

Table 3.7: Risk management									
Number	Risk	Risk Owner	Risk description	Impact	Probability	Overall score	Direction of Travel	Impact	Mitigating Actions in place
1	Governance	Strategic	LEP Board	Failure to develop and implement effective governance arrangements undermines credibility of the WLEP and ability to deliver effectively	3	2	6.00	▼	WLEP governance and transparency is key to communicating the assurance that decisions are being taken in a fair and legal manner. The reputation and legal issues around decisions being challenged would be significant enough to close the partnership. ~ S151 is involved in the governance and overseeing the implementation of the process in line with the assurance framework. ~ FAR endorsed WLEP IAF in May 2019 and WLEP Board approved and implemented in May 2019.
2	Programme integration (GBS LEP)	Strategic	LEP Executive	Failure to manage overlap with Greater Birmingham LEP, will adversely impact WLEP's ability to deliver the economic strategy for Worcestershire in the north of the county.	4	5	20.00	▲	~ Good communication between the Northern Districts and GBSLEP is maintained with regular updates. ~ Position on overlap remains unchanged. HMG have withheld WLEP £100k capacity funding for 2018/19 and £200k in 2019/20. ~ WLEP Executive continue to liaise with BES / CLGU to seek resolution. ~ FAR agreed no need to increase impact to '5' unless HMG announce WLEP are unable to access future funding until a resolution is found
3	Conflicts of interest	Strategic	LEP Executive	Failure to identify and manage competing interests of WLEP Board members adversely affects / impairs effective strategic and project level decisions.	3	2	6.00	◀▶	~ WLEP will be responsible for managing any conflicts of interest that may arise with strategic and project level decisions, within the context of the guidance outlined in Government's and WLEP's Assurance Frameworks. ~ The Accountable Body S151 Officer has taken a greater role to ensure effective governance is in place across LEP Board and sub-groups. ~ Investment decisions will be published on the WLEP website and 'conflict of interest procedures' have been implemented. This process will be followed in all sub groups, even where not decision making. ~ Conflicts of interest arising with strategic and project level decisions are recorded on an annual basis and members with a conflict are removed from the decision.
4	Reputation	Strategic	LEP Board	Adverse impact on the reputation of the partners which would be associated with the failure to deliver the WLEP economic strategy.	3	2	6.00	◀▶	~ WLEP and its partners continue to collaborate closely on delivery and ensure that the SEP is deliverable and that appropriate arrangements are in place to ensure its successful implementation. ~ Partners are engaged on LS development through various forums
5	Scope of LEP role and remit	Strategic	LEP Board	Risk that any increase in the role and / or scope of LEPs by Government with no additional / new resources to support the additional responsibility (ies) would affect ability to deliver effectively.	3	2	6.00	▼	~ LEP Review published by government in July 2018 outlines ongoing commitment to LEPs by gov and additional capacity funding availability to support development of LS, subject to development of an implementation plan approved by LEP and gov. ~ May 2019 - FAR Committee reframed risk to remove reference to LEP Review as risk of a scope change for LEPs could happen at any time and not just as a result of the LEP Review.
6	Political change in LEP remit and responsibilities	Strategic	LEP Board	A political change in national LEP responsibilities results in a risk of the LEP failing to adapt to, or delivery on priorities, and potentially exacerbating existing risks.	4	3	12.00	◀▶	~ WLEP has developed effective relationships with external stakeholders, and is closely following likely political changes in LEP responsibilities and relationships with local MPs. ~ WLEP and partners to monitor Government plans and details following March 2020 Budget announcement ~ A focus on communications strategy including social media and press coverage is in place. ~ The challenge remains that profile of Worcestershire is low and the need for a national profile as a place to do business is critical to the LEP success.
7	Communications	Strategic	LEP Board	Risk that an ineffective communications strategy will have an adverse impact on stakeholder's awareness of the positive work undertaken by the LEP and partners to deliver economic strategy for Worcestershire.	4	2	8.00	▼	~ Branding guidelines have been provided by central government to ensure WLEP and partners are credited during project delivery and completion. ~ Worcestershire branding was launched at WLEP Conference in 2018 and is seeing a number of brand champions adopting it
8	Staff resources	Operational	LEP Board	Insufficient staff resources available to successfully deliver the WLEP economic strategy.	4	2	8.00	▼	~ The LEP Budget remains a fixed amount each year, therefore skill level and effectiveness of the team is reviewed on annual basis. ~ Clear roles and responsibilities have been identified between LEP and its partners. ~ External specialists will also be used as and when necessary to ensure that the appropriate skill sets are available. ~ WLEP continue to maintain effective engagement with stakeholders to ensure both internal partnership momentum, and effective collaboration with other organisations.
