

MARCHES LEP WORK STRATEGIC RISK REGISTER - APPENDIX 1

Risk No.	Risk Description	Description of Potential IMPACT (quantified wherever possible)	Current controls	Residual Risk Ratings			Rationale for Risk Changes	Risk Responses	Target Risk Rating			Risk Owner	Last Review Date	Live/ Closed	Date Closed	Direction of Travel
				LIKELIHOOD Rating	IMPACT Rating	RISK Rating			Target LIKELIHOOD rating	Target IMPACT Rating	Target RISK Rating					
1. Governance																

MARCHES LEP WORK STRATEGIC RISK REGISTER - APPENDIX 1																
Risk No.	Risk Description	Description of Potential IMPACT (quantified wherever possible)	Current controls	Residual Risk Ratings			Rationale for Risk Changes	Risk Responses	Target Risk Rating			Risk Owner	Last Review Date	Live/ Closed	Date Closed	Direction of Travel
				LIKELIHOOD Rating	IMPACT Rating	RISK Rating			Target LIKELIHOOD rating	Target IMPACT Rating	Target RISK Rating					
1.1	Changes to government policy regarding LEPs.	Lack of, or reduced funding available. Altered LEP role/responsibilities.	Previous risk responses have been archived. The LEP has implemented changes inline with Government policy set out in the 'Governance & Transparency Best Practice Guidance Paper' (January 2018) and the 'Strengthened Local Enterprise Partnerships' paper (July 2018). The LEP became a company limited by guarantee in February 2019.	Medium	High	6		The SLA between the LEP and Shropshire Council as the Accountable Body is being developed. Between March and September 2020, prior to the appointment of the LEP Director of Corporate Services, an interim officer was appointed to support the LEP in developing the SLA and establish the services required by LEP. Following an independent legal review of the document, a meeting with Shropshire Council took place on 23rd November to discuss the outcome of that review and incorporate the comments to the SLA. The Incorporation Task & Finish group signed off the SLA on 9th December. Subject to PRMC approval, the Board should sign it off their January meeting.	Medium	Medium	4	LEP Director/ BIS Local	17.12.20	Live		↔
1.2	Governance structure is not clearly set out for board members and officers to follow.	Decisions are not made, causing delays due to lack of clarity & inability to act in a timely manner. Compliance with National Local Growth Assurance Framework for LEPs issued by MHCLG in January 2019 are not met.	Previous risk responses have been archived. The Accountability & Assurance Framework is reviewed annually by the Director of Corporate Services.	Low	High	3		The Accountability & Assurance Framework is being reviewed in line with the National Local Growth Assurance Framework; work is expected to be completed by the end of January 2021. This is being undertaken by the Director of Corporate Services. Business Board TORs are being aligned with Nolan Principles.	Low	Medium	2	LEP Director/ LEP Board	17.12.20	Live		↔
1.3	Governance structure is not being followed & there are insufficient reporting mechanisms in place.	Government confidence is low, leading to risk to further investment by government and loss of reputation.	S151 Officer assigned to oversee governance aspects and present arising issues to Performance Risk and Monitoring Committee (PRMC)/LEP Board as required. Director of Corporate Services appointed to manage all aspects of LEP governance.	Low	High	3		Please see Current Controls	Low	Low	1	S151 Officer/Monitoring Officer	17.12.20	Live		↔
1.4	Decisions cannot be made in a timely manner due to frequency and workload of LEP Board	Delays to the programme.	Board to meet on bi-monthly basis. The programme is managed by exception through a structure of delegations which were signed off by the LEP Board in July 2015.	Low	High	3		Scheme of delegation is being reviewed as part of the wider review of the Accountability and Assurance Framework; work is expected to be completed by the end of January 2021.	Low	Medium	2	PRMC/LEP Board	17.12.20	Live		↔
1.9	Breach of Data Protection legislation and GDPR within LEP/Growth Hub.	Information Commissioners Office prosecution for Data Protection breach. Negative press coverage and consequent loss of reputation.	Taken appropriate technical and organisational measures against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data. The LEP Team received training on the Data Protection Act and the new General Data Protection Regulations (GDPR) on 5th April 2017.	Low	High	3		Shropshire Council and LEP responsibilities with regards to GDPR are being included in the SLA. GDPR annual refresher training for LEP staff is available via Business World.	Low	Medium	2	LEP Director	17.12.20	Live		↔
1.10	LEP/Growth Hub/customer relationship management system (CRM)/website IT security compromised, including the risk of cyber crime impacting on the LEP files stored on the cloud.	Loss of data, work files and business continuity. Confidential information on projects and/or clients compromised. Negative press coverage. Challenge to procurement decisions.	Upgrade LEP IT security. Ensure cloud-based suites, website hosting and CRM are properly utilised, secure and backed up (via Microsoft Office 365 licence). Consider undertaking a penetration test of LEP/Growth Hub websites and operating systems. Register logos with Intellectual Property Office. Understand cyber essentials. Laptop encryption provided by Shropshire Council.	Medium	High	6		Please see Current Controls	Low	Medium	2	LEP Director	17.12.20	Live		↔
