

CULTURE PERTH & KINROSS

Organisational Risk Profile October 2021

DOCUMENT VERSION CONTROL			
Version Number	Date Issued	Author	Updated Action / Risk Information
1.0	17.05.2017	Kenny McWilliam	First published version
1.1	25.05.2017	Kenny McWilliam	Revision to Cybersecurity and Terrorism risk
2.0	07.06.2017	Kenny McWilliam	Revision to Operational (Equalities Risk 16) risk in Line with PKC Annual Governance Review - increase scoring to Moderate
2.1	26.08.2017	Kenny McWilliam	Version control added. Fundraising (risk 8) increased due to vacant post
2.2	22.01.2018	Kenny McWilliam	<p>Adjustment to Risk Tolerance Matrix box to reflect lower risk.</p> <ul style="list-style-type: none"> • Risk 7 - Reduced to a Moderate / Unlikely • Risk 8 - Reduced to a Moderate / Possible • Risk 9 - Reduced to a Moderate / Unlikely • Risk 26 - Reduced to a Minor / Unlikely <p>The following Risks categorised differently</p> <ul style="list-style-type: none"> • Risk 7 - Changed from Operational to Environmental/ External • Risk 9 - Changed from Operational to Environmental/

			External
2.3	20.02.2018	Kenny McWilliam	<ul style="list-style-type: none"> • Risk 2 - Adjusted to Implementation of revised organisational structure • Risk 4 - Contract Risk changed from Operational to Governance. Increased to Possible / Major • Risk 5 - Use of Resources Increased to Possible / Moderate • Risk 8 - Fundraising Increased to Possible / Major • Risk 10 - Employment Issues increased to Possible / Moderate • Risk 12 - Health and Safety increased to Possible / Moderate • Risk 14 - Procedural and systems documentation increased to Possible / Major • Risk 17 - Public Programme Delivery - Increased to Possible / Major • Three new risks added
2.4	11.06.2018	Kenny McWilliam	<p>Risks have been reordered to group types of risk together; numbering has changed as a result.</p> <p>The risk owners have been adjusted where relevant to reflect the recent restructure of posts and Management Teams.</p> <p>The following risk scores have been adjusted to correctly match the risk rating:</p> <ul style="list-style-type: none"> • Risk 1 - Adjusted to risk score 6 • Risk 2 - Likelihood adjusted to Possible • Risk 3 - Adjusted to risk score 4 • Risk 7 (old Risk 8) Adjusted to risk score 6 • Risk 17 -(old Risk 16) Likelihood adjusted to Unlikely
2.5	06.01.2019	Kenny McWilliam	<p>Addition of 2 new risks:</p> <ul style="list-style-type: none"> • Risk 31 Budgetary Reductions – listed as Major • Risk 32 No Deal Brexit Implications – listed as Moderate <p>Changes to existing Risks:</p> <ul style="list-style-type: none"> • Risk 2 Name of Risk changed to Management Structure Change - potential impacts and controls remain the same • Risk 15 Procedural and systems documentation – reduced risk to Moderate • Risk 19 Budgetary Control and Financial Reporting – Close Risk <p>Renumber risks (from 19 onwards to reflect closed risk)</p>
2.6	15.10.2019	Kenny McWilliam	<p>Risk 31 No Deal Brexit Implications – change Risk to Brexit including No Deal implications as part of Risk. Risk listed as Major. Interdependent Risks listed which may be affected.</p>
2.7	25.03.2020	Kenny McWilliam	<ul style="list-style-type: none"> • Risk 14 –. This has been elevated to a Critical Risk as a result of the Coronavirus outbreak disrupting most operational delivery. • Risk 22 Closure of Facilities through PKC Budgetary process and Risk 30 – Budgetary reductions have been merged to one – Risk 22 • Numbering of subsequent risks has been adjusted accordingly
2.8	12.10.2020	Kenny McWilliam	<ul style="list-style-type: none"> • Risk 14 – additional mitigation steps: Emergence plan implemented, revised lockdown protocols/ Business Continuity procedures. Additional resources procured for homeworking

