

NORTH LONDON WASTE AUTHORITY

REPORT TITLE: ANNUAL RISK REVIEW

REPORT OF: MANAGING DIRECTOR

FOR SUBMISSION TO: AUTHORITY MEETING

DATE: 27 APRIL 2023

SUMMARY OF REPORT:

This report provides the annual review of high-level risks for noting by Members.

RECOMMENDATIONS:

The Authority is recommended to comment on the risk register and note this update.

SIGNED:  Managing Director

DATE: 17 April 2023

1. BACKGROUND

- 1.1. This is the regular report for Members' review of the North London Waste Authority's (NLWA) high-level risks. The risk register is formally reviewed on an annual basis and presented to Members.
- 1.2. Appendices to this report are:
 - 1.2.1. Appendix A: High Level Risk Register
 - 1.2.2. Appendix B: Scoring Matrix

2. RISK REGISTERS

- 2.1. NLWA has a high-level risk register for strategic risks, which is owned by the Managing Director. Operational areas have specific, more detailed, risk registers used for ensuring that risks associated with specific areas of work are monitored and managed. In addition, the North London Heat and Power Project (NLHPP) has its own specific risk register on which progress is reported through regular project updates. LondonEnergy Limited (LEL) also have their own risk registers, containing some risks that are relevant to the high-level NLWA register.
- 2.2. As a result of increased responsibility, NLWA has enhanced its approach to risk management, though the integration of relevant and appropriate risks from the NLHPP and LEL risk registers into NLWA high-level register, to ensure awareness of organisational risks and priorities. The outcome of this approach is that both LEL and NLHPP have clear sight of NLWA's top risks which form a basis to ensure optimal resource allocation. The same can be said vice versa so that NLWA can respond at pace to respective operational and project related risks and issues.
- 2.3. The high-level risk register considers the risks that mostly impact the effective delivery of NLWA's responsibilities, principally the ability to deliver services successfully in the short and long term and to deal with externally stimulated changes. The NLHPP risk register covers different issues as it is focussed on the successful delivery of major new infrastructure in accordance with the objectives in the baseline, particularly related to quality, cost, and time. In terms of overall long-term public sector financial exposure, the project risks are larger as the expenditure is planned to be more than a billion pounds, though changes to project costs would have a much less direct impact on mid- to long-term borough levies. However, those risks do not generally manifest themselves in ways which affect immediate operations of NLWA. This paper therefore concerns the high-level risk register, and NLHPP risks are reported in the regular project information provided to Members.
- 2.4. The high-level risks have been reviewed and the management actions planned and taken have been updated. The high-level risk register, as presented in Appendix A, sets out the assessment of risk before mitigating actions are considered in the

centre columns of the table. The text boxes to the right (headed risk management) describe the actions which the officer team is taking to reduce the probability and/or impact of the risk. The final columns set out the residual risk – i.e. the risk level remaining after applying the controls to reduce exposure.

3. KEY RISK ISSUES SINCE LAST REVIEW

- 3.1. The last review of the register by Members was at the NLWA meeting on 10 March 2022. Since that time a thorough refresh has taken place of NLWA's risk exposure. The below key issues have arisen since the previous review, and are being overseen on a periodic basis through NLWA's risk management process, which involves leadership action all the way to operational action.
- 3.2. As the opening of the new EcoPark facilities nears, the continuing work on the transition to the new facilities means that the management of old and new assets is becoming an even more crucial element of NLWA's activity, particularly in regard to ensuring continuity of service between facilities.
- 3.3. Ensuring safety in construction and business as usual operations remains of ultimate importance to NLWA and project teams, with the past year being a reminder of this importance. NLWA ensures that it procures from suppliers with a strong safety record and includes safety assessment as a key criterion in tender evaluations.
- 3.4. As construction has begun on the new Energy Recovery Facility, and the EcoPark South developments are almost completed, NLWA is approaching a major step closer to completion of the NLHPP. This has been a significant step forward on the NLHPP and is a demonstration of NLWA's work on keeping the overall project on budget, to time and quality. Regular updates have been made in public meetings to ensure members are fully briefed of progress through the course of the year.
- 3.5. Adverse economic conditions have required NLWA officers to continue to exercise careful supplier management post-Brexit and post-pandemic. Whilst NLWA has remained and acted diligently to the external factors around it, these have not significantly impacted NLWA's operations.
- 3.6. The nature of NLWA's work means that ensuring effective stakeholder management, such as ongoing liaison with the boroughs, major contractors like Biffa, LEL and the Environmental Agency, to name a few, is critical. This also means keeping in mind future developments like the residents/tenants who are impacted by the heat network that is being delivered alongside the NLHPP.
- 3.7. The current cost of living crisis has highlighted the importance of continuing to keep strong financial management within NLWA. This includes having sound treasury management; for example the lion's share of [the capital funding

