

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

- 11
- 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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Risk ID	Description	Impact	Probability	Current Rating	Residual Rating	Control Measures	Responsible Party	Review Date	Update
SR1.1	Failure to comply with the 2019 P4, P6, A6 and other statutory requirements.	Medium	High	56	6	<ul style="list-style-type: none"> Member Secretary through Authority & Committee Annual Governance Statement Financial Statements covered by statutory provisions 	SR1 - Annual Audit Letter M Audit Plan Annual Meeting Minutes M Date Monthly	6	6
SR1.2	Failure to comply with Health & Safety legislation	Medium	High	54	7	<ul style="list-style-type: none"> Health and Safety management M&S Internal Governance regularly reviewed by IRMS who monitor up and coming legislation. Health & Safety Update monthly Annual H&S Report External H&S Assessment 3rd Annual Report to Audit Committee 	2021/22 - 21/09 Reports M&S 3 yr. cat. review 2021 Annual Audit 2021 Year Report	7	2
SR1.3	Ability to accept a partner financial terms on conditions that will place an unacceptable long term liability on the Authority	High	Medium	36	6	<ul style="list-style-type: none"> Financial Approval of contracts in accordance with pre-defined code. All contracts reviewed prior to commencement by a committee of officers. Delivery reviewed by the Chief Executive and the Finance Director. Performance Reports to Executive & Strategy Committees 	M Date Monthly M Authority LA agreement M Date Monthly M Strategy 21/09	6	2
SR1.4	Contracting bodies, or Third Party Contractor, not meeting agreed objectives/contract	High	Medium	35	7	<ul style="list-style-type: none"> All contracts reviewed prior to commencement by a committee of officers. Delivery reviewed by the Chief Executive and the Finance Director. Performance Reports to Executive & Strategy Committees 	2021/22 - 21/09 Reports M&S 3 yr. cat. review 2021 Annual Audit 2021 Year Report	7	2
SR2.1	Management of Facilities Contracts & failure to maintain assets to a good H&S and operational standard	Medium	High	36	9	<ul style="list-style-type: none"> Review and support APMD - site external contractors. Regularly contractors employed for maintenance through the Authority (Price Quality ratio applied) 	2021/22 - 21/09 Reports M&S 3 yr. cat. review 2021 Annual Audit 2021 Year Report	7	1
SR2.2	Contractor quality affected by external influences or external/international competitive pricing of the bids	High	Medium	54	8	<ul style="list-style-type: none"> Reports to BMT and Members Financial Approval of contracts in accordance with pre-defined code. 	M Date Monthly M Strategy 21/09	7	3
SR2.3	Unjustified maintenance tendering for contracts	Medium	High	28	4	<ul style="list-style-type: none"> Reports to BMT Financial Approval of contracts in accordance with pre-defined code. 	M Date Monthly M Authority M Audit Plan	6	3
SR3	Business	Medium	High	36	9	<ul style="list-style-type: none"> Reports to BMT and Members Financial Approval of contracts in accordance with pre-defined code. Infrastructure upgrade comes from Capital Budget 	2021/22 - 21/09 Reports M&S 3 yr. cat. review 2021 Annual Audit 2021 Year Report	7	3
SR3.1	Business	Medium	High	64	8	<ul style="list-style-type: none"> Review & Negotiation Working & Reporting Infrastructure upgrade comes from Capital Budget 	2021/22 - 21/09 Reports M&S 3 yr. cat. review 2021 Annual Audit 2021 Year Report	7	3
SR3.2	The Authority fails to reconfirm staff at all levels of the organisation culture	Medium	High	63	5	<ul style="list-style-type: none"> Quarterly budget monitoring reports Monthly review Capital Budget LA and M&S Monthly reports Industry Powers Levy 	M Date 21/09 M Authority M Strategy 21/09 Reports M&S 3 yr. cat. review 2021 Annual Audit 2021 Year Report	6	7
SR4.1	Financial risks of over/under spend budget being re-assessment of income targets to meet the objectives	Medium	High	63	9	<ul style="list-style-type: none"> Quarterly budget monitoring reports Monthly review Capital Budget LA and M&S Monthly reports Industry Powers Levy 	M Date 21/09 M Authority M Strategy 21/09 Reports M&S 3 yr. cat. review 2021 Annual Audit 2021 Year Report	6	7
SR4.2	Financial risks of other greatly increased insurance costs as insurers refused to insure Authority due to increased risks brought on by prevailing conditions	Medium	High	63	9	<ul style="list-style-type: none"> Quarterly budget monitoring reports Monthly review Capital Budget LA and M&S Monthly reports Industry Powers Levy 	M Date 21/09 M Authority M Strategy 21/09 Reports M&S 3 yr. cat. review 2021 Annual Audit 2021 Year Report	6	7
SR5	Loss of a clear corporate direction	Medium	High	63	5	<ul style="list-style-type: none"> Quarterly budget monitoring reports Monthly review Capital Budget LA and M&S Monthly reports Industry Powers Levy 	M Date 21/09 M Authority M Strategy 21/09 Reports M&S 3 yr. cat. review 2021 Annual Audit 2021 Year Report	6	7
SR6.1	Impact on the Authority's powers to raise the levy and reallocate from off-goods/contractors as a result of external influences	Medium	High	63	6	<ul style="list-style-type: none"> Quarterly budget monitoring reports Monthly review Capital Budget LA and M&S Monthly reports Industry Powers Levy 	M Date 21/09 M Authority M Strategy 21/09 Reports M&S 3 yr. cat. review 2021 Annual Audit 2021 Year Report	6	7