			<ul style="list-style-type: none"> • Risk 20 – Trading activity limited due to limited footfall. Café currently closed to public, reopening in November 2020 • Risk 22 – Coronavirus outbreak limits number of venues able to open and use of Mobile Libraries. PKC Fee may be further reduced than original forecast for 2021/22 • Risk 2 – Head of Museums left in July at end of fixed term contract. Acting up arrangements in place, but further reduction in Senior Management capacity.
2.9	18.1.2021	Kenny McWilliam	<ul style="list-style-type: none"> • Risk 11 – Furlough scheme may incur fines if procedures are not followed. This also affects Risks 22 and 27
2.10	30.06.2021	Kenny McWilliam	<p>No new risks identified. Minor changes to mitigation steps:</p> <ul style="list-style-type: none"> • Risk 2 – Management restructure process to begin July 2021 • Risk 10- Cyber insurance procured • Risk 11 – Risks from furlough compliance removed • Risk 18 – New Public Programming Officer now in place • Risk 20 – Review of Trading Company activity to be undertaken • Risk 22 – SLA to be agreed and Library Review to be undertaken
2.11	10.10.2021	Kenny McWilliam	<p>No new risks identified. Minor changes to mitigation steps:</p> <ul style="list-style-type: none"> • Risk 20 – Review of Trading Company activity to be undertaken • Risk 22 – SLA to be agreed and Library Review to be undertaken • Risk 26: Collections Insurance <p>Changes to Risk owners to reflect Management restructure</p>

INTRODUCTION

This profile identifies the key risks faced by Culture Perth and Kinross (CPK). The risks identified have the potential to disrupt the achievement of CPK's strategic and operational objectives. CPK will use risk management to take better informed decisions to ensure it achieves its objectives.

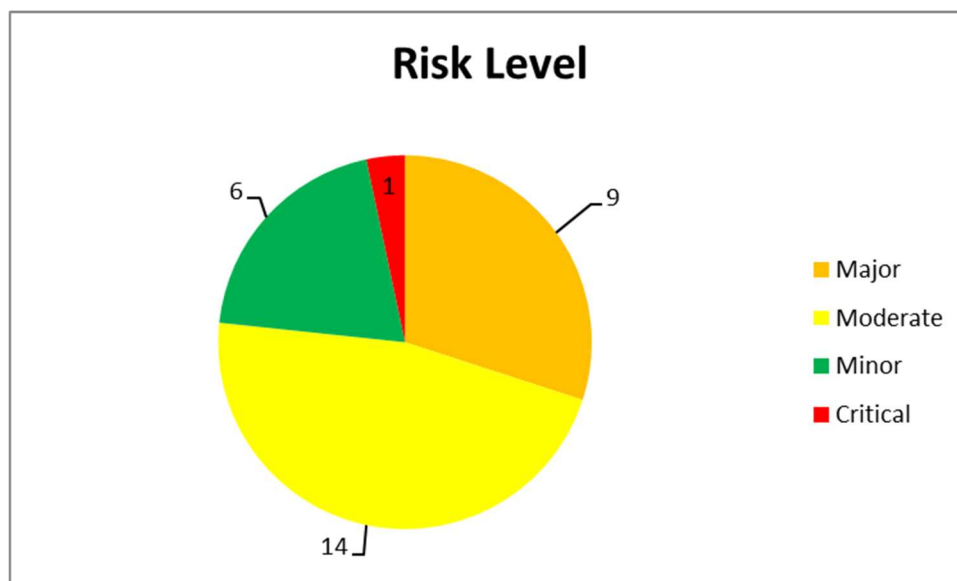
This document sets out a risk framework based on the Charity Commission's guidance *Charities' and Risk Management* to identify potential risk areas, their impact and mitigation.

Section 1 of this document sets out the key summary of risks and updates since the last version.

Section 2 provides the full register of risks identified with detail of the methodology, scoring, reviewing and reporting processes which are undertaken.

SECTION 1: Overall Risk Summary

The overall risk profile for CPK is moderate to high as a result of the overall financial and governance risks linked to income and the impact this may have on operational delivery. Version 2.7 of the risk profile contains 30 open risks.



