

MARCHES LEP WORK STRATEGIC RISK REGISTER - APPENDIX 1

Risk No.	Risk Description	Description of Potential IMPACT (quantified wherever possible)	Current controls	Residual Risk Ratings					Risk Responses	Target Risk Rating				Risk Owner	Last Review Date	Live/ Closed	Direction of Travel
				LIKELIHOOD Rating	Total Likelihood	IMPACT Rating	Total Impact	RISK Rating		Target LIKELIHOOD rating	Total Target Likelihood	Total Target Impact	Target RISK Rating				
1. Governance																	
1.2	Governance structure is not clearly set out for Board members, sub-groups and officers to follow.	Decisions are not made in a timely manner due to lack of clarity and consequent inability to act appropriately. Compliance with National Local Growth Assurance Framework for LEPs issued by MHCLG in January 2019 is not met.	Previous risk responses have been archived. The LEP's Accountability & Assurance Framework (AAF) is reviewed annually by the Director of Corporate Services.	Low	1	High	3	3	The AAF was last reviewed by the Director of Corporate Services between January and April 2021 and received full Board's approval in May. Business Board Terms of Reference (TORs) have been aligned to those of the main LEP Board in a way that allows BBs to retain their independence but ensured regular elections of their chairs, an open and transparent recruitment of their members and a commitment to compliance with Nolan Principles.	Low	1	Medium	2	LEP CEO/ LEP Board	17.08.21	Live	↔
1.3	Governance structure is not being followed and there are insufficient reporting mechanisms in place.	Government confidence in the LEP is low, leading to risk of missing out on 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 manages all aspects of LEP governance.	Low	1	High	3	3	Please see Current Controls	Low	1	Low	1	S151 Officer/Monitoring Officer	17.08.21	Live	↔
1.4	Decisions cannot be made in a timely manner due to frequency and workload of the LEP Board	Delays to LEP's programme work.	The LEP Board meets on a bi-monthly basis. Programme is managed by exception through a scheme of delegation which was signed off by the LEP Board in July 2015 and reapproved in May 2021 following changes to the LEP CEO's financial delegated authority. The Scheme of Delegation was amended again in July 2021 to include contingency arrangements in the event of prolonged absence of the CEO.	Low	1	High	3	3	Please see Current Controls	Low	1	Medium	2	PRMC/LEP Board	17.08.21	Live	↔
1.9	Breach of Data Protection legislation and General Data Protection Regulations (GDPR) within the LEP/Growth Hub.	Information Commissioners Office prosecution for Data Protection breach. Negative press coverage and consequent loss of reputation.	Appropriate measures against unauthorised or unlawful processing of personal data and accidental loss, destruction of, or damage to personal data have been put in place. The LEP Team undertakes an annual online refresh training on Data Protection legislation and GDPR made available via Business World by Shropshire Council. LEP Data Policy was last reviewed in April 2021. Shropshire Council's and LEP's responsibilities with regards to GDPR have been included in the SLA.	Low	1	High	3	3	Please see Current Controls	Low	1	Medium	2	LEP CEO	17.08.21	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.	LEP IT security has been updated to current technology. Cloud-based suites, website hosting and CRM are properly utilised, secure and backed up, via Microsoft Office 365 licences. Subject to funding, a penetration test of LEP/Growth Hub websites and operating systems will be arranged in the Autumn. Laptop encryption is provided by Shropshire Council. LEP and Growth Hub logos have been registered with the Intellectual Property Office.	Medium	2	High	3	6	Please see Current Controls	Medium	2	Medium	4	LEP CEO	17.08.21	Live	↔
1.11	There is a high risk for conflicts of interest to arise for Board members due to their wide range of roles they cover within the Marches area.	This leaves the LEP open to criticism and challenge. Loss of reputation.	Board members declarations of interest; code of conduct in accordance with Nolan principles; registers of interest. The latter are reviewed annually. Last review in February 2021; next one due in February 2022.	Medium	2	High	3	6	Advice sought from Shropshire Council IT on increased security to support working from home arrangements and use of secure online platforms to host meetings. Register of Interest form amended in February 2021 line with statutory guidelines.	Medium	2	Medium	4	LEP CEO	17.08.21	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 are reviewed annually, signed off by the LEP CEO and are kept in a secure place. Last review in March 2021; next one due in March 2022.	Low	1	High	3	3	Please see Current Controls	Low	1	Low	1	LEP CEO	17.08.21	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 CEO spoke 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	1	High	3	3	The ESIF Committee will continue to operate until all of the funds have been awarded to projects which is likely to be completed during financial year 2021/22.	Low	1	Low	1	LEP CEO	17.08.21	Live	↔
1.14	Staff members affected by mental health issues do not receive adequate support and feel they cannot open up about their problems.	Staff absence, lack of productivity/low performance, staff affected by mental health are discriminated against, damage to LEP's reputation impairing its ability to hire.	The LEP promotes awareness and discussion of mental health and wellbeing proactively. Advice to staff members is available through Shropshire Council's independent and confidential counselling services. Also, Shropshire Council's Mental Health & Wellbeing and No Bullying policies have been adopted by the LEP, to ensure staff affected by mental health issues are not discriminated against.	Medium	2	Medium	2	4	Mental Health is embedded in staff induction and annual training made available to all staff by Shropshire Council. The LEP has appointed a Staff Mental Health Champion to ease discussion. From time to time, information on mental health and wellbeing is circulated to all staff. Managers are encouraged to speak regularly with team members about how they are doing and to encourage flexible working and a good work/life balance.	Low	1	Medium	2	LEP CEO	17.08.21	Live	↔
1.15	The Marches is perceived as being exclusive and not providing the same opportunities to all people and businesses in the region.	Loss of reputation and barriers to growth. The Marches's economy suffers as a result of aspirational people and businesses seeking opportunities elsewhere.	The LEP prioritises projects that remove barriers and drive growth. The LEP is working to ensure that the composition of the LEP Board and its sub-groups reflects the diverse communities of the Marches. The LEP continues to make its communications and promotions accessible and transparent. A Equality and Diversity Champion has been nominated at Board level and an Inclusive Economy and Diversity Policy has been produced, together ensuring the LEP promotes diversity and equal opportunity, and eliminates discrimination in all of its activities and decisions.	Medium	2	High	3	6	LEP Board Members, its sub-groups and all members of the LEP Executive team will undertake regular equality and diversity training. All members of the LEP Executive team have a duty to promote equality within their job descriptions and objectives. LEP Board will work with local partners, stakeholders and business community to identify barriers to growth.	Low	1	Medium	2	LEP CEO	17.08.21	Live	↔
1.16	Provision of services between the Marches LEP and Shropshire Council does not meet the standards agreed under the Service Level Agreement (SLA) between the two parties.	Core services provided to the LEP are delayed, overcharged or do not meet the required expectations of Marches LEP's business needs.	The SLA came into force on 1 April 2021. Quarterly review service meetings have been arranged with the S151 Officer (for Accountable Body and Finance services) and Heads of Departments (for Legal, Procurement, IT and HR services).	Medium	2	High	2	4	Review meetings are scheduled for the end of June, end of September, end of December and end of March.	Low	1	Medium	2	LEP CEO/ BIS Local	17.08.21	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	2	Medium	2	4	In December 2020, a Deputy Chair for PRMC was appointed and a BCP was produced. In May 2021, a Board Energy Champion was co-opted from the Energy Steering Group.	Low	1	Medium	2	LEP Chair	17.08.21	Live/ Re-opened	↔

