

Statement by the Deputy Governor in Parliament

Establishment of Enterprise Risk Management

Mr. Speaker, on the 4th September at the meeting of the Public Accounts Committee, I gave an undertaking to provide this Honourable Parliament with an update detailing the Senior Leadership Risk Committee's activities, accomplishments, and risk-management efforts to date.

Mr. Speaker, every government faces risks — from global shocks to internal challenges. The question is not whether risks exist, but whether we are prepared to manage them. Today, I am pleased to report that the Civil Service has taken a decisive step to strengthen accountability and resilience through the establishment of Enterprise Risk Management. In this way, the Civil Service is strategically positioned both to achieve maximum results on behalf of the Government and to help mitigate some of the most pressing risks facing Government's operations.

Mr. Speaker, in February 2024 the Civil Service appointed its first Chief Risk Officer in the Office of the Deputy Governor — a step toward change in how we think about and manage risk. Supported by a talented Caymanian as Senior Policy

Analyst, the ERM Team has created our first Enterprise Risk Management Framework.

Mr. Speaker, the Framework provides a common approach to identifying, assessing, and managing risks across the Civil Service. It has three layers:

1. External risks that could affect our economy and society.
2. Internal risks that cut across the Civil Service.
3. Operational risks within ministries and departments.

Two central processes are already in motion. The External Risk Assessment, now in its second year, looks at the major national acute risks that require a whole-of-government response. A sample of these risks is audited each year by the Internal Audit Service to test assessment quality and validate progress.

The Internal Risk Assessment, conducted quarterly, addresses areas such as IT resilience, cyber-security, data protection, talent, and major project delivery. This work is already leading to clearer policies, stronger training, better controls, and practical improvement actions in these key risk areas.

Mr. Speaker, the third layer is Operational Risk Management at entity level. Training and a new risk system will roll out in October, supported by practical guidance to build capability across the Civil Service. The goal is for all seventy-plus entities to have effective risk registers by 31 March 2026. This directly supports Goal 5 of the Civil Service Strategic Plan, “Demonstrate Excellence in Governance Practices”.

Oversight of the Framework is provided by a new Senior Leadership Risk Committee, comprising of Chief Officers, which reports directly to me. This ensures Chief Officers both own risks and are accountable for progress.

Mr. Speaker, after March 2026 the ERM Team will continue to build capability, run the central processes, and assure quality. Cabinet will also receive a progress report every six months on implementation and outcomes.

Mr. Speaker, this is about better resilience and accountability. By embedding enterprise risk management, the Civil Service is increasing the likelihood that key risks are managed effectively, enabling us to deliver outcomes and achieve success for the people of these Islands.