There are 9 major risks and 1 critical risk identified, these are:

Risk	Mitigation
Risk 4: There is a risk to Independent decision making affected by PKC.	<ul style="list-style-type: none"> • SLA reviews and documentation • Performance Monitoring • Liaison Meetings
Risk 5: There are risks associated with a proposed Single Trust that PKC are exploring for Cultural Trusts.	<ul style="list-style-type: none"> • Governance process with PKC • Trust review process
Risk 9: There is a risk that fundraising activities do not provide satisfactory returns.	<ul style="list-style-type: none"> • Fundraising Strategy in place • Donations and other forms of unrestricted funds prioritised
<p>Risk 14: There is a Critical risk from the Coronavirus outbreak that disaster and recovery planning is not suitable and sufficient to protect the business, collections and buildings.</p> <p>If fully realised, this may have effect on all risks and specifically the following risks:</p> <p>Risk 7: Security of Assets</p> <p>Risk 11: Employment issues</p> <p>Risk 13: Health & Safety</p> <p>Risk 18: Public Programme Delivery</p> <p>Risk 19: Reserves</p> <p>Risk 20: Trading Activities</p> <p>Risk 21: Compliance with grant funder requirements</p> <p>Risk 22: Budgetary Reductions</p>	<ul style="list-style-type: none"> • Disaster recovery plan in place including specific collections recovery plan • Business Continuity Scenarios enacted • Revised Lockdown protocol in place • Insurance cover reviewed • Contractual arrangements with Perth and Kinross Council (PKC) reviewed • Additional IT tools for homeworking procured, minimising number of staff working on site • Employment Rights and Guidance updated as advised by Law at Work • Security and Asset management control agreed with Perth and Kinross Council • Staff communication processes updated, maintaining contact and ensuring key information is shared and available • Implement systems for restricted funds • Agree budget control, monitoring and reporting arrangements • Update and check grant funder restrictions and timescales • Communicate with customers and funders • Ensure good quality reporting of Trust's activities and financial situation • Marketing/ Public relations training/ procedures • Review compliance procedures for VAT, PAYE,

Risk	Mitigation
<p>Risk 25: Collections Insurance</p> <p>Risk 26: Compliance with legislation</p>	<p>Financial Year end etc.</p>
<p>Risk 18: There is a risk that the Public Programme Delivery is insufficient and does not achieve the income targets and expected visitor numbers.</p>	<ul style="list-style-type: none"> • Review of Project Management processes • Review of Programming Group
<p>Risk 20: There is a risk Trading Activities do not meet income targets, leading to resources being withdrawn from key objectives.</p>	<ul style="list-style-type: none"> • Monitor and review business performance and return • Ensure adequacy of budgeting and financial reporting within trading budget • Trading company targets reduced due to limited offering as a result of Coronavirus on venues.
<p>Risk 22: There is a risk that PKC service fee reduces, and additional internal budgetary pressures from staff cost increases, transport and goods costs and inflationary pressures.</p>	<ul style="list-style-type: none"> • Governance process with PKC • Budgetary review process – revised Emergence plan in place • Use accurate costing procedures for product or service delivery • Agree procedures to review and action budget/cash flow variances and monitor and control costs • Regularly review reserves • Link budgets to business planning and objectives
<p>Risk 25: There is a risk that CPK’s contribution to the Collections moves do not meet deadlines leading to delays in major projects.</p>	<ul style="list-style-type: none"> • Documented systems and project plans • Regular progress reports and monitoring meetings • Procedural framework in place for meetings and recording decisions
<p>Risk 30: There is a risk that Brexit (or a No Deal Brexit) directly affects the supply of goods and timing of deliveries and may increase the costs of goods and services and drive up inflationary costs. In addition, there may be additional delays, checks and licensing for Collection items currently on loan, or future requests for loans. If fully realised, this may have effect on the following risks:</p> <p>Risk 19: Reserves</p> <p>Risk 20: Trading Activities</p> <p>Risk 22: Budgetary Reductions</p> <p>Risk 26: Collections Insurance</p> <p>Risk 27: Compliance with legislation</p>	<ul style="list-style-type: none"> • Increase Operating Reserves • Regularly review and monitor key supply chains • Guidance from DCMS and Museums Association for Collection Loans • Following advice and guidance from professional bodies, sharing information and best practice • Briefing and guidance information for staff • Advice and Guidance from Insurers

Amended Risks since last report

Minor changes to Mitigation steps for **Risk 20:** Trading Activities, **Risk 22** - Budgetary Reductions and **Risk 26:** Collections Insurance

New Risks since last report

None

Closed Risks since last report

None

Risks have been reordered to group types of risk together; numbering has changed as a result. The risk owners have been adjusted where relevant to reflect the recent restructure of posts and Management Teams.

