

RISK REGISTER 2022/23

Presented by the Corporate Director

EXECUTIVE SUMMARY

At each Audit Committee Members' review the Risk Register for progress against existing actions and to ensure that the Risk Register remains updated and relevant to deal with the corporate risks facing the organisation.

The Executive Committee is asked to note the contents of the Risk Register and associated paper presented at a meeting of the Audit Committee held on 23 February 2023 (Paper AUD/131/23) and an oral update will be given at the Executive Committee meeting.

RECOMMENDATION

Members note: (1) the Corporate Risk Register included at Appendix A to Paper AUD/131/23.

BACKGROUND

- 1 Risk management is one of the key internal controls for an organisation. The Authority needs to ensure that a sound system of internal control is maintained and an annual review of the effectiveness of the system of internal control is conducted to provide sufficient, relevant and reliable assurance.
- 2 The Corporate Risk Register has been revised for strategy, format, and content. The strategy has been revised and updated with a workshop held in March 2022 which was open to all Members and the strategy, format and content was reviewed and was formally approved by the Audit Committee in June 2022 (Paper AUD/126/22).
- 3 As part of the process it was noted that it will be the responsibility of the Audit Committee as per its terms of reference to continue to monitor and review the Authority's risk management policies and procedures which include the review of the Authority Corporate Risk Register (and any sub-Risk Registers) at their programmed meetings. On completion of the meeting, the Audit Committee will approve the Corporate Risk Register and present this to the Executive Committee highlighting any changes or areas of medium to high risk that are of concern.

CORPORATE RISK REGISTER

- 4 The Audit Committee considered the Corporate Risk Register at a meeting on 22 February 2023 (Paper AUD/131/23) – see Annex A to this report and an oral update will be given at the Executive Committee meeting.
- 5 Any environmental, financial, human resource, legal and risk management implications are covered in paper AUD/131/23 attached as Annex A to this report.

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PREVIOUS COMMITTEE REPORTS

Audit Committee	AUD/131/23	Risk Register 2022/23	23 February 2023
Executive Committee	E/778/22	Risk Register 2022/23	20 October 2022
Audit Committee	AUD/129/22	Risk Register 2022/23	22 September 2022
Audit Committee	AUD/126/22	Risk Register 2021/22	23 June 2022
Audit Committee	AUD/123/21	Risk Register 2021/22	23 September 2021
Audit Committee	AUD/118/21	Risk Register 2020/21	24 June 2021
Audit Committee	AUD/116/21	Risk Register 2020/21	25 February 2021
Audit Committee	AUD/113/20	Risk Register 2020/21	22 October 2020
Audit Committee	AUD/111/20	Risk Register 2020/21	25 June 2020
Executive Committee	E/674/20	Emergency Budget 2020/21	21 May 2020
Audit Committee	AUD/106/20	Risk Register 2019/20	27 February 2020
Audit Committee	AUD/104/19	Risk Register 2019/20	19 September 2019
Audit Committee	AUD/101/19	Risk Register 2019/20	20 June 2019
Audit Committee	AUD/97/19	Risk Register 2018/19	14 February 2019
Audit Risk Workshop			07 June 2018

ANNEX ATTACHED

Annex A Paper AUD/131/23

 <p>LEE VALLEY REGIONAL PARK AUTHORITY</p> <p>AUDIT COMMITTEE</p> <p>23 FEBRUARY 2023 AT 13:00</p>	<p><u>Agenda Item No:</u></p> <p><u>Report No:</u></p> <p>AUD/131/23</p>
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RISK REGISTER 2022/23

Presented by the Corporate Director (S&L)

SUMMARY

At each Audit Committee Members review the Risk Register for progress against existing actions and to ensure that the Risk Register remains relevant to deal with the corporate risks facing the organisation.

At the Audit Committee in June 2022 (Paper AUD/126/22) Members approved the updated risk management strategy and corporate risk register following the Risk Management Workshop held on 22 March 2022. This Workshop analysed and reviewed the risk management strategy and corporate risk register in detail to ensure that this Committee could proactively input into, manage and monitor the register going forward, with up to date risks identified that are relevant to the Authority's business over the coming years. This included some minor changes which were made to ensure that the Authority Chair and Executive Committee are part of the approval process.