LEISURE SERVICE CONTRACT SUB RISK REGISTER AS AT 23 SEPTEMBER 2021

SR#	SR Description	SR Category	SR Status	SR Risk Score	SR Priority	SR Impact	SR Mitigation	SR Progress	SR Owner	SR Review Date	SR Review Status	SR Review Comments	SR Review Action	SR Review Outcome
SR1.1	Process delayed by legal challenge before November 2020	DCO	Open	35	7	3	2	10	On going monitoring and assessment of procurement at Officer & Member commissioning groups. Report on outcome of tendering process.	31/03/2021	Open	Preferred Contractor selected and approved by Members. Legal challenge to procurement has been withdrawn. Contract award process is progressing well. The contract is expected to be awarded in April 2021. The contract is expected to be awarded in April 2021. The contract is expected to be awarded in April 2021.	On going monitoring and assessment of procurement at Officer & Member commissioning groups. Report on outcome of tendering process.	On going monitoring and assessment of procurement at Officer & Member commissioning groups. Report on outcome of tendering process.
SR1.2	Existing Service Laboratories during interim period causing failure to delivering on agreed objectives, contractual requirements or financial targets prior to commencement of new contract	HO	Open	36	6	4	24	4	Delivery monitored by Director/Head of Services and performance monitoring team. Quarterly Performance Reports to Executive & Scrutiny Committees.	31/03/2021	Open	Preferred Contractor selected and approved by Members. Legal challenge to procurement has been withdrawn. Contract award process is progressing well. The contract is expected to be awarded in April 2021. The contract is expected to be awarded in April 2021. The contract is expected to be awarded in April 2021.	Delivery monitored by Director/Head of Services and performance monitoring team. Quarterly Performance Reports to Executive & Scrutiny Committees.	Delivery monitored by Director/Head of Services and performance monitoring team. Quarterly Performance Reports to Executive & Scrutiny Committees.
SR1.3	Management of Facilities Contracts & failure to maintain assets to a good H&S and operational standard	DCO	Open	36	9	4	15	3	Advice and support APMD plus external contractors. Quality contractors employed for maintenance through procurement (Price Quality ratio applied). Performance department regular inspections carried out.	31/03/2021	Open	New LSC commencement date has been delayed due to further COVID-19 restrictions and the impact of the contract award process. The contract is expected to be awarded in April 2021. The contract is expected to be awarded in April 2021. The contract is expected to be awarded in April 2021.	Advice and support APMD plus external contractors. Quality contractors employed for maintenance through procurement (Price Quality ratio applied). Performance department regular inspections carried out.	Advice and support APMD plus external contractors. Quality contractors employed for maintenance through procurement (Price Quality ratio applied). Performance department regular inspections carried out.
SR1.4	Inadequate IT Infrastructure/Systems/Data for new LSC	HO	Open	30	6	5	28	4	Reports to Exec Finance/Legal/Risk implications fully appraised. Financial Appraisal of relocation/upgrading of Authority IT assets. New Usage Counters. Existing IT Infrastructure Budget.	31/03/2021	Open	IT LSC commencement date has been delayed due to further COVID-19 restrictions and the impact of the contract award process. The contract is expected to be awarded in April 2021. The contract is expected to be awarded in April 2021. The contract is expected to be awarded in April 2021.	Reports to Exec Finance/Legal/Risk implications fully appraised. Financial Appraisal of relocation/upgrading of Authority IT assets. New Usage Counters. Existing IT Infrastructure Budget.	Reports to Exec Finance/Legal/Risk implications fully appraised. Financial Appraisal of relocation/upgrading of Authority IT assets. New Usage Counters. Existing IT Infrastructure Budget.
SR1.5	Inadequate responding levels during potential extended holiday period.	DCO	Open	43	8	6	21	3	Internal/External communications. Recruitment Process.	31/03/2021	Open	IT LSC commencement date has been delayed due to further COVID-19 restrictions and the impact of the contract award process. The contract is expected to be awarded in April 2021. The contract is expected to be awarded in April 2021. The contract is expected to be awarded in April 2021.	Internal/External communications. Recruitment Process.	Internal/External communications. Recruitment Process.
SR1.6	Financial Management	DCO	Open	54	9	6	54	6	Authority monitoring Meetings. Joint Board Meetings. ERM Minimum Reserves Policy. Statutory Power to Levy.	30/11/2019	Open	Members approved the temporary transfer back to house of the contract due to the legal challenge and will the new contract can be awarded later. The contract is expected to be awarded in April 2021. The contract is expected to be awarded in April 2021. The contract is expected to be awarded in April 2021.	Authority monitoring Meetings. Joint Board Meetings. ERM Minimum Reserves Policy. Statutory Power to Levy.	Authority monitoring Meetings. Joint Board Meetings. ERM Minimum Reserves Policy. Statutory Power to Levy.
SR1.7	Contractor fails to provide the governance structures and leadership to deliver the statutory, financial and best practice requirements of the contract.	DCO	Open	49	7	7	34	2	Authority/Contractor SMT meetings. Joint Chair meetings. LSC contract. Performance Monitoring. Compliance with statutory bodies e.g. EA Est Audit. Charities commission/company law.	30/11/2019	Open	Preferred Contractor selected and approved and meets requirements.	Authority/Contractor SMT meetings. Joint Chair meetings. LSC contract. Performance Monitoring. Compliance with statutory bodies e.g. EA Est Audit. Charities commission/company law.	Authority/Contractor SMT meetings. Joint Chair meetings. LSC contract. Performance Monitoring. Compliance with statutory bodies e.g. EA Est Audit. Charities commission/company law.