SECTION 2: Risk Register

Culture Perth and Kinross is committed to ensuring that the management of risk underpins all activities of the organisation, thus safeguarding against the following:

- Poor service quality;
- Financial loss;
- Waste;
- Injury and / or death to staff, volunteers or visitors;
- Damage to CPK's reputation;
- Damage to or loss from the collections; and
- Damage to relationship with stakeholders.

Notwithstanding the above, CPK recognises that the application of risk management practices should not seek to eliminate all risk exposure, except that which is considered too high for the organisation.

Responsibility for Managing Risk

The **Scheme of Delegation** sets terms of reference or role and remit which support the governance of Culture Perth and Kinross Limited. The specific roles of the following groups in relation to Risk Management are summarised below:

The Board of Directors are responsible for all governance systems, including risk management systems, and will review the Risk Management framework, relevant Risk Registers and the risk implications of decisions as appropriate.

The Chief Executive and Head of Operations and Support Services are the responsible officers with regard to managing risk as set out in the Scheme of Delegation. They will monitor and where necessary report further on risk management initiatives and activities to ensure suitable accountability and effective implementation to the Board. The Board of Directors shall support the Chief Executive and Head of Operations and Support Services in implementing this.

The Finance and Resources Committee is charged with assessing the on-going effectiveness of risk management controls, including the quality of assurance provision. This Committee will highlight relevant concerns surrounding weaknesses in risk arrangements and internal controls to Board and/or Chief Executive as necessary. The Organisational Risk Register will be considered as part of the Review of Governance Systems to inform the production of Annual Governance Statement.

The Executive Management (ExecMT), Senior Management Team (SMT) and Extended Management Team (EMT) have delegated accountability to manage the risks relevant to their remit. They are expected to champion risk management, using it to help ensure that CPK learns from past experience and build an understanding of the most cost-effective risk control actions.

Managers and staff at all levels within CPK have an important role to play in identification, assessment, addressing and reporting of risks within their work areas. They also have a role in identifying the need for the escalation and reduction of risks and reporting this to their line manager.

Reviewing and Reporting Risks

All Risk Registers will be reviewed at appropriate time intervals (a minimum of twice a year).

Managers with risks scoring high on impact and likelihood need to discuss the risk with their senior manager and consider escalation to the Strategic Risk Register. The outcome of the Strategic Risk Register reviews will be incorporated as appropriate within reports to the Board and reported to the Finance and Resources Committee twice a year.

Key risks will be discussed and communicated at relevant 1:1 meetings, management team meetings and escalated as necessary. The risk management process is a continuous and developing process. It addresses the risks surrounding the organisation's activities.

Separate reporting arrangements regarding Health & Safety reporting are set out in **Health & Safety Policy**.

Risk Profile

This document sets out a risk framework based on the Charity Commission's guidance *Charities' and Risk Management* to identify potential risk areas, their impact and mitigation.

This list is intended to be an indication of some of the main areas of risk that need to be considered by trustees. Some risks will fall into more than one category.

The risks are classified as follows:

- Governance
- Operational
- Financial
- Environmental or external
- Compliance (law or regulation)

Major Risks Identified

The Major Risks Identified for CPK are in the following areas:

- Financial – Risks for Income and Budgetary Control
- Operational – linked to major disaster/ security incidents
- Operational – Programming and Collections move

The process of risk analysis and scoring is explained below:

Risk Analysis

A Risk Matrix is a tool used in the Risk Assessment process; it allows the severity of the risk of an event occurring to be determined by considering impact and probability.

Impact Scale 1 – 5

We measure the inherent risk in terms of the impact it would have if it does materialise and the probability (likelihood) of it actually occurring. A scale of 1-5 is used to determine the level of impact and probability.

Probability Scale 1-5

Probability	Description
1. Rare	The event may occur only in exceptional circumstances
2. Unlikely	The event is not expected to occur
3. Possible	The event might occur at some time
4. Likely	The event will probably occur at least once
5. Almost Certain	The event will occur in most circumstances

Identifying Service Key Risks

Once the level of risk is established the risks can be placed on a risk prioritisation matrix to help identify CPK's key risks. This is done by multiplying the Impact X Probability and plotting the score on the Risk Profile Matrix below. By doing this we are effectively identifying our level of risk appetite. Risk appetite is the level of risk that an organisation is willing to tolerate.

