Social Security Scotland
Tèarainteachd Shòisealta Alba

| **Audit and Assurance Committee Meeting Paper** | |
|---|---|
| **Date of Meeting** | Tuesday 19 May 2020 |
| **Subject** | Risk Management Update |
| **Agenda No.** | 3 |
| **Paper No.** | 7.2 a |
| **Prepared By** | [Redacted] |
| **Purpose** | Discuss |

## 1. Background

1.1. Prior to the COVID-19 outbreak and lockdown, the risk management function had taken on board the advice at February Audit and Assurance Committee and was due to meet with the Executive Team to refresh and baseline the Strategic Risk Register.

1.2. This meeting took place on Wednesday 22nd April and the outputs have been provided separately.

1.3. The Risk Review Group has met twice since the last Audit and Assurance Committee meeting and will meet again following this session in order to discuss the content provided.

1.4. Work has begun to baseline the Strategic Risk Register and re-phrase risk based on the output of the Executive Team meeting.

## 2. Executive Team meeting with Risk Management Function

2.1. The papers provided alongside this update has captured the conversation between the Executive Team and the risk management function and the follow up work completed.

2.2. The power point presentation captures the themes of risk foremost in the minds of the Executive Team.

2.3. The spreadsheet/word document captures those themes related to the current risk register. Those risks highlight in red are to be de-escalated and those in yellow are to be rephrased. These are the recommendation of the risk management function only and further discussion, as outlined below, will ensure that his is a joint effort.

2.4. The risk management function is now moving to baseline the Strategic Risk Register as a result of this, jointly with each Division.

2.5. Risks that are to be de-escalated will be accepted back on to Divisional risk logs where it will be treated, terminated or re-escalated once the risk has been thoroughly analysed by the appropriate Divisions.

2.6. Risks that are to be re-phrased will be undergo the same process as those to be de-escalated. They will be reviewed by the most appropriate Division and revised where necessary. These revised risks will then continue to be held on the Strategic Risk Register, but also will be mirrored on the top level Divisional risk log.

2.7. Once this action is complete each Division will be responsible for providing a monthly update on mitigations and actions plans (or more frequently if needed) to the risk management function.

2.8. We are currently proposing that each Division appoint people to gather this information and be a single point of contact for the risk management function.

2.9. The Deputy Directors have had a significant impact on increasing awareness of risk management across their Divisions and this process will hopefully continue to improve this.

2.10. Moving forward it is proposed that the Executive Team reflect quarterly on the risk themes to keep the overall strategy aligned to their concerns and the risk management function is to provide a monthly update to the Executive Team to give them assurance and sight of risk on the Strategic Register, highlighting the themes for these risks.

## 3. Risk Review Group Update

3.1. The Risk Review Group has continued to meet since the last Audit and Assurance Committee meeting with only March's session being conducted by correspondence.

3.2. The group are maintaining the governance of the risk strategy and supporting discussion on areas of concern across Social Security Scotland.

3.3. The group will meet again on 22nd May to reflect on the proposals set out in this paper and to implement after discussion.

3.4. Where necessary the group will make adjustments to its membership in order to provide timeous and accurate support across all Divisions.

3.5. Work on re-defining the risk categories has been completed with the removal of "Programme" as a category, replace by "Operational Readiness". Work, in conjunction with the proposal in **section 2 above**, will feed in to a re-stating of the tolerance and appetite of risk within Social Security Scotland.

3.6. A paper is included with this update that reflects the risk category definitions.

3.7. The Terms of Reference are to be reviewed in June.

## 4. New Risk

4.1. While the risk register is currently being reviewed and updated there have been new additions, score changes and removals that have been approved by the Risk Review Group. They are captured at **Annex B**.

4.2. The risk register has been provided, however it should be noted that it does not reflect the proposals set out above at this time.

4.3. No "Top 5" risks have been provided as they are not necessarily reflective of the current situation. Once the register has been reviewed the risk management function will provide new reporting including, but not limited to, the risk mapping documents, horizon scan and highlight reports as deemed appropriate for providing assurance.

## 5. Conclusion

5.1. To discuss and make recommendations based on information provided for this report.

# RISK MANAGEMENT UPDATE

**Annex A**

**Activity since last meeting:**

| Date | Activity |
|---|---|
| 10th February 2020 | Meeting with Corporate Services risk and action owners (Dundee) |
| 12th February | Meeting with Operations (Glasgow) for risk development session |
| 13th February 2020 | Meeting with Corporate Services risk and action owners (Glasgow) |
| 13th February 2020 | Social Security Scotland Risk Review Group meeting |
| 25th February 2020 | Meeting between Agency, Programme and Transformation and Change Risk Management Functions |
| 25th February 2020 | Developing risk escalation route with Transformation and Change risk management function. |
| 2nd March 2020 | Meeting with Data Analysis and Insights risk leads to develop risk log |
| 5th March 2020 | Review of strategic risk register with Deputy Director |
| 5th March 2020 | Development of Operations Policy team risk and issues log |
| 6th March 2020 | Supporting the delivery of risk awareness session for Dundee Operations staff |
| 9th March 2020 | Meeting to develop and define risk categories |
| 25th March 2020 | Meeting between Agency, Programme and Transformation and Change Risk Management Functions |
| 26th March 2020 | Strategy and Client Experience Senior Management Team meeting to discuss risk as a result of "lockdown". |
| 30th March 2020 | Meeting with Corporate Services and Finance risk leads |
| 31st March 2020 | Meeting with Chief Digital Office- Information Security Team |
| 2nd April 2020 | [Redacted] |
| 21st April 2020 | Risk Review Group- digital meeting |
| 22nd April 2020 | Executive Team session to capture risk themes and begin refresh of Strategic Risk Register. |
| 23rd April 2020 | Attended Programme Risk Review Panel and discussed "Re-Planning Co-ordination" paper, as well as usual agenda items. |

