# Annex F: Leatherhead BID Risk Register and Mitigation Plan

(excluding MVDC-only risks)

*Risks that involve shared responsibilities with Mole Valley District Council (MVDC) are marked as Joint (BID & MVDC) in the ownership column.*

Overall Risk Score (L × I), *(L= likelihood, I = Impact).*

## Leatherhead BID RAG Rating Table Key

| Score Range | RAG Rating | Definition | Typical Action / Response |
|---|---|---|---|
| **1–8** | 🟢 **Green (Low Risk)** | Risk is well-controlled and within acceptable tolerance. Impact on BID delivery, finances, or reputation would be minor if it occurred. | Monitor through routine reporting. Maintain current controls. No additional mitigation required unless the situation changes. |
| **9–14** | 🟡 **Amber (Medium Risk)** | Risk could affect BID operations, finances, or reputation if not managed. Existing controls reduce exposure but further oversight is advisable. | Review mitigation measures regularly. Assign clear responsibility and monitor quarterly at Board level. Strengthen controls where cost-effective. |
| **15–25** | 🔴 **Red (High / Critical Risk)** | Risk poses a serious threat to BID success, financial stability, or public confidence. Likely to have significant reputational or operational consequences if not addressed. | Escalate to the BID Board immediately. Implement urgent mitigation actions and consider contingency planning. Review progress monthly until resolved. |

## Leatherhead BID RAG Rating Table

| ID | Risk Description | Initial Risk (L×I = Score) | Key Mitigation Measures | Residual Risk (L×I = Score) | Ownership |
|---|---|---|---|---|---|
| **R1** | **Inaccurate voter list leads to undeliverable ballots** – Out-of-date business address data (NNDR records) or recent occupant changes result in ballot papers being returned undelivered, disenfranchising some voters and risking a failed or challenged BID ballot. | 4 × 5 = 20 (**Red**) | **Joint plan to verify voter list:** Work jointly with MVDC's Elections and Business Rates teams to scrub and update the list before the 42-day notice. Conduct on-street checks (e.g. in Swan Centre and key streets) to confirm occupier details. Track any returned mail during ballot and promptly re-issue ballots to corrected addresses. | 2 × 4 = 8 (**Green**) | **Joint (BID & MVDC)** |
| **R2** | **BID ballot timeline slippage** – Delays in the statutory ballot process (e.g. MVDC defers approval or printing schedules slip) could cause the BID ballot to miss legal deadlines or be pushed into a poor timing window (peak trading period), leading to reputational damage. | 3 × 5 = 15 (**Red**) | **Strict timeline management:** Lock in a detailed schedule to ensure the ballot closes by Dec 1. Coordinate closely with MVDC to keep the Cabinet decision on track (e.g. 23 Sept approval). Secure printing slots well in advance and pre-approve all ballot materials. Hold weekly check-ins with the Elections team to monitor | 2 × 4 = 8 (**Green**) | **Joint (BID & MVDC)** |