The Risk Tolerance Line is the black line running through the matrix below; where risks fall above this line they should be included in the Operating Plan and / or Risk Profile and controlled at a Service level.

To calculate the level of risk take the Impact X the Probability, e.g.:
Probability of **4** (Likely) X Impact of **3** (Moderate) = a risk score of **12**

I M P A C T	5. Critical	5	10	15	20	25
	4. Major	4	8	12	16	20
	3. Moderate	3	6	9	12	15
	2. Minor	2	4	6	8	10
	1. Insignificant	1	2	3	4	5
		1. Rare	2. Unlikely	3. Possible	4. Likely	5. Almost certain
PROBABILITY						

The following table identifies the key risks for the organisation and the mitigating actions in place to manage these.

Risk No	Risk Category	Risk Name/ Description	Potential Impact	Controls	Likelihood	Risk Rating Level	Risk Score	Risk Owner
1	Governance	The charity lacks strategic direction, strategy and forward planning	<ul style="list-style-type: none"> The charity drifts with no clear objectives, priorities or plans Issues are addressed piecemeal with no strategic reference Needs of beneficiaries are not fully addressed Financial management difficulties Loss of reputation 	<ul style="list-style-type: none"> Strategic Operating plan created which sets out key aims, objectives and policies Financial plan and budgets created Service plans created with clear targets Financial monitoring and operational performance monitored through KPI's Directors and Operators Insurance Cover 	UNLIKELY	MODERATE	6	Chief Executive / Executive Management
2	Governance	Management Structure Change	<ul style="list-style-type: none"> Lack of information flow and poor decision-making procedures Remoteness from operational activities Uncertainty as to roles and duties Decisions made at inappropriate level or excessive bureaucracy 	<ul style="list-style-type: none"> Organisational chart created with clear understanding of roles and duties Revised Scheme of delegation in place and consistent with constitutional and legal requirements Revised, roles and responsibilities Monitoring process in place 	POSSIBLE	MODERATE	9	Executive Management
3	Governance	Reporting to trustees (accuracy, timeliness and relevance)	<ul style="list-style-type: none"> Inadequate information resulting in poor quality decision making Failure of trustees to fulfil their control functions Trustee body becomes remote and ill informed 	<ul style="list-style-type: none"> Strategic planning, objective setting and budgeting processes in place Timely and accurate performance reporting Timely and accurate financial reporting Regular review of plans and authorisation procedures Regular contact between trustees and senior staff/ managers 	UNLIKELY	MINOR	4	Senior Management Team

Risk No	Risk Category	Risk Name/ Description	Potential Impact	Controls	Likelihood	Risk Rating Level	Risk Score	Risk Owner
4	Governance	Contract risk Independent decision making affected by PKC	<ul style="list-style-type: none"> • Onerous terms and conditions • Additional Budgetary pressures from PKC services • Budgetary decisions by PKC effecting CPK services and facilities • Liabilities for non-performance • Non-compliance with CPK's charitable objects • Unplanned subsidy of public provision • Loss of reputation 	<ul style="list-style-type: none"> • Scheme of delegation in place and consistent with constitutional and legal requirements • Performance monitoring arrangements in place • Insurable risks cover in place • SLA in place and reviewed annually 	POSSIBLE	MAJOR	12	ExecMT
5	Governance	Single Trust development by PKC	<ul style="list-style-type: none"> • Major reorganisation of charities structure, objectives priorities and plans • Trustees unable to fulfil their control functions • Resources and energy diverted from core activities • Impact on morale of staff • Reputational Risk 	<ul style="list-style-type: none"> • Governance process with PKC • Budgetary review • Participation and engagement in PKC review process • Preparation and reporting of all relevant performance data and trends analysis • Information updates at Staff network sessions and ongoing communication 	POSSIBLE	MAJOR	12	SMT / CPK Board
6	Operational	Capacity and use of resources including tangible fixed assets	<ul style="list-style-type: none"> • Underutilised or lack of building/ office space • Plant and equipment obsolescence impacting on operational performance 	<ul style="list-style-type: none"> • Building and plant maintenance inspection programme • Repair and maintenance programme in place • Efficiency reviews 	POSSIBLE	MODERATE	9	Head of Operations and Support Services / Extended Management Team
7	Operational	Security of Assets	<ul style="list-style-type: none"> • Loss or damage • Theft of assets 	<ul style="list-style-type: none"> • Review of security arrangements 	POSSIBLE	MODERATE	9	SMT / Head of Operations and Support Services

