



HM TREASURY

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15 November 2021

Meg Hillier MP
Chair, Public Accounts Committee
House of Commons
London
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Dear Chair,

As the relevant senior official responsible for risk management professionalism, I am writing to you in response to recommendation 5 in your *Thirteenth Report - Initial lessons from the government's response to the COVID-19 pandemic*. This letter provides an update on the progress made in regard to the recommendation from the Boardman Review of Government Procurement in the COVID-19 pandemic published on 7 May 2021, to establish a risk management profession. I am copying it to Tom Scholar, Alex Chisholm and the Comptroller and Auditor General.

The government is committed to learning lessons from the pandemic and recognises that effective and meaningful risk management must be an integral part of informed decision-making, from policy or project inception through implementation to the everyday delivery of public services, as well as being fundamental to effective preparations for, and responses to, crises. To deliver this, the risk management profession must be able to support this ambition through expert leadership, and high standards of professional advice to decision makers.

The Boardman Review recommended that government instigate a programme of training for risk managers, with certification and formal accreditation, common standards and a central body that can coordinate assessments of risk. We have accepted this recommendation in full. Progress that we have made and our future plans for delivering on the commitment to establish a risk management profession are set out below.

Spending Review

Responsibility for the risk management profession sits with the Government Finance Function, allowing me as head of function to combine expertise across a range of professions relevant to the highest standards of enterprise risk management, including



finance, internal audit, corporate finance and my wider HM Treasury responsibilities for planning, performance, and resource allocation. The Government Finance Function set out the resource requirement for the Risk Centre of Excellence (CoE) to meet recommendations set out by Lord Maude and the Nigel Boardman report, and this was incorporated into the Government Finance Function submission to the Spending Review. Dedicated resource for this work will be allocated as part of HM Treasury's upcoming business planning process.

Risk Management Strategy

To ensure immediate action is taken, we have established a project team to work with the CoE to develop the wider risk management strategy for government, focusing on the three commitments made in the letter from me and Alex Chisholm sent to you on 23 June:

1. Strengthen leadership and enhance credibility.
2. Collaborate across boundaries.
3. Enhance capabilities and drive professionalism.

The project team and the CoE are engaging in extensive stakeholder consultation as they develop detailed plans to meet these commitments with a view to including a clear strategy and comprehensive delivery plan in my next quarterly update to you by the end of January 2022.

Establishing a risk management profession

A key part of meeting the third commitment will be establishing a risk management profession in response to Boardman's recommendation.

Since being established in 2019, the CoE have been working to increase professionalism of those engaged in enterprise risk management across government. The CoE is established as a resource hub supporting the personal and professional development of colleagues in the risk community. This includes providing opportunities to join and collaborate across risk networks, working groups and events, and delivering guidance, toolkits, seminars and learning support material. Since our letter of 23 June, the CoE has published three new guidance documents, including the Risk Management Skills and Capability Framework, a key tool to enhance capability and drive professionalism which supplements the existing Government Finance Career Framework. For the first time, this document outlines a career pathway for risk professionals. The CoE continues to manage a risk management mentorship scheme, to support and develop the risk community, and work with key partners, such as the NAO and Civil Contingencies Secretariat to promote community engagement with new reports and guidance.

Under a head of risk management profession, who I hope to be recruited and in post by 1 April 2022, we will produce an accredited learning and development offer for risk management professionals. Once this offer has been developed, a key task will be to devise and implement a sustained strategy for ensuring that a sufficient pipeline of these professionals is developed, and that continuing professional development is maintained. Developments will be progressed by the Government Finance Function, working with Civil Service HR and others, with the aim of having a learning and

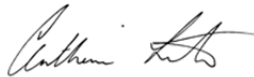


development programme and a recognised accreditation process in place by September 2022.

In parallel, we will continue to engage with stakeholders to support more effective risk management within and across Government. This includes continuing to work with senior leaders, non-executives, and other government functions and professions to ensure risk management is appropriately aligned and integrated with other elements of good governance and decision making.

I will continue to provide an update every quarter during this period until we have fully implemented the recommendation in full.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Catherine Little', written in a cursive style.

Catherine Little

