



LEE VALLEY REGIONAL PARK AUTHORITY

AUDIT COMMITTEE

25 JUNE 2015 AT 12:30

Agenda Item No:

8

Report No:

AUD/59/15

RISK REGISTER 2015/16

Presented by the Director of Finance & Resources

SUMMARY

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

At the meeting in February (Paper AUD/57/15) Members agreed to refresh and update the corporate Risk Register recognising that many of the previously identified risks had been satisfactorily addressed but that with the emergence of the Lee Valley Leisure Trust (the Trust) the risk profile of the Authority (and Trust) was changing.

Officers have undertaken an initial review of the Risk Register and risk management process to provide Members with a starting point to move risk management forward in both the Trust and the Authority

Following input from Members today the Register and processes will be updated and reported back at the next Audit Committee (scheduled for September), for final sign off and use going forward.

RECOMMENDATION

Members Approve: (1) the revised format and content of the Authority's Strategic Risk Register (including all agreed changes recommended at this Committee meeting) attached at Appendix A (and note Appendix B, the Trust Register) 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:

- (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 "The relevant authority must, each financial year:

- (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 Deloitte (the then 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 these Audit Committee meetings (20 May 2010, Paper AUD/06/10 and 28 June 2012, Paper AUD/30/12).

REVIEW OF THE STRATEGIC RISK REGISTER

- 8 The current Strategic Risk Register is reviewed by officers and Members on an on-going basis. At the meeting in February (Paper AUD/57/15) Members agreed to refresh and update the corporate Risk Register recognising that many of the previously identified risks had been satisfactorily addressed but that with the emergence of the Trust the risk profile of the Authority (and Trust) was changing.
- 9 As a starting point officers have set out proposals to rationalise and simplify the existing Corporate Risk Register. Specifically the areas reviewed were:
1. existing risks/new risks and their relevance going forward;
 2. developing an Authority and Trust Risk Register (which will be managed and monitored by the Trust Board);
 3. review of the scoring system;
 4. review of the layout;
 5. review of departmental/thematic registers.

1. Existing/New Risks

Officers have categorised risk into 8 key areas:

- Legal Risk – e.g. Park Act, Charity Law;
- Contract Risk – e.g. Trust contract, GM contract;
- Resources – staffing/IT/property management/equipment;
- Financial Management – budgeting, cash-flow, income collection etc;
- Governance & Leadership – i.e., lack of clear strategy/corporate objectives;
- Reputation/Communication – i.e., for customers and stakeholders;
- Business Continuity – including health & safety, insurance and disaster recovery;
- Environmental Management - e.g. land contamination.

These key areas should cover both organisations, but given the different requirements may often result in different actions needing to be achieved. By breaking down the risks in these categories the need to operate thematic risk management at an officer level should no longer be required as, any material themed action, if scoring high enough, would appear on the corporate register. Whilst lower scoring actions can be identified through routine audits delivered as part of the annual audit plan and reported annually to this Committee. It is believed this will significantly reduce administration of the risk management process resulting in a more focussed approach to delivering actions from the core risk register, which would, if left unaddressed, fundamentally undermine achieving corporate objectives or delivery of the business.

2. Developing a new Authority and Trust Risk Register

Appendices A and B to this report sets out a draft Risk Register for both the Authority and Trust using this categorisation.

3. Review of the Scoring System

The current criteria supporting the Risk Register scoring system employed by the Authority to measure risk is attached at Appendix C to this report. These

criteria are there to help attach a level of indicative importance to the risk and are not an exact quantitative science. In reviewing what other organisations do it appears that the assessment of risk appetite and attaching indicative scores to risk, supported by a RAG (Red, Amber, Green) "traffic light" system is quite standard across most, although actual scoring scales may differ slightly (e.g. a 5 point scoring system where criteria for likelihood (L) and impact (I) are labelled:

L: (1=improbable, 2=unlikely, 3=moderate, 4=likely, 5=almost certain)

I : (1=negligible, 2=marginal, 3=serious, 4=critical, 5=catastrophic)

Therefore it is proposed by officers that we retain the existing nine point scoring system as it meets our existing requirements, although Members may wish officers to further review the narrative that supports each point on the scale.