Risk No	Risk Category	Risk Name/ Description	Potential Impact	Controls	Likelihood	Risk Rating Level	Risk Score	Risk Owner
			<ul style="list-style-type: none"> Infringements of intellectual property rights 	<ul style="list-style-type: none"> Asset register and inspection programmes in place Regular review of insurance cover Managed use of intellectual Property Public Liability and Employers Liability Insurance 				
8	Environmental/ External	Terrorist Attack	<ul style="list-style-type: none"> Loss of life or injury to people (staff, visitors, volunteers, customers) Damage to building and infrastructure Damage to collections Loss of data 	<ul style="list-style-type: none"> Review of security drills and measures Liaison with police regarding terrorism threat levels Review of recruitment measures Disclosure and PVG checks Evet planning Risk Assessments 	UNLIKELY	MODERATE	6	Head of Operations and Support Services
9	Operational	Fund-raising	<ul style="list-style-type: none"> Unsatisfactory returns Reputational risk of campaign or methods used Actions of agents and commercial fund-raisers Compliance with law and regulation Additional Fundraising pressures from Capital Project 	<ul style="list-style-type: none"> Implement appraisal, budgeting and authorisation procedures Review regulatory compliance Regular monitoring of financial returns achieved (with benchmarking comparisons) 	POSSIBLE	MAJOR	12	EMT / Head of Finance and Resources
10	Environmental/ External	Cyber Security – hacking	<ul style="list-style-type: none"> Loss of key systems Loss of personal data Loss of confidential information Productivity Loss and cost Fines from regulator and ransom costs Reputational risk 	<ul style="list-style-type: none"> Security measures controlled by PKC (potentially additional risk) Privacy Impact Assessments Business Continuity/ Disaster Recovery plan 	UNLIKELY	MODERATE	6	Head of Operations and Support Services

Risk No	Risk Category	Risk Name/Description	Potential Impact	Controls	Likelihood	Risk Rating Level	Risk Score	Risk Owner
11	Operational	Employment issues	<ul style="list-style-type: none"> • Employment disputes • Health & Safety issues • Claims for injury, stress, harassment, unfair dismissal • Equality opportunity and diversity issues • Adequacy of staff training • Child / Vulnerable Adult protection issues • Fines and penalties 	<ul style="list-style-type: none"> • Reviewed recruitment process which includes Reference and qualification checking procedures, job descriptions, contracts of employment, appraisal and feedback procedures • Support and advice from Perth and Kinross Council HR • Job training and development procedures • Health & Safety training and monitoring procedures • Disclosure and PVG vetting procedures in place 	POSSIBLE	MODERATE	9	ExecMT
12	Operational	Volunteers	<ul style="list-style-type: none"> • Lack of competencies, training and support • Poor service for beneficiaries • Inadequate vetting and reference procedures • Recruitment and dependency 	<ul style="list-style-type: none"> • Agreed training and supervision procedures • Review and agree vetting procedures • Volunteer development process in place 	UNLIKELY	MINOR	4	EMT (Senior Officer Communities and Learning to be recruited)
13	Operational	Health & Safety	<ul style="list-style-type: none"> • Staff injury • Service liability • Ability to operate (see compliance risks) • Injury to member of public, customers, volunteers, contractors • Fines, charges for Board, Managers 	<ul style="list-style-type: none"> • Comply with law and regulation • Staff training programme • Monitoring and reporting procedures in place • Professional advice, support and training from PKC Health & Safety Team • Insurances in place (Public and Employers Liability) 	POSSIBLE	MODERATE	9	Head of Operations and Support Services
14	Operational	Disaster and recovery planning	<ul style="list-style-type: none"> • Virus outbreak disrupting most operational delivery • Destruction of property, collections, equipment records through fire, flood or similar damage 	<ul style="list-style-type: none"> • Disaster recovery plans in place including specific collections recovery plan • Revised Lockdown procedures and Business Continuity plans 	LIKELY	CRITICAL	20	SMT