requirement for the] NLHPP has been borrowed competitively at an average rate of 2.4%. This is relative to current interest rates of almost double that.

- 3.8. The expansion of NLWA's resource is enabling the delivery of corporate excellence, which includes being a resilient organisation, maximising resource utilisation and instilling purpose to everyone involved in the work that NLWA does.

4. RISK REVIEW

- 4.1. The high-level risk register contains 24 key risks. The main themes which the leadership team has picked out are:

- 4.1.1. three risks relate to the risk of failure of the existing 53-year-old energy from waste plant (HLN001, HLN002, HLN022) completely or partially;
- 4.1.2. two risks relating to the procurement and successful commissioning of new facilities (HLN016, 021);
- 4.1.3. three risks relate to the construction/operation interface (coordination of activities during construction and successful operation of the new facilities at forecast cost) (HLN004, 005, 006);
- 4.1.4. seven risks relate to financial/commercial issues (borrowing for NLHPP, creating the right incentives and governance structure in the new waste management contract with LEL and ensuring NLWA's finance systems are used as effectively as possible) (HLN008, 009, 010, 017, 018, 023, 024);
- 4.1.5. two risks relate to successful safety management (HLN012, 025);
- 4.1.6. five risks relate to ensuring that the Authority has the skills, competences and coherence needed in its officer team to respond to future challenges (HLN013, 014, 019, 020, 024);
- 4.1.7. a risk relating to stakeholder management and engagement in NLWA's activities (HLN015); and
- 4.1.8. two risks relating to successful management of assets (HLN007, 022).

- 4.2. The risk register includes two scores. On the left of the table, the score shows the underlying risk on each issue, and on the right of the table, the score shows officers' assessment of the current risk after mitigating actions have been taken. The mitigating actions are described. The risks include some which have been successfully managed for some time – for example continued operation of the existing facility. They also include some where it is important to be acting now but where the risks crystallise at some time in the future – for example transition to new facilities. Where possible officers look to take actions which reduce the likelihood of risks occurring and also which reduce the impact if they do occur. The

risks which currently have the highest post-mitigation scores are those which have been subject to most recent evolution and which require immediate focus to manage them successfully. These are:

- 4.2.1. Risk HLN025: Ensuring sufficient and effective action is taken to promote and assure high health, safety and wellbeing standards in the NLHPP, particularly as construction significantly increases. To mitigate this, NLWA is maintaining and will continue to maintain careful oversight of contractor operations to ensure compliance with safe working practices and standards. NLWA provides comprehensive reports on Health, Safety and Wellbeing (HSW) performance to its senior leadership team and Members. These mitigations reduce the risk probability to 3, while the impact remains at 5, with the risk still assessed as red;
 - 4.2.2. Risk HLN012: Ensuring sufficient and effective measures taken to protect staff, contractors or members of the public against injury. To mitigate this risk, NLWA engages with and monitors the performance of its delivery organisations, understands its legal requirements and ensures that appropriate policies are in place to minimise risk. . Through this mitigation, the probability has been reduced to 1, while the impact is reduced to 3, with the risk now viewed as green – though subject to ongoing focus;
 - 4.2.3. Risk HLN006: The interface between NLHPP and ongoing services might adversely affect the project timetable and/or service to boroughs. In order to mitigate this, NLWA ensures close coordination across all services to avoid disruption to service delivery and project works. NLWA has established a site working group and programme performance meetings to enable cross-coordination. Mitigations in place mean that the assessment is reduced to probability 3, impact 3. As long as the management actions continue, the risk is now viewed as amber. Examples of successful management of the interface include the current offsiteing of waste from the EcoPark which is enabling the project to proceed successfully while maintaining ongoing waste services for boroughs; and
 - 4.2.4. Risk HLN020: Ensuring suitable corporate systems and resources. To mitigate this, NLWA will progress with its mature systems and will also review technology initiatives, projects and products to deliver enhanced Data, Digital and Technology activity, so that the organisation is working with technology in the most effective way. These mitigations reduce the probability to a 3, while the impact remains the same at 3, reducing the assessment to amber.
- 4.3. The high-level risk register is at Appendix A to this report, and the scoring matrix which shows the value of risk impact identified is at Appendix B. The scoring matrix is reviewed from time to time as its function is to ensure that high risks are

correctly identified, and that there is sufficient differentiation between the risks to allow directed management.

- 4.4. The lead risk management officer for NLWA is the Director of Corporate Services. A Risk and Assurance Manager is currently being recruited, who will oversee day to day risk management and lead on the integration of risk registers between NLWA, NLHPP, and LEL.
- 4.5. Members are recommended to note the report and register.

5. EQUALITIES IMPLICATIONS

- 5.1. Equalities implications are taken into account in determining actions to mitigate identified risks. It is especially important that NLWA continues to provide a service which ensures the safe, responsible and effective disposal of waste on behalf of all residents.

6. COMMENTS OF THE LEGAL ADVISER

- 6.1. The Legal Adviser has been consulted in the preparation of this report and has no comments to add.

7. COMMENTS OF THE FINANCIAL ADVISER

- 7.1. The Financial Adviser has been consulted in the preparation of this report and comments have been incorporated.

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APPENDIX A: HIGH LEVEL RISK REGISTER

Risk Number	Risk Description	NLWA Risk Owner	Effect	Category	Assessment			Risk Management			Residual			Date Updated
					Probability	Impact	Rating (R-A-G)	Controls/Mitigations	Date	Actions	Probability	Impact	Rating (R-A-G)	
NLWA - HL012	Ensuring sufficient and effective measures taken to protect staff, contractors or members of the public against injury	Martin Capstick	Risk of injury associated with NLWA conducting our activities, affecting the wellbeing of individuals and the Authority's reputation	Operational	5	5	25	We will continue to engage with and monitor the performance of our delivery organisations, understand our legal requirements and ensure that appropriate policies are in place to minimise risk.	On-going	We will maintain and monitor health & safety policies that cover NLWA, London Energy, and the North London Heat and Power Project, and follow best practice.	1	3	3	14/04/2023
NLWA - HLN022	Existing assets (pre-NLHPP) are old, beyond their expected useful life and repair/maintenance costs are unpredictable	Leon Smith / Nikesh Shah	Risk of increased unbudgeted financial costs and unplanned reliance on supply chain	Financial / Commercial	5	5	25	The Authority has already made legal provisions for existing assets, to create clearer accountability on costs. We are exploring ways of extending the useful lives of our assets to avoid them becoming unfit for purpose.	On-going	It is because of careful financial planning, the Authority was able to provide two non-recurrent windfall payments in the last year of circa £15m, during a cost of living crisis. We will continue to maintain joint operational resilience planning with London Energy, as well as an Asset Management Plan and continuous financial planning.	1	3	3	14/04/2023
NLWA – HLN025	Ensuring sufficient and effective action is taken to promote and assure high health, safety and wellbeing standards in the NLHPP	David Cullen	Risk of injury during the construction process for NLHPP at the EcoPark, affecting the safety and wellbeing of individuals	Operational	5	5	25	We are maintaining careful oversight of contractor operations to ensure compliance with safe working practices and standards demanded by the NLHPP Safety First Programme.	On-going	HSW performance is be comprehensively reported to the senior leadership team and Members, as well as regularly reviewing and updating the HSW manual, which is included in all works contracts to ensure compliance by all parties to the project.	3	5	15	14/04/2023
NLWA - HLN006	The interface between NLHPP and ongoing services might adversely affect the project timetable and/or service to boroughs	David Cullen	The effect could be an unplanned delay to delivery of NLHPP and/or unplanned disruption to waste services at the EcoPark, affecting boroughs	Operational	3	5	15	In order to mitigate this, we are ensuring close coordination across all services to avoid disruption to service delivery and project works. There is a particular focus on NLHPP (the project team), Authority (the future asset owners and future new facility owners), and LEL (the operators of these assets).	On-going	We have established a site working group, regular programme reporting and programme performance meetings to enable an integrated approach to management of the project; involving LEL as operator in the delivery of the programme – ensuring continuity of waste management operations and the required facilities on site as the construction develops.	3	3	9	14/04/2023