4. Review of the layout

Appendices A and B to this report set out a draft Risk Register for both the Authority and Trust using this categorisation and indicative scoring system.

5. Review of Departmental/Thematic risk sub-registers

In the past officers have carried out on-going risk management via the sub-risk registers for operational aspects of the business. The sub-registers covered and managed risks that would not normally score significantly high enough to appear on the Strategic Register, but are still important areas that require risk management practices to be adhered to. The updated sub-registers were presented annually to Members in February each year and covered the following areas:

Theme	Lead Officer
• Finance	Director of Finance & Resources
• Procurement	Director of Business Support (Trust)
• Partnerships & Planning	Head of Planning & Strategic Partnerships
• Health & Safety	Director of Finance & Resources
• Legal/Regulatory/Property	Director of Corporate Services
• Information Technology	Director of Finance & Resources
• Human Resources	Director of Finance & Resources
• Customer	Head of Venues

Officers believe these areas of work are routinely managed at departmental and section level and are dealt with through routine processes and procedures. Monitoring of these areas of work is systematically checked, tested and verified through the internal audit and Health & Safety function and is reported annually to Members through the annual Internal Audit and Health & Safety report, and, where weaknesses are identified this is recognised with remedial actions put in place. It is clear from the last annual review of the sub-registers that 95% of actions had been addressed and that where improvements were still required these were in areas of minimal risk to the organisation.

- 10 Officers are recommending this change as they believe this will significantly reduce administration of the risk management process resulting in a more focussed approach to delivering actions from the core Risk Register, which would, if left unaddressed, fundamentally undermine achieving corporate objectives or delivery of the business.

NEXT STEPS

- 11 Following today's meeting officers will incorporate the changes approved and re-present this register at the next Audit Committee scheduled in September. In the interim officers will continue to review the risks and actions to ensure all corporate risks are included. Any views Members may have on the Trust's register will be communicated to the Trust within a similar paper to be presented to the Trust Board in early August.

ENVIRONMENTAL IMPLICATIONS

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

EQUALITY IMPLICATIONS

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

FINANCIAL IMPLICATIONS

- 14 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.
- 15 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

- 16 There are no additional human resource implications arising directly from the recommendations in this report. Actions have been set so that they can be met from existing employee resources.

LEGAL IMPLICATIONS

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

RISK MANAGEMENT IMPLICATIONS

- 18 These are dealt with through the main body of the report and through the revised Register. The potential higher risk areas identified within the corporate Register relate to land contamination. Continuing mitigation against identified risks has commenced and is demonstrated by the proposed actions in the Strategic Register in Appendix A to this report.

BACKGROUND REPORTS

Lee Valley Regional Park Authority Risk Management Strategy June 2012

PREVIOUS COMMITTEE REPORTS

Audit Committee	AUD/06/10	Risk Register 2009/10	20 May 2010
Audit Committee	AUD/17/11	Risk Register 2010/11	02 March 2011
Audit Committee	AUD/21/11	Risk Register 2011/12	02 June 2011
Audit Committee	AUD/23/11	Risk Register 2011/12	22 September 2011
Audit Committee	AUD/26/12	Risk Register 2011/12	23 February 2012
Audit Committee	AUD/30/12	Risk Register 2012/13	28 June 2012
Audit Committee	AUD/34/12	Risk Register 2012/13	20 September 2012
Audit Committee	AUD/38/13	Risk Register 2012/13	28 February 2013
Audit Committee	AUD/40/13	Risk Register 2013/14	20 June 2014
Audit Committee	AUD/44/13	Risk Register 2013/14	26 September 2014
Audit Committee	AUD/46/14	Risk Register 2013/14	27 February 2014
Audit Committee	AUD/50/14	Risk Register 2014/15	19 June 2014
Audit Committee	AUD/54/14	Risk Register 2014/15	25 September 2014
Audit Committee	AUD/57/15	Risk Register 2014/15	26 February 2015