Risk No	Risk Category	Risk Name/ Description	Potential Impact	Controls	Likelihood	Risk Rating Level	Risk Score	Risk Owner
			<ul style="list-style-type: none"> Computer system failures or loss of data 	<ul style="list-style-type: none"> Emergence Plans revised and implemented Additional homeworking resources procured Government, industry, Health & Safety Guidance Risk Assessment and PPE procurement Budgetary Planning/ Financial Planning Review Insurance cover Review alternative accommodation provision 				
15	Operational	Procedural and systems documentation	<ul style="list-style-type: none"> Lack of awareness of procedures and policies Actions taken without proper authority 	<ul style="list-style-type: none"> Audit and review of systems Document policies and procedures 	POSSIBLE	MODERATE	9	EMT
16	Operational	Information Technology	<ul style="list-style-type: none"> Systems fail to meet operational need Failure to innovate or update systems Loss/corruption of data Loss of key collections/ archive records Lack of technical support Breach of data protection law 	<ul style="list-style-type: none"> Systems needs and options appraisal carried out Review security and authorisation procedures Data Protection registration and staff training Review service and support contracts Review disaster recovery procedures Review insurance cover for any insurable losses 	POSSIBLE	MODERATE	9	ExecMT /Head of Operations and Support Services
17	Operational	Equalities – discrimination	<ul style="list-style-type: none"> Policy, project or services discriminate against disadvantaged or vulnerable people Reputational risk Fines and penalties for Board, Managers 	<ul style="list-style-type: none"> Data monitoring for Equality Act Equality Impact Assessment for projects Staff training Designated Equalities officer 	UNLIKELY	MODERATE	6	ExecMT / Senior Officer Libraries

Risk No	Risk Category	Risk Name/ Description	Potential Impact	Controls	Likelihood	Risk Rating Level	Risk Score	Risk Owner
18	Operational	Public Programme Delivery	<ul style="list-style-type: none"> • Unsatisfactory visitor numbers • Reputational risk due to low uptake • Loss of income • Partner investment reduced • Failure to achieve KPIs • Contractual Risk • Costs over run with impact on Service budget 	<ul style="list-style-type: none"> • Project management controls and training for staff • Programming Guidance • Strategic Operating Plan with set timescales • Programming meetings 	POSSIBLE	MAJOR	9	Extended Management Team
19	Financial	Reserves Policies	<ul style="list-style-type: none"> • Lack of funds or liquidity to respond to new needs or requirements • Inability to meet commitments or planned objectives 	<ul style="list-style-type: none"> • Link reserves policy to business plans, activities and identified financial and operating risk • Regularly review reserves policy and reserve levels 	POSSIBLE	MODERATE	9	Head of Finance and Resources
20	Financial	Trading activities do not meet income targets	<ul style="list-style-type: none"> • Resources withdrawn from key objectives • Resources and energy diverted from core activities • Regulatory action and accountability • Reputational risk if publicised 	<ul style="list-style-type: none"> • Monitor and review business performance and return • Ensure adequacy of budgeting and financial reporting within trading budget • Revised Business plan • Diversification of income generation across more sites 	POSSIBLE	MAJOR	12	SMT
21	Financial	Compliance with grant funder/ donor-imposed restrictions	<ul style="list-style-type: none"> • Funds misapplied outside restrictions • Repayment of grants • Future relationship with donors • Regulatory action 	<ul style="list-style-type: none"> • Implement systems for restricted funds • Agree budget control, monitoring and reporting arrangements 	POSSIBLE	MODERATE	9	Head of Finance and Resources
22	Financial	Closure of Facilities through PKC Budgetary process (Incorporating	<ul style="list-style-type: none"> • Reduction in Service delivery • Impact on public, customers, volunteers, contractors • Reductions in funding 	<ul style="list-style-type: none"> • Governance process with PKC • Budgetary review • Regularly review reserves 	POSSIBLE	MAJOR	12	Chief Executive / Head of Finance and Resources