The risk management strategy and corporate risk register assists Members in their consideration and approval of the Annual Governance Statement as a key part of the financial statements. A robust risk management framework and register is one key element of the Annual Governance Statement and a source of assurance for Members in approving this statement year on year as part of the published accounts.

RECOMMENDATION

Members Approve (1) the Corporate Risk Register included at Appendix A to this report.

BACKGROUND

- 1 Risk management is one of the key internal controls for an organisation. Members need to ensure that a sound system of internal control is maintained and an annual review of the effectiveness of the system of internal control is conducted to provide sufficient, relevant and reliable assurance to enable them to authorise the signing of the Authority's Annual Governance Statement (which is published with the financial statements).
- 2 Regulation 3 of the Accounts and Audit Regulations 2015 requires that:

"A relevant authority must ensure that it has a sound system of internal control which:

- **facilitates the effective exercise of its functions and the achievement of its aims and objectives;**
- **ensures that the financial and operational management of the authority is effective; and**
- **includes effective arrangements for the management of risk."**

In this context "relevant authority" is referring to Lee Valley Regional Park Authority.

3 Each financial year the relevant authority must:

- **conduct a review of the effectiveness of the system of internal control required by regulation 3; and**
- **prepare an Annual Governance Statement - this statement must be published together with the statement of accounts and the narrative statement in accordance with regulation 10.**

4 Assurance of the Authority's internal control system is derived through the work of the internal audit function (undertaken by Mazars for the Authority); and also through the monitoring of processes put in place by management and other external bodies including those around risk management and health & safety. This provides evidence which allows the Authority to form conclusions on the adequacy and effectiveness of the systems of internal control and also on the efficiency of operations.

5 Risk management is not solely a focus on the finances of the Authority. The scope of internal control spans the whole range of the Authority's activities and includes those controls designed to ensure:

- **the Authority's policies are put into practice;**
- **the organisation's values are met;**
- **laws and regulations are complied with;**
- **required processes are adhered to;**
- **financial statements and other published information is accurate and reliable; and**
- **human, financial and other resources are managed efficiently and effectively.**

6 The Authority approved a Risk Management Framework in April 2005 (Paper A/3798/05). The Risk Management Framework and more specifically, the Risk Register was developed by Members and senior officers under the guidance of the internal auditors through a number of workshops and meetings. Members have regularly reviewed the register at each Audit Committee, adding in their own comments and improvements.

7 Since this time Members have consistently (and in depth) reviewed the Corporate Risk Register and revised the strategy, format, and content. The strategy has been revised and updated twice since 2005 at the Audit Committee (May 2010, Paper AUD/06/10 and June 2012 Paper AUD/30/12). The strategy was reviewed by officers and Members as part of a Risk Management Workshop and was formally approved by the Audit Committee in June 2018 (Paper AUD/90/18). Subsequent to this workshop, a further workshop was held in March 2022 and an invitation to attend was extended to all Members and the

strategy, format and content was reviewed again and was formally approved by the Audit Committee in Jun 2022 (Paper AUD/126/22).

REVIEW OF THE STRATEGIC RISK REGISTER

- 8 The current Strategic Risk Register is reviewed by officers and Members on an on-going basis and signed off at each Audit Committee.
- 9 Members last considered the risk register at the Audit Committee in September 2022 (Paper AUD/129/22).
- 10 Since the September Committee, officers have incorporated approved Member revisions, reviewed the register, considered and added potential new risks and updated the scoring.

The table below sets out the movement in managing the residual risks and sets out a summary of the total notional score.

