

Report to	Audit Committee
Date	12 June 2012
By	Director of Corporate Services
Title of Report	Corporate Risk Register
Purpose of Report	To present a revised corporate risk register as at May 2012

Recommendation: The Committee is recommended to:

- a) **approve the Corporate Risk Register as at May 2012**
 - b) **consider if any risks should be referred to the Resources and Performance Committee**
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1. Introduction

- 1.1 To present the South Downs National Park Authority (SDNPA) Corporate Risk Register as at May 2012.

2. Background

- 2.1 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 for March 2011. The Risk Management Strategy will be reviewed annually; the Corporate Risk Register is reported to each meeting of the Audit Committee.

3. The Corporate Risk Register

- 3.1 **Appendix 1** shows the risks in a graphic way which allows Members to see at a glance the likelihood and impact of risks, how they have moved, and which are new.
- 3.2 The latest risk register (as at May 2012) is attached at **Appendix 2**. Only high and significant risks are included in the register for the Audit Committee. In some cases the risks have changed or no longer exist. When this happens they will be marked closed on the spreadsheet and distinguished by grey shading. These items will be deleted before the register is next presented.

4. Changes since March 2012

- 4.1 The risk register presented in March 2012 (Report AC 08/12) had four high and 10 significant risks. The risk register for May 2012 has three high risks and 12 significant risks. There are five new risks. Three risks have been closed.
- 4.2 Of the high risks reported in March risk 48 (the IDOX project), risk 53 (Implementation of 3 large projects at the same time) have been closed.
- 4.3 Of the high risks in this report, one is the new risk 58 (IDOX not delivering service improvements), the others were also high risks last time, risk 33 (delay to the implementation of the Estates Strategy) remained the same as has risk 41 (fluctuations in planning service income).
- 4.4 Four risks have changed since the last report, risk 5 has changed because the likelihood moved from possible to unlikely. Risk 45 has changed because the impacts have been changed and the likelihood has moved from likely to unlikely. Risk 55 has changed, as the likelihood has moved from likely to possible, it has also been reworded to better reflect the risk which is about potential lack of effective prioritisation. Risk 37 has changed because the

likelihood has changed from likely to possible.

4.5 Three risks have been closed since the last report.

- Risk 53 (implementing three large contracts at the same time) has been closed because IDOX has been successfully implemented, although new risk 58 picks up some of the potential post implementation issues. The Finance contract has been successfully let and the ICT contract is well advanced with the contract expected to be finalised by the end of June.
- Risk 48 (IDOX project under resourced to deliver to agreed timetable), has been closed, as additional resources were allocated and the system was implemented on time.
- Risk 31 (South Downs Joint Committee functions not transferring to the South Downs National Park Authority) was closed as it was considered a set up risk that was no longer relevant after the mitigations were put in place.

4.6 Of the significant risks 44, 46,49,56 and 57 have remained at the same level.

4.7 Five additional new risks have been identified, four of the new risks have been assessed as significant. Following the adoption of the business plan for 2012-13, SMT considered any risks that related to the new objectives and priorities agreed. Risks 60-62 reflect this.

- Risk 58 relates to the potential issues post implementation of the IDOX system for managing planning applications across the National Park. While the system was successfully implemented as planned in April, there are some teething issues that may cause a delay in the system being fully effective.
- Risk 59 relates to the risk to the organisation of the evidence collected for the State of the National Park Report not being widely used. SMT consider it a moderate risk so is not shown in the risk table or graphic, it is included here, to avoid confusion about the numbering of the new risks.
- Risk 60 reflects concern that partners may not fully support the vision and emerging priorities for the National Park Management Plan and is linked to objective 1.2 in the business plan, "Agree the Vision and a set of draft, shared objectives for the emerging National Park Management Plan".
- Risk 61 relates to objective 2.1 in the business plan, "Conclude the policy reviews started in 2011/12 and implement the conclusions".
- Risk 62 relates to objective 3.2 in the business plan "Support and develop our people to help them deliver" and is about the potential failure to deliver training and development for staff as identified in the performance and development review scheme.

5. Conclusion

5.1 Members are asked to approve the Corporate Risk Register as at May 2012.

5.2 Members are asked to consider if there are any risks which should be referred to the Resources and Performance Committee as they have significant resource implications.

