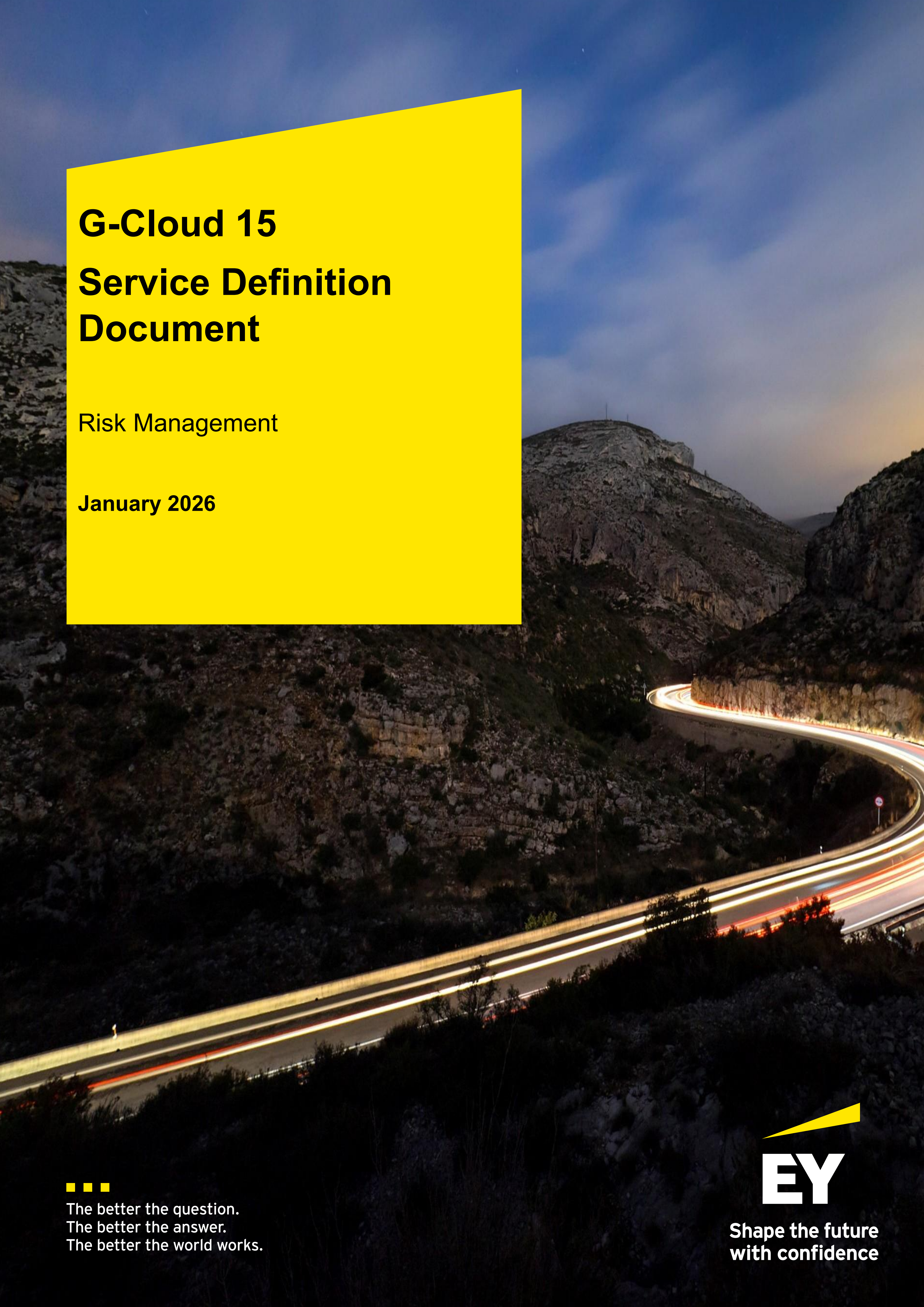

# G-Cloud 15

# Service Definition Document

Risk Management

**January 2026**

The better the question.
The better the answer.
The better the world works.

Shape the future
with confidence

**Contents**

# 1. Service detail

Successful organisations depend on their reputation for keeping promises, respecting laws and behaving ethically to maintain stakeholder trust and enterprise value. EY Forensic & Integrity Services professionals help organisations protect their reputation and conduct business in a transparent, ethical and resilient manner. We assist companies and their legal counsel to investigate facts, resolve disputes and manage regulatory challenges. We put integrity at the heart of compliance programs to help better manage ethical and reputational risks.  We use cloud, technology and AI as the foundation of all our services to leverage the power of data, enhance productivity and improve accountability.

Risks are evolving with unprecedented **scale**, **pace** and **impact**, as regulatory and political landscapes rapidly change, and new technologies are introduced. There is an increased focus on organisations to continue to manage, respond and monitor their responses to traditional operational, financial, reporting, and compliance risks whilst adapting to new and emerging risks, such as use of artificial intelligence ("AI"). In addition, there is also **increased stakeholder scrutiny** due to increasing pressure from taxpayers to make every penny of public expenditure count, as well as 'doing the right thing' in the public's view.