Risk	Residual Risks 24 June 2021	Residual Risks 23 September 2021	Residual Risks 24 February 2022	Residual Risks 24 June 2022	Residual Risks 22 September 2022	Residual Risks 23 February 2023
	3	2	0	0	1	1
	10	12	15	18	21	17
	9	9	8	8	10	12
Total Risks	22	23	23	26	32	30
Notional Score	566	547	512	591	759	665

- 12 The key point to note since the last review of the Authority Strategic Risk Register is the overall decrease in the corporate risk register residual notional score. This is due to the deletion of risks previously sitting within the sub-Risk Registers. Several of the original inherent risks have shown a reduction in the residual score and additional risks that had been added to the risk register as a result of the Covid-19 situation including the possible effect of 'long-Covid' have been removed.
- 13 Energy prices continue to be of concern, increasing risk around utility costs and considering the effect of the removal of the Energy Bills Discount Scheme. The Authority's two year fixed price agreement with Laser (public bodies energy procurement consortium) ended in October 2022, and like all organisations we have seen exceptional increases in the price of electricity (+150%) and gas (+450%). Laser have secured medium term prices on purchase of energy which have allowed them to guarantee us fixed prices for electricity and gas until October 2023, at levels at or below the Government's Energy Price Cap. This has reduced our exposure to price increases until the second half of 2023. The Authority has supported GLL in obtaining the same basket prices as us, which are fixed on the same tariff terms as we are, again reducing their exposure to increases. The 2023/24 budget includes provision for the increase from October 2023 at an estimated price that takes into account Laser's forecast for that time, and contingency for any price increase above the current estimated level.

- 14 Decisions taken to mitigate these risks will be approved by full Authority and monitoring of these risks is taking place at Executive Committee, along with the Senior Management Team and Heads of Service level.
- 15 The Risk Management audit carried out by Mazars has some recommendations which will be completed over the coming months, with input from the Authority's Senior Management Team. The result of the audit will form part of the annual review produced by Mazars.
- 16 A verbal update will be presented at the meeting to advise Members regarding the changes to the register which are in red font to indicate changes since the last Audit Committee risk register paper.

ENVIRONMENTAL IMPLICATIONS

- 17 There are no environmental implications arising directly from the recommendations in this report.

EQUALITY IMPLICATIONS

- 18 There are no equality implications arising directly from the recommendations in this report.

FINANCIAL IMPLICATIONS

- 19 Revision of the Strategic Risk Register is a key element of this Authority's system of internal control that contributes to safeguarding the assets of the Authority and its reputation for sound financial management of public funds. This is reflected in the Authority's Annual Governance Statement published within the annual accounts and approved by this Committee.
- 20 Where actions require additional resources these will be identified and approved through the normal budget setting/service planning and management processes in accordance with Financial Regulations.
- 21 Utility costs are a significant risk that will have a material impact on the Authority's revenue outturn position. Officers will report the anticipated impact to Members in the Q3 revenue monitoring report by which time the new unit rates from Laser as noted in paragraph 13 and any further updates on government support should have been announced.

HUMAN RESOURCE IMPLICATIONS

- 22 The additional human resource implications arising directly from this report have been outlined within the risk register actions and can be met from existing employee resources.

LEGAL IMPLICATIONS

- 23 There are no legal implications arising directly from the recommendations in this report.

RISK MANAGEMENT IMPLICATIONS

- 24 These are dealt with through the main body of the report and through the revised register. The Ice Centre redevelopment; the Picketts Lock

development; the Leisure Services Contract; and the Land & Property Strategy are recognised as the highest corporate risks facing the organisation at present. Continuing mitigation against these identified risks is demonstrated by the proposed actions in the Strategic Risk Register as set out in Appendix A to this report and primarily through implementing and delivering a Corporate Work Programme for 2022/23 followed by the revised approved Business Plan and Business Plan objective list. In addition, the Authority will review the National Risk Register (2020) to consider any relevant implications that could impact on the business of the Authority as a whole.

