Meeting	OLC Board Meeting	**Agenda Item No**.	4
		Paper No.	143.1
Date of meeting	17 December 2025	**Time required**	10 Minutes

Title	Risk Management
Sponsor	Laura Stroppolo, Head of Programme Management & Assurance
Status	OFFICIAL
To be communicated to:	Members and those in attendance

Executive summary
The Board expressed concerns that the present risk position for SR01 (Failure to meet business plan improvements in customer experience) exceeds the agreed tolerance level. The Board recommended that the Executive consider raising the risk tolerance. In response, the Executive has reviewed the Board's feedback, as well as the background, key considerations, and recommendations outlined in the accompanying slide. The Executive assessed the existing strategic risks and issues, related narratives, and the Risk Management Framework.   Based on these evaluations, the recommendation presented is to escalate SR01 to an issue while maintaining its current tolerance level, ensuring alignment with current operational issues due to their interdependencies and both existing and planned mitigation strategies.

Recommendation / action required
Board is asked to **note** the update

Equality Diversity and Inclusion	
EDI implications	Yes
Maintaining current governance standards and addressing backlog challenges operationally, we prioritise fairness for customers, particularly those in vulnerable groups and reinforces transparency in decision-making. This approach ensures that people, wellbeing, and cultural integrity remain central to our risk management and transformation agenda.	

Freedom of Information Act 2000 (FoI)	
Paragraph reference	**FoI exemption and summary**
N/A	N/A

Value for Money (VfM)
This recommended approach ensures resources are focused on addressing backlog and demand pressures, driving efficiency and customer service improvements within existing budgets. Raising tolerance would not resolve operational constraints and could introduce additional oversight costs, whereas targeted operational management maximises impact without diluting strategic objectives.

Risk Management - Tolerance

SR.01 - Failure to meet business plan improvements in customer experience
Risk – There is a risk that LeO fails to deliver the improvements in customer experience set out in the business plan, including customer journey.

Board Feedback

- Suggested **increasing tolerance** because the current risk position is out of tolerance.
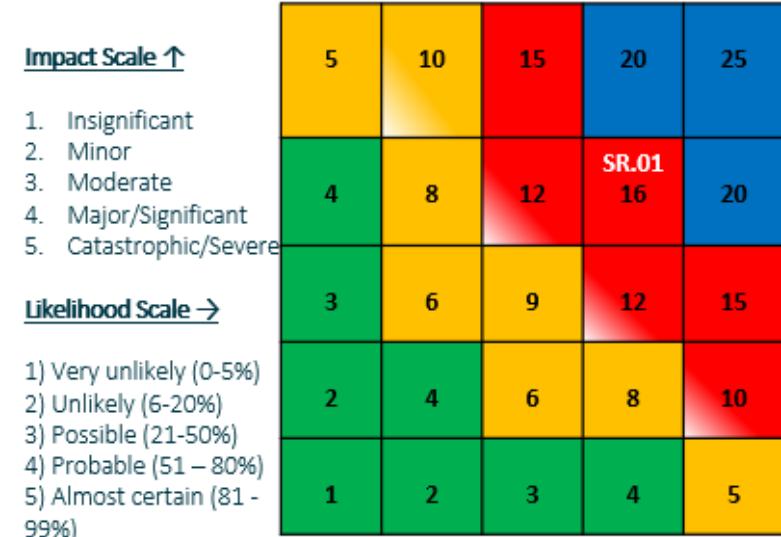
Executive Position

- Do not increase tolerance, as this would misrepresent the current narrative regarding operational demand, performance, and backlog.
- LeO's ability to significantly reduce the volume of customers awaiting investigation remains constrained by sustained and accelerating demand.
- The impact of this constraint will continue to increase case volumes.

Key Considerations

- Under the **Risk Management Framework,** it is neither feasible nor practical to fully prevent or mitigate all risks. Some risks beyond the stated appetite may need to be tolerated and actively monitored.
- In line with the overarching OLC risk appetite statement, we remain *open* to delivering the operational transformation agenda while continuing to monitor, mitigate, and manage any significant risks to improvement trajectory and customer service levels.
- Raising tolerance now could signal acceptance of underperformance, which conflicts with strategic objectives and sets an undesirable precedent.

Recommendation

- **Escalate SR01 to an issue** to be managed alongside demand and backlog challenges, given their interdependencies and consistent narrative.
- Maintain current tolerance levels to uphold governance, integrity and avoid signaling a shift in risk appetite.

Tolerance: please note the boxes with a highlighted white corner show the tolerable position. Above this line will mean outside of tolerance, underneath the line means optimal position.

Impact Scale ↑

1. Insignificant
2. Minor
3. Moderate
4. Major/Significant
5. Catastrophic/Severe

Likelihood Scale →

1) Very unlikely (0-5%)
2) Unlikely (6-20%)
3) Possible (21-50%)
4) Probable (51 – 80%)
5) Almost certain (81 - 99%)

5	10	15	20	25
4	8	12	SR.01 16	20
3	6	9	12	15
2	4	6	8	10
1	2	3	4	5

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Annex A

MoJ Risk position

MoJ's most significant risks relate to:

- prison and probation demand and supply

- timeliness in criminal courts impacting victims and witnesses

- rising demand in many tribunal areas

- challenges in legal aid provision

- legacy technology and cyber security threats

The department currently analyses risk more broadly under the following themes. Themes listed below are significantly beyond a tolerable level.

- Demand and supply

- Property

- Technology

- Security and information management