1 ► Q2 ► Q3 ▼	DG Technology and Data

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<b>19587: Clinical safety &amp; digital systems</b> There is a risk that the use of NHS England products (systems) or services may cause or contribute directly to patient harm.  <b>Key controls and mitigations:</b> A strategic approach to clinical safety is being embedded across directorates. Controls include embedding a clinical safety strategy, compliance with DCB standards, governance alignment, and clinical lead engagement. Registration of applicable technologies as medical devices is also required. Mitigations include updating assurance frameworks, monthly risk reporting, portfolio reviews for compliance, and plans to monitor live products to reduce patient harm and ensure legal compliance.	Low	25 (L5xI5)	20 (L5xI4)	4 (L2xI2)	Q1 ▼ Q2 ▲ Q3 ►	DG Technology and Data
<b>19467: Workforce attrition</b> There is a risk that workforce attrition (VR and natural churn) and an inability to recruit to critical roles will result in lack of delivery against NHSE's priorities  <b>Key controls and mitigations:</b> include reprofiling of priority areas of delivery as we move through autumn with new executive leadership in place and team transitions occurring alongside new senior leaders working with teams developing new structures and ways of working. Mechanisms are in place, including new joint approach to recruitment with DHSC, to ensure where critical roles become vacant during this period there is a means to make appointments. Approach to VR decisions set out in all staff briefing and corresponding communications in November.	Medium	25 (L5xI5)	20 (L4xI5)	12 (L3xI4)	Q2 NEW Q3 ►	CEO
<b>19472: Morale decline</b> There is a risk of reducing levels of staff morale and engagement during the period of integration with DHSC  <b>Key controls and mitigations:</b> include maintaining focus on our current delivery priorities and supporting all colleagues to help shape the new DHSC. A staff involvement network has been established with volunteers from each team to influence upcoming work and resources, a further call for colleagues to get involved was made in October. Regular updates continue through joint all-staff briefings and comprehensive intranet resources. We have expanded our practical resources and support to help teams navigate changes and improve our collective experience, including most recently relaunching the fourth module of our Line Manager Development Programme, refocussed on leadership in times of ambiguity, reflecting feedback from colleagues on what is needed from the programme at this time. Next steps on joint ways of working published in October.	Medium	25 (L5xI5)	20 (L4xI5)	12 (L3xI4)	Q2 NEW Q3 ►	CEO
<b>20925: Disruption in the transition to ISFE2</b> Due to the transition from ISFE 1 to ISFE 2 there is a risk of disruption to finance operations, due to users being less familiar with the system or because of defects not found during testing being identified needing a quick resolution.  <b>Key controls and mitigations:</b> Controls include a continuous training plan; increased support from NHS SBS through a 4 month period of 'hypercare'; deep dives and drop in sessions to help users; clear communication on which issues are resolved and which are ongoing; and clear escalation routes.	Medium	20 (L4xI5)	20 (L4xI5)	15 (L3xI5)	NEW	Interim DG Finance

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<p><b>10520: Slow recovery so that the weakest trusts and systems continue with poor performance and finances for many years, providing poor quality healthcare and incurring very large deficits</b> Challenged trusts and systems may take too long to recover, leading to negative impacts on patients, large deficits and NHS Brand damage</p> <p><b>Key controls and mitigations:</b> Quarterly reviews and Improvement Directors are used to track progress. Reports are submitted to Regional Support Groups and the Quality &amp; Performance Committee. Exit criteria and metrics are in place to ensure focus. National executives oversee progress through review meetings. A new reporting dashboard and deep dives are being developed. The key next step to address this risk is to pilot the new operating model of the National Provider Improvement Programme. That pilot began in November and we should have robust conclusions by the end of the financial year.</p>	Low	20 (L5xI4)	16 (L4xI4)	12 (L3xI4)	Q1 ► Q2 ► Q3 ►	Financial Reset & Accountability Director
<p><b>13275: Urgent and Emergency Care (UEC) capacity</b> If there is failure to create additional UEC capacity to meet demand, there would be an adverse impact on patient outcomes (and system working)</p> <p><b>Key controls and mitigations:</b> There remains a risk of high demand exceeding capacity in place, therefore potential increased impact on patient waiting times and experience and performance targets. A new methodology has been developed to identify tiered Trusts linked to NOF, overall performance for 4 hours, 4 hours against plan, 12 hours and ambulance handovers. Moderation undertaken with Regions to define final list of Tiered Trusts. Although there has been mitigating action progress, a project has been initiated to course correct to ensure deliverables of the UEC delivery plan are enabled to effect change. The project aims to establish clear, best practice clinical and operational models, aligned data recording and reporting, and coordinated improvement support for challenged trusts, which should drive better performance against UEC Plan headline ambitions. Operational planning guidance supports system-level improvements. Actions focus on reducing ambulance delays, improving hospital front-door care, and reducing hospital stays.</p>	Low	25 (L5xI5)	16 (L4xI4)	12 (I4xI3)	Q1 ► Q2 ► Q3 ►	National Priority Programme Director for Urgent and Emergency Care
<p><b>18360: Capacity of adult secure inpatient services</b> There is an ongoing capacity risk relating to the bed base in adult secure (staffed, not commissioned) in relation to Adult Secure inpatient services having an impact upon NHSE's objectives to provide care in the least restrictive environments, reduce the length of stay, improve outcomes and experience for patients and carers, undertake admissions from prison into secure mental health inpatient services within 28 days of referral.</p> <p><b>Key controls and mitigations:</b> Enhanced quality oversight and surveillance of services known to be fragile, or where there are concerns about operational delivery of provision are in place. Mitigations include NHSE Specialised Commissioning and Health &amp; Justice teams collaborating with DHSC and MoJ on risks, data, and operational oversight. Work is ongoing to improve capacity monitoring, frameworks for transfers and remissions, and patient flow solutions, including alternatives to admission to manage adult secure demand.</p>	Medium	20 (L4xI5)	16 (L4xI4)	9 (L3xI3)	Q2 NEW Q3 ►	Interim DG Finance
<p><b>18184: Medicines supply issues</b> Number of high-impact medicines supply issues impacting on patient outcomes, clinical services or prescribing cost.</p> <p><b>Key controls and mitigations:</b> Supplier issues are triaged through established controls. Collaboration with DHSC and suppliers aims to improve supply chain resilience. Longer-term, value-based procurement will incentivise suppliers to prioritise reliability. Additional measures include buffer stock compliance, monitoring delivery pipelines, and conducting root cause analysis to prevent recurrence of issues.</p>	Medium	16 (L4xI4)	16 (L4xI4)	9 (L3xI3)	Q1 ► Q2 ► Q3 ►	Interim DG Finance