1.11	There are opportunities for conflicts of interest to arise for Board members due to their wide range of roles in the Marches area.	This leaves the LEP open to criticism and challenge. Loss of reputation.	Board members declarations of interest; conduct in accordance with Nolan principles.	Medium	High	6		Advice sought from Shropshire Council IT on increased security due to temporary working from home arrangements and use of online platforms to host meetings.	Low	Medium	2	LEP Director	17.12.20	Live		↔
1.12	Potential conflicts of interest relating to LEP members of staff	This leaves the LEP open to criticism and challenge. Loss of reputation.	All LEP members of staff who write Board papers have been asked to complete and sign a register of interest. Registers have been reviewed and signed off by the LEP Director and are kept in a secure place.	Low	High	3		Please see Current Controls	Low	Low	1	LEP Director	17.12.20	Live		↔
1.13	Potential conflicts of interest relating to ESIF Secretariat members	This leaves the LEP open to criticism and challenge. Loss of reputation.	LEP Director has spoken to the Managing Authority/ ESIF secretariat clarifying that a standard approach is adopted to ensure all interests are declared prior to its Committee Meetings.	Low	High	3		Please see Current Controls	Low	Low	1	LEP Director	17.12.20	Live		↓
2. Resources																
2.1	Knowledge lost from the LEP Board and PRMC due to rotation of members.	Delays to decision making while training new members/re-training members.	LEP Board private sector membership increased to 15. The number of Board members on PRMC has increased to 4 in acknowledgment of the importance of the role. Induction training provided to new members.	Medium	Medium	4		Please see Current Controls. Also, a Deputy Chair for the PRMC is being appointed and a BCP has been produced.	Low	Medium	2	LEP Chairman	17.12.20	Re-opened		↔
2.4	Government requirement for LEPs to become financially resilient.	LEP team members lost from programme if funding not secured.	Part funding secured from the Enterprise Zone to partially fund required capacity.	Medium	High	6		Further work to be undertaken to secure long term funding. Work is ongoing to secure funding and future income streams ensuring financial sustainability and resilience. Appropriate criteria for eligibility from other LEPs adopted. Working on establishing a stronger project pipeline and agreed process to set-up pipeline.	Medium	Medium	4	LEP Director	17.12.20	Live		↔
2.12	The LEP is unable to conduct its business in the event of a major business interruption. Possible scenarios include infrastructure damage (fire at LEP Office), IT failure, staffing difficulties and/or a major pandemic	Reduced capacity and ability to respond to the business needs of the LEP and its partners	Business Continuity Plan (BCP)	Medium	High	6		Working with IT Business Partner on utilising software that allows for business continuity. On 28 January 20 the LEP team attended a training session covering Microsoft Teams, One Drive and Share Point to assist with working remotely. These platforms are currently being rolled out by the team. A BCP has been produced.	Medium	Medium	4	LEP Director	17.12.20	Live		↔
3. Programme Management (See Appendix 2 Programme Management Risk Register)																
4. Stakeholder, Reputational, Communications & Marketing																
4.1	The LEP fails to share information with internal & external stakeholders.	Stakeholders not informed of LEP investment and work which is in line with government requirements. Stakeholders are critical of projects & programme due to lack of up to date information being communicated on project progress/successes.	Agreed communications approach is set out in Assurance Framework which is on the LEP website. Strategy includes annual conference, annual report, regular LEP and Marches EU newsletters, press releases. LEP Board Members and Director regularly brief stakeholder groups and 3 area Business Boards are used as communication tools.	Low	Medium	2		Please see Current Controls	Low	Medium	2	LEP Director	17.12.20	Live		↔
4.2	The LEP's partner organisations fail to share information with internal & external stakeholders.	Stakeholders not informed of LEP investment and work which is in line with government requirements. Stakeholders are critical of projects & programme due to lack of up to date information being communicated on project progress/successes.	Agreed communications approach is set out in Assurance Framework which is on the LEP website. Strategy includes annual conference, annual report, regular LEP and Marches EU newsletters, press releases. LEP Board Members and Director regularly brief stakeholder groups and 3 area Business Boards are used as communication tools.	Low	Medium	2		Please see Current Controls	Low	Medium	2	S151 Officers &/or senior project sponsor	17.12.20	Live		↔

