ITEM 12

Somerset Rivers Authority Board Paper

Strategic Risk Review

RECOMMENDATIONS

The Somerset Rivers Authority (SRA) Board is asked to:

1. Review the strategic risk log.
2. Recommend any additions or amendments to the strategic risk log.
3. Note the addition of an ‘opportunities’ column.

Purpose of the item

This paper provides the Somerset Rivers Authority (SRA) Board with an opportunity to review the strategic risk log to ensure it captures the most pertinent risks at this time.

Background and context

The SRA provides grant funding to other organisations to undertake projects that reduce the risks and impacts of flooding. Risks are managed at the project level but are monitored by the SRA partnership team as part of quarterly project and performance updates. This allows for identification of incidences when a project risk may become a risk to the SRA. For example, if project costs increase significantly and a top-up of SRA grant funding may be required. The SRA partnership team, Technical Group, Management Group and individual project managers all have a role to play in ensuring that the SRA has the information required to maintain an overview of risks. Where necessary, risks are escalated to the Board.

Management Group agreed that alongside the risks on the risk register there should be an explicit consideration of whether there are also opportunities that arise when considering how to address or mitigate a risk. Considering opportunities alongside risks will increase the likelihood of positive actions being taken in response to emerging risks as opposed to focusing solely on risk avoidance.

Current Status

Proposed changes are shown in red. Proposed deletions shown as ~~strikethroug~~h.

Two risks have been assessed as increasing slightly:

- STRAT02: SRA Partners do not feel that the benefits of being part of the SRA outweigh the cost leading to a weakening of the partnership, i.e. low return on investment for the amount of staff time committed.
- STRAT10: Lack of staff resource in partner organisations resulting in slow / non delivery of SRA projects leads to fall in support for SRA and raising of SRA precept.

The risk score has been increased slightly on both of these risks to reflect the increasing pressure on partner organisation resources. As all organisations face financial pressures, there is likely to be less staff resource to engage with the SRA and deliver SRA-funded projects. SRA partner organisations may have to take difficult decisions on how much time to allocate to SRA activities.

Two risks have been assessed as decreasing:

- STRAT05: SRA Partners fail to find an agreed approach to risk sharing for SRA projects.

This emerged as an issue during early phases of the construction of the complex River Sowy – King's Sedgemoor Drain Enhancement Scheme. This project is now largely complete. Concerns about risk sharing have not emerged as a barrier to progressing SRA projects. Agreeing a single approach to risk sharing across all partners is unlikely. It is recommended that risks are managed on a project by project basis.

- STRAT03: Failure to deliver Heart of the South West Local Enterprise Partnership (HotSWLEP) Growth Deal funded projects as per revised Funding Agreement and October 2020 variation.

The revised risk score is reduced since the last review because the Parrett Internal Drainage Board has completed all major works on Phase 1 of the River Sowy – King's Sedgemoor Drain project. This project received significant HotSWLEP funding. HotSWLEP has since been abolished, and Somerset Council is now overseeing outstanding projects.

One risk is recommended for deletion:

- STRAT01: SRA Partner organisations change of policy which ceases to support the current/future structure of the SRA.

Whilst there are other SRA partner-related risks identified that could impact on the SRA, a policy change is unlikely to be one of them. Moving from five council partners to a single council partner reduced the risk of different policy approaches across local authorities. The risk score for this has not changed for several years.

RECOMMENDATIONS

1. Review the current risk log.
2. Recommend any additions or amendments to the strategic risk log.
3. Note the addition of an 'opportunities' column.

Date: 26 November 2025
Author: David Mitchell, Senior Manager, Somerset Rivers Authority

Ref No.	Date: November 2025 Strategic Risk description/event	Risk SCORE Likelihood (1 - 5)	Impact (1 - 5)	RAG Status (LxI)	Direction of Risk Insert Arrow	Mitigating actions/control measures in place or planned	REVISED SCORE Likelihood (1 - 5)	Impact (1 - 5)	RAG Status (LxI)	Direction of Risk Insert Arrow	**Risk Owner** SRA Board/Mgt Group/ Tech Group	Opportunities: Identification of emergent opportunities that can contribute to addressing risks.
~~STRAT01~~	~~SRA Partner organisations change of policy which ceases to support the current/future structure of the SRA.~~	~~2~~	~~5~~	~~10~~	↔	~~Ensure the successful work of the SRA is regularly communicated to Board Members, stakeholders and the wider public. Increase public communication efforts. Since unitary authority established in Somerset there is no risk of different councils having different policies on the SRA. Explicit policy change unlikely to arise. Issue more likely to occur as gradual reduction in engagement with partnership.~~	~~1~~	~~5~~	~~5~~	↔	~~Board~~	