APPENDICES ATTACHED

Appendix A	Corporate Risk Register – Authority
Appendix B	Corporate Risk Register – Trust
Appendix C	Risk Register Scoring Criteria

AUTHORITY STRATEGIC RISK REGISTER AS AT 25 JUNE 2015

Risk ID	Risk Name	Inherent Risk Score			Residual Risk Score			Further Actions Needed to reduce Risk	Deadline for Completion of Actions	Officer(s) Responsible	Source of Assurance	26/6/15 Comments	26/02/14 Comments								
		Critical Success Factor	Lead	Impact	Likelihood	Total Score	Impact							Likelihood	Total Score						
SR 1	Legal																				
	Failure to comply with the 1986 Park Act and other statutory requirements		DCS	8	7	56	Provision of Legal Services Member scrutiny through Authority & Committee meetings Annual Governance statement	8	3	24	↑↑↑	Tolerate	Ensure adequate awareness training includes sufficient training of park remit & powers	Ongoing	DCS	External Audit Internal Audit Senior Management	Ongoing	Completed. Resources reviewed as part of initial budget process	Completed. Resources reviewed as part of initial budget process		
	Failure to comply with Health & Safety legislation		DFR	9	6	54	Health and Safety management H&S manual (procedures) regularly reviewed by RDHS who monitor up and coming legislation.	7	2	14	↑↑	Tolerate	Update Policy Complete Risk Reduction Plan	Ongoing	DFR	Senior management Members	Ongoing				
SR2	Contractual																				
	Agreeing to accept a partners' financial terms and conditions that will place an unacceptable long term contingent liability on the Authority		DFP	9	4	36	Reports to SMT and Members Financial/Legal/Risk Implications fully appraised. Financial Appraisal of schemes in accordance with prudential code	8	2	16	↑	Tolerate	Ongoing resources review for specific projects	Ongoing	DFR	Internal Audit/ External Audit	Ongoing				
	Contractors, Governing Bodies, or Trust not delivering agreed objectives		DFR	7	6	42	All contracts reviewed prior to commencement by a responsible officer. Delivery monitored by Director/Head of Service	6	4	24	↑↓	Tolerate	Ongoing Review	Ongoing	HSL	Senior Management and Members	Ongoing				
	Failure to deliver the LYRPA management contract to the required specification including beach in Funding Agreements LYMWG, VeldPark, LYH+TC		DFR	9	4	36	Monitored as part of Trust contract monitoring	8	2	16	↑	Tolerate	No further action	Ongoing	HSL	Senior management Internal Audit	Ongoing				
	Management of Facilities Contracts		DCS	9	4	36	Advice and support AMPD plus external contractors	9	3	27	↑	Treat	Ongoing Monitoring	Ongoing	AMPD	Internal Audit Senior Management	Ongoing				

