

Item: 14

Title: Risk update report

Gweithredu/Action required	For comment and assurance
Amseru/Timing	Routine reporting
Argymhelliad/Recommendation	The Board is asked to receive this risk update report for assurance and information. The report has been developed as suggested by the Audit and Risk Assurance Committee to provide a breakdown of activity and information about the network of risk registers and the particularly the risks on the corporate risk register. This approach continues to be built upon to provide further information on changes and trends where required. However, it is expected that the dashboard, when finally complete, will provide that information directly on one page. Unfortunately, due to capacity restraints in recent months the dashboard has not been further progressed and therefore, has not been included in this report.
Risg/Risk	Failing to capture and manage our organisational risks could lead to short and longer-term consequences for Llais.
Cyllid/Finance	There are no direct financial implications for this report other than those risks that directly cover financial matters or have associated investment elements.
Amcan cynllun blynyddol/Annual plan objective	Our risk processes provide assurance to the Board, committees, Executive Team and Tîm Arwain that all strategic

Amcan cynllyn strategol/ Strategic plan objective	and operational/functional risks have been identified and are being effectively managed. The organisation continues to hold and maintain a corporate risk register and a series of regional and function-based risk registers. The work on risk management forms part of our governance and assurance arrangements in line with the Board Assurance Framework and delivery of the Annual Plan and oversight is provided by the Executive Team. The Audit and Risk Assurance Committee has a key role on behalf of the Board in scrutinising the organisational approach to risk and advising on the continuing development of the organisation's approach to risk management. The committee last reviewed the update relating to risk at its meeting on the 2 September 2026.
Ecwiti, Amrywiaeth a Chynhwysiant / Equity, Diversity & Inclusion	There are no direct equity, diversity and inclusion matters relating to this report, but there could be features in each risk.
Cyfathrebu/ Communications	Please tick one of the following boxes if this activity will have an impact on: Internal: our people ☒ External: our customers/partners/stakeholders ☒ External: our organisation's reputation ☒
Cymeradwyaeth/Approval/Clearance	Chief Executive.

Trafodaethau neu penderfyniadau blaenorol/Previous discussions or decisions	The report provides an overview of ongoing development work in response to the approved risk management strategy and organisational strategic and operational/functional risks. It outlines the ongoing risk assessment work undertaken through the Executive Team to identify the key risks of non-delivery of the approved Annual Plan.
Awdur Cyflwyno/Author/presenting	Richard Bevan, Corporate Director of Governance and Board Secretary
Dyddiad/Date	12 October 2026
Cefndir/Background and Manylion/ Detail	
The Audit and Risk Assurance Committee on behalf of the Board has been engaged in development work on risk management over the last year. A basket of risks from relevant risk registers is also monitored by the Workforce, Remuneration and Terms of Service Committee. The Executive Team provides day to day oversight of the risk system and risk registers and considers the corporate risk register on a monthly basis at Executive Team meetings. Individual executive leads keep the risks they lead under review, suggest new risks, and propose escalation of risks, where required or appropriate from their operational and functional areas. The Executive Team has assessed that the overall risk profile remains broadly stable, but elevated in some areas. The most significant areas of exposure continue to relate to organisational capacity, workforce learning and development, information governance/digital resilience, and delivery of strategic priorities within available resources. While controls continue to mature, several risks remain above target appetite and are requiring sustained management attention. Executive Team is also looking at how reports should distinguish between completion of actions and achievement of outcomes. Future reports will seek to explain what residual exposure remains, what specific factors prevent a reduction in risk score, and what evidence would support reassessment in line with the agreed risk appetite. We recognise that there is a distinction	

between activity and assurance. Therefore, future reporting will place greater emphasis on seeking to demonstrate the effectiveness of controls and evidencing the impact of mitigation measures rather than solely reporting completion of actions.

This report continues to respond to the suggestions made by the Board and the committees regarding reporting. As suggested by the Board at its last meeting, we continue to seek to simplify the style of reporting. In this report rather than provide the detailed corporate risk register and all the technical detail of the register, therefore, the risks have been distilled into an overview report. This overview seeks to provide the risk themes, levels, assessments of risk and some of the recent actions that are in place to seek to reduce the risks. The detailed risk register is still submitted to and scrutinised on behalf of the Board by the Audit and Risk Assurance Committee.