STRAT02	SRA Partners do not feel that the benefits of being part of the SRA outweigh the cost leading to a weakening of the partnership. I.e. low return on investment for the amount of staff time committed.	4	4	16	↑	Work with the Partners to encourage them to bring forward projects for their areas that the SRA can support. Encourage more joint projects with multiple benefits to come forward. Recommit to Develop joint plan of action / pipeline of ideas to focus efforts. Streamline process and time commitment. Undertake focused work with decision makers and technical officers to redesign SRA to work for all.	3	4	12	↑	Board	Cunliffe review outcomes lead to a bigger role for councils in water managment. Response to the Cunliffe review seen as an opportunity to reflect on how SRA can evolve/integrate further alongside other partnerships to deliver more for communities. Work with partners to ensure SRA is appropriately integrated in changes that are planned off the back of the Cunliffe review.
STRAT03	Failure to deliver HotSWLEP funded projects as per revised Funding Agreement and October 2020 variation.	2	5	10	↓	Sowy-KSD now completed. LEP no longer exists. SRA team liaising with Somerset Council team wrapping up Local Enterprise Partnership projects.	1	5	5	↓	Board	
STRAT05	SRA Partners fail to find an agreed approach to risk sharing for SRA projects.	4	4	16	↔	Revisit issue with Management Group. This issue has not impacted any projects to date. Consider and address on a project by project basis. Remove from risk register.	2	4	8	↓	Mgt Group	

STRAT08	Failure to secure necessary legislative changes results in SRA partners withdrawing support and funding from SRA.	2	5	10	↔	Somerset Council as host authority committed to supporting the SRA. Somerset Council Executive Members supportive of SRA - keep informed of SRA successes.	1	5	5	↔	Board	Investigate alternative legal structures for the SRA as long-term option.
STRAT 10	Lack of staff resource in partner organisations resulting in slow / non delivery of SRA projects leads to fall in support for SRA and raising of SRA precept	4	5	20	↔	Recommit to Identify new ways of working and delivering SRA works programme that is less prone to fluctuations in partner resource. Develop joint plan of action / pipeline of ideas to focus efforts. Streamline process and time commitment.	3.75	5	18.75	↑	Mgt Group	Explore new delivery models, utilising community led resources. For example, encourage greater uptake of CFAF. This will help empower communities to build their own resilience and reduce the reliance on SRA partner organisations to deliver majority of projects.
STRAT11	SRA 'precept' fixed at 1.25% of 2015-16 Council Tax. Value of SRA precept worth less in real terms limiting how much can be achieved in the future.	4	5	20	↔	During 2026-27 work with Somerset Council Corporate Finance and MHCLG to explore options for increasing precept value in the future. Build case for increased funding over 2026-27. Success of this directly linked to partnership capacity to deliver impactful projects. Impact score will increase over time.	3	5	15	↔	Mgt Group	New Defra funding rules from April 2026 should make it easier for Risk Management Authorities to secure funding, so SRA contributions can be freed up to go further. When rules take affect, review what SRA funds, as it should avoid duplication and focus on extra.

STRAT12	NEW RISK: National funding pressures leads to increasing calls on SRA funds to fill gaps in Business As Usual funds. This leads to increased tensions across partnership in relation to what the SRA should fund with knock on effects to commitment to the partnership.	4	5	20		Refresh grant guidelines to clearly establish what is meant by 'extra'. Recommit to Develop joint plan of action / pipeline of ideas to focus efforts. Streamline process and time commitment. Undertake focused work with decision makers and technical officers to redesign SRA meetings and processes to work for all.	3	5	15		Mgt Group	New Defra funding rules from April 2026 should make it easier for Risk Management Authorities to secure funding, so SRA contributions can be freed up to go further.