

## Appendix 1 Annex 1

### SUPPLIER EXCELLENCE PROGRAMME ESF: Risk Register

No	Description	Likelihood	Impact	Grade	Action	Managed by:
1	Failure of GBSLEP Skills Hub, Growth Hub and LEP partners to raise awareness of the programme in their area and to identify suitable businesses for skills support	Medium	High	Material	Ensure comprehensive programme briefings to partners and adequate understanding before commencement. Put in place agreed detailed marketing arrangements, literature design and individual marketing strategies for each area together with good levels of support from City Council project team to implement local actions for awareness raising and programme promotion to suitable businesses.	Head of Business Enterprise & Innovation and programme lead officers
2	Unwillingness of sufficient number of eligible businesses coming forward to the application process for skills support and able to meet scheme criteria including match funding.	Low	High	Material	The programme of assistance compliments existing ERDF BGP Programme to meet the skills needs of SME's. LEP partners welcome the type of support the programme offers for local SME's. The good induction of partners, strong programme marketing and targeting the right type of businesses, clear and straight forward application form and process for approval with good programme management and monitoring should attract sufficient businesses. Evidence of match funding will be required at the application stage measured and monitored on a quarterly basis as per funding agreement	Programme lead officers and LEP partner authorities
3	Programme is too rigid and inflexible in meeting the skills needs of the businesses.	Low	Medium	Material	Monitoring and reviewing the programme to ensure it is flexible and responsive to the needs of skills need of businesses.	Programme lead officers
4	Poor quality of applications for skills support from businesses and or businesses failing to complete project expenditure in order to fully access assistance from the programme funds resulting in potential under spend.	Low	Medium	Material	Robust application procedure being established together with clear guidance and application process to assist businesses with the completion of applications that meet the standard required. With the correct development work and submission of sound applications the likelihood of none completion and under spend is less likely. Ability to award further assistance until the funding has been fully utilised over the life of the programme should ensure any under spend is kept to a minimum.	Programme lead officers
5	ESF regulations are not complied with leading to exclusion of eligible costs from claims.	Low	High	Material	The costs have been analysed and only eligible costs have been identified and included in the application. The offer of skills assistance to SMEs will include ESF terms to be passed on to SMEs (including a period of claw back), to help ensure understanding and compliance, and enable the City Council to recover funds in the event of a default against the terms or a claw back relating to a particular SME. Expenditure will only be paid in arrears on provision of evidence and when the works have been completed.	Business Enterprise Manager and programme lead officers
6	Compliance with ESF grant conditions so as to avoid clawback	Low	Medium	Material	Robust governance, operational management and programme delivery processes, systems and procedures will be embedded, implemented, monitored and evaluated. Any specific issues arising from compliance will be mitigated against checks and balances contained within the programme. The risk to the City Council is therefore minimised as long as it seeks recovery from businesses who default on grant conditions.	Head of Business Enterprise & Innovation and programme lead officers

No	Description	Likelihood	Impact	Grade	Action	Managed by:
7	Operational management of Programme difficulties such as delays in processing necessary documentation	Low	Medium	Material	Use Project Management Team to monitor, review and tackle any issues	Head of Business Enterprise & Innovation and programme lead officers
8	Delivery of costs so as to avoid overrun beyond 2019	Low	Medium	Material	Budget targets are negotiated with DWP and monitored on a regular basis to ensure no expenditure beyond 2019. A regular pipeline of applications generating through marketing activities will ensure delivery remains on track.	Programme lead officers
9	Failure of businesses to complete skills investment plan and achieve outputs leading to a lack of drawdown of funding approved.	Medium	Low	Material	Maximum delivery period for project spend will be 3-8 months. Effective monitoring and client management to maximise spend to meet budgetary forecasts.	Programme lead officers
10	Applicant in breach of terms and conditions of funding offer letter	Medium	Low	Material	BCC will review the breach of terms, conditions and suggest a course of action. If considered to be material breach, the funding offer will be withdrawn or seek claw back. Reallocate funding to other applicants.	Programme lead officers
11	SME fraudulent activity throughout the application and claims process	Low	Medium	Material	Develop robust intelligence and monitoring systems with support from Legal Services and Audit to eliminate potential fraudulent activity. If fraud is detected then engage City Council Legal Services and Birmingham Audit to investigate and if required issue legal proceedings.	Programme lead officers
12	Attempted bribery of BCC officers for financial or non-financial gain	Low	High	Material	Awareness of BCC's bribery and corruption policy. Be vigilant against attempted bribery. Refer to senior management and seek advice from Legal Services and Audit.	Programme lead officers
13	Lack of take up or lack of quality projects means contracted ESF outputs and spend targets are not being achieved leading to underperformance and potentially leading to clawback	Medium	High	Material	Contracted output and spend targets are annualised on a calendar year basis. The quarterly claim cycle includes output reporting which enables continual monitoring. As well as the project performance being overseen by the SEP Programme Management Team, annual reviews will be set out to ensure that the programmes are on track and to review all projects progress. Should forecast progress against annualised spend or output targets be cause for concern (more than 10% variance forecast), actions will be set, and if needed, DWP will be asked to reappraised the project based on the re-forecast measures, and a new agreement will be sought.	Programme lead officers
14	Uncertainty of funding as a result of BREXIT	Medium	Severe	Severe	Control/ Treat - regular communication with DCLG. HM Treasury has written to Rt. Hon. David Davies confirming their commitment to all EU funded projects providing they are in contract before the Autumn Budget Statement.	Regeneration Manager / Programme Delivery Team