AUTHORITY STRATEGIC RISK REGISTER AS AT 25 JUNE 2015

Risk ID	Risk Name	Inherent Risk Score				Residual Risk Score				Total Score	Likelihood	Impact	Further Actions Needed to reduce Risk	Deadline for Completion Actions	Officers(s) Responsible	Source of Assurance	28/5/15 Comments	29/02/14 Comments
		Lead	Impact	Likelihood	Total Score	Existing Controls	Impact	Likelihood	Total Score									
SR 3	Resources																	
	I.T infrastructure does not meet business requirements. Authority reduces or lacks funding for updating or improving I.T infrastructure	B	DFR	9	4	36	●	Reports to Members Financial/Legal/Risk Implications fully appraised. Financial Appraisal of schemes in accordance with prudential code	8	2	16	↑	Ongoing resources review for specific projects	Ongoing	DFR	Senior Management Internal Audit/External Audit	IT Infrastructure Review to commence Dec/2016	N/A
	The Authority fails to attract and retain staff at all levels of the appropriate calibre	In/Is	CEO	8	8	64	●	Reward & Recognition Training & development framework Management Away Days Staff presentations Internal/External communications	4	5	20	↑	Continue to Implement a "learning" strategy Regular adverts and communication Exit Interview Review Employer of choice Review of benefits	Ongoing	DFR	Senior Management/ Members	The leadership management development programme is underway. Staff benefits review programme is underway and the 3rd cohort starts in March 2015.	
SR 4	Financial Management																	
	Financial Risks of unresourced legacy costs through: non-achievement of income targets by Trust or inaccurate budget forecasting		DFR	9	9	81	●	Budget monitoring reports Authority/Trust monitoring Meetings Joint Chairs Meeting	9	4	36	↑	Budget Review 2016/17	31/12/2015	DFR	Senior management Members	2016/17 Budget Review by Dec/2016	2015/16 Budget Review complete
	Ensure Adequate Funding for Both Organisation		DFR	9	9	81	●	Current Financial Plan 2015/16 Existing Budget Process Mandatory Rate relief achieved	9	4	36	↑	Budget Review 2016/17	27/01/2016	DFR	SMT Members	2015/16 Budget process complete	2015/16 Budget Review complete

AUTHORITY STRATEGIC RISK REGISTER AS AT 25 JUNE 2015

Risk ID	Risk Name	Inherent Risk Score			Residual Risk Score			Tolerate/Transfer/Treat/Terminate (if Treat, further actions needed)	Further actions Needed to reduce Risk	Deadline for Completion of Actions	Officer(s) Responsible	Source of Assurance	28/5/15 Comments	28/02/14 Comments					
		Critical Success Factor	Lead	Impact Likelihood	Total Score	Impact Likelihood	Total Score												
SRS5 Governance & Leadership																			
	Lack of a clear corporate direction		CEO	9	9	81	●	Authority meetings SMT	9	4	36	↓	Treat	Revised Business Planning and Vision alignment by end of 2015 Development of Leadership Competences	31/12/2015	CEO	Senior Management Members External Audit	Review of Business Plan	Review of Business operating mode
	Challenge to the Levy resulting in non-payment		CEQ	9	9	81	●	Stakeholder engagement Clear Budget/Levy Direction Funded Financial Plan Statutory Levy Raising Powers	9	2	18	↓	Treat	Revise Business Plan Budget/Levy Strategy 2016/17 going forward	31/12/2015	DFR	Senior Management Members	2016/17 Budget Review by September	N/A
SRS6 Reputation/Communication																			
	Impact on Lee Valley Park if Trust run Venues do not have a strong reputation		HC	7	5	35	●	Managed via Contract Stakeholder updates Feedback/liason with Trust	6	4	24	↓	Treat	Regular client meetings	Ongoing	HC	Senior Management/ Members Stakeholder Perception KPI	Monitor continued positive media coverage & stakeholder feedback. Inputting into wider policy debate on legacy.	N/A
	Reputational Enhancement or Damage due to success or failure of Olympics Legacy		CEO	8	5	40	●	Business plans Olympic Venues Working Relationship LLDC Third party working relationships across Olympic park	7	4	28	↓	Treat	Ongoing management and monitoring	Ongoing	HC	Senior Management Members	Booked series of visits plus Q&As and communication.	N/A
	Reputational Enhancement or Damage due to success or failure of stakeholder relationships		HC	9	3	27	●	Stakeholder Communications Planned Visits Speaker engagements existing media relations	6	3	18	↓	Treat	Ongoing engagement at local, regional and national level	Ongoing	HC	Senior management Members Stakeholder Perception KPI	Current Events programme New Events strategy going forward.	N/A
	Failure to deliver major events in partnership with Governing Bodies/ VLT		HSL	7	5	35	●	Strategic and Operation meetings pre and post events LV/PA and NGBs Events fit with business plans Adequate time and resource agreed and allocated	6	5	30	↓	Treat	Partner Working with Trust Agree budgets and commitment in advance of Agreements	Ongoing	HSL	Senior management Members Stakeholder Perception KPI		N/A

