

Risk Management Update

Lead Officer: Jason Vaughan, Director of Finance & Governance

Author: Pam Pursley, Corporate Risk Manager

Contact Details: 01823 359062. pam.pursley@somerset.gov.uk

Lead Member: TBC

Division and Local Member:

1. Summary / link to the County Plan

- 1.1.** Effective risk management ensures the continuity of the Councils operations and has a direct link to the Council's Business Plan, the Medium-Term Financial Plan, whilst 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.
- 1.2.** 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).
- 1.3.** Audit Committee are the governance group charged with independent assurance of the adequacy of the risk management framework

2. Issues for consideration / recommendations

- 2.1.** The current Strategic Risks to Somerset County Council are reported in the report Appendix A
- 2.2.** Changes to the current risk score for the last 12 months are summarised in section 3.2

3. Background

- 3.1.** Strategic risk management is a solution that helps organisations understand the full range of risks in a logical and consistent way. Strategic risks are those key risks that if they were to occur would influence the Councils ability to successfully deliver its outcomes & objectives.
- 3.2.** The table below displays the current risk score of the seven strategic risks covering the period January 2022 to January 2023.

ORG0057	Strategic Risk 2020 - MTFP: Sustainable MTFP					
Jan-22	Apr-22	Jul-22	Oct-22	Jan-23	Live actions	implemented
12	25	25	25	25	1	3
SCC Outcome 5: Meeting the challenges for the people of Somerset through innovation, courage & improvement						
ORG0053	Strategic Risk 2020 - Resilience: Organisational Resilience:					
Jan-22	Apr-22	Jul-22	Oct-22	Jan-23	Live actions	implemented
20	20	20	20	20	10	1
SCC Outcome 5: Meeting the challenges for the people of Somerset through innovation, courage & improvement.						
ORG0056	Strategic Risk 2021 - Supply Chain: Disruption					
Jan-22	Apr-22	Jul-22	Oct-22	Jan-23	Live actions	implemented
16	16	16	16	16	3	2
SCC Outcome 1: A County infrastructure that drives recovery						
ORG0060	Strategic Risk 2022 – Adult Social Care; Statutory duties					
Jan-22	Apr-22	Jul-22	Oct-22	Jan-23	Live actions	implemented
20	20	20	20	16	3	4
SCC Outcome 4: Improved health & wellbeing & more people living healthy & independent lives for longer.						
ORG0061	Strategic Risk 2022 - Climate Change					
Jan-22	Apr-22	Jul-22	Oct-22	Jan-23	Live actions	implemented
n/a	n/a	16	16	16	9	1
SCC Outcome 5: Meeting the challenges for the people of Somerset through innovation, courage & improvement.						
ORG0009	Strategic Risk 2020 - CSC: Safeguarding Children					
Jan-22	Apr-22	Jul-22	Oct-22	Jan-23	Live actions	implemented
15	15	15	15	15	1	44
SCC Outcome 3: Fairer life chances and opportunity for all.						
ORG0059	Strategic Risk 2021 - Local Government Reorganisation in Somerset					
Jan-22	Apr-22	Jul-22	Oct-22	Jan-23	Live actions	implemented
16	12	8	10	15	1	1
SCC Outcome 5: Meeting the challenges for the people of Somerset through innovation, courage & improvement.						

3.3. Work has commenced on bringing together the strategic risks from the District Councils and those of the County Council. It is the intention to report these to Audit Committee as soon as possible before vesting day.

4. Consultations undertaken

- 4.1. SLT received a strategic risk update at their meeting on 1st November 2022

5. Implications

- 5.1. How successful we are in dealing with the risks we face can also have a major impact on the achievement of our business outcomes and the delivery of services.

There are no financial implications arising from this report, but if the risk management process is not consistent in the run up to and after vesting day, the new authority will be open to additional risks with potential for additional costs.

5.2. Implications for new unitary council

If the risk management process is not consistent in the run up to and after vesting day, the new authority will be open to additional risks with potential for additional costs.

6. Background papers

- 6.1. Strategic Risk report compiled from JCAD Core

Note For sight of individual background papers please contact the report author