# LIVERPOOL CITY REGION COMBINED AUTHORITY

# RISK MANAGEMENT UPDATE

**Audit and Governance Committee**
**20 March 2019**

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**Head of Internal Audit**

# Contents

# 1. Introduction

1.1 The purpose of this report is to provide a summary of the progress made in establishing an effective and robust system of risk management within the Combined Authority (LCRCA).

1.2 It is prepared for the Audit and Governance Committee and its purpose is to facilitate the Committee in discharging its obligations as defined in its Terms of Reference: “to review the Combined Authority’s financial affairs, internal control, corporate governance arrangements and risk management”.

1.3 The report covers:

- the developments in respect of the LCRCA Corporate Risk Register
- development of Service Risks
- Risk Management Policy
- the plans to embed risk management further into the organisation.

# 2. Corporate Risk

2.1 It was recognised that although a Corporate Risk Register had been in place for the LCRCA, there was a need for the Register to be fully reviewed so as to increase its relevance and strategic focus. This is particularly pertinent as the organisation develops and grows.

2.2 A risk management workshop was held with Directors so as to provide an opportunity for them to consider the risks to the objectives identified in the Corporate Plan 2018-19. The outcome of the session was the production of a set of draft risks for the LCRCA.

2.3 Since this initial session, further work has been completed so as to compile the risk register: a second risk workshop was held with Directors in December 2018, and Directors were then asked to complete scoring, control measures and actions in respect of those risks for which they were designated as risk owner. The Risk Register was considered by Directors on 11 January 2019.

2.4 The LCRCA Corporate Risk Register is shown at Appendix B. It is worthy of note that the Merseytravel Corporate Risks are a subset of the LCRCA Corporate Risk Register, concentrating on risks that are specific to the achievement of the Merseytravel transport priorities. Therefore, overarching risks that apply to both organisations are shown on the LCRCA Corporate Risk Register.

# 3. Service Risk

3.1 Work is ongoing to establish risk registers at Head of Service level identifying risks to the achievement of the corporate objectives (identified in the LCRCA Corporate Plan 2018-19).

3.2 Now that the refreshed Corporate Risk Register has been compiled, the Service Risks are in the process of being reviewed and updated in full. This will ensure that there is clarity regarding the level and ownership of risks, and ensures that there is no duplication of risks held at service level and those at corporate level.

# 4. Risk Management Policy

4.1 The Risk Management Policy was last approved by the LCRCA (in lieu of a meeting of this Committee) in May 2018. The Head of Internal Audit has reviewed the Policy since arriving in post, and has concluded that there is scope for strengthening the system laid out in the Policy so as to encourage engagement by Senior Management, reflect more appropriate risks on the Corporate Risk Register and to ensure that the system applies coherently and equally to both LCRCA and Merseytravel.

4.2 Following internal use and feedback, the revised Risk Management Policy has been finalised and is presented to this Committee for approval at Appendix A. The key changes include:

- Inclusion of clear and detailed guidance on how to identify, score and treat risk
- Revision of the scoring matrix, to provide clearer delineation between Corporate and Service risks
- The introduction of a new officer group, the Corporate Performance and Assurance Group, which will encapsulate the functions of the existing group, Primary Assurance and Risk Group (to be disbanded). This will strengthen linkages between risk, performance and governance and also reflect membership for the LCRCA
- Development of a clear risk management review cycle, involving preliminary review by the Corporate Performance and Assurance Group, resulting in a report to Directors which they will use as the basis for updating the Corporate Risk Register prior to presentation of the relevant corporate risks at this Committee (for LCRCA risks) and to the Audit, Risk and Governance Board (for risks pertaining to Merseytravel)
- Revised Risk Register template, which encourages action planning for the treatment of risk, and relates each risk to the corporate or service objective it may jeopardise
- Sets out key roles and responsibilities of all key players in the system of risk management.

# 5. Embedding Effective Risk Management

5.1 In embedding a system of effective risk management into the organisation, it is important that the progress made to date continues.

