

CWLEP Corporate Risk Register

Updated:

16-Dec-19

Last reviewed by: Rachel Brosnahan

RISK REF	Change in residual risk score from last month	CATEGORY	RISK SCENARIO		ASSIGNED TO	RISK RESPONSE	UNCONTROLLED RISK RATING			CURRENT CONTROLS / MITIGATION MEASURES	PLANNED ACTIONS	Controlled risk rating		
			As a result of....there is a risk that...	the impact of which could result in....			IMPACT {1-5}	LIKELIHOOD {1-5}	TOTAL			IMPACT {1-5}	LIKELIHOOD {1-5}	TOTAL
1	↔	Operational	As a result of project and program delays, there is a risk that the programmes do not achieve full expenditure	The LEP receives less funding in future, potentially jeopardising key economic projects necessary to deliver the economic targets for the sub-region.	P&I Rachel Brosnahan	REDUCE	4	2	6	Work with local authorities to look at how spend can be maximised and the risk of slippage minimised. Keep CLGU informed or progress of delivery and reasons for programme variation.	Work with local authorities to look at how spend can be maximised and the risk of slippage minimised. Keep CLGU informed or progress of delivery and reasons for programme variation.	4	2	6
6		Financial	As a result of the LEP receiving a reduction in funding, e.g. post EU funds, there is a risk that it cannot maintain the current level of staff or investment	The LEP receiving less funding in future, potentially jeopardising key economic projects necessary to deliver the economic targets for the sub-region.	Chair/SLT/Policy Leads	REDUCE	4	3	12	Maintain close links with funding departments, including MHCLG, BEIS, DfE, DfT, DCMS and be aware of funding programmes and opportunities		4	3	12
9		Financial	As a result of the high degree of volatility with regard to EZ income arising from forecast accuracy, potential VOA revaluations, there is a risk of failure to exceed baseline on EZ sites meaning less or no income would be due to the LEP.	Unable to support business cases, meet expectations, hampering ability to generate more income by not investing in sites, not able to services loans.	EZ Board F&A Ian Brooks	REDUCE	4	4	16	Meet with business rate function staff to improve forecast accuracy and determine contingencies. Establish a reserve within EZ funds. Manage expectations about availability of finance and reduce investment programme accordingly if need be.	Meet with business rate function staff to improve forecast accuracy and determine contingencies. Establish a reserve within EZ funds. Manage expectations about availability of finance and reduce investment programme accordingly if need be.	3	4	12
16		Strategic	As a result of failing to effectively market the "Place" of Cheshire and Warrington to businesses and people there is a risk of insufficient investors or insufficient skills and capabilities to deliver the economic aims.	Failure to deliver economic growth, skills or the quality of place aspired to in the Strategic Economic Plan and Local Industrial Strategy.	Marketing Committee DCEO	SHARE	4	3	12	MC has been more closely integrated into the LEP, and a joint committee established to approve and promote the "place" marketing strategy.	Place marketing will be a joint effort with Local Authorities and other stakeholders. A plan and measures need to be developed to determine the effectiveness of marketing initiatives	4	3	12
12		Economic	As a result of uncertain economic conditions, or onerous programme deliverables, there is a risk of a lack of suitable projects, or demand for LEP funds.	Failure to deliver economic growth, skills or the quality of place aspired to in the Strategic Economic Plan and Local Industrial Strategy.	Strategy Committee Philip Cox	REDUCE	4	4	16	The LEP continues to market support to local authorities, businesses and colleges for programmes concomitant with the various programme funds initiated by Government departments.	Investment in developing business cases and "Place" marketing has been approved by the board and further use of EZ retained business rates is expected to continue creating opportunities and awareness.	3	3	9
14		Financial	Policy change within government may mean that LEPs are disbanded	The LEP needs to ensure it maintains adequate budget to wind up the LEP including staff redundancies and the legal costs of transferring contracts, winding up all the services etc.	LEP Board	ACCEPT	3	3	9	The work that the LEP does can perhaps largely be transferred to other bodies. The reason for holding the reserves should continue to be made clear in the accounts.		3	3	9
3		Legal	As a result of the LEP, or its partners, or its contractors, not handling data correctly, there is a risk of complaint to the ICO	Fines imposed under DPA 2018 (GDPR). Stakeholders refuse or are reluctant for the LEP to hold information. Reputational damage.	F&A Ian Brooks	REDUCE	4	4	16	Review who we have contracts with and make sure they have signed up to T&Cs to manage information appropriately. Issue T&Cs to all new consultants and contractors and make sure they cover the protection of information.	Continue to work through areas of improvement identified by the consultants and complete the agreed action plan.	4	2	6
4		Compliance	As a result of the LEP non-compliance with the Ney Review, National Local Assurance Framework, or other BEIS/CLGU governance there is a risk that the LEP performance ratings are reduced or, worst case, is categorised "requiring improvement"	The LEP receiving less funding in future, potentially jeopardising key economic projects necessary to deliver the economic targets for the sub-region.	SLT	REDUCE	4	3	12	The LEP acts on recommendations. Annual updates of the LEP's Assurance framework, increased transparency of the LEP data	The LEP is forming a Junior Board	4	2	6
13		Reputational	As a result of an imbalance between the demands on the organisation and the resources available to it, there is a risk that performance is perceived as "requiring improvement"	Damage to the LEP reputation in the eyes of stakeholders.	SLT	REDUCE	3	4	12	The LEP gathers as much intelligence as possible regarding Government and Department plans	Processes need to develop such the LEP and stakeholders can be even more agile to new developments in policy, party politics, and opportunities identified to work and share resources with stakeholders and delivery partners.	2	4	6
8		Compliance	As a result of failing to deliver programmes compliant with the funding and procurement rules there is a risk that funds are reclaimed, contracts set aside and penalties imposed.	The impact would be financial loss to the LEP, reducing the funds available for ongoing operations. The LEP would suffer reputational damage.	P&I Rachel Brosnahan	REDUCE	3	4	12	For larger tenders, use external procurement consultants to support the processes and advertise contracts. For smaller contracts, Rachel Brosnahan is the local resource to advise others on procurement management.		2	3	6
10		Legal	As a result of poor due diligence and contracting there is a risk that a project will be deemed State Aid or the LEP will have insufficient legal protection.	Financial loss to the LEP, reducing the funds available for ongoing operations. The LEP would suffer reputational damage.	Sub-committees approving projects Project Managers	ACCEPT	3	2	6	Employ reputable legal advisers with deep experience in the work performed by the LEP. State Aid is transferred to applicants through contract terms.		3	2	6
2		Operational	As a result of failing to deliver programme outcomes and outputs (e.g. LGF, GPF, Growth Hub, Pledge, VIOT etc) there is a risk that funds will be reclaimed.	The impact would be financial loss to the LEP, reducing the funds available for ongoing operations. The LEP would suffer reputational damage.	P&I Rachel Brosnahan	REDUCE	3	4	12	Ensure that high quality projects supported by sound business cases are those that are approved. Committees understand the risks to projects and make offers conditional on good risk management.	With new committees established for employers Skills and Education, Business Growth, and new members joining the Committees, for P&I to ensure due process and provide feedback.	2	2	4
5		Compliance	As a result of board members, or staff, not complying with codes of conduct, accused of bribery or corruption, or flagrant excesses in expenditure there is a risk that the LEP receives bad publicity	Reputational damage to the company which reduces the LEPs influence, credibility and access to stakeholders.	Chair/SLT	TRANSFER	4	3	12	Ensure gifts and hospitality policy is understood by all staff and register is updated. Clear policy on entertaining. Register of interest should be reviewed and updated by all staff and board members every 6 months. Procurement process improved to provide better level of transparency	Any incidents to be fully investigated on a balance of probabilities basis. Use the opportunity to demonstrate strong LEP controls. Proactively release press statement of any disciplinary action.	2	2	4

