



LEE VALLEY REGIONAL PARK AUTHORITY

AUDIT COMMITTEE

29 FEBRUARY 2024 AT 13:00

Agenda Item No:

8

Report No:

AUD/144/24

RISK REGISTER 2023/24

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 September 2023 (Paper AUD/138/23) 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” includes the 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 June 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 2023 (Paper AUD/138/23).
- 10 Since the September Committee, officers have incorporated approved Member revisions, reviewed the register, considered and added potential new risks and updated the scoring. A summary of updates on Risks can be found in Appendix B to this report.
- 11 A new Risk has been added to the register under Governance (SR5) called 'Failure for 2021/22 and 2022/23 accounts to gain audit assurance' (SR5.3). See paragraph 15 and Appendix B to this report for detailed information.
- 12 The table below sets out the movement in managing the residual risks and sets out a summary of the total notional score.

13

Risk	Residual Risks						
	24 Feb 2022	24 June 2022	22 Sept 2022	23 Feb 2023	22 June 2023	21 Sept 2023	29 Feb 2024
	0	0	1	1	1	1	1
	15	18	21	17	16	15	16
	8	8	10	12	13	12	12
Total Risks	23	26	32	30	30	28	29
Notional Score	512	591	759	665	638	596	609

- 14 The key point to note since the last review of the Authority's Strategic Risk Register is the overall increase in the corporate risk register residual notional score. This is due to the addition of a risk to the register. There was a reduction of 3 (three) points across two Risk Areas (SR3.2 and SR4.3) which are outlined in the following paragraph.
- 15 The specific changes to scores are outlined in the following table with the changes to score from the previous paper and the reason for change outlined:

Risk I.D.	Previous Impact Score	Previous Likelihood Score	Total Score	New Impact Score	New Likelihood Score	New Total Score	Change in Score +/-
SR3.2	6	2	12	5	2	10	-2
SR4.3	8	2	16	7	1	7	-9
SR5.3	N/A	N/A	N/A	4	6	24	24
						Total	13

Reasons for movements

SR3.2 Inadequate I.T. Infrastructure/ Systems/Data for new Leisure Services Contract (LSC) - Greenwich Leisure Limited (GLL) had been using the Authority's phone system until they could get a suitable phone system for the venues within the LSC. They have now moved to their own phone system. Having now operated the venues for over a year, all the IT systems being used by GLL have proven to be adequate for operating our venues.

SR4.3 Failure of GLL to achieve 90% of income target in Year 1, resulting in renegotiation of Year 2 Management Fee - income levels in Year 1 sufficient that renegotiation not required in respect of income for Year 2+.

SR5.3 Failure for 2021/22 and 2022/23 accounts to gain audit assurance – The Department for Levelling Up, Housing and Communities (DLUHC) & National Audit Office launched a consultation on 8 February 2024 into the process to address the significant delays in the delivery of local authority audits. The DLUHC has suggested that a backstop date of 30 September 2024 be put in place to conclude all outstanding audits up to and including 2022/23. This date is being set to allow auditors time to issue opinions. These may result in modified or disclaimed opinions due to this backstop. There may be governance, reputational, and financials risk associated with failure to secure full assurance, which in turn may result in additional works required for future (2023/24 onwards) audits. The consultation also set out realigning with existing regulations by 2026/27.

The situation is across the whole local authority sector, and not specific to the Authority, although trust in Public Sector accounts may be reduced if a large number of disclaimed/modified opinions are issued.

Early engagement will be essential once the consultation is completed to ensure full assurance by backstop.

16 Ongoing review of all major projects

Buckingham Group Contracting Ltd (BGCL) gave notice of intention to appoint administrators on 17 August 2023 which was then extended on 31 August 2023. This is not causing any operational issues as the building is complete. There is, however, a snagging list, which BGCL had previously been working through, but has not been fully completed. This is progressing well on site and is anticipated to be completed by the summer. The Authority holds retention money and has all sub-contractor warranties in place and the project is therefore in a good overall position despite the administration issue.

