



**7 EXEMPT ITEMS**

**Consider passing a resolution based on the principles of Section 100A(4) of the Local Government Act 1972, excluding the public and press from the meeting for the items of business listed on Part II of the Agenda, on the grounds that they involve the likely disclosure of exempt information as defined in those sections of Part I of Schedule 12A of the Act specified beneath each item. (There are no items currently listed for consideration in Part II.)**

**15 September 2021**

**Shaun Dawson  
Chief Executive**

## LEE VALLEY REGIONAL PARK AUTHORITY

### AUDIT COMMITTEE MINUTES 24 JUNE 2021

Members Present:	Frances Button (Chairman) John Bevan David Gardner Graham McAndrew	Simon Walsh Terry Wheeler John Wyllie
Officers Present:	Beryl Foster Keith Kellard Dan Buck Vince Donaldson Lindsey Johnson	- Deputy Chief Executive - Head of Finance - Corporate Director - Senior Contracts & Quality Manager - Committee Services Officer
Also Present:	Neil Harris Joe Ryan Matt Bowmer	- Ernst & Young (External Auditors) - RD Health & Safety Consultancy Ltd - Finance Director, London Borough of Enfield (S151 Officer)

#### Part I

#### 207 DECLARATIONS OF INTEREST

There were no declarations of interest.

#### 208 MINUTES OF LAST MEETING

**THAT the minutes of the meeting held on 25 February 2021 be approved and signed.**

#### 209 PUBLIC SPEAKING

No requests from the public to speak or present petitions had been received for this meeting.

#### 210 EXTERNAL AUDIT 2020/21 – AUDIT PLAN

Paper AUD/120/21

The report was introduced by the Head of Finance, who informed Members that the deadline for final accounts has been extended to 30 September, which Ernst & Young have expressed concerns for meeting that deadline. The Authority will liaise with PSAA over the additional audit fees proposed by Ernst & Young.

Neil Harris of Ernst & Young introduced his report, significant auditing matters included misstatements due to fraud or error; inappropriate capitalisation of revenue expenditure; pension liability valuation; valuation of land and buildings; going concern; revenue recognition; and accounting for Covid-19 related grants. He continued that Ernst & Young are concerned over meeting the 30 September deadline for final accounts, by the end of this month he will have an accounts closedown schedule for the Authority and will discuss its implications with officers. The Annual Audit letter is consistent with the Audit Results report and the additional fees are associated with the impact of Covid-19, property valuations, pensions, and going concern disclosures. The proposed fees are consistent with their other local government portfolios.

The Chairman thanked Keith Kellard and Neil Harris for their reports. She asked that Members be circulated the start date for the audit once it has been agreed and reminded Neil Harris that any delays in starting the audit would incur additional costs to the Authority in regards to staffing. She concluded that she strongly endorses officer's comments regarding the increase to the audit fees, which will be expressed to the PSAA.

A Member asked if there was a conflict of interest in the use of specialists to assist in the audit. Neil Harris responded that he did not believe so and that it was appropriate to take advice in areas he does not have expertise in and that assumptions on property valuations in particular, should be properly tested. Whilst he understands the Authority's perspective to challenge additional costs, he believes that costs such as these are necessary.

- (1) the Authority's position regarding additional Audit Fees as set out in paragraph of Paper AUD/120/21;**
- (2) the External Auditors' Audit Plan for 2020/21 attached at Appendix A to Paper AUD/120/21 was approved; and**
- (3) the proposed annual audit fee for 2020/21 as set out in the financial implications section of Paper AUD/120/21 was noted.**

211 ANNUAL REPORT ON HEALTH AND SAFETY 2020/21 AND  
HEALTH AND SAFETY PLAN 2021/22

Paper AUD/119/21

The report was introduced by the Corporate Director, who informed Members that the impact of Covid-19 had made it an exceptional year. An Oversight Group has relied on RD Health & Safety to guide the Authority through all of the government restrictions in ensuring that facilities and venues have been Covid secure.

