NOT FOR PUBLICATION

APPENDIX 5.4

						Inherer	nt			Current				
	Risk Grouping	Risk Description	Туре	e Impa	act	Likelihood	d Overall	Control measures	Impact	Likelihood	Overall	Owner	Comments	Risk for Grouping
	CILEx Regulation Ris	k Preference									-11	-11	1	- 11
		Risk averse	Risk I	Limiting	Risk Ne	eutral Risk	Accepting Ri	sk Seeking						
	Situational context		-	L		-	4							
		BAU delivery	-											
		Product Development			1		V							
		Consumer Policy	-	<u> </u>			-							
		New business opportunities		L										
С	Strategic o	bjective - Consumer												
D	Strategic o	bjective - Diversity												
S		bjective - Standards												
Μ	Managem	ent including Financial	sust	aina	abilit	v / Ind	depend	lence (IGR)						
2	TOD DISK	Lack of Group service capacity/failure to		-				16 None identified having regard to CILEx resource				CEO	~ Finance department continued	
2	IUP RISK	deliver under current SLAs, particularly for H	HR Op		4	\bigcirc	4	position		4	4		challenges. Therefore score not	\leftrightarrow
		and Finance		'				position					reduced (however, strong interim	
)		and mance											arrangements)	
													~ TUPE concultation for Management	
													~ TUPE consultation for Management	
													Accountant to become a CRL member	
2		CRI moves to independence without					4	▶ 20 ~ Roard IGR oversight		5	3 _ 11	CEO.	Accountant to become a CRL member of staff	
13	TOP RISK	CRL moves to independence without	£		5	\bigcirc	4	20 ∼ Board IGR oversight ∼ External consultants		5	3 1	CEO, Vicky	Accountant to become a CRL member of staff ~ Good progress on aligning pace of	\leftrightarrow
13	TOP RISK	sufficient finances to meet its needs to be	Str		5	<u> </u>	4	~ External consultants		5	3 1	Vicky,	Accountant to become a CRL member of staff ~ Good progress on aligning pace of Independence changes with CILEx	
13	TOP RISK	sufficient finances to meet its needs to be effective or be self-sustaining (including entities)	ity R		<mark>></mark> 5	\bigcirc	4	~ External consultants ~ NEDs Group	-	5	3 1		Accountant to become a CRL member of staff ~ Good progress on aligning pace of Independence changes with CILEx ~ Keep risk score the same whilst	\leftrightarrow
13	TOP RISK	sufficient finances to meet its needs to be effective or be self-sustaining (including enti growth), including lack of affordable suppor	ity R		5	<u> </u>	4	~ External consultants ~ NEDs Group ~ IGR Working Group		5	3 1	Vicky,	Accountant to become a CRL member of staff ~ Good progress on aligning pace of Independence changes with CILEx ~ Keep risk score the same whilst concrete actions take place to ensure	\leftrightarrow
13	TOP RISK	sufficient finances to meet its needs to be effective or be self-sustaining (including entities)	ity R		5	<u> </u>	4	 External consultants NEDs Group IGR Working Group IGR specify CRL sets its budget and strategy 		5	3 1	Vicky,	Accountant to become a CRL member of staff ~ Good progress on aligning pace of Independence changes with CILEx ~ Keep risk score the same whilst concrete actions take place to ensure finances e.g. a reserve policy and	\leftrightarrow
13	TOP RISK	sufficient finances to meet its needs to be effective or be self-sustaining (including enti growth), including lack of affordable suppor	ity R		5	<u> </u>	4	~ External consultants ~ NEDs Group ~ IGR Working Group ~ IGR specify CRL sets its budget and strategy ~ LSB approve PCF		5	3 1	Vicky,	Accountant to become a CRL member of staff ~ Good progress on aligning pace of Independence changes with CILEx ~ Keep risk score the same whilst concrete actions take place to ensure	\leftrightarrow
13	TOP RISK	sufficient finances to meet its needs to be effective or be self-sustaining (including enti growth), including lack of affordable suppor	ity R		5	<u> </u>	4	 External consultants NEDs Group IGR Working Group IGR specify CRL sets its budget and strategy LSB approve PCF Matters reserved to Board 		5	3 🛑 1	Vicky,	Accountant to become a CRL member of staff ~ Good progress on aligning pace of Independence changes with CILEx ~ Keep risk score the same whilst concrete actions take place to ensure finances e.g. a reserve policy and	\leftrightarrow