Enterprise risks are increasingly interconnect, creating a complex and dynamic risk environmentthat can no longer be managed in silo's. Examples of these risks include:

- Macroeconomic – economic conditions causing departments to refocus priorities
- Geopolitical issues – political sensitivities impacting decision making at local and central government level
- Supply chain and third-party risks – economic measures such as sanctions and tariffs, impacting logistics and operations
- Laws and regulations – increase in additional workload to ensure compliance with new legislation or regulation
- Reporting and disclosure – changes in requirements lead to an increase in public expectations and scrutiny on transparency and accuracy of information
- Cyber – increasing risk of cybercrime facilitated by advancements in technology and geopolitical factors

Existing risk management frameworks create the following challenges to organisations in managing todays risks:

- **Unclear roles and responsibilities** – Risk is not strategically led within the organisation, with departments working in silo, leading to a lack of collaboration and potential duplicative efforts.

- **Treating risk management as a tick box exercise** – Previously completed risk assessments are rolled forward, and historical control measures are leveraged, which may not necessarily be fit for purpose for particular risks.

- **Inadequate understanding of risk across the organisation** – This is due to a lack of a dynamic and holistic risk assessment being performed that covers areas of the organisation most susceptible to risk, helps prioritise risks within these areas and leverages real time data.

- **Risks measures operating in isolation** –– Organisations tend to focus on one or two areas of their risk management framework in isolation without considering all the elements and leveraging synergies across various frameworks.

## How EY can help with the risk transformation journey

EY works to transform out of date existing risk management frameworks to risk based, data led programs designed to enable organisations to operate in a more agile, efficient and cost effective manner.  By increasing resilience we turn risk into a catalyst for growth and performance.

EY's transfromation journey is based around four-key steps:

### 1. Risk Identificatiion

We work with clients torefine the current enterprise risk population to focus on real versus nominal risks. This includes **facilitating strategic risk workshops**.

We will adopt a process to identify, draft and finalise practical risk scenarios and how these risks can be measured. As part of this, our approach will be to facilitate discussion workshops with risk teams and functional risk owners to socialise and challenge scenarios:

- **Draft** – draft potential risk scenarios and develop key risk indicators ("KRI") for selected risks
- **Discuss** - facilitate workshops with risk teams and functional risk owners to discuss and agree risk appetite statement
- **Validate** - facilitate a close-out working session with functional risk owners and risk team to finalise risk appetite, KRIs, and data sources

### 2. Process

**Design a target operating model for risk management** using information gathered from facilitating strategic risk workshops. The steps would include:

- Conduct a current state assessment of the existing enterprise risk management framework. The approach will help assess whether the current framework is fit for purpose, allowing a transformation roadmap to be developed for a future state target operating model, mitigating any design gaps.
- Areas to consider include setting the definition of risk, risk management methodology, how risk appetite is defined, how risk is measured and identified.

### 3. Automation

As part of EY's holistic assessment of an organisation's risk management activities, we will identify opportunities for **automation** at each step. This includes consideration of:

- Automating manual control processes by leveraging AI and thereby reducing risk and error.
- Leveraging the use of data analytics for continuous monitoring of your risks and controls.
- Leveraging AI to assist with pulling together the management reporting of your framework and activities.

The review can identify opportunities for further improvement, including areas of the target operating model which can be further refined to remove duplication and silos.

### 4. Cost reduction

Additionally, the end-to-end review is an opportunity to identify **cost reductions,** by eliminating process inefficiencies and optimising the resources already in place to manage risk, creating taxpayer value for money.

**Features and benefits of our risk management solution**

The table below sets out the features and benefits of our risk management solution:

| Service features | Service benefits |
|---|---|
| • Assist with designing, remediation/implementation of risk management framework principles<br>• Facilitate executive level workshops to agree and define risk<br>• Facilitate risks identification workshops with stakeholders<br>• Conduct risk reviews of functions e.g. procurement, grants/loans<br>• Unlock potential of internal/external data sources to develop KRIs<br>• Design proportionate control frameworks in response to risks identified<br>• Build effective monitoring processes across the risk and/or control activities<br>• Design appropriate reporting structures and packs for enterprise risks<br>• Design tailored operational model for organisations | • A strategic approach to consider operational, financial/non-financial and compliance risks<br>• Supplements a "what could go wrong" mindset<br>• Redesigned, transformed model which is leaner, practical and more resilient<br>• Simplified approach which focuses on risks impacting performance<br>• Automation of controls by leveraging AI and data analytics<br>• Reduced spend through removing duplication and inefficient processes<br>• Transforms and integrates assurance across the Lines of Defence<br>• Enables organisations to respond quicker to new risks<br>• Management Information is readily available to enable quicker decision making<br>• Real-time monitoring using AI and analytics enables quicker red-flags identification |

## 1.1. Pricing

Please refer to the attached pricing document.

## 2. Key contacts

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