

## Audit and Assurance Committee

Date of Meeting	Tuesday 13 <sup>th</sup> May
Subject	Risk Management Update
Purpose	Discuss

### 1. Background

- 1.1. The following update for Audit and Assurance Committee covers the period March 2025-May 2025.

### 2. Key points

#### 2.1. Profile changes:

- CR-002 Fraud- at a recent update with action owners this risk has moved its target date from April 2029 to June 2025. A decision is currently pending on an investment case for additional fraud controls. Should the investment not be approved this risk will require reprioritisation and there is a possibility that the risk will move from treat to tolerate until such time as money is available to proceed.
- CR-003b Financial Management has been de-escalated to Finance and Corporate services division and we are awaiting the development of a new Financial Sustainability risk.
- CR-004 Quality will move from treat to tolerate until such times as new staff are onboarded to take over this work. A review date has been set for June 2025.
- CR-012 Management information and performance (data)- Risk has moved to tolerate until such time as business planning is completed and review of the risk will take place July 2025.
- CR-014 Data protection There is a clear understanding of the work required to implement strategic controls but as resources are operating in a reactive mode at this time there are no firm milestones to report yet. Considering the current position, this risk is currently being tolerated. A review will be completed in July 2025.
- CR-015 Mailroom has de-escalated to the business owner area. The project stood up over 2024-25 has successfully provided the required controls to bring this risk below target score and increase the overall control confidence.

- 2.2. All changes to the risk profile were agreed with Deputy Director risk owners.

- 2.3. Capturing milestone work from action owners has been challenging while we are waiting on confirmation of business priorities and what can be delivered over 2025-26.
- 2.4. Two new risks are emerging and currently being drafted, these are financial management and the replacement payment platform.
- 2.5. Once prioritisation is complete for 2025-26 the risk profile will be re-assessed to capture what activity can be progressed.
- 2.6. Risks that are tolerated will be assessed quarterly and reported to Executive Team.
- 2.7. The following risks have been identified by the Director General and added to the Director General Community risk register in this reporting period. These are two out of five top risks on this register. We are still working with the Director General's office to accurately reflect our assessment of risk to our Director General:

DGComm-030 Fraud risk:

[REDACTED]

Current Score [REDACTED]

Target date April 2029

DGComm-033 Future Payment Platform risk

[REDACTED]

Current Score [REDACTED]

Target date January 2026

- 2.8. We are seeking approval to include, as part of this and future monthly updates, an ask of Committee members to identify any risks for escalation up to the Director General Communities and capture this within Committee minutes.

### 3. Conclusions

- 3.1. Committee members are invited to:
- 3.2. comment on changes to risk profile and to note that more of the risk profile may become tolerated rather than treated. This is largely due to the capacity and capability we can leverage to respond to them within the financial pressures of 2025-26.
- 3.3. note increased interest from DG Communities, to articulate and record risks from a DG perspective, specifically on Fraud and Error controls and the new payment platform.
- 3.4. Agree to identify any risk for escalation to Director General Community risk register.