5.3 The Audit Committee will receive a further update of the risk register at its meeting on 20 September 2012.

6. Resources

6.1 There are no additional resource requirements arising from this report.

7. Risk management

7.1 The report outlines the current risks facing the Authority and how they will be mitigated.

8. Human Rights, Equalities, Health and Safety

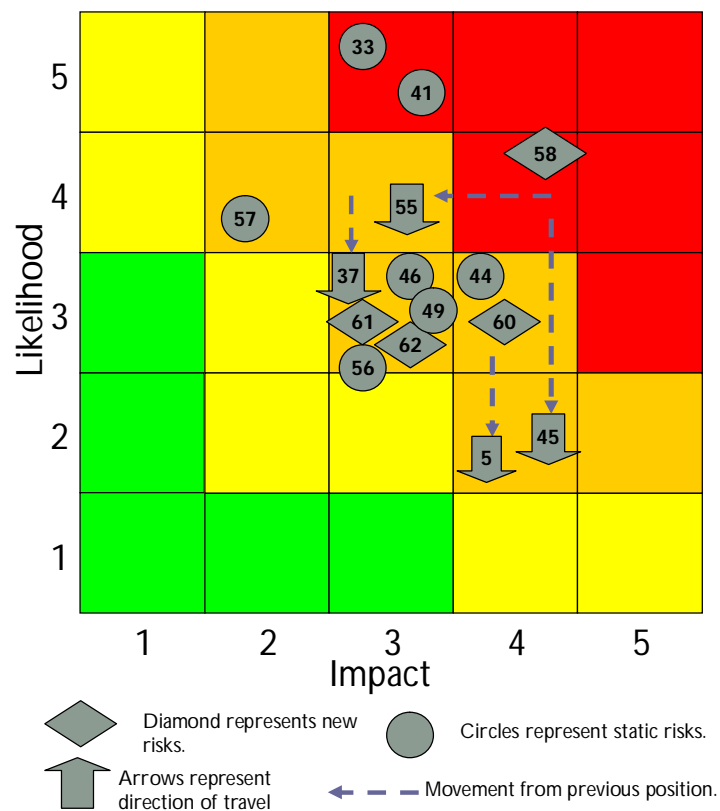
8.1 There are no implications arising from this report.

9. External Consultees

9.1 None.

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Appendices	Appendix 1 Risk Graphic Appendix 2 Corporate Risk Register
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 17 April 2012 AC/08/12 Report to Audit Committee 18 January 2011 AC/01/12 Report to Audit Committee 27 September 2011 AC 28/11 Report to Audit Committee 10 June 2011 Item AC18/11



Impact	Definition
1	Insignificant: difficult to see how it could occur
2	Minor: parts of organisation may be required to change plans
3	Moderate: organisation and/or budget affected
4	Major: change in organisation's direction/strategy required and/or significant financial impact
5	Catastrophic: organisation's core purposes are under threat and/or severe financial impact

Risk No.	Dir.	Description
58	PLG	IDOX not delivering service improvements
33	PLG	Delay to implementation of Estates strategy
41	PLG	Increase in the numbers of planning applications
55	SMT	Lack of effective prioritisation across the organisation
57	CE	Failure to take effective action after staff survey and member away day
44	PLG	Failure to produce Local Development Framework or Core Strategy
60	S&P	Failure of partnership working on vision
46	PLG	SDNPA fails to add value to the planning system
49	CE	Peer Review does not result in positive outcome
37	CS	Health & Safety of staff
56	CS	Capron House refurbishment and moves not completed on time & budget
5	CS	Organisation, ownership & resilience of corporate systems
45	PLG	Lack of capacity to deliver development management function
61	SMT	Policy reviews not concluded effectively
62	CS	Failure to deliver effective training and development to our people

Likelihood	Definition
1	Almost impossible: difficult to see how it could occur
2	Unlikely: do not expect occurrence but it is possible
3	Possible: may occur occasionally
4	Likely: will occur but is not an every day occurrence
5	Almost certain: high probability of situation occurring

LIKELIHOOD	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Catastrophic (5)
Almost Certain (5)	5	10	15	20	25
Likely (4)	4	8	12	16	20
Possible (3)	3	6	9	12	15
Unlikely (2)	2	4	6	8	10
Almost Impossible (1)	1	2	3	4	5

Line	Ref No	Description of Risk	Description of Impact	Mitigation	Contingency	Likelihood	Impact	Owner	Severity	Date reviewed	Review Date
A	58	IDOX system as implemented not delivering improvements to service delivery	Drop in the quality of service experienced by users of the planning service Loss of goodwill from partner Local Authorities Potential for some authorities to opt out of providing the service Potential drop in service levels for customers as Authorities prioritise their own work ahead of SDNPA work, due to problems with the system (Operational) (Reputational) (Financial) (Legal)	Communication with authorities to understand their concerns and make sure they are addressed quickly Support Authorities to use the system by providing solutions to the problems identified with the system Increase resources in the planning team to provide that support		Likely (4)	Major (4)	TS	High	21/05/2012	
B	33	Implementation of Estates Strategy is delayed or cannot be fully implemented	Possible disruption to staff and Members Impact on business continuity (Organisational)	Longer term leasing of space in Hatton House to cover for project slippage Taking additional space in Penns Place to cover for project slippage Estate Manager now in post to oversee day-to day estates and facilities issues	Renegotiation of current leases	Almost Certain (5)	Moderate (3)	HR	High	05/03/2012	
C	41	Increase in numbers of Planning Applications or reduction in fee income affects SDNPA spending	Increased cost of delegation would result in use of Planning Delivery reserve (Financial)	Active monitoring of numbers and costs Benchmarking to assist in reducing costs Close review on planning fee income projection Appointed fixed term Contract Compliance officer Reduce payments Corporate budget will cover fee reduction		Almost Certain (5)	Moderate (3)	TS	High	05/03/2012	