Joe Ryan of RD Health & Safety Consultancy Ltd introduced his report, key points included:

- He is thankful to the Authority for its support and is pleased at how well we are able to work with them.
- We have completed the audit programme in a different way this year, it is still a strong and effective system with a high level of assurance and statutory compliance has been maintained.
- Delivery of plans, updates and guidance on Covid-19 has been done through the Oversight Group, with a great deal of time spent on re-opening of facilities and venues.
- We have completed some unannounced safety visits to make sure measures for Covid-19 are being met.
- Staff training has continued, with more being delivered online.
- We've adopted government policy on Covid-19, with guidance changing as per government advice to enable venues to open safely. We also have Track & Trace at all venues.
- We are mindful of the Health & Safety Executive and make sure that we are able to demonstrate that we are Covid secure.
- A staff survey was conducted to see how their mental health has been affected, with most staff feeling that they are well looked after by the Authority.

- Accidents and incidents have decreased due to facilities and venues not being open. 2 RIDDOR accidents have occurred which have been reported. Our accident reporting software has been replaced following a review.
- We are monitoring both the Fire Safety Bill and the Building Safety Bill following on from the Grenfell Tower tragedy.
- Products sold to us must now have the British Kite mark.

The Chairman thanked Joe Ryan for his report and expressed her delight at the good working relationship that we have with RD Health & Safety Consultancy Ltd.

A Member expressed concerns over the number of personal injury claims. The Corporate Director responded that a lot of the claims were due to 'no risk, no fee' litigation, some are historic, however it does highlight how important health and safety is in ensuring we are doing everything to avoid being at fault. Another Member asked if we filter out minor claims. Joe Ryan responded stating that we respond to all claims in the same way and work closely with both our legal team and insurers.

A Member asked why the Waterworks and Picketts Lock Golf Course had much lower compliance than other sites. The Corporate Director responded stating that this was due to them being much busier than usual and having a lot of staff on furlough which resulted in paperwork not being completed. Both sites are now with the Authority and we expect to see them both improve greatly.

A Member asked who has liability in personal injury claims, the Authority or the operator and who was liable for the historic claims. The Corporate Director responded that if it was a claim due to the structure of the building then it would be the Authority, for all other claims it would be the operator. Historic claims will be dealt with by the Trust.

The Corporate Director informed Members that a small amendment to the Health & Safety Policy Statement would be made to read 'The Corporate Director of Sport & Leisure' to reflect the fact that and differentiate that the Authority has two Corporate Directors.

- (1) the annual report of RD Health & Safety Consultancy Ltd for 2020/21 detailed in Appendix A to Paper AUD/119/21 was noted;
- (2) the aims and objectives for 2021/22 set out in Appendix A in the annual report of RD Health & Safety Ltd; and
- (3) the signing of this year's Health & Safety Policy Statement attached as Appendix B to Paper AUD/119/21 was approved with the following amendment:
  - (a) the Corporate Director be changed to the Corporate Director of Sport & Leisure.

212 RISK REGISTER 2021/22

Paper AUD/118/21

The report was introduced by the Corporate Director who informed Members that the risks listed in paragraphs 11-12 should reduce further so long as Covid-19 restrictions continue to be lifted.

The Chairman noted the fact that she found the sub registers especially helpful and that the risk management implications at paragraph 22 was also very helpful.

- (1) the Corporate Risk Register Included at Appendix A and the sub-registers at Appendices B and C of Paper AUD/118/21 was approved.

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
Date

The meeting started at 1pm and ended at 2pm.



## **AUDIT COMMITTEE MINUTES 22 JULY 2021**

see that the recommendations have been implemented. The Chief Executive added that our previous Director of Finance worked very closely with Mazars to ensure we received substantial assurance. With his retirement, there was a period of transition, which was further undermined by the pandemic, we now have a more structured approach.