- 17 Regarding the LSC and the Authority's tariff risk for utilities, the 2023/24 budget is sufficient for current levels of consumption at known prices to October 2023. Consumption has been reduced through more efficient management practices and the initial LED investment at Lee Valley VeloPark. Further consumption reductions from LEDs at Lee Valley Hockey & Tennis Centre, Lee Valley Athletics Centre, Lee Valley White Water Centre and Lee Valley Riding Centre will further mitigate this risk.**
- 18 Within the September Risk Register report, officers reported that the forecasts from Laser suggest the tariff from October will be lower than anticipated; which was an accurate forecast as the tariffs came in lower than what had been budgeted for.**
- 19 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.**
- 20 The recommendations made by Mazars following their Risk Management audit will form part of the annual review produced by Mazars.**
- 21 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

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

EQUALITY IMPLICATIONS

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

FINANCIAL IMPLICATIONS

- 24 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.
- 25 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.
- 26 Utility costs are a significant risk that will have a material impact on the Authority's revenue outturn position. Officers will continue to monitor the tariff forecasts from Laser.

HUMAN RESOURCE IMPLICATIONS

- 27 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

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

RISK MANAGEMENT IMPLICATIONS

- 29 These are dealt with through the main body of the report and through the revised register. 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.

Author: Simon Clark, 03000 030 633, sclark@leevalleypark.org.uk

BACKGROUND REPORTS

Lee Valley Regional Park Authority Risk Management Strategy June 2018

APPENDICES ATTACHED

Appendix A 2023/24 Corporate Risk Register – Authority

Appendix B	Summary of updates on Risks
Appendix C	Risk Scoring Criteria (extract from the approved risk management strategy (June 2022))

ABBREVIATIONS

BGCL	Buckingham Group Contracting Ltd
LSC	Leisure Services Contract
GLL	Greenwich Leisure Ltd
DLUHC	Department for Levelling Up, Housing and Communities

PREVIOUS COMMITTEE REPORTS

Audit Committee	AUD/138/23	Risk Register 2023/24	21 September 2023
Audit Committee	AUD/132/23	Risk Register 2023/24	23 June 2023
Audit Committee	AUD/131/23	Risk Register 2022/23	23 February 2023
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
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

STRATEGIC RISK REGISTER

February 2024

SRL Legal

SR#	Category	Description	Impact	Probability	Frequency	Current Status	Control Measures	Responsible Party	Review Date	Review Frequency	Overall Rating							
SR1.1	CD	Failure to comply with the 1966 Park Act, data protection law and other statutory requirements.	Medium	High	Annual	Red	Provision of Legal Services Member scrutiny through Authority & Committee meetings Annual Governance statement Park Act Awareness covered by inductions for new staff	EA Annual Audit Letter IA Audit Plan SMT Weekly Meeting Minutes M Exec Monthly	8	7	56	6	1	6	<>	Tolerate	Continue Induction Process and monitoring of statutory changes. Review of data protection procedures and arrangements against ICO Accountability Framework to ensure alignment with ICO expectations.	Quarterly
SR1.2	CD	Failure to comply with Health & Safety legislation	Medium	High	Annual	Red	Health and Safety management H&S manual (procedures) regularly reviewed by RH&S who monitor up and coming legislation. H&S Policy Updated annually Risk reduction Plan complete. External H&S Assessment 5 th Annual Report to Audit	RD/SMT 1/4ly Reports 3 yr. ext. review RD Annual Audits M Year Report BEC	9	6	54	7	2	14	<>	Tolerate	Annual Internal Audit & H&S Audit Plans delivered.	On-going