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2.4	Lack of or reduced funding available.	Loss of key members of staff, low level of staff engagement and failure to deliver expected economic benefits across the Marches geography in the areas of business support, skills and employment support, physical and infrastructure development, transport strategy and energy strategy.	Communication with Area Lead to understand Government's current position.	High	3	High	3	9	Uncertainty around the LEP Core grant funding for financial year 2021/22 was raised as a major risk at the Marches LEP Board meeting on 25th May 2021. This was due to delays at Treasury's end and affects all LEPs. A first instalment of £250k core funding (50% of the total) to cover the first 6 months of fy 21/22 was received in August. Uncertainty exists with regards to the remaining of the funding.	Medium	2	Medium	4	LEP CEO	17.08.21	Live	↔
2.5	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 remote working. These platforms have been fully rolled out to the team. A BCP has been in place since December 2020.	Medium	2	Medium	4	LEP CEO	17.08.21	Live	↔
2.6	CEO post vacant for a prolonged period due to resignation, incapacity to recruit or prolonged illness.	Disruption to the running of the LEP.	Delegation of CEO's responsibilities to the Director of Corporate Services or, in their absence, another member of the Senior Management Team.	Medium	2	High	3	6	Following the CEO's decision to retire at the end of July, Berwick Partners were appointed to run a recruitment campaign, following a short procurement exercise. Interviews took place on 25th June 2021 and Rachel Laver was unanimously appointed as the new CEO. She is due to start PT from 14th September and FT from 4th October.	Medium	2	Medium	4	LEP CEO	17.08.21	Live	↔
2.7	Post 31 March 2022 the LEP Team may not have the capacity or resources to meet its contractual obligations in managing the Local Growth Fund (LGF), Getting Building Fund (GBF) and Marches Investment Fund (MIF) programmes.	LEP's incapacity to fulfil its contractual obligations in monitoring and managing deliverables (reporting these to Government) as a consequence of the considerable investment made through the LGF (£105m), GBF (£14m) and MIF (£7m) programmes. Exposure to underperformance across all programmes and risk of clawback.	Ongoing discussions with MHCLG to ensure LEP's contractual obligations will continue to be met should this risk materialise.	High	3	High	3	9	The LEP to consider ring fencing funds from its reserves, ensuring the team has capacity for this function moving forward.	Medium	2	Medium	4	LEP CEO	17.08.21	Live	↔
2.8	Reduction of Marches Growth Hub (MGH) funding contributions from local authorities.	Disruption to the running of the MGH and need of developing a new operating model with BEIS.	Ongoing discussions with local authorities about their contributions towards the MGH, especially in light of budget challenges.	Medium	2	High	3	6	Please see Current Controls	Medium	2	Medium	4	LEP CEO	17.08.21	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	1	Medium	2	2	Please see Current Controls	Low	1	Medium	2	LEP CEO	17.08.21	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	1	Medium	2	2	Please see Current Controls	Low	1	Medium	2	S151 Officers &/or senior project sponsor	17.08.21	Live	↔
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	1	Medium	2	2	Please see Current Controls	Low	1	Medium	2	LEP CEO	17.08.21	Live	↔