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| | | | progress and address any issues quickly. | | |
| **R3** | **Levy income falls short of projections** – Actual BID levy revenue is lower than modeled (for example, fewer rated properties, more charitable exemptions, or delayed occupancy of new units), resulting in a reduced budget for BID projects and negative perceptions if planned activities are scaled back. | 3 × 4 = 12 (**Amber**) | **Prudent budgeting and contingency:** Use a conservative income estimate (~£189k/year rather than the maximum) when planning budgets. Include a contingency fund in the project budget to cover shortfalls. Re-forecast income and expenditure quarterly to adjust the programme as needed. Monitor upcoming occupancies of currently vacant units (voids) that could boost levy revenue. Pursue small sponsorships or other revenue to supplement levy income if needed. | 2 × 3 = 6 (**Green**) | **BID** (Leatherhead BID Ltd) |
| **R4** | **High BID levy non-payment rate** – More than the budgeted 3% of levy payers fail to pay their BID bills (due to business hardship, disputes, or new businesses missing bills), causing cash flow pressure and reducing the funds available for visible BID delivery. | 3 × 4 = 12 (**Amber**) | **Enforcement & engagement:** Rely on MVDC's business rates collection/enforcement process to pursue non-payers (leveraging legal recovery where appropriate). Monitor the aged-debt reports quarterly and identify any arrears early. Proactively liaise with businesses in arrears to understand issues and encourage payment. Communicate the value of the BID through visible improvements and cost-saving initiatives ("savings won") to reinforce why paying the levy is worthwhile. | 2 × 3 = 6 (**Green**) | **Joint (BID & MVDC)** |
| **R5** | **"Baseline" service drift (BID replaces council services)** – MVDC's standard town services (e.g. cleaning, maintenance) might be reduced without clear communication or agreement, leading the BID to unintentionally fund core services. This would mean BID levy funds are used to substitute statutory services, causing business resentment and loss of confidence in the BID. | 3 × 4 = 12 (**Amber**) | **Baseline agreements and oversight:** Put in place **Baseline Service Statements** signed with MVDC, clearly defining the council's service commitments. Agree on an escalation protocol to address any perceived reduction in council services (so the BID can raise issues if MVDC standards fall). Communicate to levy payers that BID-funded projects are **"over and above"** existing services (to manage expectations). Hold quarterly review meetings with MVDC service leads to compare actual service levels against the baseline and resolve any gaps. | 2 × 3 = 6 (**Green**) | **Joint (BID & MVDC)** |
| **R6** | **Limited staff capacity to deliver** – The BID's part-time Coordinator may be overstretched managing multiple work streams (cleaning projects, events, marketing, etc.), leading to delays in delivering early BID initiatives | 4 × 4 = 16 (**Red**) | **Phased delivery and extra support:** Stagger and prioritise Year-1 initiatives so they roll out in phases instead of all at once. Outsource specialist tasks (e.g. marketing, event management) where feasible to lighten the load on the Coordinator. Maintain detailed monthly workplans to stay on top of tasks. Use a simple | 2 × 4 = 8 (**Green**) | **BID** |

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| | and poor coordination across projects. | | CRM or project tracking tool to manage contacts and activities. Bring in short-term support or volunteers during peak periods (for example, extra help for Christmas events) to ensure key projects stay on schedule. | | |
| **R7** | **Supplier failure or cost inflation** – External contractors or suppliers vital to BID projects are unavailable when needed, or material and insurance costs rise unexpectedly, resulting in project delays, reduced scope, or budget overruns for the BID. | 3 × 4 = 12 (**Amber**) | **Resilient procurement strategy:** Pre-select 2–3 reliable suppliers for each key service (e.g. cleaning, events) and set up flexible call-off contracts so alternatives are ready if one supplier fails to deliver. Build modest price inflation clauses or buffers into contracts and budgets. Set aside a small contingency (~5% of project costs) and maintain a central reserve fund to absorb unforeseen cost increases or emergencies. | 2 × 3 = 6 (**Green**) | **BID** |
| **R8** | **Reputation suffers if early "quick wins" aren't visible** – If the BID does not deliver some visible improvements or benefits in its first months (due to delays in cleaning projects, event planning, or limited initial marketing), businesses may question the BID's effectiveness. This can lead to waning support, higher levy payment avoidance, and negative commentary in the press or on social media. | 4 × 4 = 16 (**Red**) | **Early wins and proactive communications:** Prioritise highly visible initiatives (e.g. deep-cleaning key areas, attractive Christmas installations) to show quick results. Publicise all improvements with before-and-after photos and testimonials. Maintain a consistent weekly presence on social media to update on progress and successes. Highlight local businesses in BID communications (e.g. "trader of the week" shout-outs) to engage the community. Allocate a small **"quick fixes"** fund to address minor issues or suggestions from businesses rapidly, demonstrating responsiveness. | 2 × 3 = 6 (**Green**) | **BID** |
| **R9** | **Legal challenge to BID ballot** – A procedural error in the BID establishment process (such as incorrect or missing statutory notices, or other legal compliance failures in the ballot) could give grounds for a formal challenge. This might invalidate or delay the BID ballot outcome and incur extra costs to rerun the process or defend it legally, undermining confidence in the BID's formation. | 3 × 4 = 12 (**Amber**) | **Ensure a compliant ballot process:** Use official Returning Officer template documents for all notices and communications to businesses. Have MVDC's legal team review the BID Proposal, Business Plan, and ballot notices for statutory compliance before publication. Keep detailed evidence logs of all required steps (mailings, notices, meetings) to demonstrate the process was correct. Additionally, seek an independent compliance check (e.g. through British BIDs) on the ballot process and documentation to catch any issues in advance. | 2 × 3 = 6 (**Green**) | **Joint (BID & MVDC)** |