AUTHORITY STRATEGIC RISK REGISTER AS AT 25 JUNE 2015

Risk ID	Risk Name	Inherent Risk Score				Residual Risk Score				Total Score	Likelihood	Impact	Further Actions Needed to reduce Risk	Deadline for Completion Actions	Officers (s) Responsible	Source Of Assurance	28/5/15 Comments	26/02/14 Comments
		Lead	Impact	Likelihood	Total Score	Lead	Impact	Likelihood	Total Score									
SR7	Business Continuity																	
	Inadequate business continuity implementation at any (all) sites	DFR	6	5	30	5	3	15	30/09/2015	HSL	External Audit Internal Audit Senior Management	Further disaster Recovery Training Day. Full Restore back-up test						
SR8	Environmental Management																	
	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)	DCS	9	9	81	7	5	35	30/09/2015	DCS	Senior Management/ Members	A number of sites have exploratory works being undertaken following the recommendation of the T&FG to Executive. The results will be reviewed by the T&FG.						
	Veterinary Disease outbreak affecting Farms business (e.g. avian flu, Foot and Mouth)	DCS	6	6	36	5	3	15	Ongoing	HP	Internal Audit Senior management	Insurance in place Quarterly inspections of the delivery of E. Coli control measures conducted by H&S Officer at the farms.						
	Disease outbreak affecting human health	DFR	9	2	18	8	2	16	Ongoing	DFR	Internal Audit Senior management	Insurance in place Quarterly inspections of the delivery of E. Coli control measures conducted by H&S Officer at the farms.						
	Flood risk	DCS	7	5	35	6	5	30	Annual 30/09/2015	HP	Internal Audit Senior management	Further disaster Recovery Training Day.						
	Environment damage/disaster to buildings/ programme/events	DCS	7	5	35	6	5	30	Annual 30/09/2015	AMPD	H+S Senior management	Further disaster Recovery Training Day.						

AUTHORITY STRATEGIC RISK REGISTER AS AT 25 JUNE 2015

Risk ID	Risk Name	Inherent Risk Score			Residual Risk Score			Tolerate/Transfer/Treat/Terminate (if Treat, further actions needed)	Further Actions Needed to reduce Risk	Deadline for Completion of Actions	Officer(s) Responsible	Source of Assurance	28/5/15 Comments	26/02/14 Comments
		Critical Success Factor	Lead	Impact Likelihood	Total Score	Existing Controls	Impact Likelihood							

Key
 Score 45-81 High Risk
 Score 9-48 Moderate risk
 Score 1- 18 Low risk



Progress in a positive direction to reducing the risk
 Progress is negative and risk is getting worse.
 Progress static subject to actions or as risk is "tolerated"

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TRUST STRATEGIC RISK REGISTER AS AT 25 JUNE 2015

Risk ID	Risk Name	Inherent Risk Score			Existing Controls	Residual Risk Score			Tolerate/Transfer/Treat/Terminate (if Treat, further actions needed)	Further Actions Needed to reduce Risk	Deadline for Completion of Actions	Officer(s) Responsible	Source of Assurance	28/5/15 Comments	25/09/14 Comments
		Critical Success Factor	Lead	Impact		Likelihood	Impact	Likelihood							
SR 1	Legal														
	Failure to comply with Charity/Company law		KS/ NF	9 8	72	Provision of Legal Services for Trust	7 4	28	Treat	Training first year in particular for Trustees and Managers of relevant statutory requirements and good governance	Ongoing	KS	External Audit Internal Audit Senior Management	Ongoing	N/A
	Failure to maintain/comply with Licence provisions (drinks, entertainments, in particular stand licence at H+TC)		BD	9 7	63	Licenseses transferred training needs plans completed safety and crowd management course organised and attended by key staff	6 3	18	Tolerate	additional training to be identified completion of NVQ4 for staff on course	Ongoing	NF	Senior management	Ongoing	N/A
	Failure to comply with Health & Safety legislation		BD	9 6	54	Health and Safety management H&S manual (procedures) regularly reviewed by RDHS who monitor up and coming legislation.	7 2	14	Tolerate		Ongoing	BD	Senior management Trustees	Ongoing	N/A
	The Trust acts outside the legal parameters of the Charities Act		KS	8 7	56	Appropriate legal advice obtained during set up. Trustee scrutiny through Committee meetings	8 3	24	Tolerate	Appropriate legal advice to be obtained as required. Ensure adequate awareness training includes sufficient training of charitable and trading elements	31/03/2016	KS/NF	Senior Management Internal Audit	will be reviewed following the first year of operations of Trust.	N/A