SR2 Contractual

SR#	Category	Description	Impact	Probability	Frequency	Current Status	Control Measures	Responsible Party	Review Date	Review Frequency	Overall Rating							
SR2.1	Hof	Agreeing to accept a partner's financial terms and conditions that will place an unacceptable long term liability on the Authority	Medium	High	Annual	Red	Reports to SMT and Members Financial/Legal/Risk Implications fully appraised. Financial Appraisal of schemes in accordance with prudential code.	M Exec Monthly LA agreement	9	4	36	8	2	16	<>	Tolerate	Ongoing resources review for specific projects	Quarterly
SR2.2	CD	Contractors, Governing Bodies, or Third Party Operator not delivering agreed objectives/contract	Medium	High	Annual	Yellow	All contracts reviewed prior to commencement by a responsible officer. Delivery monitored by Director/Head of Service and performance monitoring team Quarterly Performance Reports to SMT	M Exec Monthly M Scrutiny 1/4ly	7	5	35	6	2	12	<>	Tolerate	Quarterly Contract monitoring.	Executive Quarterly Monitoring
SR2.3	CD	Management of Facilities Contracts & failure to maintain assets to a good H&S and operational standard	Medium	High	Annual	Yellow	Advice and support APMD plus external contractors. Quality contractors employed for maintenance through procurement (Price Quality ratio applied)	APMD Annual Inspections	9	4	36	7	1	7	>	Treat	Ongoing Monitoring	Annual Inspections & Review. H&S Work complete by 31/03/24
SR2.4	CD/Hof	Contractor stability affected by external influences or national/international conditions prevailing at the time	Medium	High	Annual	Red	Reports to SMT and Members Financial/Legal/Risk Implications fully appraised. Financial Appraisal of schemes in accordance with prudential code.	M Exec Monthly M Scrutiny 1/4ly	9	8	72	8	9	72	>	Treat	Quarterly Contract monitoring.	Executive Quarterly Monitoring
SR2.5	CD	Insufficient contractors tendering for contracts	Medium	High	Annual	Yellow	Reports to SMT Financial/Legal/Risk Implications fully appraised. Appraisal of procurement process.	SMT Monthly & 1/4ly Reports M Exec 1/4ly M Authority Annual Budget	4	5	20	5	3	15	>	Treat	Review of Procurement process Tender Evaluation Award of Contract	31/03/2024
SR2.6	CD	Major equipment or other failure at one or more venues resulting in temporary/permanent cessation of operations	Medium	High	Annual	Yellow	Reports to SMT Financial/Legal/Risk Implications fully appraised. Application of Business Continuity protocols.	SMT Monthly & 1/4ly Reports M Exec 1/4ly M Authority Annual Budget	9	6	54	7	3	21	>	Treat	Ongoing Monitoring	On-going
SR2.7	CD	Failure of LSC contractor organisation or failure of LSC contractor to deliver as required by contract	Medium	High	Annual	Yellow	Advice and support APMD plus external contractors employed for maintenance through procurement (Price Quality ratio applied). Performance department regular inspections carried out	SMT Monthly & 1/4ly Reports M Exec 1/4ly M Authority Annual Budget APMD Annual Inspections M Monthly Inspections M Exec Monthly Scrutiny 1/4ly	9	8	72	5	4	20	>	Treat	Ongoing Monitoring by Authority Continual review of LSC contractor's financial position	On-going
SR2.8	DCEO	Management of Facilities Contracts & failure to maintain assets to a good H&S and operational standard	Medium	High	Annual	Yellow	Advice and support APMD plus external contractors employed for maintenance through procurement (Price Quality ratio applied). Performance department regular inspections carried out	APMD Annual Inspections M Monthly Inspections M Exec Monthly Scrutiny 1/4ly	9	4	36	5	3	15	>	Treat	Ongoing Monitoring (implement pre 2020 condition survey work)	Annual/ Monthly Inspections & Review.