A Member asked about the benchmarking diagram on Page 12 of the Internal Audit Annual Report and asked if there was a trend in the decline of assurance levels. Graeme Clarke responded stating that different years are not always comparable so content and context should be considered. The pandemic has also affected the last two years.

The Chairman asked, with our audit opinion as moderate, how do we compare with other local authorities. Graeme Clarke responded stating that generally most of his clients are also moderate.

- (1) the annual report of the Internal Auditors for 2021/21 detailed in Appendix A to Paper AUD/121/21 was noted; and**
- (2) the annual Audit Plan for 2021/22 as detailed in Appendix B to Paper AUD/121/21 was approved.**

218 DRAFT UNAUDITED FINAL ACCOUNTS 2020/21

Paper AUD/122/21

The Report was introduced by the Head of Finance who informed Members that recent conversations with Neil Harris from Ernst & Young have revealed that they will not be able to commence their audit until November due to capacity issues. Whilst this is disappointing it is consistent with all other Ernst & Young audits and we would prefer the audit to be done in one go rather than stopping and starting and changes in the audit team. As we will miss the 30 September deadline for our audited accounts to be published, we will need to publish a statement detailing the delay.

A Member asked about an outstanding insurance claim from the White Water Centre which was discussed at the last Audit Committee meeting. He asked how the Lee Valley Leisure Trust could still have responsibility for this claim if they no longer exist. The Senior Contracts & Quality Manager responded stating that the insurers that the Lee Valley Leisure Trust had retain responsibility for this claim.

A Member asked about holding investments on Page 69 and why £2.2million was 'not rated'. The Director of Finance responded stating that the money is held with West Bromwich which is one of the larger banks. He would be looking into the reason why it is not rated.

The Chairman stated that he was concerned about missing the 30 September deadline for publishing the audited final accounts and how this might impact upon the reputation of the Authority. He trusted that the published statement will be clear that it is due to capacity issues with the auditors.

A Member asked if we have an overall value for the Authority's assets. The Director of Finance responded that the balance sheet was around £225million which largely related to properties. We also own a lot of land, which is considered a community asset which cannot be disposed of, therefore its actual monetary value is very low and not market rate.



**AUDIT COMMITTEE MINUTES  
22 JULY 2021**

- (1) the draft Statement of Accounts for 2020/21; and**
- (2) that any changes recommended by the Auditor at the conclusion of the Audit will be incorporated into the revised Financial Statements for approval by the Audit Committee was noted.**

**219 DATE OF NEXT MEETING**

Members noted that the next meeting of the Audit Committee will be 23 September at 1.30pm.

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Chairman

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Date

The meeting started at 1pm and ended at 1.45pm

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## **RISK REGISTER 2021/22**

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 2018 (Paper AUD/90/18) Members approved the updated risk management strategy and corporate risk register following the Risk Management Workshop held on 7 June 2018. 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.

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 and the sub-registers at Appendices B and C of 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 (AGS) (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 -**

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

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

- 3 Each financial year the relevant authority must –**
  - (a) conduct a review of the effectiveness of the system of internal control required by regulation 3; and**
  - (b) 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 are 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 has been reviewed again by officers and Members as part of the Risk Management Workshop and was formally approved by the Audit Committee in June 2018 (Paper AUD/90/18).**

## 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 June 2021 (Paper AUD/118/21).
- 10 Since the June Committee officers have incorporated approved Member revisions, reviewed the register, considered potential new risks and the scoring. This includes the risk sub register that was considered and agreed by the Leisure Services Contract (LSC) Working Group to give greater detail and management emphasis to managing the risks and actions in relation to the LSC Contract Retender (Strategic Risk SR9). This is attached as Appendix B to this report. Further impacts of the Covid-19 pandemic had been included within the current Risk Register but a sub risk register was populated to specifically review these impacts and has been updated to reflect changes to restrictions that have been in place. This is attached as Appendix C to this report.

