**Item:** 08

**Title:** Corporate risk report

| Gweithredu / Action required | To note |
|---|---|
| Amseru / Timing | Routine |
| Argymhelliad / Recommendation | The Board is asked to:<br><br>- consider the summary report which provides an update on progress against each risk<br>- take assurance from the Audit and Risk Assurance Committee's scrutiny of the corporate risk register in November – further updates have been made since this meeting.<br>- consider and agree the additional 'cyber security' risk and change in focus of 'volunteers' risk; and<br>- note the work being undertaken to further develop our organisational approach to risk management. |
| Risg / Risk | Failing to capture and manage our strategic risks could lead to short- and longer-term consequences for Llais. |
| Cyllid / Finance | N/A |
| Amcan cynllun blynyddol / Annual plan objective<br>Amcan cynllyn strategol/ Strategic plan objective | Priority 07: Be a well-run, trusted and ambitious organisation. |
| Cydraddoldeb, amrywiaeth a chynhwysiant / Equity, diversity and inclusion | N/A |

| Cyfathrebu / Communications | Please tick one of the following boxes if this activity will have an impact on:<br>**Internal:** our people ☒<br>**External:** our customers/partners/stakeholders ☒<br>**External:** our organisation's reputation ☒ |
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| **Cymeradwyaeth / Approval/Clearance** | Chief Executive |
| **Trafodaethau neu penderfyniadau blaenorol / Previous discussions or decisions** | The Board agreed the corporate risk register at the October 2023 Board meeting in public. |
| **Awdur Cyflwyno / Author/presenting** | Ceri Sullivan |
| **Dyddiad / Date** | 15.01.2024 |

## Cefndir / Background

The draft corporate risk register was presented to the Board on 25 October 2023 for consideration and approval.

The Board agreed the corporate risks on the basis that an additional risk would be included on cyber security – this has been actioned.

Since the October 2023 Board meeting, the corporate risk register has been discussed and updated at Tîm Arwain monthly meetings and scrutinised at the Audit and Risk Assurance Committee meeting which took place on 20 November 2023. Both groups have provided assurance that the risk register is accurate ad up to date and reflects our strategic risks.

A discussion took also place at the committee meeting about publishing the corporate risk register as part of Board papers for meetings in public. The Committee agreed that the risk register would be published in the spirit of being open and transparent. However, if additional information is added to the risk

register which is considered sensitive or confidential in nature, this would need to be redacted before future publications.

In response to developments, the risk register has been updated further since it was last discussed at the Audit and Risk Assurance Committee in November. The most significant change being a change in focus for the volunteer's risk (further information provided below).

There has been some reduction in the residual scores (this is displayed in the 'Change to rating since last discussed' column of the register) but overall, the risk scores remain the same – this is to be expected given the maturity of the organisation and the remaining work that is underway to deliver the outstanding policies and strategies required for a new body.

There has been some discussions with the Audit and Risk Assurance Committee and Tîm Arwain about the way we frame our risks.

Traditionally, the focus of organisational risk management is centred around risk mitigation, addressing potential threats and avoiding negative outcomes. While essential, this risk-centric approach can tend to instil a cautious mindset, focusing primarily on avoiding and averting harm rather than actively striving for progress and growth.

We are exploring taking a strength-based approach. This involves focusing on our organisation's inherent strengths, capabilities, and positive attributes rather than solely addressing weaknesses or deficiencies.

Further discussions will take place at Tîm Arwain and the Audit and Risk Assurance Committee over the coming months. Any recommendations to change our approach will be brought back to the Board for approval.

## Manylion / Detail

We have included a summary of developments with each risk below:

| Risk | Changes since Oct '24 |
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| **CR1: People and skills** - unable to acquire or retain expertise and skills mix in key areas, leading to an inability | Risk remains live. Some further risk controls have been implemented. |