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| **R10** | **Data protection breach (levy payer data)** – Personal or business data shared between the BID and MVDC (e.g. ratepayer contact details) or collected through BID programs (such as a business crime reporting system) is mishandled – for instance, sent insecurely or used improperly – leading to a breach of GDPR. This could result in ICO fines, legal action, and reputational damage to the BID. | 3 × 4 = 12 (**Amber**) | **Strong data governance:** Implement a Data Sharing Protocol with MVDC, specifying minimal necessary data fields and secure transfer methods for exchanging information. Conduct a Data Protection Impact Assessment (DPIA) for any new data systems (for example, the DISC crime information sharing platform if adopted). Train all BID staff and volunteers on proper data handling and privacy requirements. Establish a clear incident response plan so any data breach is managed swiftly and reported to authorities and affected parties as required. | 2 × 3 = 6 (**Green**) | **Joint (BID & MVDC)** |
| **R11** | **Event health & safety or licensing failure** – BID-sponsored events are not managed with adequate safety planning (risk assessments, crowd management, etc.) or fail to meet licensing/permit conditions. This could lead to accidents or injuries (with liability claims), authorities denying event licenses, or damaging press coverage for the BID. | 3 × 5 = 15 (**Red**) | **Robust event management:** Develop a standard Event Safety Pack for all BID events, including thorough Risk Assessments and Method Statements (RAMS). Ensure appropriate insurance (public liability and employer's liability) is in place for each event. Engage early with the local Safety Advisory Group (SAG) and licensing authorities to review plans and get feedback. Start with smaller-scale events and **"metered growth"** – scaling up as the BID gains experience and confidence. Incorporate weather contingency plans (e.g. indoor backup venue or rain dates) for key events. Vet and use experienced event contractors and check that all vendors have proper insurance and qualifications. | 2 × 3 = 6 (**Green**) | **BID** |
| **R12** | **Stakeholder or political support shifts** – Changes in key stakeholders or political leadership (for example, a new council administration, policy shifts, or turnover in MVDC personnel) could reduce support for the BID's initiatives. This might manifest as slower approvals (for licenses, permits, or baseline agreements), less cooperation from public agencies, or even public criticism, hindering the BID's ability to operate effectively. | 3 × 3 = 9 (**Amber**) | **Active stakeholder engagement:** Maintain regular liaison meetings with MVDC officers to keep communication channels open. Provide periodic briefings to elected officials across all parties to demonstrate the BID's positive impacts and ensure continued political buy-in. Align BID projects with the town's broader strategies and objectives (so they are seen as complementary, not conflicting, with council initiatives). Develop neutral, fact-based KPIs to report BID progress and impacts publicly, helping depoliticise the BID's performance and build broad support. | 2 × 3 = 6 (**Green**) | **BID** |