MARCHES LEP WORK STRATEGIC RISK REGISTER - APPENDIX 1

Risk No.	Risk Description	Description of Potential IMPACT (quantified wherever possible)	Current controls	Residual Risk Ratings			Rationale for Risk Changes	Risk Responses	Target Risk Rating			Risk Owner	Last Review Date	Live/ Closed	Date Closed	Direction of Travel																																																																																					
				LIKELIHOOD Rating	IMPACT Rating	RISK Rating			Target LIKELIHOOD rating	Target IMPACT Rating	Target RISK Rating																																																																																										
4.7	Use of unlicensed images on LEP websites and owned media channels	LEP incurs costs for use of unlicensed images	Appropriate measures have been taken appropriate to ensure content creators and publishers for the LEP websites and social media channels are aware of copyright issues, including content supplied by partners where it is not clear whether imagery is licensed for use. Protocols in place to use only original imagery or stock imagery where necessary licences for use are in place. When images are provided without clarity on licensed use, checks will be made and the image not used if licence cannot be verified.	Low	Medium	2		Please see Current Controls	Low	Medium	2	LEP Director	17.12.20	Live		↔																																																																																					
5. Financial & Legal																																																																																																					
5.5	A shortfall in operating budgets due to VAT/TAX implications of new company status.	A shortfall in the operating budget would impact on running costs and the financial sustainability of the LEP	As part of becoming a company limited by guarantee, legal advice has been sought on VAT/TAX implications. A dialogue with HMRC on the possibility of recovering some VAT is ongoing	Medium	High	4		As part of forming the new SLA legal advice has been sought on VAT/TAX implications. A dialogue with HMRC on the possibility of recovering some VAT is ongoing	Medium	Medium	2	LEP Director	17.12.20	Live		↔																																																																																					
<p style="text-align: center;">Low Medium High</p> <table border="1"> <thead> <tr> <th>Key</th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>↑</td> <td>The risk has increased since last review date</td> <td>Red text denotes text which has changed or been added since the Risk Register was last reviewed by the Board/PRMC.</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>↓</td> <td>The risk has decreased since last review date</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>↔</td> <td>No change in the risk</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>*</td> <td>New risk</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>																	Key																	↑	The risk has increased since last review date	Red text denotes text which has changed or been added since the Risk Register was last reviewed by the Board/PRMC.															↓	The risk has decreased since last review date																↔	No change in the risk																*	New risk															
Key																																																																																																					
↑	The risk has increased since last review date	Red text denotes text which has changed or been added since the Risk Register was last reviewed by the Board/PRMC.																																																																																																			
↓	The risk has decreased since last review date																																																																																																				
↔	No change in the risk																																																																																																				
*	New risk																																																																																																				