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11		Staff	As a result of weak HR policies, procedures and practices, there is a risk of increased staff turnover and loss of key expertise and skills.	The impacts would be delay on delivery, create additional pressure on remaining staff affecting morale and motivation, and loss of knowledge.	A&R Committee SLT	REDUCE	2	5	10	A review has been performed to understand the "As-Is" status of the HR function. This has identified several aspects for further review or action. A priority was placed on developing a coherent pay and grading structure covering both the LEP and MC.	A prioritised action plan to further develop existing HR processes and address gaps identified by recent work, with suitable resources, shall be developed during Q3 and implementation commenced in Q4.	1	3	3
7		Operational	As a result of an incident (fire/flood/storm damage/explosion/IT failure), there is a risk of long term disruption to the LEP ability to continue normal operations.	The LEP is unable to provide services to applicants, businesses, the public or stakeholders, damaging its reputation	SLT Ian Brooks	REDUCE	5	1	5	IT data is backed up at least every 24 hours and there is a plan in place with the IT provider to re-create IT systems within 48 hours. Business Continuity Plan	IT strategy will seek to move locally stored data to cloud based systems and enable remote access working to data that is continuously backed up. Remote and mobile working technologies will reduce the dependency on office needs and "dedicated" IT hardware.	2	1	2
15		Reputational	Continued delay to place engagement may lead to reputational damage and hinder our ability to achieve a £50bn economy by 2030											

		Likelihood				
Impact		1 Rare	2 Unlikely	3 Possible	4 Likely	5 Almost Certain
5 Severe	5		10	15	20	25
4 Major	4		8	12	16	20
3 Moderate	3		6	9	12	15
2 Minor	2		4	6	8	10
1 Negligible	1		2	3	4	5