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BACKGROUND REPORTS

Lee Valley Regional Park Authority Risk Management Strategy June 2018

PREVIOUS COMMITTEE REPORTS

Audit Committee	AUD/129/22	Risk Register 2022/23	22 September 2022
Audit Committee	AUD/126/22	Risk Register 2021/22	23 June 2022
Risk Management Workshop			24 March 2022
Audit Committee	AUD/124/22	Risk Register 2021/22	24 February 2022
Audit Committee	AUD/123/21	Risk Register 2021/22	23 September 2021
Audit Committee	AUD/118/21	Risk Register 2020/21	24 June 2021
Audit Committee	AUD/116/21	Risk Register 2020/21	25 February 2021
Audit Committee	AUD/113/20	Risk Register 2020/21	22 October 2020
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Audit Committee	AUD/101/19	Risk Register 2019/20	20 June 2019
Audit Committee	AUD/97/19	Risk Register 2018/19	14 February 2019
Audit Risk Workshop			07 June 2018

APPENDICES ATTACHED

Appendix A	2022/23 Corporate Risk Register – Authority
Appendix B	Risk Scoring Criteria (extract from the approved risk management strategy (June 2022))

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STRATEGIC RISK REGISTER AS AT 23 FEBRUARY 2023

Risk ID	Risk Description	Impact	Frequency	Severity	Current Status	Residual Risk	Control Measures	Responsible Party	Review Date	Notes
SR2.1	Failure to comply with the 2021 Peak Act and other statutory requirements.	DOED	8	7	56	6	1	6	6	<p>On-going monitoring officer continues to monitor compliance with the Act in all areas of the Authority's business. The results to this monitoring are being used to inform understanding of the Peak Act and the Authority's needs for new contracts.</p>
SR2.2	Failure to comply with Health & Safety legislation	CD	9	6	54	7	2	14	7	<p>New H&S contract commenced in October 2022 with a much enhanced and robust coverage for all workers H&S. This contract will provide the Authority with a much enhanced and robust coverage for all workers H&S with more dedicated and on the ground support. All planned works at LSC and H&S contracts will be delivered as planned.</p>
SR2.3	Approach to change a customer's financial history and conditions that will place an unacceptable long term liability on the Authority	High	9	4	36	8	2	16	8	<p>On-going monitoring officer should be reviewed in line with financial requirements if they differ from Authority standard</p>
SR2.4	Contractors, planning bodies, or Third Party Operator not delivering agreed objectives/contract	CD	7	3	35	6	2	22	6	<p>New LSC has been in place since April 2022 and has been operating well with both good and bad news. The first 6 months has been for the Authority to support the change in operations and monitoring etc. has been focused on doing that along with setting up the new contract requirements for the new LSC. The contract has been in place since April 2022 and has been operating well with both good and bad news. The contract has been in place since April 2022 and has been operating well with both good and bad news.</p>
SR2.5	Management of Facilities Contracts & failure to maintain assets to general H&S and operational standard	CD	9	4	36	7	1	7	7	<p>Monthly H&S monitoring in place and on the 03/04/2023 contract has been in place since April 2022 and has been operating well with both good and bad news. The contract has been in place since April 2022 and has been operating well with both good and bad news.</p>
SR2.6	Contractor stability affected by external influences or internal/financial conditions prevailing at the time	CD	9	4	36	7	1	7	7	<p>Monthly H&S monitoring in place and on the 03/04/2023 contract has been in place since April 2022 and has been operating well with both good and bad news. The contract has been in place since April 2022 and has been operating well with both good and bad news.</p>
SR2.7	Major equipment or other failure at one or more venues resulting in temporary/permanent cessation of operations	CD	4	5	20	6	3	28	6	<p>The Authority continues to get the necessary feedback required for its venues. The required actions implemented have been to help in the process of the venues to make it more robust and clear what the requirements are making it easier for interested parties and the addition of a new Procurement Officer has ensured that the process are followed.</p>
SR2.8	Major equipment or other failure at one or more venues resulting in temporary/permanent cessation of operations	CD	4	5	20	6	3	28	6	<p>The Authority continues to get the necessary feedback required for its venues. The required actions implemented have been to help in the process of the venues to make it more robust and clear what the requirements are making it easier for interested parties and the addition of a new Procurement Officer has ensured that the process are followed.</p>
SR2.9	Failure of LSC contractor organization or failure of LSC Contractor to deliver as required by contract	CD	9	8	72	6	4	28	6	<p>Process now in place for reporting of major failures of plant to venues. The required actions implemented have been to help in the process of the venues to make it more robust and clear what the requirements are making it easier for interested parties and the addition of a new Procurement Officer has ensured that the process are followed.</p>

