Audit Committee

Meeting Date – 26th October 2023

Risk Management update

Executive Member(s): Liz Leyshon – Lead Member for Resources and Performance
Lead Officer: Jason Vaughan – Executive Director Resources and Corporate Services
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Summary / Background

1. Effective risk management ensures the continuity of the Councils operations and has a direct link to the Council's priorities, Business Plan, and the Medium-Term Financial Plan, forms an integral part of the Annual Governance Statement (AGS) and is a major component of the External Auditor's Value for Money Audit. Risk management enables public sector organization to become more reactive to change and make better decisions on how they can operate more effectively in the future, ultimately leading to better outcomes for the people who live, work, or visit Somerset. Risk management is an essential component of good corporate governance.

2. The Account and Audit Regulations 2015 require the Council to have in place effective arrangements for the management of risk. These arrangements are reviewed annually and reported as part of the Annual Governance Statement (AGS).

3. The Audit Committee are the governance group charged with independent assurance of the adequacy of the risk management framework

2.   For Audit Committees consideration

2. 1   There are no changes this month to the strategic risks reported to Audit Committee on 28th September 2023, although there is a high likelihood that one or more strategic risks will see a rise in their current score because of the current financial emergency.

2.2   **Our achievements since Vesting Day:**

- Produced the new Risk Management Framework.
- Brought together all the former District Council's service level risks.
- Created the new Strategic Risk register.
- Provided training for over 100 members of staff on the new Framework and how it operates in the new authority.
- Established regular meetings with Service Directors to focus on risk in their areas.
- Worked with JC Applications Developments (JCAD) to implement the upgrade to version 5 of the JCAD Core Enterprise Risk Management System which, went live on October 2nd.
- Emailed over 150 staff to personally invite them to the training opportunity, submitted articles to Dragons Pen and published same on the former Yammer app. To date, 68 members of staff have signed up for the training. Training on version 5 of JCAD continues throughout October.

3.   **Our Future Workplan**

- Introduce a risk appetite framework to work with the risk assessment process of the RM framework.
- Set up a strategic risk workshop with CLT early 2024
- Review the Corporate Key Performance Indicators and identify Key Risk Indicators to run alongside.

Links to Council Plan and Medium-Term Financial Plan

4.   Risk Management is directly linked to all the Council priorities and the work being completed on the Business Plan that will then inform service plans.