TRUST STRATEGIC RISK REGISTER AS AT 25 JUNE 2015

Risk ID	Risk Name	Inherent Risk Score				Residual Risk Score				Further Actions Needed to reduce Risk	Deadline for Completion Actions	Officer(s) Responsible	Source of Assurance	28/6/15 Comments	25/09/14 Comments
		Lead	Impact	Likelihood	Total Score	Impact	Likelihood	Total Score	(if Treat, further actions needed)						
SR2	Contractual														
	Agreeing to accept contractual terms and conditions that will place an unacceptable long term contingent liability on the Trust.	NF	9	4	36	8	2	16	<p>Existing Controls</p> <p>Reports to SMT and Board Financial/Legal/Risk Implications fully appraised. Financial Appraisal of schemes in accordance with prudential code. Project Management Framework</p>	<p>Ongoing resources review for specific projects</p>	Ongoing	NF	Internal Audit/ External Audit	Completed. Resources reviewed as part of initial budget process	N/A
	Contractors, Governing Bodies, or LVRPA not delivering agreed objectives	KS	7	6	42	6	4	24	<p>Existing Controls</p> <p>All contracts reviewed prior to commencement by a responsible officer. Delivery monitored by Director/Head of Service</p>	<p>Ongoing Review</p>	Ongoing	Directors and Trustees	Senior Management and Trustees	Ongoing	N/A
	Entering contracts longer than Mgt Contract term with LVRPA - if penalties included	SMT	9	4	36	6	4	24	<p>Existing Controls</p> <p>All such contracts reviewed prior to commencement by SMT Liaison with LVRPA CEO</p>	<p>Ongoing Review</p>	Ongoing	Directors and Trustees	Senior Management and Trustees	Ongoing	N/A
	Breach in Funding Agreements LYWWC, VeloPark, LVH+TC	NF	9	4	36	8	2	16	<p>Existing Controls</p> <p>Monitored 3 weekly at LYWWC project meetings</p>	<p>No further action</p>	31/03/2012	Directors	Senior management Internal Audit	Ongoing	N/A
	Management of Facilities Contracts		9	4	36	9	3	27	<p>Existing Controls</p> <p>Advice and support AMPD plus external contractors</p>	<p>Ongoing Monitoring</p>	31/03/2016	BM	Internal Audit Senior Management	Reviewed as part of Business Continuity process	N/A
	Failure to deliver the LVRPA management contract to the required specification	SMT	9	4	36	6	4	24	<p>Existing monitoring arrangements</p>	<p>Quarterly Review</p>	Ongoing	Directors and Trustees	Senior Management and Trustees	Ongoing	N/A

