CABINET OFFICE

HM TREASURY

Alex Chisholm
Civil Service Chief Operating Officer
and Cabinet Office Permanent Secretary

Catherine Little
Director General, Public Spending
Head of Government Finance Function
Tel: 020 7270 5524
Catherine.little@hmtreasury.gov.uk
www.hm-treasury.gov.uk

1 Horse Guards Road
London
SW1A 2HQ

29th April 2022

Dame Meg Hillier MP
Chair, Public Accounts Committee
House of Commons
London
SW1A 0AA

Dear Chair,

Further to the previous letter dated 31 January 2022, we are writing to you to provide an update on progress on our commitments to improve risk management in government, in response to recommendation 5 in your Thirteenth Report - Initial lessons from the government's response to the COVID-19 pandemic. We are copying this letter to Sir Tom Scholar and the Comptroller and Auditor General.

Risk Management Strategy & Delivery Plan

Since we shared the Strategy with you on 31 January 2022, the Risk Centre of Excellence (CoE) has been continuing to promote the Risk Management Strategy & Delivery Plan across government with key stakeholders and begun implementation of actions for the financial year 2022-23. Good progress has been made on the PAC commitments, as set out below.

Collaborating across boundaries

The NAO and Maude Review both made recommendations in regard to improving reporting of principal risks to the Civil Service Board (CSB). The April 2022 report to the Civil Service Board was a further step in addressing these recommendations. The improved reporting was targeted, action-focused, and better reflected an assessment of risks outside appetite and management strategies to address them, and we will continue to refine this approach with the board and departments in each quarter.

The CoE continues to ensure that its work is appropriately informed by other relevant activity and insights across government. Most recently, the CoE has welcomed the opportunity to collaborate with the Cabinet Office on the forthcoming government response to your reports: Government preparedness for the COVID-19 pandemic: lessons for government on risk; and Government's delivery through arm's-length bodies. We also valued the opportunity to work with the Cabinet Office on the response to the House of Lords Risk Assessment and Risk Planning Committee's report Preparing for Extreme Risks: Building a Resilient Society.

Enhance capabilities and drive professionalism

The government has also focused on meeting the key Boardman recommendation to "instigate a programme of training for risk managers in government with certification and formal accreditation", and this is on track. To support this delivery, the CoE has relaunched a Skills and Capability working group, drawing on the expertise from risk specialists from departments and ALBs to develop a high-quality and credible learning offer for the risk profession. The CoE is currently coordinating with Civil Service Learning and undertaking pre-market engagement with potential learning providers. At our next update we will aim to confirm the learning provider and provide an outline of the programme of training. Further to this, the CoE will be looking to develop a strategy for ensuring that a sufficient pipeline of learning and career development for the risk profession and those wishing to enter it is in place to support capacity and continued professional development.

Head of the Government Risk Profession

We are delighted to announce that we have appointed an experienced risk professional as Head of the Government Risk Profession and that they will take up the post on 3 May 2022. The Clerk of the Public Accounts Committee will be sent the postholder's name and CV when the postholder starts. As the Head of the Risk Centre of Excellence, they will lead the implementation of the Risk Management Strategy and Delivery Plan. The Head of the Government Risk Profession will be able to draw upon the resources of the Government Finance Function (GFF), for example in supporting learning and development, engagement, and building a community of practitioners. Cat Little will continue to provide senior sponsorship, ensuring that risk is embedded across the full range of GFF and HM Treasury activities.

We will continue to provide an update every quarter until we have fully met the commitments we made to you in June 2021.

Yours sincerely

Alex Chisholm	Catherine Little
Civil Service Chief Operating Officer	Director General, Public Spending
and Cabinet Office Permanent Secretary	Head of Government Finance Function