5.2 The revised Risk Management Policy provides a clear steer in how the system should develop and become embedded by outlining the roles and responsibilities of the key players in the system. It is important that such roles are understood and followed. It is also important that the role of this Committee as a monitoring and review mechanism is exercised effectively.

5.3 A key element of this is that the Senior Leadership Team drives and owns the process of risk management and most importantly, uses this to inform decision-making. This will ensure that management of risk contributes positively to the improvement of the control framework and keeps risk under control as far as possible, so facilitating the achievement of the organisation's objectives.

5.4 In facilitating this system, Internal Audit will continue to play a vital role. Key strands of activity for embedding this over the forthcoming year will be:

- Facilitating the regular review and update of the Corporate Risk Register via the Corporate Performance and Assurance Group and the Directors meeting
- Update service risks and establish a regime of regular review and update by Heads of Service
- Providing corporate support in respect of risk management across the organisation
- Providing risk management training and awareness sessions for officers
- Facilitate the developing of the risk appetite for the organisation
- Internal audit work will employ a risk-based methodology from 2019-20, meaning that its findings can contribute fully to the corporate risk management picture, by appraising existing controls and their effectiveness, highlighting new or emerging risks for consideration by Heads of Service, and by appraising the extent to which the system of risk

management is embedded across the organisation. Appropriate safeguards are in place to ensure that internal audit independence is not compromised.

5.5 The quarterly reports to this Board will give a full overview of the progress being made in delivering the activities above, implementing the recommendations arising from the peer review report, and the effectiveness of these actions in increasing the level to which effective risk management arrangements are embedded into the organisation.

**APPENDIX A**

# Risk Management Policy

| | |
|---|---|
| **Document Owner** | Internal Audit |
| **Document Version** | 0.1 |
| **Approved By** | LCRCA Audit and Governance Committee – March 2019<br>Merseytravel Audit, Risk and Governance Board – February 2019 |
| **Review Date** | March 2020 |

# Contents

# 1. Introduction

**Risk** is defined as "the effect of uncertainty on the achievement of objectives, where effect is any deviation from the expected – positive or negative". (ISO 31000)

Any large and complex organisation faces a range of risks which may affect the achievement of its defined objectives. These risks have varying levels of likelihood of materialising and of impact to the organisation and its stakeholders if these did materialise. Therefore, the effective management of risk is a key component of an organisation that is effective in meeting its defined objectives.

**Risk Management** is the process by which risks and potential opportunities are identified, evaluated and controlled.

Merseytravel/LCRCA recognises the importance of effective risk management as a key element of its performance and governance framework. It is the responsibility of Merseytravel/LCRCA to ensure that it establishes and maintains a system that provides the organisation with assurance that there is accountability and ownership of the key risks that the organisation faces, maximises the achievement of its objectives, and ensures that good governance can be demonstrated.

# 2. Objectives

The objectives of this Policy are to:

- Embed risk management into the culture and operations of the organisation
- Promote risk management as an integral part of business planning and decision making and performance management
- Maintain an effective process of key risks identification, analysis and control
- Anticipate and respond to changing requirements whether political, economic, social, technological, legislative or environmental (PESTLE)
- Ensure that there is clear accountability for both the ownership and cost of risk and the tools used to effectively reduce risk
- Improve governance and raise awareness of the need for risk management by all those connected with the organisation's delivery
- Demonstrate how effective risk management can improve delivery of organisational objectives and increase resilience.

# 3. Responsibilities

**Head of Paid Service**
Has overall responsibility for Merseytravel/LCRCA's risk management arrangements. This involves being the corporate sponsor for risk management, and ensuring that the system of corporate risk management is effective, consistently applied and embedded into the organisation.

**Directors**
Directors have responsibility for identifying and managing the most significant risks to corporate objectives. They will ensure that these are reflected in the Corporate Risk Register, which will be considered and reviewed on a regular basis. They will ensure that appropriate controls and actions are in place so as to control and manage the corporate risks for which they have responsibility, and for those service risks which sit within their area of responsibility.