| | |
|---|---|
| 24th April 2020 | Risk Management Function meeting- Programme, Social Security Scotland, Transformation and Change and CDO. |
| 29th April 2020 | Meeting with Client Experience to discuss risk approach/review risk log |
| 30th April 202 | Meeting with Corporate Services to discuss risk approach |
| 4th May 2020 | Monthly meeting with Health and Safety-risk review |
| 4th May 2020 | Meeting with Operations to discuss risk approach |
| 4th May 2020 | Meeting with National Engagement team to discuss risk approach |
| 5th May 2020 | Meeting with Internal Audit to discuss risk governance proposals |
| 5th May 2020 | Meeting with Clinical Assessment Deputy Director and Transformation and Change leads to discuss risk approach. |
| 5th May 2020 | Attending Live Running Risk log meeting with Transformation and Change Team |
| 6th May 2020 | Catch up with Risk Review Group Chair. |

**Forthcoming activity includes:**

| Date | Activity |
|---|---|
| 7th May 2020 | To meet with wider Client Experience team to formalise risk approach and governance. |
| 11th May 2020 | Strategy and Operational Policy branch team meeting to formalise risk approach. |
| 14th May 2020 | Meeting with Corporate Services risk co-ordinators. |
| 18th May 2020 | Attending Corporate Services monthly risk review meeting. |
| 21st May 2020 | Risk Review Group Meeting |
| 27th May 2020 | Risk Management Function meeting- Programme, Social Security Scotland, Transformation and Change and CDO. |

Social Security Scotland
Tèarainteachd Shòisealta Alba

## RISK MANAGEMENT FUNCTION UPDATE- New Risks

**Annex B**

### AS-R065

| Date Added | | Risk Type | Policy |
|---|---|---|---|
| Risk Description | [Redacted] | | |
| **Inherent** Impact | 4 | **Inherent** Likelihood | 4 |
| Action Owner | [Redacted] | Risk Owner | James Wallace |
| Information for addition | The reworking to re-align the product to policy intent would be substantial and has already been highlighted from Internal Audit review.<br>Current outstanding policy considerations are: [Redacted] | | |

### AS-R066

| Date Added | | Risk Type | Policy |
|---|---|---|---|
| Risk Description | [Redacted] | | |
| **Inherent** Impact | 4 | **Inherent** Likelihood | 5 |
| Action Owner | [Redacted] | Risk Owner | James Wallace |
| Information for addition | [Redacted] | | |

## AS-R070

| Date Added | | Risk Type | Operational Delivery |
|---|---|---|---|

| Risk Description | [Redacted] | | |
|---|---|---|---|
| Current Impact | 5 | Current Likelihood | 4 |
| Action Owner | ? | Risk Owner | ? |
| Update | Current:<br><br>09/03/20<br>*Impact assessment list completed for all business areas<br>*Steering group in place to develop plans and contingencies<br>*COVID 19 plan with Chief Executive<br>*UK Government remaining at "Containment" phase.<br><br>09/03/20:<br><br>* Staff awareness has been raised with articles on SCOTS<br>*Posters being displayed in all areas of offices<br>*Antibacterial hand sanitiser being provided at desk | | |

**[Redacted]**

**RISK MANAGEMENT FUNCTION UPDATE- Score Changes**

| AS-R062 (Linked to Programme Risk SS-R054) | | | |
|---|---|---|---|
| Date Added | 26/03/19 | Risk Type | Governance |

| Risk Description | [Redacted] | | |
|---|---|---|---|
| Current Impact | 4 | Current Likelihood | 2 |
| Action Owner | [Redacted] | Risk Owner | Miriam Craven |
| Update | [Redacted] | | |

**RISK MANAGEMENT FUNCTION UPDATE- Removed**

| AS-R008 | | | |
|---|---|---|---|
| Date Added | 26/03/19 | Risk Type | Financial |

| Risk Description | [Redacted] | | |
|---|---|---|---|
| Current Impact | 5 | Current Likelihood | 2 |
| Action Owner | [Redacted] | Risk Owner | James Wallace |
| Reason for Closure: | 03/03/20- Risk to be removed- Risk is mirrored on Finance risk register as FIN-02 and FIN-13, both of which are being suitably managed at the divisional level. | | |

## AS-R021

| Date Added | 26/03/19 | Risk Type | Financial |
|---|---|---|---|

| Risk Description | [Redacted] | | |
|---|---|---|---|
| Current Impact | 4 | Current Likelihood | 4 |
| Action Owner | [Redacted] | Risk Owner | James Wallace |
| Reason for Closure: | [Redacted] | | |