13	TOP RISK	sufficient finances to meet its needs to be effective or be self-sustaining (including enti growth), including lack of affordable suppor	ity R		5		4	~ External consultants ~ NEDs Group ~ IGR Working Group ~ IGR specify CRL sets its budget and strategy ~ LSB approve PCF		5	3 🛑 1	Vicky,	Accountant to become a CRL member of staff ~ Good progress on aligning pace of Independence changes with CILEx ~ Keep risk score the same whilst concrete actions take place to ensure finances e.g. a reserve policy and	\leftrightarrow
-		sufficient finances to meet its needs to be effective or be self-sustaining (including ent growth), including lack of affordable suppor services	str R rt		5		4	 External consultants NEDs Group IGR Working Group IGR specify CRL sets its budget and strategy LSB approve PCF Matters reserved to Board SLAs 		5	3	Vicky, Stuart	Accountant to become a CRL member of staff ~ Good progress on aligning pace of Independence changes with CILEx ~ Keep risk score the same whilst concrete actions take place to ensure finances e.g. a reserve policy and starts to build reserves	↔
-	TOP RISK TOP RISK	sufficient finances to meet its needs to be effective or be self-sustaining (including enti growth), including lack of affordable suppor	ft Str		5		4	 External consultants NEDs Group IGR Working Group IGR Specify CRL sets its budget and strategy LSB approve PCF Matters reserved to Board SLAs SLAs 			3 1 1	Vicky, Stuart	Accountant to become a CRL member of staff ~ Good progress on aligning pace of Independence changes with CILEx ~ Keep risk score the same whilst concrete actions take place to ensure finances e.g. a reserve policy and starts to build reserves ~ Relations are currently constructive	↔
-		sufficient finances to meet its needs to be effective or be self-sustaining (including ent growth), including lack of affordable suppor services	tty R ft £ Str		5		4	 External consultants NEDs Group IGR Working Group IGR specify CRL sets its budget and strategy LSB approve PCF Matters reserved to Board SLAs 			3 11	Vicky, Stuart 2 CEO, Vicky,	Accountant to become a CRL member of staff ~ Good progress on aligning pace of Independence changes with CILEx ~ Keep risk score the same whilst concrete actions take place to ensure finances e.g. a reserve policy and starts to build reserves ~ Relations are currently constructive ~ the IGR action plan is looking at	↔
-		sufficient finances to meet its needs to be effective or be self-sustaining (including ent growth), including lack of affordable suppor services	ft Str		5		4	 External consultants NEDs Group IGR Working Group IGR Specify CRL sets its budget and strategy LSB approve PCF Matters reserved to Board SLAs SLAs 			3 1 1	Vicky, Stuart	Accountant to become a CRL member of staff ~ Good progress on aligning pace of Independence changes with CILEx ~ Keep risk score the same whilst concrete actions take place to ensure finances e.g. a reserve policy and starts to build reserves ~ Relations are currently constructive	↔
13		sufficient finances to meet its needs to be effective or be self-sustaining (including ent growth), including lack of affordable suppor services	tty R ft £ Str		5		4	 External consultants NEDs Group IGR Working Group IGR Specify CRL sets its budget and strategy LSB approve PCF Matters reserved to Board SLAs SLAs 			3 12	Vicky, Stuart 2 CEO, Vicky,	Accountant to become a CRL member of staff ~ Good progress on aligning pace of Independence changes with CILEx ~ Keep risk score the same whilst concrete actions take place to ensure finances e.g. a reserve policy and starts to build reserves ~ Relations are currently constructive ~ the IGR action plan is looking at	↔
