

South East LEP

Risk Register - medium and high risks only

Ref	Risk Description and impact	Likelihood	Impact	Score	Rank	Mitigation	Risk Owner	Dates/ Deadlines	Notes
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	3	5	15	Med	All Board decisions have been taken and final governance decisions by partner organisations are in train. Induction for new Directors is being planned. Fed Board refreshes have happened and Deputy Chair recruitment almost complete. Final numbers on diversity should be known by February Accountability Board meeting. See new risk 33.	AB/SB	Various	
7	LGF Programme now slipping beyond 31/03/2021 - there is a risk that Govt changes their position and this slippage has a negative impact on the reputation of the LEP and future allocations of funding	3	4	12	Med	Capital Programme Manager continuing to update Govt officials and ensuring tight conditions on those projects slipping beyond the programme date	RM	Ongoing	
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	4	5	20	High	Workloads are still high but eased slightly following the peak of the LEP Review and LIS work programmes and reduction of input required around Brexit. However, the forthcoming Cabinet reshuffle and Budget may create further resourcing issues	AB/SB	Ongoing	
19	Achievement of Growth Deal outcomes	4	3	12	Med	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	5	5	25	High	We will shortly begin the final year of the Growth Deal. There are no details on funding streams that might replace LGF or the ESIF funding and the promised white paper on UKSPF still has not been issued. The revenue budget is largely dependent on the interest earned on the capital funds held so the future sustainability of the team is in question. Scenario planning has commenced with the Finance Team. Without capital funding it will be all but impossible to make the interventions needed to deliver the LIS	AB/SB	31/03/2021	LGF is due to be completed by this time

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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	High	Cabinet reshuffle is due in February and Budget the following month. Current narrative from Government is focussed on Northern areas, coupled with uncertainty about future funding streams, this creates a risk around the future viability of the LEP. A major change in policy now could make our nearly finalised LIS obsolete and require a revised or new strategy to be put into place	AB/SB	Ongoing	
29	Hadlow College educational administration. Hadlow College has entered into educational administration. £11m of SELEP funding has been invested in the college. There is a risk that grant funding may not have been correctly applied. If the grant funding has been correctly applied there is a further risk that the benefits related to the project may not be realised. If grant funding has not been correctly applied there may be a requirement for SELEP to repay grant monies to Government	4	4	16	Med	Communication with the Administrators continues but a clear view on whether the grant has been incorrectly applied has still not been reached. Conversations are beginning with MHCLG as to what course of action they will take should the grant funding not have been correctly applied, in particular whether they would seek to clawback. Provision may need to be made in the Statements of Account for 2019/20 to cover any potential cost of clawback. Further work is being undertaken to put in provisions to protect investments in the future	RM	Ongoing	
30	Changes to Board membership - 3 federated areas are going through or have been through a recruitment refreshment. There may be a large turnover of Board members requiring additional support from the Secretariat and creating a risk that organisational knowledge is lost or Board members aren't properly made aware of governance/policy requirements	3	4	12	Med	Changes to Board composition and requirements to run recruitment processes at a Federated level mean there is a possibility of a large churn of Board membership. Board Member induction is now being planned and implemented. Governance documentation is updated to reflect the new structure and supporting documentation including a Guide to Governance and Board Members Handbook are being produced	SB	31/03/2020	

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33	Not meeting Government's requirements of 33% female Board Membership on the Strategic Board by 31 March 2020	5	4	20	High	Final information on Directors has not been recieved from Federated Areas. There is a risk that nominations might not equate to a 33% of female representation. If this is the case this would result in a Requires Improvement rating for the Governance section of the Annual Performance Review but we do not know whether Govt will sanction LEPs for this rating and if so, what sanction that might be. The Chair has been clear on his expectations for gender balance in representations. Currently assessing the budget for 2020/21 in case Core Funding is not provided - it is probable that we could mitigate the effect of this. If LGF capital funding was to be withheld the impact would be far more serious	AB	31/03/2020	