

RISK REGISTER (V11) - COAST TO CAPITAL CORPORATE

Note: The risks must be re-assessed if there is a change in circumstances or knowledge.

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4. Organisation folds	4. High reputational risk impact	4. Likely

Review & Revision History				
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V1	21-Mar-18	H Nicholmann/K Nurcombe	Following discussion at ExCo	Regular review
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RAG ratings:

32-22	21-11	10-2	RAW/UNTREATED RISK SCORING
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TREATED RISK SCORING

NO.	RISK DESCRIPTION	IMPACT DESCRIPTION	OWNER	SEVERITY	REPUTATION	LIKELIHOOD	INITIAL RISK RATING	CONTROL MEASURE TO DECREASE RISK (include existing control measures)	SEVERITY	REPUTATION	LIKELIHOOD	RESIDUAL RISK RATING	CHANGE	NOTES (include if any compliance or reputation impact)
1	Finance: Inadequate financial control means opportunity for fraud.	Financial and reputational impact.	CE	4	4	2	16	Processes and controls are in place to mitigate the risk of fraud (e.g. procurement policy, segregation of duties, approval matrix, restricted access, reconciliations). Review of governance and financial controls carried out by the Audit Committee. Recruitment of qualified finance professional.	3	4	1	7	↔	Accountable Body will undertake an internal audit of processes and controls in 19/20. Fraud policy to be produced. June 2019 update: Anti-Fraud & Anti-Bribery Policy drafted for Audit Committee review ahead of circulation to staff in July 2019. (No changes to <i>Treated Risk</i> scores or <i>Change</i> column).
2	External: Major local business failure or downturn in economy due to Brexit or other unforeseen business impacts.	Loss of jobs & domino effect on supply chain.	CE	4	3	3	21	Develop response and agree with stakeholders. Also to develop stakeholder strategy and account management model.	3	3	3	18	↔	Brexit contingency planning and business awareness materials produced. Ongoing uncertainty due to the current state of play on Brexit. June 2019 update: We have noted that Canon UK & Ireland Headquarters (HQ) will move from Reigate and co-locate with Canon Offices based in Uxbridges in 2019. Services lead on focus of providing Brexit scenario planning support to businesses as identified. There remains a risk in terms of a lack of coordinated account management across Coast to Capital that is planned for the future. (No changes to <i>Treated Risk</i> scores or <i>Change</i> column).
3	Finance: Inadequate approach to income generation, investment decision-making and cost control resulting in not enough resources to deliver.	Unable to deliver services, projects & strategy/policy.	CE/COO	4	4	2	16	Annual budget prepared by the Head of Finance which is reviewed by the Executive, Audit, Chairman's Committees and approved by the Board. Monthly finance updates at Executive Committee, risks and uncertainties reviewed. Monthly meetings held with budget holders to discuss Budget vs. Actuals, variances and forecast future spend.	3	3	2	12	↔	Audit Committee approved financial plans at the November 2018 meeting. Draft budget for 2019/20 endorsed by the Chairman's Committee and approved by the January 2019 Board. Review to be carried out by Interim Head of Finance in relation to diversifying income, Growing Places Fund income and Local Authority funding. June 2019 update: Review is ongoing. (No changes to <i>Treated Risk</i> scores or <i>Change</i> column).
4	Operations: Unplanned Chief Executive or SMT member absence/resignation leads to critical staff shortage.	Operational delivery impacted. Board Meetings missed.	CE	4	4	1	8	Development of an emergency cover plan. Key man insurance in place. COO and Head of Comms to support Chairman if required. Plans need to be developed for SMT members including for succession planning should the need arise. Job specifications to be produced and kept updated for SMT members.	3	3	1	6	↔	Control measures in place and adequate for Chief Executive. Plans to be put in place for SMT members. June 2019 update: SMT job descriptions reviewed and benchmarked. Team structures reviewed to identify support roles for SMT. New roles identified subject to budget constraints. (No changes to <i>Treated Risk</i> scores or <i>Change</i> column).
5	Operations: Poor physical security means team/visitor safety and physical assets at risk.	Physical theft & attack on LEP's assets & personnel.	CE	4	4	1	8	Review by CE & O&FM with landlord. Signage on access doors (staff and visitors only). Team advised to challenge unknown visitors within Coast to Capital area. Arrangements to be reviewed for the new premises at Pacific House.	3	4	1	7	↔	Security measures reviewed with Landlord at services meeting in Autumn 2018. Security provisions included on criteria for Office relocation project but will need to be assessed. June 2019 update: See Risk 6 for the new Office premises. (No changes to <i>Treated Risk</i> scores or <i>Change</i> column).
6	Operations: Plans for Office move to Pacific House, Three Bridges insufficiently developed leading to LEP business disruption.	Inability to function/failure to deliver key priorities. Disruption to the LEP operation during transition to the new premises.	CO	3	2	1	5	Transition plan produced to identify all move requirements and weekly move planning meetings to be held.	2	1	1	3	↔	New risk. Description updated post-ExCo to reflect acquisition of new premises. Pacific House lease signed and final designs approved by CE in March 2019. Approval by Investment Committee on 15 March 2019 to use LGF underspend as part of fit-out costs. Transition planning meetings ongoing for Arun House exit plans and Pacific House start up. June 2019 update: Appropriate arrangements are being put in place. Highline Contracts have now completed works and planned move to be fully operational on 1 July to go ahead. (No changes to <i>Treated Risk</i> scores or <i>Change</i> column.)