9	Stakeholder engagement	Operational	LEP Executive	Insufficient engagement from LEP Board / Sub Group / Executive, results in lack of stakeholder or partner support for WLEP activity.	4	2	8.00	◀▶	~ A stakeholder plan exists for key projects such as 5G and BetaDen. ~ Annual conference / reports provides opportunity to showcase WLEP achievements / priorities and enable businesses to engage.
10	Capacity of partners to deliver growth deal and EU programme	Operational	LEP Executive	The capacity of partner organisations to deliver a programme of capital and revenue projects on time, on budget and of sufficient quality in line with EU funding programme guidelines.	4	3	12.00	▲	~ Discussions with LEP partners regularly held to identify the project delivery pinch points and capacity areas that are required to ensure delivery of the required programme. ~ Performance reviews are well established across all delivery partners and effective monitoring. ~ Continued pressure on local government budgets has resulted in FAR Committee increasing probability of this risk in Nov 2018.
11	Enabling new processes	Operational	LEP Executive	The risk that new arrangements, processes and procedures are not effective in delivering the WLEP economic strategy.	3	1	3.00	▼	~ WLEP has developed best practice procedures utilising learning from government, business and other bodies. We have taken part in buddying exercises with other LEPs - including Enterprise M3, Thames valley and Humber LEPs. ~ WLEP have been paired with Hertfordshire LEP to undertake a Peer Review in March 2020.
12	Government support / Financial/Government support	Financial/Government support	LEP Board	A lack of government support or funding results in poor delivery of the WLEP economic strategy, or a failure to deliver individual priority projects.	4	5	20.00	▲	~ The LEP works closely with its partners to maximise the availability of public and private sector match funding resources. ~ The development of a project pipeline to secure match funding is being developed. ~ WLEP are also developing the LS, which will be a focal point for Worcestershire's pitch into the UK Shared Prosperity Fund (which will replace EU funding programme). ~ Sept 2019: Position on overlapping geography remains unchanged. As a result, HMG have withheld WLEP £100k capacity funding for 2018/19 and £200k in 2019/20. ~ WLEP Executive continue to liaise with BES / CLGU to seek resolution. In the interim, WLEP continue to monitor and consider how to reduce existing costs.
13	EU programme funding	Financial/Government support	LEP Board	Failure to secure the notional funding previously identified through European Structural and Investment Funds (ESIF) will jeopardise delivery of the Strategic Economic Plan	4	4	16.00	▲	~ The ESF Committee meets quarterly with performance monitoring report on spend and outputs. Also meetings with delivery partners are arranged to discuss performance and mitigating actions. ~ Risk of a no-deal Brexit has prompted FAR Committee to increase probability associated with this risk in Nov 2018.
14	Operating costs	Financial/Government support	LEP Board	Risk that WLEP revenue funding available is insufficient to cover operating costs.	4	1	4.00	▼	~ WLEP has adopted financial management procedures in line with best practice, including a robust management review, and the monitoring of budgeted, estimated and actual operating costs. ~ Budget monitoring is undertaken on a regular basis with S151 Officer from the Accountable Body. ~ Operational budgeted costs are to be subject to review to ensure that resource requirements remain appropriate. ~ Financial position is formally reported to FAR Committee and WLEP Board on a quarterly basis to monitor performance.
15	Effective and efficient project appraisal	Implementation	LEP Executive	Risk that processes are not in place to allow for the effective appraisal and consideration of newly proposed projects, restricting the opportunities the WLEP has to deliver its economic strategy.	3	1	3.00	▼	~ WLEP has established mechanisms to ensure that project applications through the Assurance Framework procedures are followed. ~ Learnings from Monitoring and Evaluation of completed projects to inform forward project appraisals
16	Programme and project management	Implementation	LEP Executive	Risks across individual projects and inherent to the overall programme (e.g. under spend) limit the effectiveness of government funding on the local economy.	4	2	8.00	◀▶	~ Clear roles will be established and individuals recruited with appropriate skills. ~ Monitoring and reporting systems will be put in place to ensure that projects are managed effectively and that any problems are identified quickly, so that corrective action can be taken.
17	Business Continuity	Operational	LEP Executive	Risk that WLEP Business Continuity plans are not in place or sufficiently developed to reduce impact on LEP operations in emergency / crisis events	3	2	6.00	▼	~ WLEP has a Disaster Recovery Plan in place ~ Local arrangements include remote working or staff operating from partner offices if required due to travel restrictions

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