

Addendum to Corporate Risk Management Update

At the request of the Scrutiny Committee, this Addendum provides more narrative on the process for managing risks and issues, and how the authority responds.

Processes are in place within each directorate to regularly review existing and identify any new risks. As new risks are identified they are included on the risk register and mitigations are identified and planned. A target date is set as to when the mitigations should be in place, and a lead officer is appointed.

The risks are all scored based on their probability and potential impact. The Risk Strategy that was agreed at Audit, Governance and Standards Committee in February (available here: [SWT Risk and Opportunity Management Strategy January 2021.pdf](https://www.somersetwestandtaunton.gov.uk/SWT-Risk-and-Opportunity-Management-Strategy-January-2021.pdf) ([somersetwestandtaunton.gov.uk](https://www.somersetwestandtaunton.gov.uk))) sets out the scoring matrix for the risks in section 6.7 on page 11:

Impact/ Severity	5	10	15	20	25
	4	8	12	16	20
	3	6	9	12	15
	2	4	6	8	10
	1	2	3	4	5
Likelihood					

Section 7.4 of the Risk Strategy provides more detail and criteria to determine the Risk Impact (for example the potential scale of financial loss), and section 7.5 provides more info on the probability (likelihood). Risks with a higher score are likely to have a more detailed mitigation plan.

Issues are things which have already happened, so they are not scored in the same way as risks, but they have a RAG status which relates to the severity of the issue.

The risk register and issues log are updated as necessary and new risks/issues can be added at any point. They are routinely reviewed each month through the regular cycle of meetings. The lead officer is responsible for updating the risk register with progress made regarding mitigations, and this is reported back to Directorate performance meetings, and to the Corporate Performance Board where SMT review the key risks monthly.

A report on the risk management process is going to Audit and Governance Committee in June.