

Risk ID	Risk Description	Controls in Place	Current Impact	Current Likelihood	Current Risk Score	Actions Planned	Controls Confidence Level	Target Impact	Target Likelihood	Target Risk Score	Target Date	Risk Owner
6	Expenditure may not meet with 2019 N+3 target and consequently, the value of the programme may be reduced. (Excluding YEI)	Increased frequency of ERDF and ESF MAAP meetings to increase scrutiny. Regular monitoring of progress of Operations against claims schedules agreed for each operation and project.	50	5	250	Follow-up action with lead partners. Targeting of resources to ensure prompt MA payment of claims. Issues identified through 2017 and 2018 EPSA (Early Preventative Systems Audit) reports need to be resolved to allow full expenditure to be declared to/recovered from EC.	Limited	50	1	50	Dec-19	MA
3	Errors and behaviours found in 2007-2013 Programme may continue into new Operations impacting on programme delivery or quality	New MCS published and made available to all staff, training in the procedures and behaviours expected provided to all staff and lead partners. Regular monitoring of progress and relationships by weekly senior management meeting (joint MA and AA), oversight by Joint Programme Board and training/ sharing of knowledge between AA and MA	50	5	250	Initial indications are that controls put in place have resulted in lower error rates from Article 127 reports than 07-13 equivalents, however EPSA findings have identified further issues at MA and lead partner level. Collaborative approach required between MA and Lead Partners to minimise risks.	Insufficient	50	2	100	Dec-23	MA
8	Expenditure or indicator targets may not be met in the Highlands and Islands area (Transition Programme area)	Operations are identified at programme area level, so MA is able to monitor and review progress at operation level and manage emerging risks. HITC meets regularly to consider H&I specific issues which are emerging.	25	5	125	Significant concerns remain over the level of spend in the H&I area. While 90% of funds have been committed to SIs, reported expenditure and activity remains disappointingly low. Speaking to Lead Partners about delivery of operations. Rates of approved expenditure in line with Rest of Scotland (90% of allocation to SIs in H&I/89% RoS). Declared expenditure lower (10% of approvals H&I /17% RoS).	Limited	25	2	50	Dec-23	MA
7	The Management and Control System agreed with the Commission may not be implemented properly by the MA/CA/AA.	Weekly programme management meetings continued along with monthly Joint Programme Board. In addition to this, the MA has introduced an internal six-weekly Programme Operation Management Meeting which reviews the status of the programme and identifies key issues, attended by AA as observer. MA has introduced a dedicated Quality Control Team with responsibility for ensuring the implementation and review of processes relating to the MCS.	25	4	100	Training (including recruitment of new training manager) and the Quality Control processes are continuing and subject to review and systems audits, initial indications are that errors are being caught and resolved, and that the rate of errors is falling.	Reasonable	25	1	25	Dec-23	MA
11	Lack of participation from smaller organisations might hollow out delivery capacity in Scotland, particularly for social inclusion and employability measures	Monitoring at an operational level. A number of Lead Partners actively engaging smaller community and voluntary organisations and supporting applications and tenders. Evidence is currently mixed.	25	4	100	The MA is liaising regularly with the project leads for Aspiring Communities Fund, Social Innovation Fund and Social Economy Growth Fund to review demand in the second phase of the programme. The MA is working with local authorities and Big Lottery Fund to ensure that support for the sector is provided through their activities and increasing communications and publicity activity to increase awareness of the funds and the activity supported.	Reasonable	25	2	50	Dec-23	MA

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4	Pace of delivery of Programme outcomes not maintained due to operations not being approved, contracted or delivered. (Excluding YEI)	Continued frequency of ERDF and ESF MAAP meetings since start of 2018. Planning for future operations is taking into account delivery to date and range of activity required to meet programme targets. Regular monitoring of progress of Operations against claims schedules agreed for each operation and project.	25	3	75	MAAP Meetings have been taking place since start of 2018, including additional meetings where required to ensure continued delivery of activity. SI Approvals: H&I 90%, Rest 89%. Operation Approvals: H&I 65%, Rest 78%. Funds available by priority will be determined by Performance Review.	Reasonable	25	1	25	Dec-20	MA