SRS3 Resources

ID	Category	Description	Impact	Probability	Score	Current	Target	Owner	Start Date	End Date	Status	Notes		
SRS3.1	HOFT	LI Infrastructure does not meet future business needs requirements. Authority requires funding for updating or improving LI Infrastructure	Reports to Members Financial Approval/Implications fully approved. Financial Approval of schemes in accordance with prudential code. IT Infrastructure upgrade comes from Capital budget.	SAFT Weekly Meeting Minutes IA Audit Plan Annual Audit Letter	EA	9	4	36	8	3	24	>	Tolerate Procurement or upgrade Finance system to a SaaS system. Assess viability of moving to hosted systems.	31/03/2024
SRS3.2	HOFT	Investigate LI Infrastructure/ Systems/Tools for new ILC	Reports to Exec. Financial/Approval implications fully approved. Financial Approval of necessary spending of Authority IT assets New Usage Counters Existing IT Infrastructure budget	SAFT Weekly Meeting Minutes IA Audit Plan BC - ILC Specification		7	5	35	5	2	10	<>	Tolerate Review for Procurement process. Review for new Contract post 2020	31/03/2024
SRS3.3	CEO	The Authority fails to recruit/retain staff at all levels of the appropriate culture	Research & Recognition Training & Development Framework Management Away Days Staff presentations Internal/External communications Up to date staff handbook Up to date policies	IA Annual Scheme Report IA - Policy Reports SAFT Annual Training panel		8	8	64	6	6	36	<>	Tolerate Ongoing Monitoring	On-going

SRS4 Financial Management

ID	Category	Description	Impact	Probability	Score	Current	Target	Owner	Start Date	End Date	Status	Notes		
SRS4.1	HOFT	Financial risks of over/under spend budget through non-achievement of income targets or inaccurate budget forecasting. Insufficient resources to meet objectives	Quarterly Budget monitoring reports Weekly review against Centre Business Plan targets Medium Term Financial Plan updated E3-4m Minimum Reserves Policy reviewed Statutory Power to Levy	IA Exec 31/4y IA Authority Annual Budget SAFT Monthly & 31/4y reports		9	7	63	8	4	32	>	Tolerate Ongoing budget monitoring & review MTRP in September	Executive Quarterly Monitoring
SRS4.2	HOFT	Financial risks of either greatly increased insurance costs or insurers refusal to insure Authority due to increased risks brought on by prevailing conditions	Budget monitoring reports Authority/SC Contractor fee contract commencement/ monitoring meetings Budget Review 2024/25 completes Medium Term Financial Plan E3-4m Minimum Reserves Policy Statutory Power to Levy	IA Exec 31/4y IA Authority Annual Budget SAFT Monthly & 31/4y reports		9	7	63	8	3	24	>	Tolerate Liaison with Insurance brokers re level of cover	Executive Quarterly Monitoring
SRS4.3	HOFT	Failure of GLI to achieve 50% of income target in Year 1, resulting in renegotiation of Year 2 MTRP	Service meetings with GLI Quarterly Performance Reporting	IA 31/4y Authority Meetings IA Exec Monthly SAFT Weekly Meeting Minutes IA in House EA Per Audit		9	6	54	7	1	7	>	Tolerate GLI to provide quarterly financial reports	31/03/2024

SRS5 Governance & Leadership

ID	Category	Description	Impact	Probability	Score	Current	Target	Owner	Start Date	End Date	Status	Notes		
SRS5.1	CEO	Loss of a Director from the Board	Authority meetings SAFT Business Plan 2016-19 MTRP to 2024 Levy Strategy Land & Property Strategy Statutory engagement Clear Budget/Levy Decision Funded Financial Plan Statutory Levy Raising Powers	IA 31/4y Full Authority Meetings IA Exec Committee N12 IA Working Groups SAFT Weekly Meeting Minutes		9	7	63	9	2	18	<>	Tolerate Set out 3 year plan 2024/25-26/27	31/03/2024
SRS5.2	CEO	Impact on the Authority's powers to raise the Levy with resistance from many constituent councils.	Statutory Levy Raising Powers	SAFT Weekly Meeting Minutes IA in House		9	7	63	9	1	9	<>	Tolerate Set out 3 year plan 2024/25-26/27	Quarterly Monitoring 31/03/2024
SRS5.3	HOFT	Failure for 2021/22 and 2022/23 accounts to have given audit assurance	External Audit Regulation & Legislation External Oversight	SAFT IA Audit Committee IA External Auditors		7	7	49	4	6	24	>	Tolerate Completion of outstanding accounts Publication of draft accounts Investigation with External Auditors	30/09/2024