Strategic Risk	Strategic Risk Description	Strategic Risk Category	Strategic Risk Rating	Strategic Risk Status	Strategic Risk Owner	Strategic Risk Lead	Strategic Risk Sub-Lead	Strategic Risk Mitigation Strategy	Strategic Risk Action Plan	Strategic Risk Progress	Strategic Risk Review Date	Strategic Risk Review Outcome
SR1	Management of Provider Contracts A fails to maintain contracts to a good level and operational standard	SR1	3	3	3	3	3	3	3	3	3	3
SR2	U.S. Administration does not work closely with external agencies to ensure that the U.S. Administration is able to meet its obligations to the U.S. Administration	SR2	3	3	3	3	3	3	3	3	3	3
SR3	U.S. Administration does not work closely with external agencies to ensure that the U.S. Administration is able to meet its obligations to the U.S. Administration	SR3	3	3	3	3	3	3	3	3	3	3
SR4	U.S. Administration does not work closely with external agencies to ensure that the U.S. Administration is able to meet its obligations to the U.S. Administration	SR4	3	3	3	3	3	3	3	3	3	3
SR5	U.S. Administration does not work closely with external agencies to ensure that the U.S. Administration is able to meet its obligations to the U.S. Administration	SR5	3	3	3	3	3	3	3	3	3	3
SR6	U.S. Administration does not work closely with external agencies to ensure that the U.S. Administration is able to meet its obligations to the U.S. Administration	SR6	3	3	3	3	3	3	3	3	3	3
SR7	U.S. Administration does not work closely with external agencies to ensure that the U.S. Administration is able to meet its obligations to the U.S. Administration	SR7	3	3	3	3	3	3	3	3	3	3
SR8	U.S. Administration does not work closely with external agencies to ensure that the U.S. Administration is able to meet its obligations to the U.S. Administration	SR8	3	3	3	3	3	3	3	3	3	3
SR9	U.S. Administration does not work closely with external agencies to ensure that the U.S. Administration is able to meet its obligations to the U.S. Administration	SR9	3	3	3	3	3	3	3	3	3	3
SR10	U.S. Administration does not work closely with external agencies to ensure that the U.S. Administration is able to meet its obligations to the U.S. Administration	SR10	3	3	3	3	3	3	3	3	3	3

