

**Registers of Scotland****RoS Board****10 December 2024****KRR by Exception****Purpose**

1. The paper provides an update on the KRR 2022-27 Year 3 following EMT and Audit & Risk Committee (ARC) reviews, and ongoing Key Risk Owner (KRO) review.
2. To provide an update on the new governance route of approval for the Risk Management (RM) policy.
3. It supports the board in its role of providing strategic advice to the Keeper and in its focus on setting a framework of prudent and effective controls that enables risk to be assessed and managed.

**Recommendation**

4. RoS Board is requested to review the content of the paper and the KRR summaries at Annex 1 and advise the Keeper and EMT on the update.
5. RoS Board is requested to note the new governance route of approval for the RM policy.

**Background**

6. The KRR contains (i) key risk scenarios that may affect corporate plan objectives and (ii) risk response strategies for these scenarios. It is a 'live' document reviewed and updated at least monthly by KROs and submitted to EMT for approval as part of the monthly corporate governance process. It is submitted to RoS Board and ARC meetings for noting and/or advice as a summary report or as the RoS Assurance Framework.

**Key Risk Register (KRR)**

7. The paper adopts a 'reporting by exception' approach comprising 3 elements:

<b>Reporting element</b>	<b>Frequency of reporting</b>	<b>Board input / 'ask of the Board'</b>
1. Key Risk Profile	Every Board meeting	Advice on strategic risk exposure
2. New / escalating risks	As relevant	Advice on risk scenario assessments and/or risk responses (i.e. controls)
3. Risk response delays / controls not delivering anticipated risk response	As relevant	Advice on risk scenario assessments and/or risk responses (i.e. controls)

## **KRR reporting element 1 - Key Risk Profile**

8. KROs have reviewed key risks and where appropriate updated risk descriptions, appetites, proximity, scoring, controls and assurance opinions. A KRR summary as at the date of this paper is at Annex 1. A matrix showing current (when risk not at target) and target scores for all key risks is included as an additional visual to support interpretation and understanding of the KRR. The 'live' KRR will be available to RoS Board at the December meeting.

9. The Director of People and Operational Services is reviewing Key Risks 3 (Operational Capacity) and 4 (People & Change 2023-26) with a view to presenting updated risk assessments to EMT (with an update to ARC and the Board to follow). These may form part of the discussion at the Year 4 deliver planning and risk workshop in January.

## **KRR reporting element 2 - New risks / existing risks escalating**

10. Key Risk 11 Public Service Reform – “There is a threat that RoS fails to effectively engage with and influence PSR resulting in unintended consequences for our customers”. An increase in likelihood of this risk will be reported at the December EMT meeting. A verbal update will be provided at this (December) Board meeting.

## **KRR reporting element 3 - Risk response delays / controls not delivering anticipated risk response**

11. No exceptions.

## **Risk Management Policy**

12. As part of wider changes to the governance system, EMT have approved new arrangements for review and approval of the RM policy. The process will change from formal review by EMT, ARC and Board to formal review by the Information Security & Assurance Group (ISAG) and EMT. ARC and Board will be invited to note the policy post-review. PCS will continue to have an opportunity to comment on the policy.

13. This change is part of the wider governance review with its objectives of involving 'tier 2' governance groups more in governance arrangements (in this case ISAG) and making best use of EMT, ARC and Board time and expertise.

## **Conclusion**

14. RoS Board to review the KRR update and consider the background, topic matter and recommendations in this paper for advice to the Keeper and EMT.

**Head of Enterprise Risk Management  
Policy & Corporate Services  
21 November 2024**

# Key Risk Register Summary

November 2024

## Risk 1 // Financial Health (Annual Performance)

There is a threat that RoS is unable to break-even\* on an annual basis.  
(\*excludes ringfenced budgets)

Category : Financial

Appetite : Cautious

Response : Treat

Owner : Chris Kerr

Inherent	Current	Target
<b>15</b> (High)	<b>6</b> (Moderate)	<b>6</b> (Moderate)

No change.

## Risk 2 // Financial Sustainability (Longer Term)

There is a threat that RoS is unable to achieve financial sustainability over the medium (3 years) to longer term (5 years).