**Heads of Service**
Heads of Service have responsibility for identifying and managing the risks to service objectives. They will ensure that these are reflected in the relevant Service Risk Register, which will be considered and reviewed on a regular basis. They will ensure that appropriate mitigations and actions are in place so as to control and manage the risks which sit within their area of responsibility. They are responsible for establishing sound systems of internal control within their service areas.

Heads of Service must notify the Head of Legal, Procurement and Democratic Services of any significant changes in business activity that may impact on insurance provision, so as to ensure that appropriate and adequate insurance is in place.

Any decision submitted through the Delegated Decisions system or a Committee report (via the Modern.gov system) must include appropriate consideration of risk and implications associated with the proposed decision, so as to demonstrate the consideration of risk in decision-making.

**Corporate Performance and Assurance Group**
The Corporate Performance and Assurance Group is the key forum for the consideration of risks facing the achievement of the Corporate Plan. It sets the tone for corporate risk management and uses this to drive improvement in delivery of corporate objectives. This Group holds officer responsibility for the Corporate Risk Register, and will review and update this document on a quarterly basis. This group’s Terms of Reference are detailed at Appendix A. (These subsume the Terms of Reference of the disbanded Primary Assurance and Risk Group.)

**Project/Programme Managers**
When an officer is managing a project/programme, it is their responsibility to ensure that adequate consideration is given to the management of the risks that threaten the delivery of the project/programme, and that effective controls are in place so that these are managed. Such risks should be captured within a Project Risk Register, and which should be reviewed with appropriate regularity throughout the project lifecycle.

**Programme Management Office (PMO)**
The Programme Management Office supports Project/Programme Managers in the delivery of projects/programmes, and assists them in identifying and assessing the risks that could jeopardise the delivery of the projects/programmes, and in facilitating the planning of controls and actions to minimise the likelihood of such risks materialising, and/or their impact if they did materialise. The risk management methodology used by the PMO is being developed, but will follow the principles outlined in this document.

**Managers**
Managers should understand their role in the risk management process, and the benefits of effective risk management. It is their responsibility to assist their Head of Service in the management of relevant service risks through maintaining an effective system of internal control and through undertaking any actions assigned to them in the management of specific service risks.

**All Employees**
All employees have responsibility for complying with the defined internal controls designed to minimise risk and for being aware of the risks that they encounter in their day to day roles.

**Merseytravel Meeting**
This group has overall oversight of the governance and risk management arrangements for Merseytravel, and has responsibility for approving its Risk Management Policy.

**Combined Authority Meeting**
This group has overall oversight of the governance and risk management arrangements for the Combined Authority, and has responsibility for approving its Risk Management Policy.

**Merseytravel Audit, Risk and Governance Board**
**LCRCA Audit and Governance Committee**
Both fora have responsibility for the monitoring and review of the effectiveness of risk management arrangements and overseeing the continued development of these arrangements. This will be chiefly implemented as reviewing the relevant aspects of the Corporate Risk Register, so as to obtain assurance that the risks identified as most significant threats to the achievement of objectives are being managed and controlled effectively.

Both fora will monitor progress in addressing any risk related issues reported to it, including those identified through Internal Audit reports.

**Internal Audit**
Internal Audit has responsibility for facilitating the system of risk management, and ensuring the continued development of the system so as to maximise its effectiveness. This comprises:

- Compilation of the Risk Management Policy
- Facilitating the process of risk review and reporting
- Promoting the embedding of effective risk management processes into the normal business processes of the organisation.
- Advising on how to treat and manage risks
- Providing training on risk
- Helping to improve risk management through advising and supporting the identification of current and emerging risks.

Internal Audit is responsible for monitoring the effectiveness of risk management arrangements, through delivery of the Internal Audit Plan. The work of internal audit in assessing the effectiveness of Merseytravel/LCRCA's management and control of risk will inform the Head of Internal Audit's Annual Report and the Annual Governance Statement (AGS).

So as to preserve the independence of Internal Audit, it is important to note that its role will not comprise:

- Dictate or influence risk identification, scoring or risk appetite
- Acting to mitigate or control risks.