Risk Number	Risk Description	NLWA Risk Owner	Effect	Category	Assessment			Risk Management			Residual			Date Updated
					Probability	Impact	Rating (R-A-G)	Controls/Mitigations	Date	Actions	Probability	Impact	Rating (R-A-G)	
NLWA - HLN020	Ensuring suitable corporate systems and resources	Nikesh Shah	Corporate management might not be optimised in HR systems, prompt payment and data management, requiring manual intervention to deliver requirements and inhibiting efficient delivery	HR / People	5	3	15	Following the formation of the Corporate Services directorate, corporate activity has been strengthened. NLWA will progress with its mature systems and will also review technology initiatives, projects and products to deliver enhanced Data, Digital and Technology activity, so that the organisation is working with technology in the most effective way	On-going	We will continue to deliver enhanced Data, Digital and Technology activity, which seeks to ensure that the organisation is working with technology in the most effective way	3	3	9	14/04/2023
NLWA - HLN016	Supply chain failure due to economic and political climate	David Cullen	With over 15 suppliers in NLWA and a small in-house core authority team, this could cause detriment to NLHPP, face unprepared legal issues and potentially reach a sub-optimal treasury approach.	Contractual	3	5	15	We regularly monitor our supply chain and liaise with contractors to understand their pressures. This includes assessing suppliers' costs, ensuring suppliers perform in line with their contracts, ensuring contractual supplier performance, making sure that we're taking commercial advantage of the market and avoiding single points of failure.	On-going	Resilience planning procedures are in place to ensure that our supply chain is robust. Ongoing planning and monitoring of our suppliers in line with contractual expectations.	1	5	5	14/04/2023
NLWA - HLN001	The existing EfW could have a major operational failure, impacting on the life of the plant. This affects LEL's finances and the Authority has to meet substantial extra costs for disposal	Martin Capstick	This would significantly affect LEL's finances and require new disposal routes for very large volumes of residual waste. The Authority would have to meet substantial extra costs for disposal or to support LEL as a going concern	Financial / Commercial	3	5	15	We are continuing to review the operational performance of our facilities, including commissioning regular condition reports on the plant and have adequate plans in place to avoid operational failure.	On-going	It is important for us to have an adequate due diligence in place for large capital assets and some of this includes having appropriate legal provisions and sufficient insurance in place. We will continue to maintain joint operational resilience plan with London Energy, as well as an Asset Management Plan and continuous financial planning. An external report outlining the operational risks of the EfW through to 2030 has been commissioned, assessing the most effective mitigations for these risks and the potential costs involved should they occur.	1	5	5	14/04/2023

