



Annex C: York UKSPF Programme Risk Register

Project: UK Shared Prosperity Fund Programme									Date: 2 nd August 2023		
No.	Risk Title (event)	Risk Detail (cause)	Implications (consequence)	Risk Category	Risk Owner	Gross Score (before mitigating action has taken place)	Gross Rating	Controls	Net Score (assessment of the risk at the current level present time)	Net Rating	Actions - (Owner Due Date Priority)
1	A business / VCS is awarded a contract when they are already liquidated or dissolved	Business receives funds for which they are ineligible	Financial loss and reputational damage	01 – Governance and Management, 09 – Data Quality, 10 - Reputational	CYC	18		In line with criteria set out by DHLUC in their Global Fraud Risk Assessment, each UK SPF project applicant will submit a risk assessment. Creditsafe and Companies House/Charities Commission due diligence checks are carried out for each applicant organisation at appraisal. Each supplier is vetted by Procurement, either via a new or previous 'New Supplier' form. Project delivery issues may be identified at the	13		

								regular programme update meetings and in scheduled reports. Project payments a phased to avoid all funding being received by the supplier at the start of the project and can be withheld if the scheduled reports are not on target. Various liabilities insurances are supplied to cover this eventuality. The signed and sealed Funding Agreement outlines the consequences of the supplier and rights of recourse for the Council in the event that project parameters are not adhered to. As many checks are possible are carried out, but the risk of this happened can never be ruled out.		
2	Business bids for a contract and then they become	They receive funds for which they	Financial loss and reputatio	01 – Governan ce and Managem		22		Same mitigations as (1) – ongoing checks will be carried out and	14	

	liquidated or dissolved during the funding period and they do not notify the LA	are not eligible	Financial loss and reputational damage	01 – Governance and Management, 10 - Reputational				funding only released on receipt of evidence of services delivered, but the risk of this occurring can never be ruled out.			
3	A business bids for a contract and becomes liquidated/dissolved and then re-establishes as a new company (Phoenix Fraud)	They receive funds for which they are not eligible	Financial loss and reputational damage	01 – Governance and Management, 09 – Data Quality, 10 - Reputational	CYC	18		Same mitigations as (1). Also unlikely due to the short timescale of the UK SPF national programme and the Veritau Fraud-approved counter-measures in place for appraisal, company vetting gateways and management of the Programme in York	8		
4	A business may have financial difficulties and therefore not deliver products or complete services as expected	The business receives UK SPF monies that are diverted to pay debts	Financial loss and reputational damage	01 – Governance and Management, 10 - Reputational	CYC	19		All mitigations in place as per (1), but with emphasis on scheduled, evidenced reporting is required before funds are authorised for release, which is done in phases	9		
5	A business could receive	Business receives		01 – Governance	CYC	14		Non-duplication of funding is one of	9		

	<p>funding via other schemes for the same service or funding provided by other government departments</p>	<p>funds for which they are ineligible</p>		<p>ce and Management, 05 – Competition and Procurement, 08 – External, 09 – Data Quality, 10 - Reputational</p>				<p>the gateway criteria checks for applicants. All match funding is declared, and the Funding Agreement clearly sets out the consequences of this. Mitigations align with DLUHC risk advice.</p>			
6	<p>A business provides inaccurate information to secure a contract</p>	<p>Falsifying qualifications or past performance references, including false certifications and defective pricing (failure to disclose accurate, current and complete pricing data)</p>	<p>Lack of transparency, reputational and financial risk and not providing value for money</p>	<p>01 – Governance and Management, 09 – Data Quality, 10 - Reputational</p>	<p>CYC</p>	<p>19</p>		<p>Thorough application/ applicant due diligence is carried out, including social media footprints and news reports to corroborate information supplied. Creditsafe checks are undertaken on all applicants to establish track record and financial health. Certificates and references to do no constitute the evidence required from applicants. Best Value forms are</p>	9		

								completed for each successful project.		
7	A business provides an intentionally low bid	Additional costs are added post-award	Financial loss and lack of value for money	04 – Financial and efficiency	Applicant	1		This is not possible. An applicant applies for a set amount which is non-negotiable post-award. Any further costs accrued are the responsibility of the applicant, and if this impacts the deliverability of the project, the relevant sanctions, as outlined in the Funding Agreement, will be applied	1	
8	A business and/or LA employee collude to influence a Procurement Panel	Specific supplier selected	Reputational and financial risk and not providing value for money	01 – Governance and Management, 10 - Reputational	CYC	8		Highly unlikely. Each application must be appraised, individually and alone, by several officers, some from random teams supporting the Programme using a scoring matrix. Final responsibility for awarding funding taken by the head of service, and then signed off by a	1	

								Corporate Director based on separate, transparent appraisal considerations. Very difficult to engineer a route whereby appraisal outcomes could be skewed in favour of an applicant based on strict scoring criteria and a random allocation to an officer. Corporate conduct policies apply.		
9	A business provides low quality goods or services and bill for high-quality	Potential for sub-standard, used, counterfeit products for example or Defective Manufacturing - knowingly providing a product that was not manufactured as required under the	Health and safety risk, reputational damage and financial loss	01 – Governance and Management, 03 – H&S, 10 - Reputational	CYC and applicant	2		Highly unlikely as the majority of projects are to supply services rather than goods. There is no route to bill for further funding, the applicant will receive only the project amount agreed. The service delivered requires evidence for reporting, and funding may be withheld if this is	1	

		terms of the contract						unsuitable or lacking			
10	A business charges for goods or services that were not provided at all (cost-plus contracts could be especially vulnerable)		Financial loss and not providing value for money	01 – Governance and Management, 04 – Finance and Efficiency, 10 - Reputational	CYC	1		Highly unlikely. There is no scope for additional business charges as applicants are awarded a single amount of funding. Funding Agreements are not cost-plus contracts for this Programme. CYC as the lead authority has the power to refuse payments if there are any signs of abuse of funding.	1		
11	A business deliberately inflates project costs such as invoices: quantity of goods/services, additional lines added, 'consultancy fees'.	Time and materials contracts might be especially vulnerable to this, as would cost-plus contracts	Financial loss and not providing value for money	01 – Governance and Management, 04 – Finance and Efficiency, 10 - Reputational	CYC	8		As per entry (10)	3		
12	A third party (e.g. to a quantity	Sub-standard work is	Financial loss and health	01 – Governance and	CYC	8		Whilst not impossible, this is highly unlikely as	3		

	surveyor) responsible for monitoring work accepts a bribe to sign-off substandard work	carried out unchecked	and safety risks	Management, 03 – H&S, 04 – Financial and Efficiency, 10 - Reputational				the majority of UK SPF Programme projects are services and not goods. Each phase of delivery will need to be properly evidenced before the ensuing tranche of funding can be released. Should a third party be introduced, rigorous due diligence checks would be undertaken.		
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