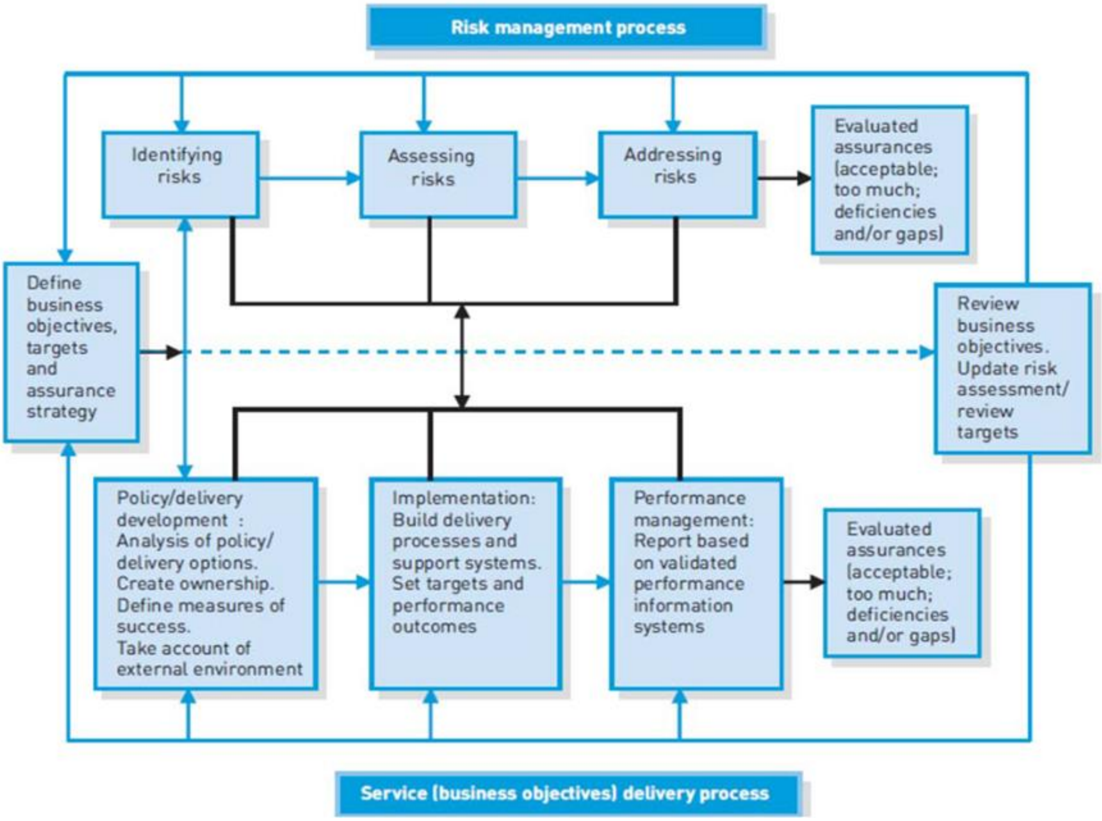
# 4. Risk Management Process: Practical Guidance

The following diagram highlights the three key stages of the risk management process:

- Identification of risks
- Assessment of risks
- Addressing risks

**Overview of the Risk Management / Assurance Process:**

**DIAGRAM 1**



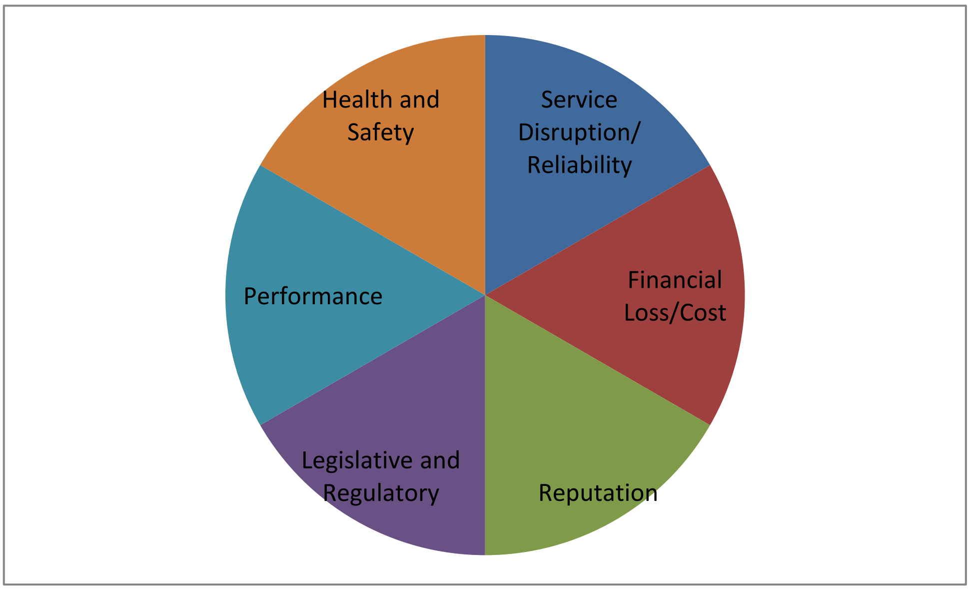

Source: *It's a Risky Business* (CIPFA, 2014)

### STAGE 1: Identification of Risks

The first stage in the process is to identify the risks that threaten the identification of the organisation's objectives. Risks can be identified in various ways, including through formal risk workshops, planning sessions or often, these emerge "naturally" through business as usual. The identification of risks should not be seen as a one off exercise, and once an initial identification exercise has been undertaken, this should be updated on an ongoing basis so as to ensure that the risks identified are still reflective of those facing the organisation.

The identification and accurate framing of risks is crucial to the success of the process that follows, and so this stage should receive sufficient attention to ensure it is comprehensive.

The following Risk Wheel identifies the main risk categories which can be used as prompts during the identification process:




Key factors to consider when identifying a risk:

- Be specific in framing what the risk is
- Be clear on how the risk may impact the achievement of objectives – which objective is under threat
- Think about the different facets of the risk and how the risk may affect a number of objectives or impact across a wider area of the business
- Where risks have a wider applicability, consult colleagues so that the risk can be framed to take account of cross-cutting issues.

**STAGE 2: Evaluation of Risks**

The first part of evaluating a risk is to be clear on the consequences if the risk was to materialise. This should include clear reference to the objective which would be compromised by the materialisation of the risk. This should also include other consequences such as “negative media attention” or “legal challenge”, which may be knock-on effects of the objective not being met.

The risk should then be allocated an owner. Ownership should sit with the officer in the organisation who has the appropriate level of control over the management of the risk. Risks should sit at Director level (for corporate risks), Head of Service level (for service risks) or Project/Programme Manager level (for project/programme risks). So as to promote accountability, a single post should be named as the owner, rather than a group of people.

The third stage is to score the "inherent risk" for its likelihood and impact. This relates to the likelihood of the risk materialising, and its impact if it was to materialise, without any controls or mitigating actions having being applied. This helps to give a view of the "raw" risk prior to the organisation having taken any action to minimise it. Both aspects are allocated a score between 1 and 5, and one is multiplied by the other to give a total inherent risk score out of 25. Guidance on scoring impact and likelihood is provided at Appendix B and C respectively.

Whilst the inherent risk score identifies the likelihood and impact of the risk if it was to materialise without the implementation of controls, it is highly unlikely that this reflects the actual position. With the potential exception of very new or emerging risks, it is likely that the organisation will have implemented one or a number of control measures to reduce the likelihood of the risk materialising and/or the impact if it was to materialise. Controls are defined as "any action taken by management, the board or other parties to manage the risk and increase the likelihood that established objectives and goals will be achieved."

The next stage of the evaluation process is to identify what control measures the organisation has already put in place. It is important that the controls listed genuinely relate to the risk under consideration, and that the control is actually in place and is effective – i.e. controls that are planned to be implemented should not feature at this stage. Again, it is important to be specific in detailing the controls. Assurances that have been received that indicate the effective operation of a control should be available to demonstrate that it is fulfilling its intended purpose – inspection reports, customer feedback or internal audit reports are examples of such assurances.