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 27 February 2020	Residual Risks 25 June 2020	Residual Risks 22 October 2020	Residual Risks 25 February 2021	Residual Risks 24 June 2021	Residual Risks 23 September 2021
	3	5	5	4	3	2
	7	7	7	10	10	12
	9	8	8	8	9	9
Total Risks	19	20	20	22	22	23
Notional Score	478	599	581	602	566	547

- 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. In addition, several of the original inherent risks have shown a reduction and additional risks that had been added to the risk register as a result of the current Covid-19 situation have shown an improvement, with the reduction of restrictions imposed by the Government and the reopening of venues.
- 13 The operational and financial risks from the LSC Contract Retender (SR9) have decreased after the withdrawal of the legal challenge from Lee Valley Leisure Trust Ltd and continuing satisfactory progress with Greenwich Leisure Ltd towards the contract initiation with a paper to go to Members in October. This is also reflected within the LSC sub register where some of the individual risks are showing an improvement. Although some uncertainty still exists as a result of the Covid-19 situation which resulted in a further delay, currently to April 2022, to the commencement of the LSC contract, the contract negotiations are now at a final stage.
- 14 Decisions taken to mitigate these risks have been approved by full Authority and monitoring of these risks is taking place at each Executive Committee, Senior Management and officer level.

- 15 A verbal update will be presented at Committee to advise Members regarding progress of the LSC sub register. There are still continued financial and operational risks caused by the Covid-19 pandemic and its effects on the Authority's business and flow of income. Changes to the register are in red font to indicate changes since the last Audit Committee risk register paper and the changes due to risks within SR9 and the sub-registers are also highlighted red.

#### **ENVIRONMENTAL IMPLICATIONS**

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

#### **EQUALITY IMPLICATIONS**

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

#### **FINANCIAL IMPLICATIONS**

- 18 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.
- 19 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.

#### **HUMAN RESOURCE IMPLICATIONS**

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

#### **LEGAL IMPLICATIONS**

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

#### **RISK MANAGEMENT IMPLICATIONS**

- 22 These are dealt with through the main body of the report and through the revised register. Covid-19; the Ice Centre; the Picketts Lock Development; the Leisure Services Contract retender projects; and the implementation of the Land & Property Strategy are recognised as the highest corporate risks facing the organisation. 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 2021/22 followed by a revised approved Business Plan. In addition, the Authority will review the updated 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/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 Committee	AUD/94/18	Risk Register 2018/19	20 September 2018
Audit Committee	AUD/90/18	Risk Register 2018/19	21 June 2018
Risk Workshop			07 June 2018

## **APPENDICES ATTACHED**

Appendix A	2021/22 Corporate Risk Register – Authority
Appendix B	2021/22 Sub Register LSC retender (SR9)
Appendix C	2021/22 Sub Register Covid 19 Pandemic
Appendix D	Risk Scoring Criteria (extract from the approved risk management strategy (June 2018))