STRATEGIC RISK REGISTER AS AT 23 FEBRUARY 2023

Risk ID	Risk Description	Impact	Strategic Area	Business Area	Strategic Objective	Business Objective	Strategic Pillar	Business Pillar	Strategic Risk	Business Risk	Strategic Risk Rating	Business Risk Rating	Strategic Risk Category	Business Risk Category	Strategic Risk Owner	Business Risk Owner	Strategic Risk Status	Business Risk Status	Strategic Risk Update	Business Risk Update	Strategic Risk Action Plan	Business Risk Action Plan	Strategic Risk Progress	Business Risk Progress
SRL1	Impact on the Agency's provision to value for money with evidence from many constituent research.	CSD	9	7	63	Subsidiary engagement Budgetary Direction Internal Levy Raising Powers Monitoring of Legislation	W1 Weekly Meeting M1 as required	Subsidiary engagement Budgetary Direction Internal Levy Raising Powers Monitoring of Legislation	9	1	9	↔	Tolerate	Quarterly Monitoring 11/03/2022	Business Area M1 as required	W1 Weekly Meeting M1 as required	High	High	Quarterly Monitoring 11/03/2022	Business Area M1 as required	High	High	Business Area M1 as required	Business Area M1 as required
SRL2	Impact on Agency's reputation due to service failure covered by Covid-19 or any other pandemic or infectious disease, zoonotic or zoonotic disease, or contractor relationships.	HAC	7	5	35	Proactive monitoring, media relations, epidemic engagement Subsidiary engagement	W1 Weekly Meeting M1 as required	Proactive monitoring, media relations, epidemic engagement Subsidiary engagement	6	3	18	>	Track	Quarterly Monitoring Request 11/03/2022	Business Area M1 as required	W1 Weekly Meeting M1 as required	Medium	Medium	Quarterly Monitoring Request 11/03/2022	Business Area M1 as required	Medium	Medium	Business Area M1 as required	Business Area M1 as required
SRL3	Impact on Agency's reputation due to service failure covered by Covid-19 or any other pandemic or infectious disease, zoonotic or zoonotic disease, or contractor relationships.	HAC	8	5	49	W1 Weekly Meeting M1 as required	W1 Weekly Meeting M1 as required	W1 Weekly Meeting M1 as required	6	3	18	>	Track	Quarterly Monitoring Request 11/03/2022	Business Area M1 as required	W1 Weekly Meeting M1 as required	Medium	Medium	Quarterly Monitoring Request 11/03/2022	Business Area M1 as required	Medium	Medium	Business Area M1 as required	Business Area M1 as required
SRL4	Impact on Agency's reputation due to service failure covered by Covid-19 or any other pandemic or infectious disease, zoonotic or zoonotic disease, or contractor relationships.	CSD	8	3	30	IT Disaster Recovery Plan Information Security Management IT Operational Procedures	W1 Weekly Meeting M1 as required	IT Disaster Recovery Plan Information Security Management IT Operational Procedures	5	4	20	>	Track/Tolerate	Quarterly Monitoring 11/03/2022	Business Area M1 as required	W1 Weekly Meeting M1 as required	High	High	Quarterly Monitoring 11/03/2022	Business Area M1 as required	High	High	Business Area M1 as required	Business Area M1 as required
SRL5	Impact on Agency's reputation due to service failure covered by Covid-19 or any other pandemic or infectious disease, zoonotic or zoonotic disease, or contractor relationships.	CSD	9	7	63	Proactive monitoring, media relations, epidemic engagement Subsidiary engagement	W1 Weekly Meeting M1 as required	Proactive monitoring, media relations, epidemic engagement Subsidiary engagement	6	3	18	>	Track	Quarterly Monitoring Request 11/03/2022	Business Area M1 as required	W1 Weekly Meeting M1 as required	Medium	Medium	Quarterly Monitoring Request 11/03/2022	Business Area M1 as required	Medium	Medium	Business Area M1 as required	Business Area M1 as required
SRL6	Impact on Agency's reputation due to service failure covered by Covid-19 or any other pandemic or infectious disease, zoonotic or zoonotic disease, or contractor relationships.	CSD	9	6	72	Legal Advice Procedural Code Financial Standing Group Financial Standing Group Working with 13 Haliburn Forest	W1 Weekly Meeting M1 as required	Legal Advice Procedural Code Financial Standing Group Financial Standing Group Working with 13 Haliburn Forest	8	3	24	>	Track	Quarterly Monitoring Request 11/03/2022	Business Area M1 as required	W1 Weekly Meeting M1 as required	High	High	Quarterly Monitoring Request 11/03/2022	Business Area M1 as required	High	High	Business Area M1 as required	Business Area M1 as required