TRUST STRATEGIC RISK REGISTER AS AT 25 JUNE 2015

Risk ID	Risk Name	Inherent Risk Score			Residual Risk Score			Tolerate/Transfer/Treat/Terminate (if Treat, further actions needed)	Further Actions Needed to reduce Risk	Deadline for Completion of Actions	Officer(s) Responsible	Source of Assurance	Comments			
		Critical Success Factor	Lead	Impact	Likelihood	Impact	Likelihood								Total Score	
SR 3	Resources															
	I T Infrastructure does not meet business requirements Authority reduces or withholds capital funding for updating or improving I T infrastructure	B	DF&R	9	4	36	8	2	16	Tolerate	Ongoing resources review for specific projects	ongoing	DF&R	Senior Management Internal Audit/External Audit	Completed. Resources reviewed as part of ongoing budget process.	N/A
	The Trust fails to attract and retain staff at all levels of the appropriate calibre	VY		8	8	64	4	5	20	Treat	Continue to implement a "learning" strategy Regular adverts and communication about Trust as good organisation to work Staff Net Promoter Score Exit Interview Review Aim towards IP and Employer of choice Brand building/recognition	Ongoing	VY	Senior Management	The leadership arrangement programme is underway	N/A
	Insufficient or inadequate staff resources could cause failure in delivery of contract	MD AB/BD/NF		9	9	81	9	2	18	Tolerate	Continue to monitor staff resource implications	Ongoing	KS	Senior management Trustees	2016/16 budget process complete	N/A
	Winning new contracts outside LVRPA that stretch resources/are not financially viable	KS SMT		9	5	45	5	3	15	Tolerate	Ongoing Monitoring of the budget with Trustees, Liaison with LVRPA regarding potential issues and management fee	Ongoing	SMT	Senior Management External Audit	Business Plan for each new contract reviewed at SMT	N/A

TRUST STRATEGIC RISK REGISTER AS AT 25 JUNE 2015

Risk ID	Risk Name	Inherent Risk Score				Residual Risk Score				Further Actions Needed to reduce Risk	Deadline for Completion Actions	Office(s) Responsible	Source of Assurance	28/5/15 Comments	25/09/14 Comments
		Lead	Impact	Likelihood	Total Score	Impact	Likelihood	Total Score	Treat/Transfer/Terminate (if Treat, further actions needed)						
SR 4	Financial Management														
	Insufficient management of cashflow and inadequate transfer of appropriate funds from Authority	KS SMT	7	6	42	5	3	15	 Tolerate	Ongoing Monitoring of the budget with Trustees; Liaison with LVRPA regarding potential issues and management fee	Ongoing	SMT	Senior Management External Audit	2015/16 Budget Process Complete; Review process to start autumn 2015	
	Financial Risks of unresourced legacy costs through non-achievement of income targets or inaccurate budget forecasting		9	9	81	9	4	36	 Treat	Detailed business plans for legacy sites to be reviewed as part of 2016/17 budget	31/12/2015		Senior management Internal Audit Trustees External Audit	MGT fee, shared services,	
	Ensure Adequate Funding for Both Organisation	DF&R/ MD Trt	9	9	81	9	4	36	 Treat	Await outcome of mandatory rate relief applications	27/01/2015	DF&R MD Trt	SMT Members	2015/16 Budget process complete	
	Failure to comply with Financial requirements & Charity	NF	9	7	63	7	2	14	 Tolerate		Ongoing	NF	Senior management Trustees		
SR5	Governance & Leadership														
	Lack of a clear corporate direction	KS SMT	9	9	81	9	4	36	 Treat	Vision scoping to be done in June 2015 Recommended Governance Structure Review at end of 2015 Leadership programme roll	Qtrly Meetings	KS	Senior Management External Audit		

