

Enterprise M3 Board
29 September 2016
Enterprise M3 Risk Register – Item 16

Enterprise M3 Board is asked to:

DISCUSS and APPROVE the updated Enterprise M3 Risk Register.

1. Enterprise M3 Risk Register

- 1.1 Article 4.2 paragraph e) of our Assurance Framework states that “*The Enterprise M3 will retain a Risk Register, which will be reviewed on a regular basis.*”. The Assurance Framework also requires that the Risk Register be published on our website, the previous version is available at www.enterprisem3.org.uk/how-we-operate/
- 1.2 We last updated the risk register in October 2015, as several major developments have taken place in the last year we considered it necessary to reflect this in the risk register.
- 1.3 Updated risk register is shown in Annex 1. We have taken out some activities where we consider the risk so low it does not need to be in the register anymore and have added some new risks. We have also further simplified the register.
- 1.4 We are planning to regularly review the risk register at internal management meetings and suggest bringing it to the Board for approval every six months.
- 1.5 **The Board is asked to DISCUSS and APPROVE the updated risk register.**

Annex 1 – Enterprise M3 Risk Register

Tanja Aijo
21 September 2016

Annex 1 – Enterprise M3 Risk Register

Updated September 2016

| | Risk | Likelihood | Impact | Change (↑/↓/↔/NEW) | Controls in place | Planned actions | Review Date | Owner |
|----|--|------------|--------|-----------------------|---|--|-------------|----------|
| 1. | <p>Strategy</p> <ul style="list-style-type: none"> ➤ Uncertainties surrounding devolution, Brexit implications on economy and government priorities such as industrial strategy may mean Strategic Economic Plan and priorities do not reflect current landscape ➤ Loss of EU funding impacts revenue funding available to companies ➤ Lack of applications due to uncertainty about future | Low | High | NEW | <ul style="list-style-type: none"> ➤ Comprehensive Business Plan prepared ➤ Regular communications with Board, Action Groups and other stakeholders ➤ Strong links into government departments ➤ Clear links between activity and the Strategic Economic Plan ➤ Bi-weekly teleconference to discuss implications of Brexit | <ul style="list-style-type: none"> ➤ Review Business Plan quarterly ➤ Continue sending regular updates to all stakeholder groups ➤ Review SEP ➤ Work with Growth Champion (Jo Johnson, ministers, MPs and government officials) ➤ Continue to work closely with devolution partners | Mar 2017 | Director |
| 2. | <p>Funding</p> <ul style="list-style-type: none"> ➤ Failure to secure revenue funding from local authorities and other partners to support Enterprise M3 activity ➤ Uncertainty over continued core funding impacts staff retention ➤ Failure to secure capital funding for projects impacts project delivery | Medium | High | ↔ | <ul style="list-style-type: none"> ➤ Commitment from LA's, colleges and universities to provide funding ➤ Explore ways of generating revenue funding ➤ Regular contact with Government on the need for revenue funding to support LEP operations ➤ LGF 3 bid developed in close cooperation with partners | <ul style="list-style-type: none"> ➤ Continue to identify ways of generating revenue ➤ Establish commitment from partners as early as possible ➤ Hold formal meetings with Leaders board, HE and FE to review performance last quarter of year ➤ Lobby government and stakeholders to give more certainty of longer term revenue and capital funding | Mar 2017 | Director |

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|----|---|-------------------|---------------|------------------------------|--|---|--------------------|--------------|
| 3. | <p>Large projects</p> <ul style="list-style-type: none"> ➤ delayed deliver or non-delivery of large flagship projects has negative impact on spending and reputation ➤ Non-receipt of loan repayments has negative impact on both capital and revenue funding | Low | Medium | ↓ | <ul style="list-style-type: none"> ➤ Clear governance procedures ➤ Clear assessment process and audit trail ➤ External due diligence ➤ Appropriate security over loans | <ul style="list-style-type: none"> ➤ Regular programme management meetings to monitor projects ➤ Project managers focus on key projects ➤ Highlight successes in media ➤ Implement actions identified by Local Partnerships | Mar 2017 | PMO |
| 4. | <p>Accountable Body (AB)</p> <ul style="list-style-type: none"> ➤ Lack of prioritisation from AB, resulting in delays and damage to reputation ➤ Reputational risk if EM3 decisions are not approved by AB ➤ Risk of non-compliance if assurance framework is not followed | Low | High | ↔ | <ul style="list-style-type: none"> ➤ SLAs in place for legal, finance and human resource functions ➤ Regular meetings with relevant focal points | <ul style="list-style-type: none"> ➤ Monitor performance of accountable body ➤ Benchmark accountable bodies through the LEP network to improve consistency of approach | Mar 2017 | Director |
| 5. | <p>Devolution</p> <ul style="list-style-type: none"> ➤ Devolution boundaries impact ways of working | Medium | High | NEW | <ul style="list-style-type: none"> ➤ Attend devolution meetings for both Hampshire and Surrey ➤ Appoint key point of contact for devolution work | <ul style="list-style-type: none"> ➤ Ensure attendance at all devolution meetings ➤ Respond to requests for information promptly ➤ Contribute business views to process ➤ Highlight role of LEP through Leader's Board | Mar 2017 | Director |

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|----|--|-------------------|---------------|------------------------------|--|--|--------------------|--------------------|
| 6. | <p>Communications</p> <ul style="list-style-type: none"> ➤ Loss of stakeholder confidence due to lack of communication | Low | Medium | NEW | <ul style="list-style-type: none"> ➤ Communications strategy ➤ Annual report circulated widely ➤ Annual General Meetings ➤ Feedback from events ➤ Consultation events on themes ➤ Action Groups input to process | <ul style="list-style-type: none"> ➤ Send regular newsletters to subscribers ➤ Effective use of website ➤ Increase business engagement | Mar 2017 | Communi cations |
| 7. | <p>Staffing and resources</p> <ul style="list-style-type: none"> ➤ Losing key staff due to short contracts ➤ Insufficient resources due to funding constraints ➤ Loss of knowledge on staff departure | Medium | High | NEW | <ul style="list-style-type: none"> ➤ Regular management meetings to review staff needs ➤ Communications to Board ➤ Executive Steering Group reviews organisation | <ul style="list-style-type: none"> ➤ Boost resources through secondments ➤ Lobby government and stakeholders for increased revenue funding ➤ Improve staff training ➤ Facilitate remote working ➤ Establish clear back-up arrangements to ensure knowledge transfer | Mar 2017 | Director |