STRATEGIC RISK REGISTER AS AT 23 FEBRUARY 2023

Item	Strategic Area	Risk	Impact	Priority	Current Status	Responsible Party	Key Activities	Next Steps	Timeline	Notes	
14.8.2	Heritage Land Development	Failure to complete the 5-8 phase in the project and legal challenge	High	High	Yellow	DCD	<ul style="list-style-type: none"> 14.8.2.1 Weekly Meeting 14.8.2.2 Monthly Meetings 14.8.2.3 Monthly Meetings 14.8.2.4 Monthly Meetings 14.8.2.5 Annual Audit Letter 	<ul style="list-style-type: none"> 14.8.2.1 Weekly Meeting 14.8.2.2 Monthly Meetings 14.8.2.3 Monthly Meetings 14.8.2.4 Monthly Meetings 14.8.2.5 Annual Audit Letter 	5	<p>14.8.2.1 Weekly Meeting - 23 Feb 2023</p> <p>14.8.2.2 Monthly Meetings - 23 Feb 2023</p> <p>14.8.2.3 Monthly Meetings - 23 Feb 2023</p> <p>14.8.2.4 Monthly Meetings - 23 Feb 2023</p> <p>14.8.2.5 Annual Audit Letter - 23 Feb 2023</p>	<p>14.8.2.1 Weekly Meeting - 23 Feb 2023</p> <p>14.8.2.2 Monthly Meetings - 23 Feb 2023</p> <p>14.8.2.3 Monthly Meetings - 23 Feb 2023</p> <p>14.8.2.4 Monthly Meetings - 23 Feb 2023</p> <p>14.8.2.5 Annual Audit Letter - 23 Feb 2023</p>
14.8.3	Heritage Land Development	Failure to complete the 5-8 phase in the project and legal challenge	High	High	Yellow	DCD	<ul style="list-style-type: none"> 14.8.3.1 Weekly Meeting 14.8.3.2 Monthly Meetings 14.8.3.3 Monthly Meetings 14.8.3.4 Monthly Meetings 14.8.3.5 Annual Audit Letter 	<ul style="list-style-type: none"> 14.8.3.1 Weekly Meeting 14.8.3.2 Monthly Meetings 14.8.3.3 Monthly Meetings 14.8.3.4 Monthly Meetings 14.8.3.5 Annual Audit Letter 	5	<p>14.8.3.1 Weekly Meeting - 23 Feb 2023</p> <p>14.8.3.2 Monthly Meetings - 23 Feb 2023</p> <p>14.8.3.3 Monthly Meetings - 23 Feb 2023</p> <p>14.8.3.4 Monthly Meetings - 23 Feb 2023</p> <p>14.8.3.5 Annual Audit Letter - 23 Feb 2023</p>	<p>14.8.3.1 Weekly Meeting - 23 Feb 2023</p> <p>14.8.3.2 Monthly Meetings - 23 Feb 2023</p> <p>14.8.3.3 Monthly Meetings - 23 Feb 2023</p> <p>14.8.3.4 Monthly Meetings - 23 Feb 2023</p> <p>14.8.3.5 Annual Audit Letter - 23 Feb 2023</p>
14.8.4	Heritage Land Development	Failure to complete the 5-8 phase in the project and legal challenge	High	High	Yellow	DCD	<ul style="list-style-type: none"> 14.8.4.1 Weekly Meeting 14.8.4.2 Monthly Meetings 14.8.4.3 Monthly Meetings 14.8.4.4 Monthly Meetings 14.8.4.5 Annual Audit Letter 	<ul style="list-style-type: none"> 14.8.4.1 Weekly Meeting 14.8.4.2 Monthly Meetings 14.8.4.3 Monthly Meetings 14.8.4.4 Monthly Meetings 14.8.4.5 Annual Audit Letter 	5	<p>14.8.4.1 Weekly Meeting - 23 Feb 2023</p> <p>14.8.4.2 Monthly Meetings - 23 Feb 2023</p> <p>14.8.4.3 Monthly Meetings - 23 Feb 2023</p> <p>14.8.4.4 Monthly Meetings - 23 Feb 2023</p> <p>14.8.4.5 Annual Audit Letter - 23 Feb 2023</p>	<p>14.8.4.1 Weekly Meeting - 23 Feb 2023</p> <p>14.8.4.2 Monthly Meetings - 23 Feb 2023</p> <p>14.8.4.3 Monthly Meetings - 23 Feb 2023</p> <p>14.8.4.4 Monthly Meetings - 23 Feb 2023</p> <p>14.8.4.5 Annual Audit Letter - 23 Feb 2023</p>
14.8.5	Heritage Land Development	Failure to complete the 5-8 phase in the project and legal challenge	High	High	Yellow	DCD	<ul style="list-style-type: none"> 14.8.5.1 Weekly Meeting 14.8.5.2 Monthly Meetings 14.8.5.3 Monthly Meetings 14.8.5.4 Monthly Meetings 14.8.5.5 Annual Audit Letter 	<ul style="list-style-type: none"> 14.8.5.1 Weekly Meeting 14.8.5.2 Monthly Meetings 14.8.5.3 Monthly Meetings 14.8.5.4 Monthly Meetings 14.8.5.5 Annual Audit Letter 	5	<p>14.8.5.1 Weekly Meeting - 23 Feb 2023</p> <p>14.8.5.2 Monthly Meetings - 23 Feb 2023</p> <p>14.8.5.3 Monthly Meetings - 23 Feb 2023</p> <p>14.8.5.4 Monthly Meetings - 23 Feb 2023</p> <p>14.8.5.5 Annual Audit Letter - 23 Feb 2023</p>	<p>14.8.5.1 Weekly Meeting - 23 Feb 2023</p> <p>14.8.5.2 Monthly Meetings - 23 Feb 2023</p> <p>14.8.5.3 Monthly Meetings - 23 Feb 2023</p> <p>14.8.5.4 Monthly Meetings - 23 Feb 2023</p> <p>14.8.5.5 Annual Audit Letter - 23 Feb 2023</p>