TRUST STRATEGIC RISK REGISTER AS AT 25 JUNE 2015

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		Critical Success Factor	Lead	Impact	Likelihood	Total Score	Impact								Likelihood	Total Score																																																					
SR6	Reputation/Communication	Impact on Trust if Lee Valley Park does not have strong image	KP/ SIL	7	6	42	Managed via SLA/Contract Stakeholder updates Feedback/liason with LVRPA	6	4	24	↓	Treat	Regular client meetings	Ongoing	KP/SIL	Senior Management/ also monitoring by Authority Members Stakeholder Perception KPI																																																					
																			Impact if Lee Valley Leisure Trust does not have strong image/failure to develop the brand	KP/ SIL	8	7	56	New organisation SMT reports	6	4	24	↓	Treat	Develop Communications plans for Trust Staff Training	Ongoing	KP/SIL	Senior Management/																																				
																																				Impact on Trust if Vibrant Partnership does not have strong image/failure to develop the brand	KP/ SIL	7	6	42	SMT report	6	4	24	↓	Treat	Launch of Brand Staff training and awareness on brand	Ongoing	KP/SIL	Senior Management																			
																																																					Reputational Enhancement or Damage due to success or failure of Olympics Legacy	CEO	8	9	72	Business plans Olympic Venues Working Relationship LLDC Third party working relationships across Olympic park	7	4	28	↔	Tolerate	Ongoing management and monitoring	Ongoing	KS	Senior management Members		
Failure to deliver major events in partnership with Governing Bodies/LVRPA	BD/A	9	8	72	Contract meetings and feedback pre and post events LVRPA and NGBs	7	5	35	↔	Treat	SLA and outputs required with LVRPA	Ongoing	BD/AB	SMT/LVRPA																																																							
SR7 Business Continuity													All part-c-ups tested and working.																																																								
Inadequate business continuity implementation at any (all) sites	NF/S	6	5	30	Draft IT Disaster Recovery Plan Business Interruption Insurance Adequate Cover arrangements exist for md/Directors /Head of Service Site Management Plans	5	3	15	↔	Tolerate	Plan for Trust New customer service and quality training Liason with LVRPA Social Media strategy Trust Communications	30/09/2015																																																									

TRUST STRATEGIC RISK REGISTER AS AT 25 JUNE 2015

Risk ID	Risk Name	Inherent Risk Score			Residual Risk Score			Further Actions Needed to reduce Risk	Deadline for Completion Actions	Officer(s) Responsible	Source of Assurance	28/8/15 Comments	25/09/14 Comments			
		Lead	Impact	Likelihood	Total Score	Impact	Likelihood							Total Score		
SR8	Environmental Management Failure to manage factors that could be a risk to users, this includes legionella, water quality, food hygiene (also damage to reputation from failing to manage)	BD	9	7	63	9	4	36	↑	Treat	Ensure training up to date new SMT lead on H+S	30/09/2015	BD	Senior Management		
	Vetinary Disease outbreak affecting Trust business (e.g. avian flu, Foot and Mouth)	BD	6	6	36	5	3	15	↔	Transfer	Emergency Action Planning Insurance Funds General Reserves Review of Risk sub registers	ongoing	BD	Internal Audit Senior management	insurance in place quarterly	inspections of the delivery of E. Coli control measures conducted by H&S Officer at the farms
	Disease outbreak affecting human health	AB	9	2	18	8	2	16	↔	Tolerate	Pandemic flu outbreak procedure Proactive monitoring during winter months Formal management of animal movements. Quarterly SMT Reports	Ongoing	AB	Internal Audit Senior management		
	Environment damage/disaster to buildings/ programme/events	BD / NF	7	5	35	6	5	30	↑	Treat	Emergency Action Planning Insurance Funds Working with LVRPA Working with QEOP and Agencies	Annual 30/09/2015	BD/NF	H+S Senior management	Training Day & Testing 2015	

Key

Score 45-81 High Risk
Score 9-48 Moderate risk
Score 1- 18 Low risk

Progress in a positive direction is reducing the risk
Progress is negative and risk is getting worse
Progress static subject to actions or as risk is "tolerated"

Risk Appetite and Scoring Criteria

Risks are 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								

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 £5,000 or no impact outside single objective or no adverse publicity	5%-10% likely to occur in next 12 months
4	Financial loss between £5,000 and £20,000 or minor regulatory consequence or some impact on other objectives	10%-20% likely to occur in next 12 months
5	Financial loss between £20,000 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

Treat	Controls are put in place to help reduce the likelihood of a risk being realised.
Transfer	Action is taken to transfer the potential impact to another party, e.g. through an insurance arrangement.
Terminate	A decision is made to end the area of activity with which the activity is associated.
Tolerate	A decision is made to accept the current level of exposure without taking any further action.