SR6 Reputation/Communication

SR6.1		SR6.2	
CEO	HoC	CEO	HoC
Impact on Authority's reputation due to service failure, damaged stakeholder and/or contractor relationships.		Impact on Authority's reputation due to service failure caused by Covid-19 or any similar pandemic or infectious disease, damaged stakeholder and/or contractor relationships.	
Venue and service communication plans. Proactive marketing, media relations, speaker engagement and stakeholder engagement		Managed via social media, web and digital updates. Media relations, internal communications, Utilization of new technologies, Venue communications	
SMART Weekly Meeting 1/4ly Authority Meetings M Exec Monthly Stakeholder		SMART Weekly Meeting Venue re-opening group Weekly Meetings M 1/4ly Authority Meetings M Exec Monthly	
7	5	35	6
3	18	6	3
Treat		Treat	
Regular meetings with Authority business owners and GL, marketing team to plan and coordinate activity		Social media, digital communications, web updates and media relations proactively explaining our position as a result of any Government announcements on Covid19 or other communicable infectious disease and our key business activities such as staged reopening of venues. Ensuring all aspects of customer, partner, club and NGB communications are carried out Strong liaison with venues, open spaces and other parts of the Authority affected by Coronavirus to ensure comms work aligns with key business objectives Regular and extensive internal comms utilising technologies such as video conferencing, group chats to keep all staff, furloughed and working engaged and involved.	
Quarterly Monitoring Report		Quarterly Monitoring Report	

SR7 Business Continuity

SR7.1		SR7.2	
CEO	CEO	CEO	CEO
Inadequate business continuity implementation at any (all) sites following natural disaster, IT failure including Cyber Terrorism, Flooding, Disease Outbreak (animals/humans), Terrorism.		Inadequate pandemic or infectious disease management processes in place prior to Covid 19 or other infectious disease and more restrictions including local tier restrictions and national lockdowns	
Emergency Action Planning IT Disaster Recovery Plan Business Interruption Insurance Adequate Cover arrangements exist for Senior Management Site DRP & Management Plans Joint LSC Contractor/Authority Training Insurance Policies/Funds General Reserves RiKS Audits Working with EA/CRT and other Local Authorities		Pandemic Planning Procedures Emergency Pandemic Protocols IT Operational Procedures	
EA - Annual Audit Letter M Audit Plan SMART Weekly Meeting Minutes M Exec Monthly		M 1/4ly Reports M 1/4ly Annual Review Pandemic Procedures M Audit Plan SMART Weekly Meeting Minutes M Exec Monthly	
6	5	30	5
4	20	4	6
Treat/Transfer		Treat	
Quarterly Monitoring		Executive Quarterly Monitoring	
Audit Recommendations Implemented Further training and testing. LSC Contractor Risk Register - alignment re risk and continuity		H & S Recommendations, Implemented Training and reviews of financial, legal, leadership protocols Update of communication processes Review of staffing structure to continue business	

SR8 Environmental Management

SR8.1	
DECO	DECO
Failure to manage contamination could be a risk to users, this includes land and/or water contamination (also damage to reputation from failing to manage contamination)	
Site investigations carried out prior to developments & land remediated. Site investigations carried out on some other sites. Some sites monitored. Sites closed to public access where contamination is significant. Contaminated Land Policy Member Task & Finish group Completion of Contaminated Land Strategy & Policy Consultant Site investigations work completed.	
9	7
63	7
2	14
Tolerate	
Ongoing monitoring	
Ongoing Monitoring plus analysis when land sold/purchased or developed	