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LEISURE SERVICE CONTRACT SUB RISK REGISTER AS AT 23 SEPTEMBER 2021

SR#	Facility	Area	Priority	Impact	Frequency	Subsidiary	Category	Current Status	Impact	Frequency	Subsidiary	Category	Current Status	Impact	Frequency	Subsidiary	Category	Current Status	Impact	Frequency	Subsidiary	Category	Current Status	
SR1.1	Process delayed by legal challenge before November 2019	DCED	7	5	35		Provision of Legal Services Member activity through LSC Working Group, Authority & Committee meetings Ex Consultants Support In-house staff want plans prioritised	LA In house IA Audit Plan SMT Weekly Meeting Minutes M Exec Monthly M LSC Group M C advice	5	2	10	Treat	On going monitoring and assessment of Contractor Service Plan Contractor Service Plan M 2015/20 Report on outcome of monitoring process	Weekly	Executive Quarterly Monitoring	LA SMT M 2015/20	On going monitoring and assessment of Contractor Service Plan Contractor Service Plan M 2015/20 Report on outcome of monitoring process	Weekly	Executive Quarterly Monitoring	LA SMT M 2015/20	On going monitoring and assessment of Contractor Service Plan Contractor Service Plan M 2015/20 Report on outcome of monitoring process	Weekly	Executive Quarterly Monitoring	LA SMT M 2015/20
SR1.2	Existing Service deteriorates during interim period causing failure to deliver on agreed objectives, contractual requirements or financial targets prior to commencement of new contract	NAF	6	6	36		Delivery monitored by Director/Head of Service and performance monitoring team Quarterly Performance Reports to Executive & Scrutiny Committees	M Exec Monthly IA Audit Plan SMT Weekly Meeting Minutes LA current contract	6	4	24	Treat	Quarterly Contract Monitoring Contractor Service Plan M 2015/20 Agreed	Executive Quarterly Monitoring	Executive Quarterly Monitoring	Executive Quarterly Monitoring	Executive Quarterly Monitoring	Executive Quarterly Monitoring	Executive Quarterly Monitoring	Executive Quarterly Monitoring	Executive Quarterly Monitoring	Executive Quarterly Monitoring	Executive Quarterly Monitoring	Executive Quarterly Monitoring
SR1.3	Management of Facilities Contracts & failure to maintain assets to a good H&S and operational standard	DCED	9	4	36		Advice and support APMD plus external contractors. Quality contracts employed for maintenance through procurement (Price Quality ratio weighted). Performance measurement regular inspections carried out.	APMD Annual Inspections M Exec Monthly M Scrutiny 1/4ly	5	3	15	Treat	On going Monitoring Implementing 2020 Inspection survey work	Annual/Monthly Inspections & Reviews	Annual/Monthly Inspections & Reviews	Annual/Monthly Inspections & Reviews	Annual/Monthly Inspections & Reviews	Annual/Monthly Inspections & Reviews	Annual/Monthly Inspections & Reviews	Annual/Monthly Inspections & Reviews	Annual/Monthly Inspections & Reviews	Annual/Monthly Inspections & Reviews	Annual/Monthly Inspections & Reviews	Annual/Monthly Inspections & Reviews
SR1.4	Inadequate IT Infrastructure/Systems/Data for new LSC.	NAF	6	5	30		Reports to Exec Financial/Legal/Risk implications fully appraised. Financial Approval of reductions/spending of Authority IT assets New Usage Controls Editing IT Infrastructure Budget	SMT Weekly Meeting Minutes IA Audit Plan Exec - LSC Specification	7	4	28	Treat	Review for Procurement process Review for new Contract post 2020	31/05/2020	31/05/2020	31/05/2020	31/05/2020	31/05/2020	31/05/2020	31/05/2020	31/05/2020	31/05/2020	31/05/2020	31/05/2020
SR1.5	Inadequate resourcing levels during potential extended interim period.	DCED	8	6	48		Internal/External communications Recruitment Process	IA Int Audit SMT 2/ Night Team M Members LA Legal Advice M Performance Review	7	3	21	Tolerate	Review of Staffing Budgets Contribution to further recruitment from Learning contractor Contribution of staff where necessary.	31/05/2021	31/05/2021	31/05/2021	31/05/2021	31/05/2021	31/05/2021	31/05/2021	31/05/2021	31/05/2021	31/05/2021	31/05/2021
SR1.6	Financial Mismanagement	NAF	9	6	54		Authority monitoring Meetings Joint Board Meetings E&M Minimum Reserves Policy Statutory Power to Levy	M Exec 1/4ly M Authority Annual SMT Monthly & 1/4ly Reports	9	6	54	Treat	Budget Review & MTPP Explore the setting up of decision trust Explore options for rates relief if in Authority operation	31/03/2019	31/03/2019	31/03/2019	31/03/2019	31/03/2019	31/03/2019	31/03/2019	31/03/2019	31/03/2019	31/03/2019	31/03/2019
SR1.7	Contractor fails to provide the governance structure and leadership to deliver the statutory, financial and best practice requirements of the contract.	CEO	7	7	49		Authority/Contractor SMT meetings Joint Chair meetings LSC contract Performance Monitoring Compliance with statutory bodies e.g. Charities Commission/company law	M 1/4ly Authority Meetings M Working Groups M Exec Monthly SMT Weekly Meeting Minutes LA In house EA EA Audit IA Int Audit	7	2	14	Treat	Review Authority/Contractor SMT Meetings LSC Resourcing documentation Specification compliance and due diligence	30/11/2019	CEO	CEO	30/11/2019	CEO	30/11/2019	CEO	30/11/2019	CEO	30/11/2019	CEO