Score 40-45 (High Risk)
Score 35-40 (Medium Risk)
Score 30-35 (Low Risk)

Risk Appetite

Risks are currently assessed using a 1-9 scale for both impact and likelihood. The Authority's risk appetite is then defined using the scoring matrix below.

Impact	9	9	18	27	36	45	54	63	72	81
	8	8	16	24	32	40	48	56	64	72
	7	7	14	21	28	35	42	49	56	63
	6	6	12	18	24	30	36	42	48	54
	5	5	10	15	20	25	30	35	40	45
	4	4	8	12	16	20	24	28	32	36
	3	3	6	9	12	15	18	21	24	27
	2	2	4	6	8	10	12	14	16	18
	1	1	2	3	4	5	6	7	8	9
		1	2	3	4	5	6	7	8	9
		Likelihood								

Those risks with a residual score in the green zone are generally considered to be managed to an acceptable level and hence limited or no further actions would be expected.

For those risks with a residual score in the amber zone, the exposure is considered to be partially acceptable. Further actions would be needed to lower this into the green zone, although a decision has to be made as to whether this is cost effective, given that resources are constrained.

Those risks with a residual score in the red zone are considered to have an exposure that is at an unacceptable level and hence further actions are needed to lower this.

On some occasions a decision may be made to accept a higher level of residual risk, although this will be subject to ongoing review and consideration at both Senior Management Team and Member level.

Scoring Criteria

Each risk is scored on the basis of the following criteria for impact and likelihood, both for inherent and residual risk. Whilst the assessment remains subjective, these criteria serve as a guide and are used to help ensure consistency in scoring across each of the risks identified.

	Impact	Likelihood
1	No impact	<1% likely to occur in next 12 months
2	Financial loss up to £1,000 or no impact outside single objective or no adverse publicity	1%-5% likely to occur in next 12 months
3	Financial loss between £1,000 and £10,000 or no impact outside single objective or no adverse publicity	5%-10% likely to occur in next 12 months
4	Financial loss between £10,000 and £25,000 or minor regulatory consequence or some impact on other objectives	10%-20% likely to occur in next 12 months
5	Financial loss between £25,000 and £50,000 or impact on other objectives or local adverse publicity or strong regulatory criticism	20%-30% likely to occur in next 12 months
6	Financial loss between £50,000 to £250,000 or impact on many other processes or local adverse publicity or regulatory sanctions (such as intervention, public interest reports)	30%-40% likely to occur in next 12 months
7	Financial loss between £250,000 to 500,000 or impact on strategic level objectives or national adverse publicity or strong regulatory sanctions	40%-60% likely to occur in next 12 months
8	Financial loss between £500,000 to £1 million or impact at strategic level or national adverse publicity or Central Government take over administration	60%-80% likely to occur in next 12 months
9	Financial loss above £1 million or major impact at strategic level or closure/transfer of business	>80% likely to occur in next 12 months