The implementation of effective controls should serve to reduce the risk score associated with the risk. This is the residual risk score – the likelihood and impact if the risk should materialise. The implementation of controls which do not reduce these scores should lead to questions of the reason for resources having been expended on it – controls consume resources and should be proportionate to the risk they are intended to mitigate. The risk is now rescored, using the same criteria (as detailed in Appendix C and D) to evaluate its likelihood and impact now that controls have been applied. Again, one score is multiplied by the other so as to give a total residual risk score out of 25.

**STAGE 3: Addressing Risks**

Once the risk has been given a residual risk score, thought can be given to the treatment of the risk, and where actions that can be taken to reduce the impact and/or likelihood further. The residual risk score assists management in prioritising resources to mitigate risks. There are four main options for treatment of a risk:

- Terminate – can an activity be discontinued so that the risk is eliminated? This usually applies to risks with very high residual scores.
- Treat – can the risk be mitigated by the application of controls?
- Tolerate – can the risk be accepted? This usually applied to risks with very low residual scores.

- Transfer – can the risk be transferred to another party? It is rare that a risk can be fully transferred, but a significant element could be transferred by via insurance, for example.

An organisation's risk appetite is the level of risk that it is prepared to tolerate without putting in place further risk mitigation or controls. Merseytravel/LCRCA may accept that a risk exists and that to put in place further measures to reduce that risk is not possible, practical or cost effective.

It may be that it is felt that the risk has been reduced as much as possible or that any remaining actions to be taken are unpalatable or unfeasible – for example they may consume more resource than is worthwhile, considering the impact if the risk materialised.

In most cases, however, a set of actions can be agreed that would have a beneficial effect on the risk's impact and/or likelihood, and do not exceed the cost of the risk being realised. The actions should be defined in a SMART way – specific, measurable, achievable, relevant and timely. A responsible officer should be assigned to each of the actions, and this should be a person who has the autonomy to implement the action. A due date, by which the action will be implemented, should also be added. A red/amber/green rating should also be assigned to the action, so that there is a view on whether the completion of the action is progressing in line with the planned timescale.

**STAGE 4: Risk Review and Reporting**

There is a clear relationship between the residual risk score and where the risk is owned and how it is reported. This ensures that risks are managed at the most appropriate level of the organisation. Therefore, the Risk Evaluation Scoring Matrix should be used to determine the review and reporting arrangements for each identified risk. Flexibility can be applied to this model, as for example emerging risks which score less than 16 may be included in the Corporate Risk Register so as to encourage early consideration and action prior to their expected escalation.

## Risk Evaluation Scoring Matrix

| LIKELIHOOD | | 1 Negligible | 2 Minor | 3 Moderate | 4 Major | 5 Critical |
|---|---|---|---|---|---|---|
| Highly Probable | 5 | 5 | 10 | 15 | 20 | 25 |
| Probable | 4 | 4 | 8 | 12 | 16 | 20 |
| Possible | 3 | 3 | 6 | 9 | 12 | 15 |
| Unlikely | 2 | 2 | 4 | 6 | 8 | 10 |
| Highly Unlikely | 1 | 1 | 2 | 3 | 4 | 5 |

**IMPACT**

| **Colour Coding** | Red Risks | Amber Risks | Green Risks |
|---|---|---|---|
| **Residual Risk Score Range** | 16 - 25 | 8 - 15 | 1 - 6 |
| **Risk Register** | Corporate Risk Register | Service or Project/Programme Risk Register | |
| **Risk Owner** | Director | Head of Service | |
| **Officer Reporting Forum** | Corporate Performance and Assurance Group | Service Management Team<br><br>Project/Programme Board | |
| **Member Reporting Forum** | Audit and Governance Committee (risks pertaining to the Combined Authority)<br><br>Audit, Risk and Governance Board (risks pertaining to Merseytravel) | None (risks scoring 15 could be noted for members where it is felt that the risk is escalating and is likely to reach a score of 16 or above) | |

**Corporate Risks**
The Corporate Risk Register is the subject of a full quarterly review, facilitated by the Corporate Performance and Assurance Group. This review is informed by updated Service and Project Programme Risk Registers.