SR9 Major Business Developments

ID	Risk	Category	Description	Impact	Probability	Score	Current	Target	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score
SR9.1	CEO	CEO (F&A)	Ice Centre Failure in Strategic risks 3-8 above in the development of the Ice Centre circa £20m project and Legal Challenge. Ice Centre not operational at agreed date	Legal Advice Prudential Code Feasibility Studies Member Steering Group Building programme Feasibility budget Working with LB Waltham Forest	EC Reports SMART Weekly Meeting Minutes Mt Exec Monthly M 1/4ly Authority Meetings M Working Groups M Audit Plan EA - Annual Audit Letter	9	8	72	6	4	24	>	Threat	Planning Approval Business Plan Design Team Engagement stakeholders, users and local community	31/03/2024																																			
SR9.2	CEO	DCED	Predicts Lock Development Failure in Strategic risks 3-8 above in the development of the predicts lock circa £40m project and Legal Challenge	Legal Advice Prudential Code Feasibility Studies Existing FY/Comms Feasibility budget Working with LB Enfield Planning Advice	EC Reports SMART Weekly Meeting Minutes Mt Exec Monthly M 1/4ly Authority Meetings M Working Groups M Audit Plan EA - Annual Audit Letter	8	8	64	7	5	35	>	Threat	Planning Approval Business Plan Design Team Engagement stakeholders, users and local community	31/03/2024																																			

SR10 Implications of Implementing Land & Property Strategy

ID	Risk	Category	Description	Impact	Probability	Score	Current	Target	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score
SR10.1	DCED	Imp	Opportunities - Opportunity Out of Resources, Reducing Available Resources or Increasing future liabilities	Legal Advice - Park Act Park Act LAP Strategy Land Organisation Strategy Medium Term Financial Plan Land & Property Working Group	EC Reports SMART Weekly Meeting Minutes Mt Exec Monthly M 1/4ly Authority Meetings M Working Groups M Audit Plan	8	6	48	4	2	8	<=>	Threat	Seek External Advice where necessary incl. Member Decision, Consultation	31/03/2024																													
SR10.2	DCED	Imp	Disposals - Legal challenge, Reputational Damage, reduced public access or job diversity, Failure to deliver anticipated capital resources through land disposal due to the constraints imposed by the regional boroughs/districts and other agencies, e.g. green belt/food risk/contaminated land	Legal Advice - Park Act Park Act LAP Strategy Medium Term Financial Plan Land & Property Working Group	EC Reports SMART Weekly Meeting Minutes Mt Exec Monthly M 1/4ly Authority Meetings M Working Groups M Audit Plan	8	7	56	6	3	18	>	Threat	Seek External Advice where necessary incl. Member Decision, Consultation	31/03/2024																													

SR11 Impact of Brexit on Authority

ID	Risk	Category	Description	Impact	Probability	Score	Current	Target	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score	Control	Residual	Score
SR11.1	CEO	DCED	Failure in Strategic risks 3-10 above due to changes in the Economic and Business Climate brought about by changes following the departure from the European Union	Legal Advice Medium Term Financial Plan General/Capital Resources Treasury Management Policy Annual Investment Strategy Prudential Code Power to Levy Land & Property Member Group MCA/MTT/Threats Mitigate Mitigation	EC Reports SMART Weekly Meeting Minutes Mt Exec Monthly M 1/4ly Authority Meetings M Working Groups M Audit Plan EA - Annual Audit Letter	7	9	63	6	6	36	>	Threat	Member Potential Land Disposal Indirect risks Third Party Investor/ stakeholders Legal Framework Pension valuations																														