LEISURE SERVICE CONTRACT SUB RISK REGISTER AS AT 23 SEPTEMBER 2021

Risk ID	Risk Description	Strategic Pillar	Business Area	Category	Current Rating	Target Rating	Responsible Function	Owner	Start Date	End Date	Update	
SR2.1	<p>Emergency Action Planning IT Disaster Recovery Plan Business Interruption Insurance Adequate cover arrangements made for Senior Management Site MTP & Management Plans Jobs GLJ/Auditor Training Insurance Policy/Plans General Reserves HMS Audit Support Services Decoupling IT/ SITN Services</p>	Operational	<p>Emergency Action Planning IT Disaster Recovery Plan Business Interruption Insurance Adequate cover arrangements made for Senior Management Site MTP & Management Plans Jobs GLJ/Auditor Training Insurance Policy/Plans General Reserves HMS Audit Support Services Decoupling IT/ SITN Services</p>	<p>Emergency Action Planning IT Disaster Recovery Plan Business Interruption Insurance Adequate cover arrangements made for Senior Management Site MTP & Management Plans Jobs GLJ/Auditor Training Insurance Policy/Plans General Reserves HMS Audit Support Services Decoupling IT/ SITN Services</p>	7	7	49		CEO	7	7	20
SR3.1	<p>Legal Advice Procurement Regulations Medium Term Financial Plan Existing PV/Comms External Consultants Member Steering Group Member Engagement Specifics/Other MFT resourcing</p>	Operational	<p>Legal Advice Procurement Regulations Medium Term Financial Plan Existing PV/Comms External Consultants Member Steering Group Member Engagement Specifics/Other MFT resourcing</p>	<p>Legal Advice Procurement Regulations Medium Term Financial Plan Existing PV/Comms External Consultants Member Steering Group Member Engagement Specifics/Other MFT resourcing</p>	9	4	36		CEO	9	4	26
SR4.2	<p>Legal Advice Procurement Regulations External Consultants Member Steering Group Procurement regulations alignment Safeguard through process</p>	Operational	<p>Legal Advice Procurement Regulations External Consultants Member Steering Group Procurement regulations alignment Safeguard through process</p>	<p>Legal Advice Procurement Regulations External Consultants Member Steering Group Procurement regulations alignment Safeguard through process</p>	9	2	28		CEO	9	2	27

