

Report to	Audit Committee
Date	18 January 2012
By	Director of Corporate Services
Title of Report	Review of Risk Management Strategy
Purpose of Report	To provide an update on implementing the Risk Management Strategy in the South Downs National Park Authority

Recommendation: The Committee is recommended to note the report and endorse further work be carried out with Members to refine their approach to risk appetite

1. Introduction

1.1 To present a review of the implementation of the South Downs National Park Authority (SDNPA) Risk Management Strategy.

2. Background

2.1 Between September and December 2010 an internal audit on "Review of Governance Framework" was undertaken. The final report was taken to the Audit Committee on 18 January 2011 To address the SDNPA's "Principle 4: Taking informed and transparent decisions which are effective scrutiny and managing risk" an audit report recommendation was that " *A Risk Management Strategy should be put in place.*"

2.2 The Audit Committee has terms of reference which include "... to ensure the robustness of risk management and performance management arrangements". At its meeting on 5 April 2011 the Audit Committee agreed a corporate Risk Management Strategy and the Corporate Risk Register as at March 2011. The Risk Management Strategy is reviewed annually. A section on risk is built into the Project Initiation Document template used for potential major partnerships and is subject to scrutiny by both the Strategic Management Team (SMT) and the Panel of Members set up for this purpose.

3. SDNPA Risk Strategy Implementation

3.1 The approved Risk Strategy recommended that the SDNPA has a corporate risk register. A Corporate Risk Register has been established and is reviewed by SMT monthly, rather than at every meeting.

3.2 There are mechanisms for identifying risks at different levels in the organisation. The Risk Strategy and Risk Guidance are available on the intranet for staff. Risk is included in the project methodology used by SDNPA and risks are escalated to the Corporate Risk Register as appropriate. The Project Manager and the Project Board for each project take responsibility for escalating risks.

3.3 Discussion of risk is also part of the business planning process and Service Plans include operational risks. SMT members take responsibility for escalating operational risks to the Corporate Risk Register as required.

3.4 In July 2011 Members had an initial discussion to gauge their risk appetite. They carried out a review of their attitude and approach to risk and agreed to consider this further. Members

have demonstrated an appetite for higher tolerance of risk in some areas, such as; the balance between developing a strategic overview and delivery on the ground, the approach to delivering the planning service and the enhanced level of engagement with partners as well as decisions not to provide a range of services that have traditionally been provided by other National Parks.

- 3.5 Risks are reported regularly to Audit Committee and at its meeting on 27 September 2011, the Committee agreed to refer risks with significant resource implications to the Resources and Performance Committee.

4. Areas for further improvement

- 4.1 Better focus on contingency planning in the corporate risk register.
- 4.2 Further work with Members to refine their approach to risk appetite.
- 4.3 Encouraging regular risk discussions at Directorate level as part of the business planning process.
- 4.4 Establishing a mechanism to monitor how risks are escalated and managed at operational level.
- 4.5 Risk management training delivered by internal audit for key project managers.

5. Resources

- 5.1 There are no immediate additional resource requirements arising from this report. However, support for the training may available through the existing Financial Services contract.

6. Risk management

- 6.1 The risk strategy is being implemented and the items for improvement will support better risk management across SDNPA.

7. Human Rights, Equalities, Health and Safety

- 7.1 There are no implications arising from this report.

8. External Consultees

- 8.1 None.

HÉLÈNE ROSSITER **Director of Corporate Services**

Contact Officer:	Anne Rehill Performance and Business Planning Manger
Tel:	0300 303 1053
email:	anne.rehill@southdowns.gov.uk
Appendices	None
SDNPA Consultees	Chief Executive Officer, Director of Corporate Services, Head of Planning, Director of Strategy and Partnerships, Head of Operations, Chief Finance Officer, Deputy Chief Finance Officer, Monitoring Officer & Senior Solicitor.
Background Documents	Report to Audit Committee 5 April 2011 Item 9 AC 07/11 Report to Audit Committee 5 April 2011 Item 10 AC 08/11 Report to Audit Committee 27 September 2011 Item 12 AC 28/11