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| **R13** | **Governance or conflict of interest (COI) weaknesses** – As a new company, the BID may initially have unclear governance processes or incomplete policies (e.g. handling director conflicts of interest, delegation of spending authority, procurement rules). This could lead to decision-making delays, risks of improper procurement, or challenges to the BID's legitimacy if decisions are not transparent and well-documented. | 2 × 4 = 8 (**Green**) | **Strengthen BID governance:** Formally adopt key governance documents at the outset – including Board Terms of Reference and a Scheme of Delegation clarifying who can approve what. Set up a register of Directors' interests and declare any conflicts of interest at each meeting, with procedures to manage COIs in decisions. Ensure all Board decisions are recorded in meeting minutes. Implement a straightforward procurement policy (with spend thresholds for quotes/tenders) to ensure fair and accountable purchasing. | 1 × 3 = 3 (**Green**) | **BID** |
| **R14** | **Severe weather disrupts major events** – Extreme weather (storms, heavy rain, snow, etc.) strikes during a key BID event or project, forcing cancellation or significantly reducing attendance. This leads to wasted expenditures (sunk costs) and lost opportunities to engage the community or generate anticipated revenue. | 3 × 3 = 9 (**Amber**) | **Weather contingency planning:** Establish clear "Go/No-Go" decision points in advance of outdoor events (e.g. cancel X days before if severe weather forecast meets certain criteria). Design events with weather-resistant elements or backup venues/formats (for instance, tents, indoor options for rain). Whenever possible, use contracts with refundable deposits or low cancellation penalties to minimise financial loss if an event is called off. Consider obtaining event cancellation insurance for large-scale or costly events if available at a reasonable cost. | 2 × 3 = 6 (**Green**) | **BID** |
| **R15** | **Rateable value changes reduce levy income mid-term** – Changes by the Valuation Office Agency (VOA), such as a general revaluation or successful property appeals/local closures, lead to lower total rateable value in the BID area. This reduces the levy income in the middle of the BID term, creating an income shortfall against original projections. | 3 × 3 = 9 (**Amber**) | **Monitor and adapt:** Keep an eye on VOA rating list updates and any known large appeals or changes in the town that could impact rateable values. Maintain the prudent allowances in the budget (e.g. the 3% non-payment allowance and a general contingency fund) to cushion minor revenue drops. If a significant valuation change occurs, be prepared to adjust the BID's project spend profile or timetable to match the new income reality. Continue to explore sponsorships or alternative funding for key projects to reduce reliance on levy income alone. | 2 × 3 = 6 (**Green**) | **BID** |
| **R16** | **Cashflow shortfall due to levy remittance timing** – The BID's cashflow is strained if MVDC does not transfer collected BID levy funds promptly, especially when the BID has upfront costs | 2 × 4 = 8 (**Green**) | **Agreed remittance schedule & reserves:** In the Operating Agreement with MVDC, secure a commitment for frequent transfers of levy income (e.g. monthly remittances within 14 days of collection) to the BID. Plan BID | 1 × 3 = 3 (**Green**) | **Joint (BID & MVDC)** |

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| | (events, purchases) early on. Delayed remittances beyond agreed schedules could result in the BID postponing supplier payments and risk tarnishing its reputation with vendors or the community. | | expenditures in phases aligned with expected income dates, rather than spending heavily upfront. Maintain a small working capital reserve or overdraft facility so the BID can cover expenses on time even if a transfer is late by a short period. Immediately flag to MVDC and the BID Board any remittance delays that exceed the agreed timeline (e.g. more than 10 days late) so they can be rectified. | | |
| **R17** | **Insurance gaps expose BID/Board** – Required insurance covers (Directors & Officers liability, Public Liability, Employers' Liability, etc.) are not in place in time or have insufficient limits/scope. In the event of a claim (for example, an accident at a BID event or an allegation against the Board), the BID company and its directors could be personally exposed to significant liability and costs. | 2 × 4 = 8 (**Green**) | **Comprehensive insurance coverage:** Arrange appropriate insurance policies from the start of the BID's operation – including Directors & Officers liability, Public Liability and Employers' Liability, as well as event insurance for major events if needed. Review the coverage annually to ensure it remains adequate as the BID's activities evolve. Also require that any contractors or suppliers engaged by the BID carry their own suitable insurance, and obtain proof of such coverage. | 1 × 3 = 3 (**Green**) | **BID** |
| **R18** | **Fraud or financial mismanagement** – Weak financial controls (e.g. if one individual can authorise payments alone, or poor bookkeeping) create a risk of misappropriation of BID funds or undetected accounting errors. This could lead to financial losses, project funds not being available when needed, and serious reputational damage to the BID if misuse of funds occurred. | 2 × 4 = 8 (**Green**) | **Strong financial controls:** Implement dual approval for expenditures (e.g. two signatories required for payments above a small threshold) to ensure no single person has sole spending authority. Have the Board review and approve an annual budget and set clear spending limits for management. Prepare monthly management accounts and bank reconciliations for Board oversight, to quickly spot any irregularities. Engage an external bookkeeper or auditor to maintain independent financial records and conduct checks, providing additional assurance against fraud. | 1 × 3 = 3 (**Green**) | **BID** |
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