					Assessment			Risk Management			Residual			
Risk Number	Risk Description	NLWA Risk Owner	Effect	Category	Probability	Impact	Rating (R-A-G)	Controls/Mitigations	Date	Actions	Probability	Impact	Rating (R-A-G)	Date Updated
NLWA - HLN013	The Authority might not maintain a team with the right skills and resources to cover its evolving responsibilities	Nikesh Shah	The Authority would not have the expertise and skills to respond to new challenges	HR / People	3	5	15	As the Authority transitions new assets into Business as usual in an environment where there are changing governmental policies, it is important for the Authority to mobilise its resources accordingly. We will continue to ensure that we have the right skills to carry out our responsibilities through regularly monitoring organisational capability, using people-related initiatives, and assessing the specialist needs for the service.	On-going	We are delivering an ongoing prioritised HR pipeline, ensure our suppliers are equipping us with the right resources, and will plan for organisational resilience to ensure that we remain a great organisation to work for. There is copious activity being undertaken around hybrid working following the pandemic.	1	5	5	14/04/2023
NLWA - HLN023	Not optimising commercial strategy/income	Robert Sedgman	Not taking opportunity of capacity on our estate / assets	Financial / Commercial	3	5	15	We will continue to take opportunity of capacity on our estate and assets, ensuring that we understand our capacity and develop options for commercial income generation.	On-going	We continue to develop our commercial approach which will outline how best we will optimise the use of our assets.	1	5	5	14/04/2023
NLWA - HLN004	The new energy recovery facility might not meet compliance requirements to gain environmental permit	Euston Ling	This would delay the start of operations of the new facility or mean that it could not operate at full planned capacity. The Authority would seek to ensure that any remedial work risk is transferred to the supply chain.	Regulatory	3	5	15	We will continue to manage our contracts to ensure all work is compliant to requirements, and liaise proactively with the Environment Agency to ensure requirements are correctly followed.	On-going	We will monitor and manage the performance of our engineering, procurement, and construction projects, as well as continue to maintain a close relationship with the Environment Agency as we have done to date on the project.	1	3	3	14/04/2023
NLWA - HLN015	The Authority may not maintain good working relationships with key stakeholders including boroughs	Joe Sheeran	New levels of engagement are necessary at a time where new assets transition into business as usual. This is to ensure coordination across boroughs and other stakeholders.	Partnership & Communication	3	5	15	We will ensure that we share key information across various boards, meetings, and working groups spanning across our stakeholders including the boroughs, residents and tenants that benefit from the heat network making sure that we maintain cohesion between NLWA, partner organisations and key public groups.	On-going	We will continue to operate and keep up to date our framework for engaging with our stakeholders, map out our engagement processes and ensure that NLWA listens to feedback to inform the development of relationships.	1	3	3	14/04/2023

