

SSSC RISK APPETITE STATEMENT

Date agreed by Council:

Introduction

This statement sets out how we balance risk and opportunity in pursuit of achieving our objectives.

This statement is a key element of our corporate governance framework and is reviewed by Council annually.

We recognise that the appetite for risk will vary according to the activity undertaken and hence there will be different appetites and tolerances to risk.

Overarching Statement

We are an organisation that has successfully regulated and developed the social care workforce for over 15 years. We have developed an organisational maturity that helps us understand our risks and opportunities. We are therefore not a risk averse organisation. Our approach is to choose the most appropriate course of action based on an assessment of impact, anticipated benefits, risk and cost.

We are willing to consider all potential delivery options and will choose one that is the most likely to result in successful delivery while also providing an acceptable level of reward (value for money, customer satisfaction etc.). Rather than avoiding innovation, we are open to innovation as long as there are commensurate improvements in internal controls.

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RISK APPETITE SUMMARY

<u>Heading</u>	<u>Brief Description</u>	<u>Appetite</u>
<u>Reputation & Credibility</u>	<u>Wrongful disclosure of information</u>	<u>Averse</u>
<u>Regulatory/Legal Compliance</u>	<u>Failure to meet obligations</u>	<u>Averse</u>
<u>Reputation & Credibility</u>	<u>Proportionate regulation</u>	<u>Cautious</u>
<u>Reputation & Credibility</u>	<u>Exposure to scrutiny</u>	<u>Cautious</u>
<u>Operational & Policy Delivery</u>	<u>Processes, systems and controls</u>	<u>Cautious</u>
<u>Financial / VFM</u>	<u>Cost / benefit appraisal</u>	<u>Cautious</u>
<u>Reputation & Credibility</u>	<u>L&D innovation & responsiveness</u>	<u>Open</u>
<u>Operational & Policy Delivery</u>	<u>Developing process and systems</u>	<u>Open</u>
<u>Financial / VFM</u>	<u>Pursuit of Best Value</u>	<u>Open</u>
<u>People and Culture</u>	<u>Staff & cultural development</u>	<u>Open</u>

Reputation and Credibility

We place public protection as our highest priority. We aim to respond proportionately to fitness to practise issues as they arise and we

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have a **cautious** risk appetite with regard to our reputation in this area. We understand the need to be transparent in the decisions we make and maintaining the independence of Hearing panels. We understand the importance of maintaining our reputation as a proportionate regulator that provides public assurance and protects and improves the experience of people using social care services.

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- In our work on learning and development for the sector, we recognise the need to maintain and enhance our reputation for being innovative and responsive to stakeholders' needs. We are therefore open to experimenting with new approaches in the knowledge that not all of them will succeed. We have an **open** risk appetite for this area of our activity.

- The SSSC risk appetite allows for decisions to be taken that have the potential to expose the SSSC to additional scrutiny from e.g. Government or media but only where appropriate steps have been taken to minimise any adverse exposure. We have a **cautious** risk appetite for this area of our activity.

We hold a significant volume of confidential and/or sensitive information and data. The accidental or deliberate wrongful disclosure of such information has the potential to erode trust, damage our reputation and ultimately prevent us from being able to operate. We therefore maintain a risk **averse** appetite to wrongful disclosure of information.

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Operational and Policy Delivery

- We maintain a **cautious** risk appetite towards sustaining appropriate operational processes, systems and controls to support operational delivery.

We have an **open** risk appetite for the development and enhancement of these systems subject to effective testing and implementation controls.

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Financial / Value for Money

- The SSSC operates within a tightly controlled and audited financial regime. We maintain a **cautious** risk appetite, whereby Value for Money is the primary concern. We are willing to consider the costs and benefits of any proposed course of action and in doing so are prepared to accept the possibility of some limited financial loss. The expectation is that the Executive Management Team will closely monitor the overall level of financial risk we face.

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- Efficiency is a very high priority to maximise our ability to pursue our strategic goals. Furthermore, efficiency and Best Value is within our control and hence should be a strong focus for all staff. We therefore have an **open** risk appetite for Best Value initiatives.

People and Culture

We recognise that our staff are critical to the achievement of our strategic priorities. The support and development of our staff is key to making the SSSC an inspiring and safe place to work. We have an **open** risk appetite for decisions that involve staffing or culture to support transformational change or continuous improvement.

Regulatory and Legal Compliance

- We aim to reduce our risk of failing to meet our legal and financial obligations to a managed position of being "as low as reasonably practicable". We maintain an **averse** risk appetite towards regulatory and legal compliance. Risk taking is generally limited to those events where there is little chance of any significant repercussion for the SSSC should there be a compliance failure.

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Risk Appetite Definitions

<u>Appetite</u>	<u>Descriptor</u>
<u>Averse</u>	<u>Activities undertaken will be considered to be very safe in the achievement of deliverables or initiatives. Activities will only be undertaken where there is a low degree of inherent risk. The associated potential for reward / benefits realisation is not a key driver for decisions.</u>
<u>Cautious</u>	<u>We are willing to accept a degree of risk in selecting which activities to undertake where we have identified scope to achieve significant comparative reward or realise a benefit. Activities may carry significant inherent risk that is deemed controllable to a large extent.</u>
<u>Open</u>	<u>We will undertake activities balancing the likelihood of successful delivery with the potential reward or value of the benefits that could be realised. Activities may carry, or contribute to, a high degree of residual risk.</u>