

## 11th Meeting (22-23) Risk Management Update

### Risk Landscape Update for Audit and Assurance Committee- May 2022

The following is provided as update on the Strategic Risk Register and the work of Social Security Scotland's risk management function between February 2022 and April 2022:

- AS-R034 closed- de-escalated to Divisional level for re-assessment and tracking;
- AS-R065 closed- now being tracked as two issues (AS-I006 and AS-I007);
- AS-R079 closed- now being tracked as two issues (AS-I013 and AS-I014); and
- AS-R086 closed- de-escalated to Divisional level.

Please Note- Risk Theme tables have been removed. Work is currently underway to develop Principal Risks linked directly to Business Plan priorities 2022-2023. This work is maturing and details will be provided to Audit and Assurance Committee in due course.

**Table 1 & 2- Changes of Position of Risk February 2022 to April 2022**

**Table 1- Position at end of January 2022**

Impact is scored along the vertical axis.

Likelihood is scored down the horizontal axis.

Those risks with \* are currently outside of tolerance level

5	AS-R085		AS-R070	AS-R015b* AS-R081* AS-R086* AS-R087*	
4		AS-R062 AS-R074	AS-R001a AS-R002a AS-R048 AS-R064 AS-R072	AS-R012a* AS-R034a* AS-R060* AS-R065* AS-R075* AS-R079* AS-R080* AS-R084*	AS-R029* AS-R066* AS-R077* AS-R078* AS-R083*
3					
2					
1					
	1	2	3	4	5

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**Table 2- Current Position at end of April 2022**

Impact is scored along the vertical axis.

Likelihood is scored down the horizontal axis.

Those risks with \* are currently outside of tolerance level

Those in **bold** are new risks

5	AS-R085	AS-R081	AS-R070	AS-R015b* AS-R087*	
4		AS-R062 AS-R074	AS-R001a AS-R002a AS-R048 AS-R064 AS-R072	AS-R012a* AS-R060* AS-R075* AS-R077* AS-R080* AS-R083* AS-R084*	AS-R029* AS-R066* AS-R078*
3					
2					
1					
	1	2	3	4	5

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**Table 3- Risk Clusters**

Those risks with \* are currently outside of tolerance level.

Category	Risk	Score
Communication	Nil	
Compliance	AS-R060*	16
	AS-R072*	12
	AS-R080*	16
	AS-R083*	16
Financial	AS-R001a	12
	AS-R012a*	16
	AS-R081	10
	AS-R087*	20
Governance	AS-R015b	20
	AS-R062	8
	AS-R074	8
Operational Delivery	AS-R002a	12
	AS-R029*	20
	AS-R064	12
	AS-R070	15
	AS-R085	5
Operational Readiness	AS-R075*	16
	AS-R077*	16
	AS-R078*	20
	AS-R084*	16
Policy	AS-R066*	20
Resource	AS-R048	12

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Security	Nil	
Technology	Nil	

### Changes to Risk Profile

#### Table 4 & 5- Closed Risk- Tracking as Issues.

##### Table 4

AS-R065			
Date Closed	March 2022	Risk Type	Policy
Risk Description	Impact from failure to align fraud and debt policy with requirements and design.		
Current Impact	4	Current Likelihood	5
Action Owner	[Redacted]	Risk Owner	James Wallace
Detail	<p>Risk has now materialised and is being tracked as two issue:</p> <ul style="list-style-type: none"><li>AS-I006 (Severity Rating- Medium)- differentiating fraud as deliberate or as a result of lack of specific policy.</li><li>AS-I007 (Severity Rating- High)- Live investigation caseload concerns as a result of no policy instruction.</li></ul> <p>Last update- Feb 22- Full list of outstanding policy considerations has been worked up in collaboration with Programme team and ongoing discussions with Policy teams continue.</p>		

**Table 5**

AS-R079			
Date Closed	Feb 2022	Risk Type	Compliance
Risk Description	Impact from delays to policy development and associated service design relating to a debt determination without application.		
Current Impact	4	Current Likelihood	4
Action Owner	[Redacted]	Risk Owner	[Redacted]
Detail	Risk has now materialised and is being tracked as two issues: <ul style="list-style-type: none"> <li>AS-I013 (Severity Rating- High)- Service design for the routeways for clients to challenge the debt determination without application are not clear.</li> <li>AS-I014 (Severity Rating- High)- Service design for routeway to challenge overpayment and underpayment, including liability, are not clear.</li> </ul>		

**Table 6 & 7- Closed Risk- De-escalated to Division for tracking**

**Table 6**

AS-R034			
Date Closed	Feb 2022	Risk Type	Resource
Risk Description	Impact from failing to define future headcount requirements		
Current Impact	4	Current Likelihood	4
Action Owner	[Redacted]	Risk Owner	James Wallace
Detail	Risk has been de-escalated to Finance and Corporate Services Division to be managed: <ul style="list-style-type: none"> <li>The threat has changed since initial identification (Jan 2019) and the key threat is the challenge presented by hybrid working's effectiveness. This is being managed at Divisional level</li> </ul>		

**Table 7**

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AS-R086			
Date Closed	Feb 2022	Risk Type	Financial
Risk Description	Impact from migrating disability cases from DWP if not covered by fraud offence provisions.		
Current Impact	5	Current Likelihood	4
Action Owner	[Redacted]	Risk Owner	James Wallace
Detail	Solution has now been implemented by Programme and threat removed for the time being. Residual risk remains and managed at to Finance and Corporate Services Division until such times as first test case is presented to Crown Office.		

**Table 8- Inherent Risk Score against Current and Target Risk Score**

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Risk ID	Risk Owner	Inherent Risk Score	Current Risk Score	Target Risk Score
AS-R001a	All Deputy Directors	16	12	9
AS-R002a	Miriam Craven	16	12	8
AS-R012a	James Wallace	20	16	12
AS-R015b	James Wallace	20	20	5
AS-R029	Janet Richardson	25	20	4
AS-R048	Miriam Craven	16	12	9
AS-R060	Miriam Craven	16	16	4
AS-R062	Miriam Craven	16	8	8
AS-R064	Andy McClintock	16	12	8
AS-R066	James Wallace	20	20	8
AS-R070	Janet Richardson	15	15	12
AS-R072	Miriam Craven	16	12	8
AS-R074	Miriam Craven	12	8	4
AS-R075	Janet Richardson and James Wallace	20	16	8
AS-R077 (Decreased)	James Wallace	20	16	8
AS-R078	[Redacted]	20	20	12
AS-R080	Andy McClintock & Miriam Craven	16	16	4
AS-R081 (Decreased)	James Wallace	25	10	5
AS-R083 (Decreased)	All Deputy Directors	20	16	8
AS-R084	Miriam Craven	20	16	6
AS-R085	TBD	5	5	6
AS-R087	James Wallace	20	20	10