7	External: Poor working relationship with Local Government. (Linked also with risk on Political and Parliamentary view of the LEP.)	Loss of funding and strategic partner support/implementation of SEP. Lack of buy-in to strategic priorities (especially housing).	CE	4	3	3	21	Communications Framework to be produced. New Stakeholder Manager position to be created. Increase dialogue with contentious stakeholders. Additional focus stemming from the LIS and local government engagement. Introduction of new CRM database to help track LEP-wide stakeholder engagement.	3	3	2	12	↔	Consultation exercise held with Leaders of Local Authorities on District Council member Board expansion. Meeting of the Joint Committee held in March 2019 and addition of District Council representatives to the Board agreed. (To be introduced after the May 2019 elections.) Assurance Framework and Articles of Association to be updated. JS to increase dialogue with Leaders with the introduction of twice-yearly meetings. Second annual meeting of the Joint Committee to be scheduled for the final quarter of 2019. New Stakeholder Manager position advertised in March 2019. LEP CRM trouble-shooting ahead of full roll-out. June 2019 update: New District Council Directors identified as a result of 2 May 2019 elections. Introductory meetings to be held with the new representatives to include LEP Chair and CEO, accompanied by Board members. Local Authority engagement considered as a priority for Local Industrial Strategy development. This includes planned engagement with Local Authorities before the July Board meeting. (No changes to <i>Treated Risk</i> scores or <i>Change</i> column.)
8	Finance: LEP operating environment is complex and dependant on funding resources which can be subject to risk and uncertainty.	Not enough people or the right people, office space or budget to deliver effective projects, services & strategy/policy.	CE	4	4	2	16	Diversification of income to get resources to right level. Clear role planning. Strong business planning and budgeting. Considerations around project team size (recruitment underway). SMT members briefed on developments through ExCo.	3	3	2	12	↔	Interim Head of Finance is managing this risk, including holding regular financial planning/forecast sessions with budget holders. Audit Committee approved financial plans at the November 2018 meeting. Draft budget for 2019/20 endorsed by the Chairman's Committee and approved by the January 2019 Board. Review to be carried out by Interim Head of Finance in relation to diversifying income, Growing Places Fund income and Local Authority funding. June 2019 update: Risk and narrative still relevant. No update required. (No changes to <i>Treated Risk</i> scores or <i>Change</i> column.)
9	Operations: Team skills not suited for challenges we face leads to inefficient organisation.	Organisation survival and non-adaptability to new Government strategies and economic opportunities and challenges.	CE	4	4	2	16	Development of team-wide training programme.	3	1	2	8	↔	Ad hoc training is taking place across the organisation for specific needs and requirements. A formal training programme needs to be introduced ahead of the 17 April 2019 ExCo meeting. Residual budget to be rolled over to new FY given the underspend. June 2019 update: Training needs and strategy agreed at ExCo. Team-wide skills matrix in preparation. Strategic workforce planning approach required. (No changes to <i>Treated Risk</i> scores or <i>Change</i> column.)
10	Operations: Poor succession planning or failure to recruit leads to resource gaps.	Delivery of projects, services and strategy problems. Additional costs of recruitment or/and engagement of consultants.	CE	4	4	2	16	Development of a succession & retention plan. Benefits review. Salary banding. Incentive for recruitment.	3	1	2	8	↔	Salary banding exercise underway by Office Manager. Two new appointments made Feb/March 2019. Further round of recruitment in place March 2019 for three additional roles. New benefits package at final stages. June 2019 update: June 2019 update: Salary benchmarking completed, NHS Top up Plan introduced in April as well as increased pension contributions and pay increases for most staff. (No changes to <i>Treated Risk</i> scores or <i>Change</i> column.)
11	Operations: Poor data security means information & corporate ability is compromised.	Possible financial sanctions and reputational damage impact.	CE/MB	4	4	2	16	Security controls. All staff briefed on induction. GDPR project undertaken to ensure compliance by May 2018. Implementation ongoing.	4	4	1	8	↔	GDPR policy in place and being applied across the LEP. Professional audit to be arranged. June 2019 update: Current IT security position reported to Audit Committee. Audit to be considered. (No changes to <i>Treated Risk</i> scores or <i>Change</i> column.)
12	Operations: Corporate resilience affected by ongoing pressure to deliver.	Negative working environment/atmospherics. Low staff morale/self-esteem leading to stress, sickness or longer term health issues.	CE	4	3	2	14	SMT to lead by example and to monitor pacing and work loading across team members for to ensure fairness and manageability. Team member health status 'check-in's at one-to-one catch up meetings. Promotion of Mental health wellbeing sessions. Celebrate success.	2	2	2	8	↔	New risk. June 2019 update: Two Mental Health First Aiders now appointed. Lunchtime talks and engagement ongoing, including for Mental Health Awareness week in May 2019. (No changes to <i>Treated Risk</i> scores or <i>Change</i> column.)