14	TOP RISK	sufficient finances to meet its needs to be effective or be self-sustaining (including ent growth), including lack of affordable suppor services	ft Str ft £ Str R		5		4	 External consultants NEDs Group IGR Norking Group IGR specify CRL sets its budget and strategy LSB approve PCF Matters reserved to Board SLAs SLAs Cexec Committee membership Protocols with CILEx 			3 11 3 11	Vicky, Stuart 2 CEO, Vicky, Stuart	Accountant to become a CRL member of staff ~ Good progress on aligning pace of Independence changes with CILEx ~ Keep risk score the same whilst concrete actions take place to ensure finances e.g. a reserve policy and starts to build reserves ~ Relations are currently constructive ~ the IGR action plan is looking at ways to maintain good relations	↔
_		sufficient finances to meet its needs to be effective or be self-sustaining (including entire growth), including lack of affordable suppor services Relations and trust between CILEx and CRL Lack of certainty around current finances at	ft Str ft £ Str R		5		4	 External consultants NEDs Group IGR Working Group IGR Specify CRL sets its budget and strategy LSB approve PCF Matters reserved to Board SLAs SLAs 		4	3 11 3 12 4 10	Vicky, Stuart 2 CEO, Vicky, Stuart 5 CEO,	Accountant to become a CRL member of staff Code progress on aligning pace of Independence changes with CILEx Keep risk score the same whilst concrete actions take place to ensure finances e.g. a reserve policy and starts to build reserves Relations are currently constructive the IGR action plan is looking at ways to maintain good relations Note changes to 2021 budget - see	↔
4	TOP RISK	sufficient finances to meet its needs to be effective or be self-sustaining (including ent growth), including lack of affordable suppor services	ft Str ft £ Str R		4		4	 External consultants NEDs Group IGR Norking Group IGR specify CRL sets its budget and strategy LSB approve PCF Matters reserved to Board SLAs SLAs Cexec Committee membership Protocols with CILEx 		4	3 12 3 12 4 10	Vicky, Stuart 2 CEO, Vicky, Stuart	Accountant to become a CRL member of staff ~ Good progress on aligning pace of Independence changes with CILEx ~ Keep risk score the same whilst concrete actions take place to ensure finances e.g. a reserve policy and starts to build reserves ~ Relations are currently constructive ~ the IGR action plan is looking at ways to maintain good relations	↔

Α	APPROVED R	VED REGULATOR													
	Governance														
A1		Lack of clarity about CRL Board's autonomy over capacity/ capability/ resource under new CILEx Governance structure and Finance Committee remit E Committee remit Committee remittee remittee remittee remittee remittee remittee remittee remittee remittee	N												

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					Inherent			Currer	t			
Risk Grouping	Risk Description		Type I	npact Li	kelihood Ovei	all Co	Impact	Likelihoo	d Overall	Owner	Comments	Risk for Grouping
CILEx Regulation Ri	sk Preference						-1				-1	
		Risk averse	Risk Limit	ing Risk Neut	ral Risk Accepting	Risk Seek						
Situational context	Compliance		i i	i								
	BAU delivery		7		1	- T						
	Product Development				V							
	Consumer Policy	L	7									
	New business opportunities											

- SC Strategic objective Consumer SD Strategic objective Diversity SS Strategic objective Standards

- SM Management including Financial sustainability / Independence (IGR)
- **B GROUP SERVICES**

Group Services													
TOP RISK	CRM does not deliver what we need	Op	5		20	CRM Programme Board CRM Weekly Strategic Group Top risk consideration by Board with IT Director coming to Board	5		4 🥌 20	Vicky	~ Kept Red given so much of what we need is in P2 and the challenges with P1 and CIEK Board view ~ Lessons learnt session with Silverbear for all CIEk ~ External Business Development expertise brought in to assist with project	↔	
PROFILE				•	•				•				
CILEx													
CILEx Regulation													
TOP RISK	Low brand awareness for CILEx Regulation.	R	5			Additional marketing resource provided for in CRL 2019 budget Recruitment of Digital Engagement and Comms dedicated resource, largely replacing Group comms service delivery. Direct control of marketing budget agreed with CILEx from 2018. Board oversight of	3		4 12	CEO Cat	brand awareness (i.e. consumers or targeted stakeholders such as MoJ/LSB or wider wider legal services market/ insurers)		
