

## **Scotland Excel**

**To: Joint Committee**

**On: 17 June 2022**

**Report by:  
Chief Executive of Scotland Excel**

### **Scotland Excel's Approach to Risk**

#### **1. Purpose of the report**

This paper provides an overview of Scotland Excel's approach to Strategic Risk management as an organisation, how we intend to share our risk assessments with our local authority partners, our reporting regime to the Joint Committee and Executive Sub Committee and, our internal monitoring and assessment procedures.

In addition, this report summarises the current Strategic Risk identified within the Scotland Excel Strategic Risk Register.

#### **2. Background**

The current format of the current Strategic Risk Register was created in June 2018 when Scotland Excel carried out a full review of the organisation's Risk Register to reflect the new 5-year operating plan.

It was agreed that the Strategic Risk Register would be reported to the Executive Sub Committee twice a year and the Joint Committee on an annual basis to give elected members visibility of the risks and the actions being undertaken by the organisation to manage and mitigate each Strategic Risk.

A comprehensive review of the structure and presentation of the Scotland Excel Strategic Risk Register will again be carried out in early 2023 following approval of the organisation's next 5-year strategy.

#### **3. Reporting and Monitoring**

In addition to reporting on a regular basis to the Joint Committee and Executive Sub Committee, following a request from the Chief Executive Officers Management Group (CEOMG), Scotland Excel will also share its Strategic Risk register with local authority Risk Managers to ensure all key strategic risk is reflected within local authority risk registers.

The Scotland Excel Strategic Risk Register is updated and monitored on a quarterly basis by the organisations Senior Management Team (SMT). At the risk monitoring meetings, existing risk is reassessed following agreed mitigation actions and new risk is identified, assessed and mitigating actions agreed. Each

risk is assessed on Likelihood and Impact and allocated a score which indicates the potential impact on Scotland Excel.

#### 4. Strategic Risk Register












There are currently 11 risks identified within the Scotland excel Strategic Risk Register ranging in assessed risk score from 6 to 20. Table 1 shows the current identified risks along with their assessed Residual Risk score.

*Table 1*

Risk Ref.	Risk Title	Residual Risk Score
SXL005-21/22	Supplier Failure	20
SXL011-21/22	National Care Service	20
SXL003-21/22	Political Change	16
SXL006-21/22	Staff Recruitment and Retention	16
SXL010-21/22	National Emergency including Pandemic	15
SXL001-21/22	Organisational Sustainability	15
SXL009-21/22	Environmental Impact and Climate Change	12
SXL002-21/22	Managing Growth and Diversity	12
SXL004-21/22	Reputational Risk	12
SXL008-21/22	Risk of Not Performing/Delivering	8
SXL007-21/22	Corporate Social Responsibility	6

Table 2 shows movement in residual risk score for each identified risk over the past 4 monitoring periods. The colour of the arrows indicating the “4 quarter trend” reflect the positioning of the risk in relation to the Strategic Risk Register which can be viewed at appendix 1 to this report.

*Table 2*

Risk Name:	Assessed Residual Risk Score				4 Quarter Trend
	Q1	Q2	Q3	Q4	
Supplier Failure	20	20	20	20	
National Care Service (NCS)	n/a	n/a	n/a	20	
Political Change	16	16	16	16	
Staff Recruitment and Retention	9	9	9	16	
National Emergency including Pandemic	20	15	15	15	
Organisational Sustainability	20	15	15	15	
Environmental Impact & Climate Change	6	6	6	12	
Managing Growth and Diversity	16	12	12	12	
Reputational Risk	12	12	12	12	
Risk of Not Performing	12	8	8	8	
Corporate Social Responsibility	6	6	6	6	

#### 5. Recommendation

The members of the Joint Committee are invited to note the content of the paper.

Appendix 1

Diagram 1: Consolidated Risk Matrix

Impact	5			Organisational Sustainability		
	4		Risk of Not Performing / Delivering	Environmental Impact Managing Growth & Diversity Reputational Risk	Political Change Staff Recruitment & Retention	Supplier Failure National Care Service
	3		Corporate Social Responsibility			National Emergency / Pandemic
	2					
	1					
		1	2	3	4	5
		Likelihood				