Risk Register updates

Risk ID	Updates
SR2.1	Individual projects should be reviewed in line with financial requirements if they differ from Authority standard
SR2.2	The LSC contract continues to perform well with phase 2 of its investments around the LED light and the Health & Fitness offer at Lee Valley VeloPark being implemented. The H&S and Grounds Maintenance (GM) contract are performing well with an improved monitoring soft where of the GM contract now being fully in place.
SR2.4	Ongoing review of all major projects. Buckingham Group Contracting Ltd gave notice of intention to appoint administrators on 17 August 2023 which was then extended on 31 August 2023. This is not causing any operational issues as the building is complete. There is, however, a snagging list, which Buckingham had previously been working through, but has not been fully completed. This is progressing well on site and is anticipated to be completed by the summer. The Authority holds retention money and has all sub-contractor warranties in place and the project is therefore in a good overall position despite the administration issue. Regarding the LSC and the Authority's tariff risk for utilities, the 23/24 budget is sufficient for current levels of consumption at known prices to October 2023. Consumption has been reduced through more efficient management practices and the initial LED investment at Lee Valley VeloPark. Further consumption reductions from LEDs at Lee Valley Hockey & Tennis Centre, Lee Valley Athletics Centre, Lee Valley White Water Centre and the Lee Valley Riding Centre will further mitigate this risk.
SR3.1	Finance System upgrade delayed until June 2024. Project is being led by Senior Accountant. New solution offered by One Advanced does meet our requirements. Further development being done. Once Finance system has been upgraded the risk can be moved to <> Tolerated. The current system poses a risk to the Authority. Server environment changes in progress, to make Data Centre the primary location and Myddelton House the backup. This will improve resilience and greater flexibility in terms of office space. Physical servers at Data Centre to then be virtualised to cloud hosted. MPLS contract in process of being renewed via procurement process.
SR3.2	Greenwich Leisure Limited (GLL) had been using the Authority's phone system until they could get a suitable phone system for the Venues within the Leisure Services Contract (LSC). They have now moved to their own phone system. Having now operated the venues for over a year, all the IT systems being used by GLL have proven to be adequate for operating our venues.
SR4.1	Ongoing. The MTFP has being updated to reflect changes in inflation, impact of service revision, and changes that directly impact revenue. Continued monitoring of Income, Expenditure, and operational capacity/usage. Utility costs stabilising and expected to remain at similar level for next year. Review of General Fund reserve balance, cash flow monitoring, and inflation/rate change modelling. Capital spend profile updated for current programme delivery. Members approved budget for 2024/25 with a below inflation increase to the Levy of 3%.
SR4.2	Insurance is arranged annually for period October X1 to September X2.

	<p>Liaison required with Insurance brokers with regards to any changes in insurance cover and premiums. Review of insurance property values, and insurable items, to ensure sufficient arrangements/coverage</p>
SR4.3	<p>Income levels in Year 1 sufficient that renegotiation not required in respect of income for Year 2+</p>
SR5.3	<p>The Department for Levelling Up, Housing and Communities (DLUHC) & National Audit Office launched a consultation on 8 February 2024 into the process to address the significant delays in the delivery of local authority audits. The DLUHC has suggested that a backstop date of 30 September 2024 be put in place to conclude all outstanding audits up to and including 2022/23. This date is being set to allow auditors time to issue opinions. These may result in modified or disclaimed opinions due to this backstop. There may be governance, reputational, and financials risk associated with failure to secure full assurance, which in turn may result in additional works required for future (2023/24 onwards) audits. The consultation also set out realigning with existing regulations by 2026/27.</p> <p>The situation is across the whole local authority sector, and not specific to the Authority, although trust in Public Sector accounts may be reduced if a large number of disclaimed/modified opinions are issued.</p> <p>Early engagement will be essential once the consultation is completed to ensure full assurance by backstop.</p>
SR7.1	<p>Staff training provided to all staff on Cybersecurity twice a year. Additional training session focusing on Ransomware done after Cyberattack on GLL.</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.

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