					Assessment			Risk Management			Residual			
Risk Number	Risk Description	NLWA Risk Owner	Effect	Category	Probability	Impact	Rating (R-A-G)	Controls/Mitigations	Date	Actions	Probability	Impact	Rating (R-A-G)	Date Updated
NLWA - HLN019	Lack of organisational resilience	Nikesh Shah	As a small organisation, staff absences and vacancies can impact on planned delivery more than in large organisations.	HR / People	5	3	15	We will continue to ensure we are resilient to staffing issues, through regular people reporting, and reviewing the technology that we work with and the ways in which we work.	On-going	<p>We have a people pipeline in place, which includes regular review where we place attention ensuring we are an inclusive and diverse employer, demonstrated through various recruitment campaigns and more.</p> <p>We will continue to integrate this with our digital activity where appropriate.</p> <p>We will continue to maintain and monitor organisational resilience plans, with a hybrid working strategy currently in development, and accommodation planning throughout 2023.</p>	1	3	3	14/04/2023
NLWA-HLN024	Lack of single capital strategy incorporating asset management plans.	Nikesh Shah	Suboptimal use of future capital investment when new assets transition into Business as usual	Financial / Commercial	2	5	10	A capital management strategy should inform planned developments beyond the North London heat and Power Project.	Ongoing	Ongoing collaboration between the Authority and LEL, in preparation for establishing an effective capital strategy, taking account of future technology options and capacity needs.	1	5	5	14/04/2023
NLWA - HLN007	New (NLHPP) assets could prove more expensive to replace, operate and maintain than planned, affecting the Authority's long term finances	Leon Smith	If the new assets (facilities) are more expensive to replace and maintain than planned, the Authority may need to propose higher than planned levies on boroughs	Financial / Commercial	3	3	9	As we continue to maintain strong financial control in the Authority, we will proactively plan for any capital works revolving around our new assets. In practice this means forecasting future asset costs and benchmark asset maintenance costs to the best of our ability to avoid unplanned additional costs.	On-going	We will agree the implementation of our Asset Assurance Framework as part of the Asset Management Strategy. We will also benchmark accordingly.	1	3	3	14/04/2023
NLWA - HLN002	The existing EfW could have a short term operational failure , causing increased disposal costs for LEL	Michael Clarke	This would be a lesser failure than risk HLN001, but at a sufficiently severe level that it creates the need for Authority financial support for LEL	Financial / Commercial	3	3	9	We are regularly monitoring and reporting on our operational conditions and performance and ensuring that adequate plans are in place to avoid failure.	On-going	We will continue to maintain joint operational resilience planning with London Energy, in alignment with the Asset Management Plan and financial planning. An external report outlining the operational risks of the EfW through to 2030 has been commissioned, assessing the most effective mitigations for these risks and the potential costs involved should they occur.	1	3	3	14/04/2023
NLWA - HLN005	Transition process to operate new facilities may not be well managed across a number of partners and suppliers	Michael Clarke	This could lead to a loss of service and/or capacity while problems are rectified. This has financial and reputational consequences.	Operational	3	3	9	As we continue to work effectively in collaboration with London Energy Ltd and our suppliers, we have regular monitoring discussions on transition and planning. We will ensure a smooth transition process to new facilities,	With respect to the opening of each facility	Whilst the risk of this nature is rarely ever eliminated, our ongoing operational readiness planning for the new facilities has minimised significantly.	1	3	3	14/04/2023

					Assessment			Risk Management			Residual			
Risk Number	Risk Description	NLWA Risk Owner	Effect	Category	Probability	Impact	Rating (R-A-G)	Controls/Mitigations	Date	Actions	Probability	Impact	Rating (R-A-G)	Date Updated
								avoiding loss of service through adequate acceptance, operational and workforce plans upon project handover.						
NLWA - HLN009	New LEL contract might not provide the right incentives and governance structure to operate in the best interests of north London	Michael Clarke	Contractual provisions could prevent us securing the maximum benefits from having owner and operator within the same group. This could include introducing imperfect incentives for LEL to operate effectively and/or poor risk allocation affecting decisions on future waste disposal management	Financial / Commercial	3	3	9	We are ensuring the performance of our contracts is well managed through incentives and regular monitoring. The operation of the current contract has facilitated the provision of windfall payments to boroughs.	On-going	Delegated approval has been given to implement an operating contract for new facilities with LondonEnergy which allocates risk between organisations in a way that they are best able to manage and provides for the operator to develop proposal to optimise use of the assets	1	3	3	14/04/2023
NLWA - HLN021	Changing technology on waste	Michael Clarke	Not capitalising on innovations in waste management to maximise effectiveness and value for money.	Political / stakeholder	3	3	9	We will continually assess technological advancements in waste management to ensure high performance. We will also keep up to date with costs and performance of new technologies.	On-going	Work is currently underway with technical advisors to develop a carbon capture and storage programme to be an early implementer amongst EFW plants. We will develop the new North London Joint Waste Strategy which will set the authority's ambitions leading up to 2040. We will also maintain an Asset Management Plan and review emerging technologies on an ongoing basis.	1	3	3	14/04/2023
NLWA - HLN014	The Authority leadership may not drive strong enough integration between teams and with LondonEnergy Ltd, based on a clear direction to anticipate future challenges	Nikesh Shah	If strong internal cohesion is not maintained in the Authority, there is a risk of inconsistent assumptions and lack of alignment between teams; and the same applies if there is no effective coordination with LEL. This could particularly affect construction/operation liaison, and preparation for transition to new facilities	Strategic	3	3	9	Our strength as an Authority is that we operate a "one-team" dynamic whether we are dealing with our suppliers, our partners or our in house staff. We will maintain strong cohesion between us and our partners, assessing the relationship between the Authority and London Energy, managing our stakeholders, regularly discussing with our Senior Leadership Team and ensure closer physical working with London Energy.	On-going	We will continue to deliver and maintain improvement plans between us and London Energy, with financial improvements and scoping wider improvements.	1	3	3	14/04/2023

