

HSP Risk Policy (updated Feb 2023)

Introduction

A key requirement of the Partnership's governance is to regularly review the risks faced by the Partnership and the mitigation measures taken to reduce the identified risks.

We are required to:

- Have a "live" risk register and a risk strategy/clear approach to dealing with risk.
- Ensure the Board is actively involved in risk management and that we can demonstrate that there is a link between managing risk and business improvement.
- Be able to evidence mitigation measures to reduce or remove identified risks.

By managing these risks, we will:

- Improve decision making, planning and prioritisation.
- Allocate resources more efficiently.
- Anticipate what might go wrong, minimising the amount of firefighting or preventing a disaster or serious financial loss.
- Improve the probability of delivering the Annual Delivery Plan on time and to budget.

The Process

Our risk management process involves:

- Identifying the risks – list, assess, map and score.
- Manage the risks – accept, modify (take more or less risk) or eliminate it altogether, decide what risks can be controlled.
- Create a "risk log" – the risk log in relation to a specific activity or plan, lists all the identified risks and the result of their analysis and evaluation. Information on the status of the risk is also included. These details can then be used to track and monitor their successful management.
- Periodic review – all risks will be reviewed quarterly by the SLT, and 6 monthly by the Board.

Adoption of new risk register template

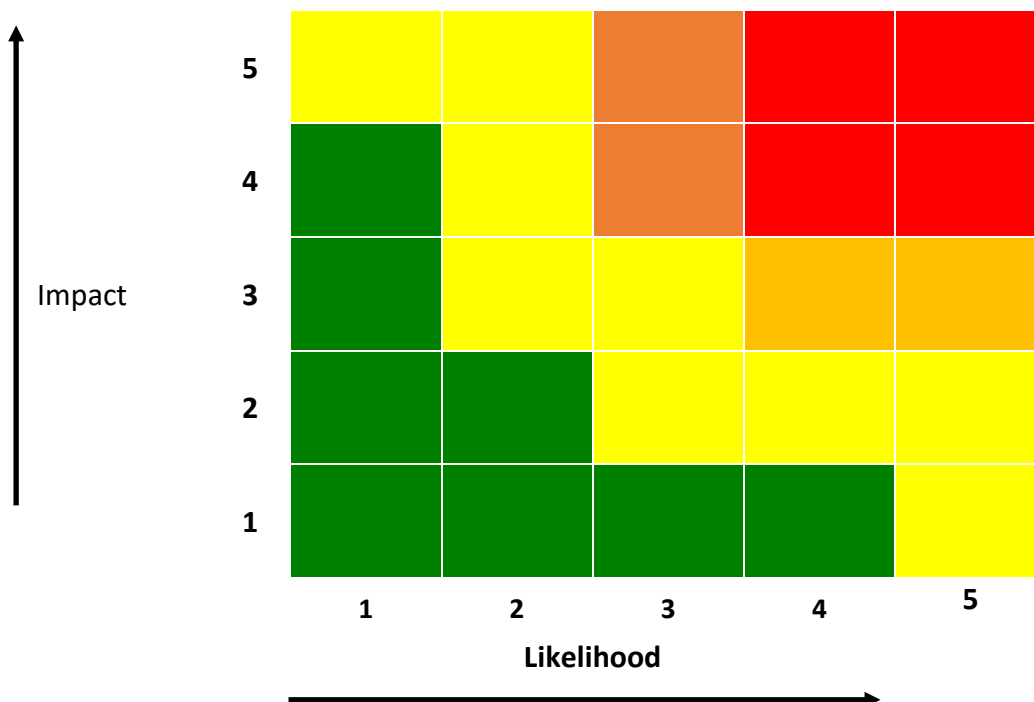
At the September 2018 Board meeting Members agreed to adopt the risk register template used by departments across the university. This replaced the template that was previously used and brings the Partnership in line with the university's approach to managing risk.

The risks are categorised into four headings. These are:

- **Strategic** – risks associated with operating in the sport, physical activity and active recreation sector.
- **Compliance** - risks associated with the need to comply with laws and regulations. They also apply to the need to act in a manner which funding partners and customers expect. For example, by ensuring that proper corporate governance is in place.
- **Financial** - risks associated with the financial structure of Herts Sports Partnership, the transactions it makes and the financial systems in place.
- **Operational** - risks associated with Herts Sports Partnership operational and administrative procedures, such as ensuring robust child protection procedures.

The risk scoring is detailed below. Scores of 1 – 5 are given for the likelihood of the risk and the impact of the risk. The new template requires a gross risk score to be entered (the score given if there were no mitigation measures in place) and a residual risk score (the risk after mitigation measures are taken). In most cases, the residual score is lower than the gross score, but a small number of risks have the same gross and residual scores because the mitigation measures alone cannot reduce the score.

A summary of the residual risks can be seen on the matrix below:



Matrix key

Likelihood

- 1 Little chance
- 2 Some possibility
- 3 Strong possibility
- 4 Probable
- 5 Dead cert

Impact:

- 1 Virtually no impact
- 2 Some limited disruption
- 3 Noticeable effect
- 4 Significant disruption
- 5 Critical

Residual scores

- 1 – 4 (green) = Low
- 5 – 10 (yellow) = Medium
- 12 – 15 (amber) = High
- 16 – 25 (red) = Significant