SR4.2 - Reviewed to see longer valid

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

Sub Risk	Impact	Priority	Strategic Area	Strategic Objective	Strategic Outcome	Strategic Measure	Strategic Action	Strategic Activity	Strategic Milestone	Strategic Target	Strategic Indicator	Strategic Metric	Strategic Value	Strategic Risk	Strategic Mitigation	Strategic Status	Strategic Review	Strategic Update	Strategic Comment
SR1.1	Return to comply with Covid-19 Health & Safety legislation	CD	Health & Safety	Health & Safety	Health & Safety	Health & Safety	Health & Safety	Health & Safety	Health & Safety	Health & Safety	Health & Safety	Health & Safety	Health & Safety	Health & Safety	Health & Safety	Health & Safety	Health & Safety	Health & Safety	Health & Safety
SR1.2	Contractors, Government bodies not delivering agreed objectives due to limitations imposed by Covid-19 legislation	HoF	Procurement	Procurement	Procurement	Procurement	Procurement	Procurement	Procurement	Procurement	Procurement	Procurement	Procurement	Procurement	Procurement	Procurement	Procurement	Procurement	Procurement
SR1.3	Management of Facilities Contracts & failures to achieve same to a good H&S and operational standard	CD	Facilities	Facilities	Facilities	Facilities	Facilities	Facilities	Facilities	Facilities	Facilities	Facilities	Facilities	Facilities	Facilities	Facilities	Facilities	Facilities	Facilities
SR1.3.1	Implementation of IT Infrastructure/ Systems/Other support due to staff shortages imposed by through process	CD	IT	IT	IT	IT	IT	IT	IT	IT	IT	IT	IT	IT	IT	IT	IT	IT	IT
SR1.3.2	The Authority have insufficient staff at all levels available to respond to business demands due to through staff	HoF	HR	HR	HR	HR	HR	HR	HR	HR	HR	HR	HR	HR	HR	HR	HR	HR	HR
SR1.3	The Authority have insufficient staff at all levels due to impact of long Covid/ members of staff being unable to perform duties on a long term absence	CD	HR	HR	HR	HR	HR	HR	HR	HR	HR	HR	HR	HR	HR	HR	HR	HR	HR
SR1.4	Financial risks of multiplier spent budget through increased income targets due to closures of the Covid-19 business to reduce income to meet obligations while other financial reserves	HoF	Finance	Finance	Finance	Finance	Finance	Finance	Finance	Finance	Finance	Finance	Finance	Finance	Finance	Finance	Finance	Finance	Finance
SR1.5	Impact on the Authority's powers to raise the Levy and reductions from all constituent councils with changes caused by Covid-19 pandemic on their budgets	CD	Levy	Levy	Levy	Levy	Levy	Levy	Levy	Levy	Levy	Levy	Levy	Levy	Levy	Levy	Levy	Levy	Levy

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

Item ID	Item Description	Item Category	Item Status	Item Priority	Item Risk	Item Impact	Item Mitigation	Item Action	Item Date	Item Owner	Item Status	Item Risk	Item Impact	Item Mitigation	Item Action	Item Date	Item Owner
18.1	Impact on delivery of services due to supply chain issues for critical materials, damaged relationships with customers/subcontractors.	18.1	High	High	High	High	High	High	High	High	High	High	High	High	High	High	High
18.2	Impact on delivery of services due to supply chain issues for critical materials, damaged relationships with customers/subcontractors.	18.2	High	High	High	High	High	High	High	High	High	High	High	High	High	High	High
18.3	Impact on delivery of services due to supply chain issues for critical materials, damaged relationships with customers/subcontractors.	18.3	High	High	High	High	High	High	High	High	High	High	High	High	High	High	High
18.4	Impact on delivery of services due to supply chain issues for critical materials, damaged relationships with customers/subcontractors.	18.4	High	High	High	High	High	High	High	High	High	High	High	High	High	High	High
18.5	Impact on delivery of services due to supply chain issues for critical materials, damaged relationships with customers/subcontractors.	18.5	High	High	High	High	High	High	High	High	High	High	High	High	High	High	High
18.6	Impact on delivery of services due to supply chain issues for critical materials, damaged relationships with customers/subcontractors.	18.6	High	High	High	High	High	High	High	High	High	High	High	High	High	High	High
18.7	Impact on delivery of services due to supply chain issues for critical materials, damaged relationships with customers/subcontractors.	18.7	High	High	High	High	High	High	High	High	High	High	High	High	High	High	High
18.8	Impact on delivery of services due to supply chain issues for critical materials, damaged relationships with customers/subcontractors.	18.8	High	High	High	High	High	High	High	High	High	High	High	High	High	High	High
18.9	Impact on delivery of services due to supply chain issues for critical materials, damaged relationships with customers/subcontractors.	18.9	High	High	High	High	High	High	High	High	High	High	High	High	High	High	High
18.10	Impact on delivery of services due to supply chain issues for critical materials, damaged relationships with customers/subcontractors.	18.10	High	High	High	High	High	High	High	High	High	High	High	High	High	High	High

Score 0-25 High Risk
Score 26-50 Medium 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