

Appendix C - SELEP Risk Register (June 2019)

| Ref | Risk Description and impact | Likelihood | Impact | Score | Mitigation | Risk Owner | Dates/ Deadlines |
|-----|---|------------|--------|-------|--|------------|---------------------|
| 1 | LGF grant payment for 2019/20 isn't made because of either LEP Review non-compliance or APR Assessment. LGF Programme would have to stall. Potential possibility of legal | 0 | 0 | 0 | Risk to be removed - LGF payment for 2019/20 received | | |
| 2 | Revenue grants for Core Funding and LIS/LEP Review support aren't made due to non-compliance. Reduced revenue budget to support Secretariat costs in 19/20 and reduced ability to begin work on LIS (see ref 3) | 1 | 2 | 2 | The bulk of funding has now been received but the additional capacity funding (£200K) is still outstanding. Pressure on CLGU to release details/timing of funding continues, but there is currently sufficient reserves to offset the impact should this funding not be received, although this will impact on future activities | SB | 30/06/2019 |
| 3 | LEP Review recommendations (those agreed by Board) not implemented in line with Govt requirements. Potentially impacts on future years funding, including core funding, LGF, UKSPF and APR | 4 | 5 | 20 | Action plan put into place. Priority given to implementation of recommendations above other tasks using current resource, still a large amount of work required in a limited time period | AB/SB | Various |
| 4 | Current Board unable to agree on preferred option for revised Board that complies with Board Size and Composition requirements in LEP Review - endangering future allocations of funding from Government | 4 | 5 | 20 | LEP Review work continues and independent review contract is being put into place | AB | 31/03/2020 |
| 5 | Proposed approach to incorporation not agreed with Board or Government. Substantive shift of transactions/staffing to move into new company with consequent implications on staffing and costs | 0 | 0 | 0 | Risk to be removed Board agreed approach to nil return company - see new risk number 27 below | SB | 31/03/2020 |
| 6 | Resignations from Board members if unhappy with new requirements/liabilities due to revised model | 4 | 2 | 8 | Model to be designed to not increase liability of Board Members and stakeholder management plan to be devised and put into place | AB | Ongoing |
| 7 | LGF Programme slips beyond agreed programme end date of 31/03/2021 | 5 | 2 | 10 | Capital Programme Manager liaising with both CLoG and DfT to forewarn. If funding is available, impact should be limited but may impact on future funding allocations such as UKSPF | RM | Ongoing |

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| 8 | LIS isn't produced in line with Government requirements and or deadlines. Potentially impacts on future funding allocations and reputation of LEP | 4 | 4 | 16 | Increase volume on the potential impact of withholding revenue funding. Use short term contracts funded through interest receipts and reserves to support work | AB | 31/03/2020 |
| 9 | Increase in scope of work and requirements from Government overwhelm team. Stress increases and with a consequent increase in staff turnover and sickness. Further impacting the ability to achieve deadlines | 5 | 5 | 25 | Additional staff taken on and support from partners taken up. SB and AB to develop plan to ensure stress levels are manageable and how high workloads can be managed. Non core tasks are dropped | AB/SB | Ongoing |
| 10 | End of Chair's term. Sourcing replacement adds additional load to Secretariat team and right candidate might be difficult to find | 3 | 3 | 9 | Work with LEP Network to identify good process. Have process planned in advance. Use Accountable Body where possible | AB | 31/03/2020 |
| 11 | UKSPF planning requirements - currently don't know how UKSPF will operate and what the impact could be on team. Possibility that funding to area will be very limited and might lose traction with partners | 2 | 3 | 6 | Continue to work with LEP Network to keep abreast of developments - Strong Town Centres Fund may be an indicator of where future funding is allocated and therefore a reduced availability to the South East | JS | Unknown |
| 12 | GPF projects do not repay or do not repay in timely manner, creating a gap in funding meaning future agreed but not completed projects are stalled | 2 | 3 | 6 | GPF repayments status updated to Board. Further rounds of GPF held back until further assurances made on repayments. Headroom held on fund to offset non-payment | RM | Ongoing |
| 13 | LGF Profiling gap in 2019/20 - funding is not available to support all projects in year | 1 | 4 | 4 | Slippages on in-flight projects and projects that are likely to drop out of programme reduce the risk, as does the postponement of decision on projects dropping out. However this does increase the risk at item 7 | RM | 31/03/2020 |
| 14 | ECC choses to no longer be the Accountable Body for SELEP. Transfer to another willing Accountable Body would be timeconsuming, expensive and undermine governance requirements | 2 | 4 | 8 | Continue to work with the Accountable Body providing all assurances needed. Secretariat to comply with AB requirements and be frictionless as a minimum | AB/SB | Ongoing |
| 15 | Grants aren't properly administered/applied and are clawed back by Government | 2 | 3 | 6 | Back to back agreements in place with delivery partners to ensure clawback from them is possible. Grants administer by AB in line with their grant accounting procedures | SB | Ongoing |