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| to carry out some functions. Former CHC workforce and new starters need time to adapt to new ways of working which may impact efficiency and delivery. | |
| **CR2: Organisational culture** - unable to establish common culture early on may have longer term impacts. | Risk remains live. Work is underway to implement further risk controls. |
| **CR3: Volunteers** – some former CHC members are finding the transition to Llais volunteer approach and new ways of working challenging. This could lead to gaps service delivery. | The focus of this risk has changed from challenges with recruitment processes for volunteers to challenges utilising and supporting volunteers with new ways of working. The challenges we previously faced with recruitment process for volunteers have been resolved. |
| **CR4: Unexpected/Uncertainty of demand** - unplanned demand from the public or stakeholders exceeds capacity, leading to resource pressures or failure to deliver service. Addition of social care brings with it many unknowns, service demand could impact delivery of Llais functions | Risk remains live. Work is underway to implement further risk controls. |
| **CR5: Accessibility** - any changes to Llais location could impact accessibility for our people and the public and impact on service delivery. | Risk remains live. Some updates made to risk controls and further actions required. Work is underway to implement further risk controls |
| **CR6: IT implementation** - delay in implementing IT systems inhibiting staff to carry out their roles effectively and efficiently and impacting staff morale. | Risk remains live. Some updates made to risk controls and further actions required. Work is underway to implement further risk controls. |
| **CR7: Finance** - unplanned expenditure incurred due to uncertainty around demand, weak approval systems or fraud, leading to costs exceeding budget. | Risk remains live. Some updates made to risk controls and further actions required. Work is underway to implement further risk controls. |

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| **CR8: Systems failure** - Loss of digital infrastructure and systems, including physical network connectivity, key applications such Office 365, which includes e-mails SharePoint and Customer Relationship Management (CRM)/Datix.<br>This would lead to Llais operations being unable to function, halting or delaying deliverable services. | Risk remains live. Some updates made to risk controls and further actions required. Work is underway to implement further risk controls. |
| **CR9: Cyber Security –** digital systems unavailable through hacking and other forms of cyber-attack, due to weaknesses or vulnerability in security, could lead to key operations not being available potential loss of data, delay or extended recovery time, loss of credibility with the public and stake holders, Llais unable to function and comply with new governance framework. | New risk added as per Boards request, and work is underway to implement further risk controls.  This includes current roll out of a programme of IT security training for all Llais staff. |
| **CR10: National approach** - unable to embed a national approach, leading to a lack of understanding, poorly designed systems, and inefficiencies in systems. | Risk remains live. Work is underway to implement further risk controls. |
| **CR11: Scope and remit** - Internal knowledge, understanding and lack of clarity of Llais's remit may lead to gaps in service delivery or to Llais operating outside of its remit. Lack of external knowledge may lead to Llais being asked to take forward matters outside of our remit | Risk remains live. Work is underway to implement further risk controls. |
| **CR12: Public and stakeholder expectations** - public expectations regarding quality of service cannot be met, leading to reputational impact - criticism, gaps in service and lack of | Risk remains live. Work is underway to implement further risk controls. |

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| confidence and the need for further change. | |
| **CR13: Partnership relations** - difficulty implementing changes to pre-existing relationships with key stakeholders, difficulty to create new relationships with key stakeholders could lead to misunderstanding of Llais's purpose and prevent Llais from successfully delivering its functions, impacting Llais reputation and ability to gain confidence as a trusted and impactful organisation. | Risk remains live. Work is underway to implement further risk controls. |
| **CR14: Statutory obligations** - Uncertainty of scope and extent of statutory obligations (known and unknown) leading to failure to meet wider legal and regulatory obligations and/or fines or losses. | Risk remains live. Work is underway to implement further risk controls – including a review of Llais policies and procedures (see Board paper 24-01 (13) Review of policies and procedures). |
| **CR15: Key partnership and service provider arrangements** - Failure to agree service provision (including service standards) levels with Velindre, NWSSP and DHCW early on could lead to gaps or inappropriate services provided to Llais and have a longer-term impact on the relationships with these key service providers | Risk remains live. Progress made with agreeing Memoranda of Understanding with Healthcare Inspectorate Wales and the Public Services Ombudsman for Wales, and resolving some outstanding questions on NHS Shared Services Partnership Service Level Agreement and Digital Health Care Wales Service Level Agreement (discussions are ongoing with Welsh Government). |

**Action:**

The Board is asked to:

- consider the summary report which provides an update on progress against each risk
- take assurance from the Audit and Risk Assurance Committee who scrutinised the corporate risk register in November 2023 – further updates have been made since this meeting.

- consider and agree the additional 'cyber security' risk and change in focus of 'volunteers' risk.