



## **Risk Management Update Q3 2022/23**

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### **Purpose of the Report**

1. This report is provided to inform Audit Committee of the status of the Strategic and Corporate Risk Register at close of Quarter 3. The date of report extract from the risk system is 12.01.2023.

### **Public Interest**

2. Effective risk management will help to ensure that the Council maximises its opportunities and minimises the impact of the risks it faces, thereby improving our ability to deliver key priorities, improve outcomes for residents, maintain good governance and minimise any damage to its reputation.

### **Recommendations**

3. That Audit Committee notes the SSSC Strategic & Corporate Risk profile.

### **Background**

4. Risk: "The effect of uncertainty on objectives, often described by an event or a change in circumstances"
5. Risk Management: "Coordinated activities to direct and control an organisation with regard to risk"

### **Report Detail**

6. The attached report presents the status of the 11 Strategic and 22 Corporate risks for SSSC on the 12<sup>th</sup> January 2023. Full detail of the 5 red risks which retain a residual score of 21 or above have been provided in the report.
7. No new strategic or corporate risks were identified in the period, and no risks were retired. A comparison of Q3 residual risk scores to Q2 residual risk score is provided on page 4 of the report. During this quarter two risks were downgraded in scoring, as summarised below, reducing the total number of red risks for the authority from 7 to 5.



- PAP 01 - LGR programme creates tensions shifting priorities / tensions between BAU & LGR work. Risk likelihood has been reduced from 5 to 4 due to the proximity to vesting day.
- PAP 02 – Potential increases in Capital costs. Risk was reviewed and likelihood reduced as external impacts from Brexit and other areas are better understood, although inflationary risks are still to be managed. Cost impacts on majority of projects are now clearer.

### **Health and Safety Risks Deep Dive**

8. In December 22 a deep dive into the scoring, controls and actions for H&S risks was conducted, supported by SLT. The risks are:
  - HAS01 – is a strategic risk ‘Failures in statutory compliance and practice in H&S’
  - HAS02 – is a corporate risk ‘Poor implementation or failure of new H&S framework (systems and infrastructure)’
9. Work underway in this area, which was considered in the deep dive into risk controls in this area, is summarised below.
  - As part of the Corporate H&S Policy and H&S action plan a review of the current policy is taking place, and a SWAP Audit of H&S including the policy is scheduled for early 2023.
  - The H&S improvement action plan continues to be delivered with designated actions assigned to officers with established deadlines.
  - Operational delivery of health and safety has improved with in person training on site in key high-risk areas.
  - Risk assessments are being reviewed and added to the new B-Safe H&S management system, which is being adopted as the preferred system for Somerset Council. Appropriate training and awareness to follow.
  - SSDC have now adopted the Lone Working Policy which now includes PeopleSafe personal protective devices.
  - Strategic Leadership Team and the Leadership Management team are undertaking IOSH (The Institute of Occupational Safety and Health) courses.
  - The Lead Specialist for Strategic Planning has also provided information to Grant Thornton as part of the Value for Money audit regarding the H&S position at SSDC, and to support benchmarking.
  - The H&S team continue to work with colleagues to provide a Health and Safety overview and reiterate the use of the incident & accident reporting and the importance of also reporting near misses to help reduce hazard risks and prevent injury.
10. As an outcome of the review it was deemed the control statements remain valid, and mitigating actions are appropriate. Despite this the residual risk score was not revised down, but this will be revisited following the SWAP audit scheduled for end of February 2023.



**LGR Risk Work**

- 11. Work to establish a new risk framework for the new Somerset Council is progressing well. The work has been undertaken with a group of officers from both County Council and District Councils who have responsibilities for risks within their own organisations and is a collaborative piece of work that reflects all Council’s work.
- 12. The sub-workstream group have researched several sources for information to ensure that the approach to risk management in Somerset Council reflects best practice, as well as talking to other councils, who went through the Unitary process and how they approached risk during the process. SWAP have also been supportive, and the work done is reflective of past audit recommendations.
- 13. As part of this activity, the strategic risks of the four District Councils will be consolidated in February, to support the creation of the Somerset Councils strategic risk register encompassing existing SCC, Districts and strategic LGR programme registers.

**Financial Implications**

- 14. There are no direct financial implications with this report.

**Carbon Emissions and Climate Change Implications**

- 15. There are no implications.

**Equality and Diversity Implications**

<i>An Equality Impact Relevance Check Form has been completed in respect of the Proposal?</i>	No
<i>The Impact Relevance Check indicated that a full EIA was required?</i>	No
<i>If an EIA was <b>not</b> required please attach the Impact Relevance Check Form as an Appendix to this report and provide a brief summary of its findings in the comments box below.</i>	
<i>If an EIA <b>was</b> required please attach the completed EIA form as an Appendix to this report and provide a brief summary of the result of your Equality Impact Assessment in the comment box below.</i>	
<b>Additional Comments</b>	
<i>It is my understanding that a risk report does not require assessment.</i>	

**Background Papers**

Presentation showing status of the Strategic and Corporate risks register on 12<sup>th</sup> January 2023.