Following the reasonable assurance received from an internal audit report earlier in the year, positive progress continues to be maintained. However, recently due to capacity issues, the completion of integrated corporate risk and regional and functional risk dashboards into one reporting format has been delayed. This is to be picked up in coming months alongside the organisation of a further risk workshop following the success of the Board level risk workshop held in March 2026.

However, also in recent months, at the suggestion of the Audit and Risk Assurance Committee further work has been completed on an overview of the profile of fraud and counter fraud risks for Llais. These were presented to the committee at the beginning of September. It was agreed that these fraud and counter fraud risks and current activity in these areas will be integrated into strategic and operational/functional risk registers e.g. corporate risk register, governance, finance and procurement, workforce and people matters, and digital and IT risk registers.

Risk profile

The risk profile of Llais provides an overview of the current potential risks and threats to the delivery and functioning of the organisation's roles and responsibilities, the potential impact on the delivery of our stated plans and also provides a guide to help investment choices, strategic decisions and organisational approaches.

The risk profile can change regularly and be a dynamic process as its component parts i.e., risk registers are updated and assessed on a month-by-month basis. The risk considerations are also a key element of our annual planning, strategy development and assurance reporting.

Please see below a breakdown of the current profile of organisational risk registers indicating where changes have occurred since the last report. In future, this report will also seek to provide further trend information, but it is anticipated that this would be provided via the dashboards.

Corporate risk register – September 2026

As at the 30 September 2026 there are a total of 21 risks on the corporate risk register. A summary of these risks is outlined below:

- 2 risks with the score 20 and above (very high critical risks)
- 6 risks with the score 13 – 18 (high material risks)
- 11 risks with the score 5 – 12 (medium manageable risks)
- 2 risks with the score 1 – 4 (low negligible risks)

Activity profile:

During the last period 2 new areas of risk have been added to the corporate risk register. These are:

- **Health and Safety** – This has been assessed as a score of 10. It outlines the risk that if Llais fails to maintain effective health, safety and wellbeing arrangements across the organisation, it could result in harm to staff, volunteers, visitors or the public, legal or regulatory non-compliance, reputational damage, and disruption to service delivery.
- **Failure to safeguard people** – This has been assessed as a score 15. It outlines the risk if Llais fails to identify, respond to, manage or escalate safeguarding concerns appropriately relating to the people we serve and through our complaints advocacy service. It also focuses on our volunteers, staff or members of the public engaging with the organisation.

- 3 risks were increased during the last period:
 - **Digital and IT implementation** has increased from a score of 12 to a score of 15, to reflect the level of organisational reliance on digital delivery. Further required development of the customer relationship management system has prompted an increase in this risk.
 - **Key partnership service provider arrangements** this risk has increased from a score of 12 to a score of 16 due to the service level agreement review with NHS Shared Services having been completed, but NHS Shared Services has not confirmed a sign off date for the agreement. However, services provided to Llais remain unaffected during this period.
 - **Ineffective engagement with new Welsh Government and Senedd Members** – This risk has increased from a score of 12 to a score of 16, because of increased expectations being placed on Llais by the new government. This is positive recognition, but is causing additional demands, capacity considerations and required re-prioritisation in some areas.
- 2 risks were decreased in the last period:
 - **Systems failure** has decreased from a score of 20 to a score of 15, following continued work on finalising supplier service level agreements, internal IT support processes, business continuity planning, crisis communications arrangements, IT health checks and completion of the phishing awareness programme.
 - **Cyber resilience** has decreased from a score of 20 to a score of 12, to reflect the strengthened cyber controls including compliant-device access, multi-factor authentication, encryption, monthly Microsoft Entra and account maintenance reviews, patching, Cyber Essentials Plus having been achieved, annual cyber training taking place, phishing exercises, incident reporting processes and automated email/security controls. This also reflects the active work in securing IASME accreditation and the recent completion of the security questionnaire for Welsh Government, which was submitted in September.

- 0 risks were closed.