The updated Corporate Risk Register will then be presented on a quarterly basis to the Audit and Governance Committee (for risks pertaining to the Combined Authority) and the Audit, Risk and Governance Board (for risks pertaining to Merseytravel).

**Service Risks**
Service Risk Registers are maintained at Head of Service level and are the subject of a full quarterly review within Service Management Team meetings. New or escalating risks that score 16 or above, (or are expected to escalate towards a high score in the future if left untreated), should be put forward for review and potential inclusion in the Corporate Risk Register.

**Project/Programme Risks**
Project/Programme Risks are maintained at Project/Programme Manager level, and are the subject of full review within the governance structure relevant to the project/programme.

In reviewing a risk register, the following key items should be considered:

- Are all existing risks relevant to the delivery of corporate/service/programme objectives included?
- Have any of the risks changed, and does the risk description, controls, actions and scoring need to be updated to reflect the change?
- Have any new risks emerged?
- Are controls still in place and working effectively?
- Do any new controls need to be put in place?
- Is the scoring of the identified risks correct – are risks increasing or decreasing and if so, does the risk need to the escalated to the Corporate Risk Register or can it be de-escalated or closed?
- Are agreed actions being implemented according to the timescale?
- Have any actions been completed, meaning that there is a new control in place, and so does the residual score need to reduce as a result?

# 5. Appendices

**APPENDIX A**

## Corporate Performance and Assurance Group: Terms of Reference

**Purpose of the Group**

To oversee and critically reflect on the delivery of commitments in the Corporate Plan for the Liverpool City Region Combined Authority (CA).

To consider and advise on appropriate responses to corporate performance indicators in liaison with lead officers.

To provide corporate leadership in respect of the management of risk, by providing assurance in respect of corporate risks and planned corporate risk mitigation activity.

To provide corporate leadership in respect of the improvement and development of governance and internal control.

**Group Membership**

- John Fogarty, Director of Corporate Services **(Chair)**
- Liz Chandler, Director of Organisational Development
- Aileen Jones, Head of Research and Intelligence
- Stephen Littler, Performance Manager
- Gary Evans, Head of Customer Delivery
- Wayne Menzies, Head of Rail
- Matt Goggins, Head of Bus
- Alastair Ramsay, Head of People & Customer Development
- Eleanor Dodd, Head of Policy Coordination
- John McGee, Head of Government Relationship Management
- Ian Hawkins, Head of ICT
- Jill Coule, Chief Monitoring Officer
- Louise Outram, Head of Legal, Procurement and Democratic Services
- Sarah Johnson, Head of Finance
- Laura Williams, Head of Internal Audit
- Dan McCafferty, Head of Corporate PMO
- Lorna Rogers, Head of Mayoral CA Programme Delivery

**Quorum**

This group shall be quorate when 5 members of the group, plus the Director of Organisational Development and the Chair are present.

**Frequency of meetings**

Quarterly.

**Decision making**

**Approvals**
The Corporate Performance & Assurance Group is authorised to approve the Corporate Performance Framework, system and associated reporting processes.

**Approvals out of cycle:**

Any urgent changes to activities, data or process agreed as part of the performance system shall be considered approved once the Director of Organisational Development and the Chair confirm in writing (email) that they are content for it to be agreed. The Research and Intelligence Team shall coordinate responses as required.

**Secretariat**

The Research and Intelligence Team will provide the secretariat to the Group. Papers will be circulated at least 3 working days in advance of meetings. A note of the actions and decisions will be circulated to all Group Members by the Secretary within 10 working days of a meeting taking place.

**Governance**

This group reports to CA/MT Directors.

