

## **Somerset County Council**

Audit Committee –

27 January 2022

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### **Strategic Risk Management Update**

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Cabinet Member: Cllr Mandy Chilcott

Division and Local Member: All

## **1. Executive Summary**

- 1.1. The management of risk has a direct link to the Council's Business Plan, 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 is an essential component of good corporate governance.
- 1.3 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).
- 1.4 This report contains the latest information strategic risk information obtained from our risk management system, JCAD Core
- 1.5 This report does not include the programme and project risks for the LGR. There is a risk management framework (which includes identification, management and reporting of risk) in place that is managed by the LGR programme group and is reported to the LGR Programme Steering Group and the CEO Programme Board.
- 1.6 While investigations into the replacement of the financial system are ongoing the associated risks are currently included under ORG0053 attached at Appendix A as well as the LGR risk register. These will be updated as the Discovery phase progresses.

## **2. Items for Consideration**

- 2.1 Review the current strategic risk report Appendix A is a record of the strategic risks owned by individual members of SLT.

### 3. **Background**

- 3.1. Strategic risk management is the process of identifying, quantifying, and mitigating any risk that affects or is inherent in an organization's business strategy, strategic objectives, and strategy execution

### 4. **Current Strategic Risks**

- 4.1 There are 7 strategic risks recorded in JCAD that pose a threat to the achievement of the priorities of the Council. These risks and their current status are attached at Appendix A.

### 5. **Conclusion**

- 5.1 All strategic Risks have been reviewed and a progress update provided. All strategic risks have been approved by SLT and are regularly monitored by the Strategic Risk Management Group (SRMG).