Overview of the current risk profile from the corporate risk register:

	Risk theme	Score
Very High Risks	Learning and development arrangements A risk that the scale of required learning and development across Llais may exceed current capacity, leading to delays in implementation, inconsistent understanding of roles and systems, and reduced confidence in delivery. This remains one of Llais's highest current risks – albeit that a new learning and development strategy and policy have been developed. Further work is required on implementation and engagement.	20
	Board Membership and Composition The Board is not properly constituted in line with legislation and its own standing orders and therefore it is not able to make the necessary decisions required of the Board. This risk has been escalated from the governance risk register due to holding vacancies for the deputy Chair and Non-executive members and the potential impact on Board functioning and decision making. However, the deputy chair role as been advertised and final stages of the recruitment and interview arrangements are progressing.	20
	Ineffective engagement with new Welsh Government and Senedd Members: There is a risk that Llais is unable to effectively engage with the newly formed Welsh Government and a significantly increased cohort of new Senedd Members, resulting in a limited understanding of Llais' independent role and the people's principles. However, there is recent evidence of this risk reducing through Senedd events, such as 'Care at what cost?' and evidence given to the Health and Social Care Committee of the Senedd.	16

High Risks	Key partnership service provider arrangements There is a risk of the failure to agree service provision levels with third party service providers, on which Llais systems and functioning relies. This risk area has increased in recent months following the complete review work on the NHS Shared Services Service Level Agreement for Llais, as sign-off is still awaited from NHS Shared Services. However, functions and system remain unaffected.	16
	Systems failure A risk of loss of critical IT infrastructure and other systems, including network connectivity which could lead to operational disruptions, delayed service delivery, and an inability to function effectively. This has reduced from 20 to 15 since the last Board report due to the progress made, which has been reported to the Audit and Risk Assurance Committee. Work continues further business continuity arrangements and Llais IT systems and agreements.	15
	Finance and resources availability A risk that Llais will not have sufficient funding or certainty about its funding to deliver its remit and priorities including infrastructure, staff and operational costs. This risk has increased recently from 12 to 16 to reflect the current financial position and ongoing discussions with Welsh Government.	15
	Our people - sickness and wellbeing levels There is a risk to delivery of our services if there is high staff sickness and lower reported staff wellbeing levels. Sickness levels have remained above target levels for several months. However, the most recent report for September 2026 indicates that the levels are reducing as a result of active management across the organisation.	15
	Failure to Safeguard People Engaging with Llais There is a risk that Llais fails to identify, respond to, manage or escalate safeguarding concerns appropriately relating to the people we serve and through our complaints advocacy service, volunteers, staff or members of the public engaging with the	15

	organisation. This could result in harm to individuals, failure to meet statutory responsibilities, loss of public confidence, reputational damage, regulatory scrutiny, legal challenge, and a reduction in confidence from stakeholders and partners. However, the Safeguarding policy has recently been updated and awareness raising rolled out across Llais. Also, the Audit and Risk Assurance Committee has recently undertaken an additional assurance session on this theme.	
	Digital and IT implementation There is a risk that the implementation of IT systems, including security certification, digital platforms, and innovation projects, may face challenges which could delay deliverables, disrupt operations, and impact our objectives. The progress made has been reported to the Audit and Risk Assurance Committee. Work continues on the customer relationship management system and the organisation's policy framework.	15
Moderate Risks	Financial impact on delivery relating to people and skills There is a risk that Llais will be unable to effectively deliver against its remit and acquire or retain expertise and required skill mix in key areas due to annual budget levels and financial pressures.	12
	Unexpected/uncertainty of demand for Llais services and support There is a risk that Llais will experience significant unplanned demand from the public or stakeholders, which could exceed our capacity, leading to resource pressures or failure to deliver services.	12
	Statutory obligations There is a risk of lack of clarity and understanding of the scope and extent of statutory obligations for Llais. This may impact on our wider legal and regulatory obligations.	12
	Cyber resilience There is a risk of cyber-attacks and potential threats to our critical functions which could lead to data loss, reputational damage, and compliance failures. Cyber Essentials Plus has been achieved,	12