**APPENDIX B**

# Scoring Risk Impact

| 1<br>Negligible | 2<br>Minor | 3<br>Moderate | 4<br>Major | 5<br>Critical |
|---|---|---|---|---|
| Brief disruption to important service areas | Complete loss of non-crucial service | Complete loss of a non-crucial service area for a protracted period or an important service area for a short period | Major loss of service for less than one month | Major loss of service for over one month |
| Up to £10,000 | £10,001 to £250,000 | £250,001 to £3m | £3m to £10m | Over £10m |
| Contained within directorate | Contained within Merseytravel/LCRCA / reported to Executive | Adverse local public or press interest; complaints | Adverse national public or press interest | Adverse central government response |
| Minor injury or discomfort to an individual | Minor injury or discomfort to more than one individual | Major injury to an individual | Major injury to more than one individual | Death |
| One-off minor breach resulting in minor adverse publicity / regulatory attention | Some minor infringements of regulations / legislation resulting in minor fines or adverse publicity | One-off moderate breach resulting in moderate fines or adverse publicity | Systematic non-compliance resulting in significant Litigation / Fines or Court appearance | Forced closure of Merseytravel/LCRCA |
| One-off minor reduction in performance in one service area | Sustained reduction in performance in one area or reduction in performance across more than one service area | Sustained reduction in performance in more than one service area | Sustained systematic non-performance resulting against most performance targets | Complete performance failure |

## Scoring Risk Likelihood

| | |
|---|---|
| 5<br>Highly Probable | • Extremely likely<br>• The event is expected to occur in almost all circumstances<br>• There has been a history of regular occurrences, i.e. on multiple occasions in the last twelve months<br>• If new event, likelihood of occurrence regarded as almost inevitable |
| 4<br>Probable | • There is a strong possibility the event or risk will occur<br>• The event is expected to occur in a majority of circumstances<br>• There is a history of several occurrences, i.e. on more than one occasion in the last twelve months<br>• If new event, likelihood of occurrence regarded as very likely |
| 3<br>Possible | • There is a reasonable probability the event or risk will occur<br>• There may be a history of frequent occurrences<br>• Everyone with knowledge of issues in this area knows this could happen<br>• No or few effective measures have been implemented to reduce the likelihood of the risk materialising<br>• If new event, likelihood of occurrence will probably occur in most circumstances |
| 2<br>Unlikely | • The event might occur at some time<br>• There could be a history of ad hoc occurrences<br>• Most of the team knows that the whilst unlikely, the risk might occur<br>• Measures that reduce likelihood have been taken but are not fully effective<br>• If new event, likelihood of occurrence regarded as unlikely but possible |
| 1<br>Highly Unlikely | • Not expected, but there is a slight possibility it could occur at some time<br>• Some of the team considers that this is a risk that might occur<br>• Team considers there is an appropriate control framework in place<br>• Conditions exist for this to occur, but is highly unlikely<br>• Probably requires more than two coincident events |

**APPENDIX D**

# Risk Register Template

Corporate/Service Risk Register: *Name of Service Area*

Date of Review: *Date*

| | Risk Details | | | | Inherent Risk Scoring | | | | Residual Risk Scoring | | | Action Plan | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Ref. | Corporate /Service Objective Jeopardised | Risk Description | Consequences of Risk Materialising | Risk Owner (post title) | Impact Score | Likelihood Score | Total Score | Control Measures in Operation | Impact Score | Likelihood Score | Total Score | Action | Action Owner (post title) | Timescale for Completion | Progress on completion of actions within timescale (Red/ Amber/ Green) |
| 1 | | | | | | | 0 | | | | 0 | | | | |
| 2 | | | | | | | 0 | | | | 0 | | | | |
| 3 | | | | | | | 0 | | | | 0 | | | | |
| 4 | | | | | | | 0 | | | | 0 | | | | |
| 5 | | | | | | | 0 | | | | 0 | | | | |
| 6 | | | | | | | 0 | | | | 0 | | | | |
| 7 | | | | | | | 0 | | | | 0 | | | | |
| 8 | | | | | | | 0 | | | | 0 | | | | |
| 9 | | | | | | | 0 | | | | 0 | | | | |
| 10 | | | | | | | 0 | | | | 0 | | | | |
| 11 | | | | | | | 0 | | | | 0 | | | | |
| 12 | | | | | | | 0 | | | | 0 | | | | |
| 13 | | | | | | | 0 | | | | 0 | | | | |
| 14 | | | | | | | 0 | | | | 0 | | | | |
| 15 | | | | | | | 0 | | | | 0 | | | | |