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| 16 | Brexit - no deal impact on staff road/access etc | 3 | 4 | 12 | Impact on staff, meetings and general ability to travel in the area - limited scope to influence but contingency plans can be put into place - homeworking etc. Risk has reduced but may increase in the run up to the revised withdrawal date | AB/SB | 31/10/2019 |
| 17 | Increased expectations from Govt dept for information on impact of Brexit | 4 | 3 | 12 | Current requests have decreased following revised timeline. This may increase over the summer in the run up to revised withdrawal date | AB/SB | 31/10/2019 |
| 18 | Brexit - policy paralysis in Whitehall | 5 | 2 | 10 | Whitehall and Government are currently distracted by Brexit and this will continue until it is clear what the exiting arrangements are. If it is a no-deal situation then this may continue beyond exit date | AB/SB | 31/10/2019 |
| 19 | Achievement of Growth Deal outcomes | 4 | 3 | 12 | The outputs that were agreed in the LGF may not be deliverable due to changes to the economic environment on a national or sub-national basis. Whilst this is fairly likely, it is probably unlikely that there will be much impact as long as we can demonstrate the reasons for non-delivery | RM | Ongoing |
| 20 | Future funding levels change | 4 | 4 | 16 | Current funding levels are boosted by the interest being earned on LGF/GPF balances held. As those balances run down the interest paid will reduce. This may be mitigated by further funding being made available by Govt and/or UKSPF being held | AB/SB | 31/03/2021 |
| 21 | Economic shocks impacting on business engagement | 3 | 3 | 9 | Economic shocks whether from Brexit or otherwise could impact on our business representatives capacity and capability to engage with our agenda. In part this can be mitigated by more engagement with larger employers who have more capacity | ZG | Ongoing |
| 22 | Growth Hubs - the current model may hinder progress in changing the service shape of Growth Hubs to comply with Government policy requirements | 4 | 4 | 16 | Working to build a better relationship with Growth Hubs and increase Board visibility of the Growth Hubs and the requirements of Government. Ensuring Growth Hubs feature in the LIS as it develops | IB | Ongoing |

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| 23 | SELEP team are unable to appoint the required additional resource to support delivery of the LEP review requirements expected to be implemented by February 2020; this may impact on receipt of funding in future years | 2 | 5 | 10 | Funding has been included in the 2019/20 budget to support the development of the LIS and the implementation of other LEP review requirements, such as, incorporation of the SELEP. | AB / SB | 31/03/2019 |
| 24 | Level of reserves held is insufficient to cover any potential severance costs as a result of the increasing size of the SELEP Secretariat. | 2 | 3 | 6 | The level of reserves will be held under review by the Accountable Body in light of recent and proposed future changes to the Secretariat; where required a revised position will be presented to the Accountability Board for approval. | Accountable Body | Ongoing |
| 25 | Change in national government or change in policy direction requires wholesale changes to work plans and direction of travel during the year | 4 | 5 | 20 | At time of writing a Leadership change looks likely which may result in a change of policy direction in the near future. There is little SELEP can do to mitigate the risk but the Secretariat will keep in close contact with officials in Government to ensure any changing policies are flagged as soon as possible | AB/SB | Ongoing |
| 26 | SELEP geographic boundaries become untenable and the partnership breaks | 1 | 5 | 5 | Confirmation from Ministers that they consider SELEP geography to be set at this point means the likelihood of breakup is currently low. | AB | Ongoing |
| 27 | LEP Review - Incorporation, workstream unable to agree on recommended structure for the new company or unable to agree in the timeline available | 3 | 5 | 15 | The new workstream to lead the incorporation work is only just established. There is a risk that there is no consensus on what options should be presented to Board for decision on the structures of the new company, or that a consensus can't be reached in the short timelines. The potential impact of no agreement is an impact on funding in 2020/21. This risk will need to be managed by the Workstream Lead in conjunction with the Secretariat | SB | 31/03/2020 |

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| 28 | Newhaven Enterprise Zone: transfer of the responsibility of the EZ to SELEP in this year. Will require additional resource and currently many uncertainties as to the future model for delivery and how the transfer of responsibility will be made. This will include the transfer of LGF Funding. This could stall the progress on the EZ and potentially damage SELEP reputation | 2 | 4 | 8 | Conversations with interested parties such as C2C LEP, Lewes District Council, East Sussex County Council and the Accountable Body are ongoing. All partners are committed to limiting any impact on the operations of the EZ | AB | 31/03/2020 |