BARRIERS													
TOP RISK	Authorisation barriers inhibiting authorisation limiting CRL's potential to be a full service regulator	Str R	5		20	 Engagement with anti-competitive practices in relation to mortgage lender panel eligibility for conveyancing entities Direct marketing plan agreed and planned activities under way. Separate paper on the agenda Mtg with UK Finance July 19 	- 4		4 6	Vicky	~ Reverted to 16 score at May Board request ~ Report on lender panels in Ops report ~ DPB application almost ready to go in	÷	
	TOP RISK PROFILE CILEX CILEX Regulation TOP RISK	TOP RISK CRM does not deliver what we need PROFILE ClEx CILEx ClEx Regulation TOP RISK Low brand awareness for CILEx Regulation. BARRIERS Authorisation barriers inhibiting authorisation barriers inhibiting authorisation limiting CRL's potential to be a	TOP RISK CRM does not deliver what we need Op PROFILE	TOP RISK CRM does not deliver what we need Op 5 PROFILE	TOP RISK CRM does not deliver what we need Op 5 4 PROFILE Image: ClLEx Regulation Image: ClLEx Re	TOP RISK CRM does not deliver what we need Op 5 4 20 PROFILE	TOP RISK CRM does not deliver what we need Op S 4 20 CRM Programme Board CRM Weekly Strategic Group Top risk consideration by Board with IT Director coming to Board PROFILE CILEX Curve Curve Curve Curve Curve Curve Curve Coming to Board Curve Coming to Board Curve Cur	TOP RISK CRM does not deliver what we need Op 5 4 20 CRM trogramme Board CRM Weekly Strategic Group Top risk concentration wave with IT Director coming to Board 5 4 20 CRM trogramme Board CRM Weekly Strategic Group Top risk concentration wave with IT Director coming to Board 5 6 20 CRM trogramme Board CRM Weekly Strategic Group Top risk concentration wave with IT Director coming to Board 5 6 20 Revultment of Head of Stakeholder Engagement - Additional marketing resource provided for in CRL 2015 budget Recruitment of Digital Engagement and Comms dedicated resource, largely replacing Group comms service delivery. Direct control of marketing budget agreed with CIEk from 2018. Board oversight of delivery of marketing pain agreed 2 BARRIERS Authorisation full service regulator Str 5 4 20 Engagement with anti-competitive practices in relation to marketing plan agreed and planned activities under way. 2 TOP RISK Authorisation Limiting CRL's potential to be a full service regulator Str 5 4 20 Engagement with anti-competitive practices in relation to morgage lender panel eligibility for conveynancing entities - Direct marketing plan agreed and planned activities under way. 2	TOP RISK CRM does not deliver what we need Op 5 4 20 CRM Pregamme Board CRM Weekly Strategic Group Top risk consideration by Board with IT Director coming to Board 5 5 PROFILE CIEX CIEX Regulation 0 <td>TOP RISK CRM does not deliver what we need Op 5 4 20 CRM Programme Board CRM Weekly Strategic Group Top risk consideration by Board with IT Director Coming to Board 5 4 20 PROFILE CILEx Image: Consideration by Board with IT Director Coming to Board 5 4 20 CILEx Regulation TOP RISK Image: Consideration by Board with IT Director 5 4 20 CILEx Regulation TOP RISK Image: Consideration by Board with IT Director 7 6 12 BARRIERS Image: Consideration by Board with IT Director 3 4 12 Mathematical Marketing resource provided for in CRL 20 Stouget 3 4 12 BARRIERS Image: Construction of Image: Construction o</td> <td>TOP #SX CRM does not deliver what we need Op S 4 200 CRM Programme Board CRM Weekly Strategic Group TOP inds consideration by Beard with IT Director coming to Board S 4 200 Vicky PROFILE Image: Comparison of the comparison of the</td> <td>Top Box CRM does not deliver what we need Op S 4 20 Vick yr Test Bod glens on much of what we need in P2 and CLEs Board were yr reson what we need in P2 and CLEs Board were yr reson what were seed on What were needs in P2 and CLEs Board were yr reson what were seed on What were seed on What were seed on What were needs in P2 and CLEs Board were yr reson what were seed on What w</td> <td>TOP BSX CBM does not deliver what we need Op S 4 20 CBM graph and compare