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13	External: Political and Parliamentary view of the value of LEPs and Coast to Capital reduces as a result of LEP Review or performance. (Linked also with risk on Relations with Local Government.)	LEPs not part of landscape/Coast to Capital not considered as a top LEP.	Chairman/CE	4	4	2	16	Engagement with the LEP Review completed. Increased engagement with senior government officials. Focussed activity for Annual Review process.	3	4	1	7	↔	Coast to Capital fully compliant from LEP Review. June 2019 update: Coast to Capital fully involved in LEP Network activity and learning from peer networks. (No changes to <i>Treated Risk</i> scores or <i>Change</i> column.)
14	Finance: Not obtaining value for money in our contracts impacts on resources.	Not making best use of our limited financial resources & not being able to fund our initiatives properly.	HoC&CA	4	4	2	16	Review by Office Manager to ensure value for money.	3	4	1	7	↔	IT and Pension reviews underway. HR and Website reviews to commence in 2019. IT provider review to be deferred until new Office move has taken place. June 2019 update: Pension review has taken place with the intention to change providers. (No changes to <i>Treated Risk</i> scores or <i>Change</i> column.)
15	Governance: Board unable to deliver responsibilities due to conflict, expertise, composition or poor succession planning.	Ineffective leadership. Inefficient organisation.	Chairman/CE	4	4	2	16	Review by Chairman and Chief Executive. Development of succession plan. Annual Board capacity session. Annual Board appraisal process.	3	4	2	14	↑	June 2019 update: Karen Dukes and Jamie Arnell appointed in 2019. Campaign for replacement Vice-Chair and outgoing board members underway (Interview Panel on 12 June.) Recruitment for two new Board members as part of the District and Borough consultation completed on 6 June. Board appraisal survey drafted/for issue once full complement of Board members is finalised. Scoring increased to reflect the level of Board Director changes - with up to 8 replacement Directors to manage over the same timeframe. Residual risk rating now amber.
16	Operations: Poor performance management processes leads to inefficient organisation.	Delivery of projects, services & strategy problems. Lack of continuous improvement, further team retention problems & static workforce.	CE	4	4	2	16	Performance & appraisal process. SMT regular review of organisational performance.	2	1	2	6	↔	Updated appraisal form and process in place. EAN review concluded and at transition stage. June 2019 update: EAN team restructured and moved to Strategy & Policy team aligning with our LIS. Appraisal process to be reviewed to ensure alignment across the organisation. (No changes to <i>Treated Risk</i> scores or <i>Change</i> column.)
17	Operations: Poor contingency planning means company put out of action by unforeseen events.	Data loss/working time loss. Unable to deliver services, projects & strategy/policy.	CE	4	4	2	16	Over-reliant on single IT provider. Need 3rd party review of efficiency and resilience of arrangements (with links to security threats). Develop contingency plan. Risk management process. Develop crisis communications strategy.	3	1	1	4	↔	Business Continuity Plan in place September 2018. June 2019 update: Crisis scenario to be developed for August 2019 once the Office move has taken place. ExCo kept updated. (No changes to <i>Treated Risk</i> scores or <i>Change</i> column.)