COVID-19 PANDEMIC SUB RISK REGISTER AS AT 23 SEPTEMBER 2021

Sub-risk	Impact	Priority	Current Status	Responsible Party	Key Dates	Frequency	Next Review	Notes
SR1.1 Failure to comply with Covid-19 Health & Safety legislation	High	High	45	9	5	45	<p>Health and safety management of HBS (as well as other) reviewed by HBS on a regular basis and covering H&amp;S legislation. Plans needed to meet H&amp;S requirements. Plans needed to meet H&amp;S requirements. Plans needed to meet H&amp;S requirements.</p>	<p>Executive Quarterly Monitoring</p>
SR2.1 Contractors, Governing Bodies not adhering to Covid-19 legislation	High	High	42	7	6	42	<p>Review of all contract documents and processes by a responsible officer. Review of all contract documents and processes by a responsible officer. Review of all contract documents and processes by a responsible officer.</p>	<p>Executive Quarterly Monitoring</p>
SR2.2 Management of Facilities Contracts & others to remain viable to a good H&S and operational standard	High	High	43	9	5	43	<p>Review and support from AFMD also advised. Ensure that contractors apply correct covid distancing. Ensure that contractors apply correct covid distancing. Ensure that contractors apply correct covid distancing.</p>	<p>Monthly Meetings &amp; Business JARs</p>
SR3.1 Inadequate IT Infrastructure/ Systems/Data support due to staff changes imposed by through process	High	High	46	9	6	46	<p>Review of business needs. Review of business needs. Review of business needs.</p>	<p>Monthly Meetings &amp; Business JARs</p>
SR3.2 The Authority have insufficient staff at all levels available to respond to business demands due to through staff	High	High	64	9	8	64	<p>Agreement on capacity requirements with H&amp;S. Agreement on capacity requirements with H&amp;S. Agreement on capacity requirements with H&amp;S.</p>	<p>Monthly Meetings &amp; Business JARs</p>
SR3.3 The Authority have insufficient staff at all levels due to impact of New Covid response to staff being unable to perform duties on long term absence	High	High	72	9	8	72	<p>Review of business needs. Review of business needs. Review of business needs.</p>	<p>Monthly Meetings &amp; Business JARs</p>
SR4.1 Financial Management	High	High	81	9	9	81	<p>Quarterly budget monitoring reports. Quarterly budget monitoring reports. Quarterly budget monitoring reports.</p>	<p>Executive Quarterly Monitoring</p>
SR4.2 Financial Management	High	High	63	9	7	63	<p>Statutory obligations. Statutory obligations. Statutory obligations.</p>	<p>Executive Quarterly Monitoring</p>





## 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.

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

**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.

	<b>Impact</b>	<b>Likelihood</b>
<b>1</b>	No impact	<1% likely to occur in next 12 months
<b>2</b>	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
<b>3</b>	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
<b>4</b>	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
<b>5</b>	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
<b>6</b>	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
<b>7</b>	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
<b>8</b>	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
<b>9</b>	Financial loss above £1 million or major impact at strategic level or closure/transfer of business	>80% likely to occur in next 12 months