	and IASME certification is virtually complete. A whole organisation assessment was completed in support of submission for the security questionnaire submitted to Welsh Government.	
	Health and Safety Failure to maintain effective health, safety and wellbeing arrangements across Llais could result in harm to staff, volunteers, visitors or the public, legal or regulatory non-compliance, reputational damage, and disruption to service delivery. This includes risks arising from inconsistent regional risk assessments, lone working arrangements, training compliance, access to regulatory updates, and oversight of health and safety controls. However, active work is being taken forward in these areas with assessments and the development of a new policy and communications approach through the Corporate Services Group.	10
	Listening to People statutory requirements There is a risk that the changes arising from the implementation of new Listening to People statutory requirements in April 2026, may not be implemented effectively or consistently across Llais and the wider system. Engagement and awareness raising continues through operational arrangements.	9
	Volunteers - recruitment and development There is a risk that Llais will be unable to recruit and retain volunteers. This may hinder our ability to deliver our work across Wales. There is also a risk that we may lose existing volunteers and have a reduced capacity to engage with communities. Development work is being taken forward in this area through strategic leadership.	9

Low Risks	Communication consistency There is a risk of failing to consistently follow up, communicate outcomes, and share insights across Llais. This may lead to erosion of trust, reduced confidence from government and partners, and lost opportunities to influence service improvement on behalf of the people of Wales. However, a range of national statements have been issued in recent months on a range of themes with ongoing high-profile activity through social media and podcasts. A new Llais website has also been launched.	9
	Llais office and location strategy There is a risk that Llais offices and services will not be accessible to all the people of Wales due to physical access and geographical locations, which could impact on our delivery. This risk has recently decreased from 12 to 8 due the additional work undertaken for secure new regional offices for Powys and Gwent regions.	8
	Organisational culture There is a risk if Llais is unable to establish common culture and standardised ways of working which could impact on Llais's ability to deliver effectively against our remit. Work in this area continues and is monitored by the Workforce, Remuneration and Terms of Service Committee.	6
	Public and stakeholder expectations There is a risk that there will not be alignment of public and stakeholder expectations with the role, functions, and powers of Llais. This may result in misunderstanding of our advocacy, engagement, and representational responsibilities.	4
	Partnership relations There is a risk of experiencing difficulty in implementing changes to pre-existing relationships with key stakeholders, including creating new relationships with stakeholders. This could lead to a misunderstanding of Llais's purpose and prevent us from successfully delivering our functions	3

Regional and functional risk registers – overview

As at the 30 September 2026 there are a total of 98 risks across the network of regional and functional risk registers, which are reviewed monthly, by the risk leads and the Governance and Risk Manager. This has seen an increase in this period compared to the previous 89 risks. This reflects the ongoing work to identify risks, the customer relationship management system challenges and extreme weather conditions that occurred during the summer.

The Executive Team also monitors the corporate risk register and the profile of organisational risks at a monthly monitoring meeting. The executive risk leads also engage in discussions and monitor risks on a day-to-day basis with their respective teams.

A summary of the profile of risks across the regional and functional registers are outlined below:

- 14 risks with the score 20 and above (very high critical risks)
- 10 risks with the score 13 – 18 (high material risks)
- 55 risks with the score 5-12 (medium manageable risks)
- 19 risks with the score 1 – 4 (low negligible risks)

Whilst the Executive Team recognise that a number of regional and functional risks remain assessed as high and very high, these have been subject to review through the organisational risk management framework. Our assessment is that they are being appropriately managed at local level and do not currently warrant escalation to the corporate risk register. This position will continue to be reviewed through routine risk review processes.

In general, ongoing engagement has continued with risk leads but has been affected as a new Governance and Risk Manager is recruited to cover maternity leave of the postholder. As soon as soon as a new colleague is in post, further meetings will take place to discuss risk scores, strengthen alignment with the risk appetite, and streamline the risk narratives to ensure they are current and reflective of the new financial year.

Significant progress has been made during the last year, and further developments are planned for the next quarter especially on the tracking of trends and the plans for the dashboard and the second risk workshop.

Argymhellion/ Recommendation

The Board is asked to note this risk report providing the assessment of key risks for the organisation following detailed scrutiny by the Audit and Risk Assurance Committee. Also to note the planned further developments to risk reporting i.e., finalisation of reporting dashboards, additional tracking information on trends and the link to risk appetite review via a further Board level workshop.