leaver and of what we need in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were into PA and the Allenges with PA and CLEX Board were into PA and the Allenges with PA and CLEX Board were into PA and the PA and PA an</td>	TOP RISK CRM does not deliver what we need Op 5 4 20 CRM Programme Board CRM Weekly Strategic Group Top risk consideration by Board with IT Director Coming to Board 5 4 20 PROFILE CILEx Image: Consideration by Board with IT Director Coming to Board 5 4 20 CILEx Regulation TOP RISK Image: Consideration by Board with IT Director 5 4 20 CILEx Regulation TOP RISK Image: Consideration by Board with IT Director 7 6 12 BARRIERS Image: Consideration by Board with IT Director 3 4 12 Mathematical Marketing resource provided for in CRL 20 Stouget 3 4 12 BARRIERS Image: Construction of Image: Construction o	TOP #SX CRM does not deliver what we need Op S 4 200 CRM Programme Board CRM Weekly Strategic Group TOP inds consideration by Beard with IT Director coming to Board S 4 200 Vicky PROFILE Image: Comparison of the	Top Box CRM does not deliver what we need Op S 4 20 Vick yr Test Bod glens on much of what we need in P2 and CLEs Board were yr reson what we need in P2 and CLEs Board were yr reson what were seed on What were needs in P2 and CLEs Board were yr reson what were seed on What were seed on What were seed on What were needs in P2 and CLEs Board were yr reson what were seed on What w	TOP BSX CBM does not deliver what we need Op S 4 20 CBM graph and compare leaver and of what we need in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were in PA and the Allenges with PA and CLEX Board were into PA and the Allenges with PA and CLEX Board were into PA and the Allenges with PA and CLEX Board were into PA and the PA and PA an

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		Inherent								Current							
	Risk Grouping	Risk Description		Type I	mpact	Likelihood	Overall	Control measures	Impact	Likelihood	Overall	Owner	Comments		Risk for Grouping		
	CILEx Regulation Risk P	reference															
			Risk averse	Risk Limi	ting Risk Ne	eutral Risk Aco	centing Risks	eeking									
							septing mone	o o numb									
	Situational context Con		*	-				1									
		J delivery duct Development	L														
		isumer Policy		7				1									
	Ne	w business opportunities	L					7									
SC		jective - Consu															
SD	Strategic ob	jective - Divers	sity														
SS		jective - Stand															
	Managama						. .										
SM		nt including Fir	iancial s	ustai	nabilit	y / Inde	epende	nce (IGR)									
E	EXTERNAL																
	Regulatory framewor	<mark>د ا</mark>													\bigcirc		
F	EDUCATION																
	Awarding Organisatio	n													\bigcirc		
F1	TOP RISK	if CILEx's qualification strate		Str	5		3	~ New exemptions policy / related Rules enables		4 3	12	Vicky	~ Positive view by CILEx Board of CRL's	•			
	New top risk	with the needs of the marke membership/ financial susta		R				CRL to independently accept alternative qualification					contribution				
			linability					~ CPQ Board membership enables influence on									
-								direction									
	CILEx Professional																
L	CILEx Regulation																
G	INTERNAL																
	Customer														\bigcirc		
	Resources			1 F													
G7	TOP RISK	An enduring business contir		Op 🤇	4		3 12	Moving to paperless processes / scanning		4 3	12	Stuart	Exercise under way to identify all	\leftrightarrow			
		significant staff turnover or			\smile	$\overline{}$	\smile	BC Plan	\smile	<u> </u>	\smile	Vicky	critical functions that could not be				
		result in inability of staff to o work (Lack of access to pape						Sharepoint Online CRM					easily covered if a member of staff was suddenly not at work for a				
			,										significant period. Once completed				
													this risk will be reduced and taken off				
													the corporate risk register				
													~ this links to organisational memory risk G17				
													IIDN GT1				
	Regulatory												1				
	п									1			1				
	ІТ									1							