Category : Financial

Appetite : Cautious

Response : Treat

Owner : Chris Kerr

Inherent	Current	Target
<b>20</b> (Very High)	<b>12</b> (Moderate)	<b>8</b> (Moderate)

No change.

## Risk 3 // Operational Capacity

There is a threat operational capacity is insufficient to substantially reduce open casework and deliver Corporate Plan objectives.

Category : Operations

Appetite : Minimalist

Response : Treat

Owner : Tracy McIntyre

Inherent	Current	Target
<b>15</b> (High)	<b>12</b> (Moderate)	<b>4</b> (Low)

No change.

## Risk 4 // People & Change (2023-26)

There is a threat that our people\* are not ready to deliver the step change in productivity required to substantially reduce open casework.  
(\*including attitudes, skills, behaviours)

Category : People

Appetite : Cautious

Response : Treat

Owner : Tracy McIntyre

Inherent	Current	Target
<b>15</b> (High)	<b>12</b> (Moderate)	<b>6</b> (Moderate)

No change.

## Risk 5 // Public Trust in the Registers

There is a threat of loss of public trust in the keeping of the registers.

Category : Reputational

Appetite : Minimalist

Response : Tolerate

Owner : Jennifer Henderson

Inherent	Current	Target
<b>10</b> (Moderate)	<b>4</b> (Low)	<b>4</b> (Low)

No change.

## Risk 6 // Future business model beyond 2024

There is a threat that insufficient strategic thinking and prioritisation of strategic objective 1 will inhibit our ability to realise our long-term vision and respond strategically beyond 2024.

Category : Strategy

Appetite : Cautious

Response : Treat

Owner : Jennifer Henderson

Inherent	Current	Target
<b>16</b> (High)	<b>9</b> (Moderate)	<b>6</b> (Moderate)

No change.

## Risk 7 // Post-2026 Transition

There is a threat that RoS is unable to make the transition from delivering Corporate Plan 2022-27 to pursuing the 2030 Vision

Category : Strategy

Appetite : Cautious

Response : Treat

Owner : Jennifer Henderson

Inherent	Current	Target
<b>16</b> (High)	<b>12</b> (Moderate)	<b>6</b> (Moderate)

No change.

## Risk 8 // Information Security

There is a threat that (i) our info. security capabilities\* and (ii) visibility of info. security risks are insufficient, potentially impacting the confidentiality, integrity and availability of the registers and services provided by Registers of Scotland.

\*(in terms of IS management system, risk management and assurance)

Category : Security

Appetite : Cautious

Response : Treat

Owner : Martin Burns

Inherent	Current	Target
<b>25</b> (Very High)	<b>12</b> (Moderate)	<b>9</b> (Moderate)

-4 vs Last Quarter

## Risk 10 // Customer Satisfaction

There is a threat to customer satisfaction from initiatives to reduce open casework

Category : Reputational

Appetite : Cautious

Response : Treat

Owner : David Blair

Inherent	Current	Target
<b>15</b> (High)	<b>12</b> (Moderate)	<b>9</b> (Moderate)

-3 vs Last Quarter

## Risk 11 // Public Service Reform (PSR)

There is a threat that RoS fails to effectively engage with and influence PSR resulting in unintended consequences for our customers.

Category : Strategy

Appetite : Cautious

Response : Treat

Owner : Chris Kerr

Inherent	Current	Target
<b>9</b> (Moderate)	<b>9</b> (Moderate)	<b>4</b> (Low)

No change.

**Risk 12 // Maximising Use of RoS Data**

*There is a threat that in pursuit of business development opportunities RoS fails to find a balance between over or under exploiting our data*

Category : Information

Appetite : Open

Response : Treat

Owner : David Blair

Inherent	Current	Target
<b>12</b> (Moderate)	<b>9</b> (Moderate)	<b>6</b> (Moderate)

-3 vs Last Quarter

**Risk 13 // Business Development & Relationship with SG**

*There is a threat that pursuit of business development opportunities has a negative impact on our relationships with SG and other stakeholders*

Category : Commercial

Appetite : Cautious

Response : Treat

Owner : David Blair

Inherent	Current	Target
<b>15</b> (High)	<b>12</b> (Moderate)	<b>6</b> (Moderate)

No change.

