



Executive Advisory Body

Date of Meeting	Tuesday 8 June 2021
Subject	Risk Management Update
Agenda No.	Below the Line
Paper No.	23.4
Prepared By	Risk Management Team
Purpose	Note

1. Background

1.1. To provide Executive Advisory Body with a Risk Management update.

2. Key points

2.1. Update of risk management function activity including :

- An update on the Strategic Risk Register and the significant updates since last presented to the Executive Advisory Body in February 2021.
- An overview of our response to the recommendations from the Risk Management Review.
- Update from the Risk Review Group.

3. Conclusions

3.1. The Executive Advisory Body are asked to note the content of this report.



4. GOVERNANCE CHECKLIST

Strategic Objective	Contribution
Dignity, fairness and respect Delivering a service with dignity, fairness and respect at its core.	n/a
Equality and tackling poverty Promoting equality and tackling poverty.	n/a
Efficiency and alignment Ensuring efficiency and aligning our activities with wider public sector for the benefit of the people we serve.	The work undertaken by the risk management function increases risk awareness and risk based decision making to improve the work undertaken to the benefit of the people we serve.
Economy, society and environment Contributing to our economy, society and protection of our environment.	Early sight of potential threats to objectives a more concise response may save resource, or focus resource more efficiently and save time and money.

Strategic consideration	Impact
Environment	n/a
Governance	Providing regular contact with and updates from risk action owners, agreed by risk owners to provide assurance that risk is being managed.
Data	n/a
Finance	n/a
Staff	n/a
Equalities	n/a
Estates	n/a
Communications and Presentation	n/a



Impact Assessment

n/a



Risk Management Function Update

1. General update

Since March 2021 there have been three new risks approved by the Risk Review Group. The profile of these risks are set in the context of the increase in exposure across compliance and finance in light of policy requirements, Information Technology and the development of future payment systems.

New risks added: AS-R079, AS-R080 and AS-R081

2. Risk Management Review

Social Security Scotland, through the Internal Audit Directorate, commissioned a piece of work to look at our Risk Management approach, and help us shape what our future risk management framework must do to support the organisation's future and growing needs. The work included initial baselining of our current approach, but the main output was a set of recommendations setting out a routemap for future delivery. Non-Executive Members were interviewed as part of the process.

The Risk Management Function has begun a review of the recommendations made with a view to prioritisation and planning, informed by the Risk Review Group, Executive Team, Audit and Assurance Committee and relevant key stakeholders.

One of the recommendations focused on the development of a Risk Framework (see Annex A). The purpose of this is to set out at a high level our approach to risk management, this Framework once approved would then allow more detailed work on the development of a Risk Strategy and supporting policy, procedure and training. Feedback from the Risk Review Group and Audit and Assurance Committee has been positive, and asked that it included further detail on the relationship with Social Security Directorate Programme risk management and that consideration be given on how a federated approach to risk is embedded with staff in a meaningful way.

Once the Risk Framework is completed the Risk Management Function will focus on the more detailed recommendations. The following areas are our current priorities:

- Strategic Risk Register Review – development of a Principle Risk Register focused on risks directly aligned to the delivery of our strategic objectives.
- Risk Strategy and Framework – development of supporting policy, procedures and training.



- Governance of Risk Management – working towards a federated risk management approach and ensuring risk management is embedded across governance structures.

3. Risk Review Group

The Risk Review Group continues to meet monthly to assess the current landscape of risk and issues across Social Security Scotland.

Membership has been refreshed in light of changes across all divisions and the next review of Terms of Reference will be October. The group have reviewed the Risk Framework draft document, and are supporting the development of Principle Risks as outlined above.



Annex A

Social Security Scotland Risk Framework version 1.2