					Assessment			Risk Management			Residual			
Risk Number	Risk Description	NLWA Risk Owner	Effect	Category	Probability	Impact	Rating (R-A-G)	Controls/Mitigations	Date	Actions	Probability	Impact	Rating (R-A-G)	Date Updated
NLWA - HLN008	Borrowing to fund NLHPP might not managed to obtain the best terms and/or boroughs lose confidence in Authority financing plans	Nikesh Shah	The Authority would pay more than necessary for services, putting pressure on borough finances and affecting boroughs' confidence in the Authority	Financial / Commercial	3	3	9	From borrowing approximately two thirds of the NLHPP capital funding requirement, at an average rate of 2.4% we will continue to achieve strong financing minimising future borough levy payments. We will manage necessary borrowing effectively to obtain the best terms, avoiding paying more than necessary for services and loss of confidence from boroughs.	On-going	We continue to evolve our financial plans, and this includes updating our borrowing strategy.	1	3	3	14/04/2023
NLWA - HLN010	Financial management systems may not be used in a way which supports the effective running of the business	Paul Gulliford	The Authority might not maximise the use of developments in Camden's financial services to provide improved management information, prompt payments of invoice and strengthening of existing protections against fraud	Financial / Commercial	3	3	9	We will ensure effective use of our financial management systems, maximise the use of Camden's financial services to provide improved management information and strengthen fraud protection. We will do this through liaising with Haringey and Camden IT, setting an action plan for enhanced management information, and conduct Internal Audits to support continuous improvement in processes and assurance.	On-going	We will continue to use Camden's Financial Management Strategy, as well as maintain our own Data Management Strategy to maximise effective use of information.	1	3	3	14/04/2023
NLWA - HLN018	Not being able to demonstrate value for money	Nikesh Shah	Negative political press that could lead to impediments in BAU / NLHPP. This could also create future audit issues.	Political / stakeholder	3	3	9	We will continue to demonstrate value for money through communicating our achievements and progress, assessing value for money on our work and projects, assessing future commercial opportunities, and demonstrating competitive procurement.	On-going	We will continue to evolve our communications plans, as well as annual operational planning, commercial strategies, and value for money assessments on our work.	1	1	1	14/04/2023
NLWA - HLN017	Economic pressures drive down resources available to NLWA.	Nikesh Shah	Deliverability of NLWA's priorities	Political / stakeholder	1	5	5	We will continue to manage economic and political pressure on our resources through regular operational reporting, scope management and risk management, ensuring the deliverability of our priorities.	On-going	We will maintain operational plans on an annual basis, with evolving risk management processes.	1	1	1	14/04/2023

APPENDIX B: SCORING MATRIX

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Scoring	
High	15 - 25
Medium	5_ 14
Low	0 - 4

	= High Priority
	= Medium Priority
	= Low Priority

Scoring Matrix					
IMPACT	H	5	5	15	25
	M	3	3	9	15
	L	1	1	3	5
		1	3	5	
		L	M	H	
Probability					

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The scoring matrix is currently under review pending further integration of risk management with London Energy Limited.