Risk No	Risk Category	Risk Name/ Description	Potential Impact	Controls	Likelihood	Risk Rating Level	Risk Score	Risk Owner
		internal budgetary pressures)	<ul style="list-style-type: none"> • Reductions in staffing • Impact on morale of staff 	<ul style="list-style-type: none"> • Monitor and review business performance and return • Budgetary scenarios prepared • Increased contingencies for specific projects 				
23	Environmental or external	Public Perception of CPK	<ul style="list-style-type: none"> • Impact on use of services by beneficiaries • Ability to access grants 	<ul style="list-style-type: none"> • Communicate with customers and funders • Ensure good quality reporting of Trust's activities and financial situation • Marketing/ Public relations training/ procedures 	UNLIKELY	MINOR	4	SMT
24	Environmental or external	Adverse publicity	<ul style="list-style-type: none"> • Loss of funding • Impact on morale of staff 	<ul style="list-style-type: none"> • Complaints procedures • Public Relations procedures 	UNLIKELY	MINOR	4	ExecMT
25	Environmental or external	Collections moves do not meet deadline/ run over budget	<ul style="list-style-type: none"> • Delays to major projects • Reputational risk • Impact on use of services by beneficiaries • Impact on operational activities • Potential Loss of funding 	<ul style="list-style-type: none"> • Documented systems and project plans • Regular progress reports and monitoring meetings • Procedural framework in place for meetings and recording decisions 	UNLIKELY	MAJOR	8	Head of Heritage and Culture
26	Environmental or external	Collections Insurance by PKC has a number of exclusions regarding cover to its Collections including environmental controls and equipment failure	<ul style="list-style-type: none"> • Cover does not extend to repair or replace Collections if damaged as a result of mechanical breakdown to heating or damage to collections • Lenders will not allow objects to be loaned to Museums without additional comprehensive cover 	<ul style="list-style-type: none"> • PKC Insurance excess set at £100K to pay out for damage/ replacement of Collections Material • Additional Insurance cover for Loan Items • Additional fund to cover potential excess shortfall 	POSSIBLE	MODERATE	9	PKC Insurance Team / Head of Operations and Support Services
27	Compliance	Compliance with legislation and regulations	<ul style="list-style-type: none"> • Fines, penalties or censure from licensing or activity 	<ul style="list-style-type: none"> • Identify key legal and regulatory requirements 	UNLIKELY	MODERATE	6	Chief Executive

Risk No	Risk Category	Risk Name/Description	Potential Impact	Controls	Likelihood	Risk Rating Level	Risk Score	Risk Owner
			<ul style="list-style-type: none"> regulators Loss of licence to undertake particular activity (see operational risks) Employee or consumer action for negligence Reputational risks 	<ul style="list-style-type: none"> Scheme of delegation developed to allocate responsibility for key compliance procedures Ensure compliance monitoring and reporting processes in place Prepare for compliance visits 				
28	Compliance	Taxation	<ul style="list-style-type: none"> Penalties, interest Loss of potential income (e.g. failure to utilise gift aid arrangements) Failure to utilise tax reliefs or exemptions effectively 	<ul style="list-style-type: none"> Review compliance procedures for VAT, PAYE etc. 	UNLIKELY	MINOR	4	Head of Finance and Resources
29	Compliance	Compliance with GDPR regulations	<ul style="list-style-type: none"> Data breaches lead to fine, penalties or censure Employee or consumer action for negligence Reputational risks 	<ul style="list-style-type: none"> Legal and regulatory requirements identified Scheme of delegation developed to allocate responsibility for key compliance procedures Compliance monitoring and reporting processes in place Staff training sessions and supporting documentation produced 	POSSIBLE	MODERATE	9	Head of Finance and Resources
30	Environmental or external	Brexit (or a No Deal Brexit)	<ul style="list-style-type: none"> Potential risks to supply of goods, timings of deliveries Uplift of costs and inflationary increases additional delays, checks and licensing requirements for Collection items currently on loan, or future requests for loans <p>Adjustments to the following risks need to be considered: Risk 19: Reserves</p>	<ul style="list-style-type: none"> Increase Operating Reserves Regularly review and monitor key supply chains Guidance from DCMS and Museums Association for Collection Loans Following advice and guidance from professional bodies, sharing information and best practice Briefing and guidance 	POSSIBLE	MAJOR	12	ExecMT

Risk No	Risk Category	Risk Name/Description	Potential Impact	Controls	Likelihood	Risk Rating Level	Risk Score	Risk Owner
			Risk 20: Trading Activities Risk 26 : Collections Insurance Risk 27: Compliance with legislation Risk 30 : Budgetary Reductions	information for staff				