Line	Ref No	Description of Risk	Description of Impact	Mitigation	Contingency	Likelihood	Impact	Owner	Severity	Date reviewed	Review Date
D	44	Failure to produce Local Development Framework (LDF) or Core Strategy	Makes the National Park vulnerable to appeals of planning decisions After 2014 the Government will introduce legislation which allows a presumption in favour of sustainable development which will affect SDNPA decisions	Recruited extra capacity to deliver planning policy (2 LDF fixed terms contract) Establish clear milestones for LDF and effective programme management Link with management plan work, particularly the evidence base		Possible (3)	Major (4)	TS	Significant	05/03/2012	
E	55	Lack of effective prioritisation and co-ordination of work across the organisation	Management Plan suffers and SDNPA lacks capacity to support other work such as advising on major projects. Potential knock on effect on LDF preparation with emerging issues not being incorporated. Increasing demands / expectations on Ops team leads to failure to deliver on the wide range of NPA priorities. Resources not available to deliver on all priorities	Good communication and cross-departmental co-operative working Effective work prioritisation process Active management of time and priorities Clarity on timetable Rebalancing resources and priorities monitored through the Business Plan and Service plan process		Possible (3)	Major (4)	SMT	Significant	05/03/2012	
F	60	Failure of partnership working in the production of the Management Plan	Partners do not agree with or sign up to the vision Actions in Management Plan will not be delivered SDNPA not seen to be adding value SDNPA unable to deliver the Purposes and Duty effectively	Close engagement with Partners in developing the vision and objectives for the Management Plan		Possible (3)	Major (4)	AL	Significant	21/05/2012	
G	46	SDNPA fails to add value to planning system particularly Development Management	Failure to improve quality of the planning service Failure to improve cost effectiveness of the planning service across the National Park (Reputational)	Review section 101 agreements for quality and cost quarterly Annual review of overall service Jan 2012 Implement recommendations from managing excellent planning services process Managing Excellent Planning Services (MEPS) exercise completed and informing new service level agreements Agree SLAs with all Local Authorities by June 1st and embed good process through UNIFORM/IDOX		Possible (3)	Moderate (3)	TS	Significant	05/03/2012	
H	37	Health & Safety of staff, particularly lone workers and volunteers	Breach of statutory duty, claims/litigation, costs, lost productivity due to absence from work (Operational) (Financial) (Legal)	Services of an external H&S consultant retained Revise existing JC H&S being used H&S Strategy and Responsibilities agreed H&S elements included in the induction programme Established H&S Committee and regular accident reporting H&S policy in place and presentation to all staff		Possible (3)	Moderate (3)	HR	Significant	05/03/2012	

Line	Ref No	Description of Risk	Description of Impact	Mitigation	Contingency	Likelihood	Impact	Owner	Severity	Date reviewed	Review Date
I	49	The Peer Review of the SDNPA does not result in a positive outcome	The outcome of the peer review due in November 2012 damages staff morale or the SDNPA's external relations and public image. (Organisational) (Reputational)	Advance planning for review Gap analysis undertaken Interim review undertaken Action plan prepared Close liaison with the Review Team and appropriate support Incorporate the Peer Review recommendations into the SDNPA business plan Task Group set up to look at sustainability issues across the Authority		Possible (3)	Moderate (3)	TB	Significant	05/03/2012	
J	56	Capron House refurbishment and moves not completed on time or within budget	Possible disruption to staff and Members Impact on business continuity Possible impact on budget (Organisational) (Financial)	Dedicated project management resource to oversee the project Appointment of specialist external advisers and architects to work with the project manager Strong project management approach Maintenance of a project risk register with appropriate escalation to corporate risk register		Possible (3)	Moderate (3)	HR	Significant	21/05/2012	
K	61	Policy reviews not concluded and no consequent actions implemented	Perception that SDNPA is ineffective to our Partners and stakeholders Loss of confidence in SDNPA to deliver on it's priorities	Good project management to support reviews and implement actions Close monitoring of the progress of the reviews by SMT and Members		Possible (3)	Moderate (3)	SMT	Significant	21/05/2012	
L	62	Failure to deliver effective training and development for staff	Lack of effectiveness for some staff in delivering their roles Organisation does not fully benefit from the staff resources it employs Staff become demotivated Potential for increased staff turnover Failure to comply with legislation and possible legal challenge as a result e.g. H&S and Equalities (Operational) (Reputational) (Financial) (Legal)	Ensure PDR are completed and all training & development needs are identified HR and SMT agree training and development plan annually Provision of specialist advice and support to deliver H&S and Equalities training Managers allowing staff time to undertake training and development activities Senior staff support and monitor training and development activities in their Directorates		Possible (3)	Moderate (3)	HR	Significant	21/05/2012	

Line	Ref No	Description of Risk	Description of Impact	Mitigation	Contingency	Likelihood	Impact	Owner	Severity	Date reviewed	Review Date
M	5	Failure to manage adequately and develop key corporate systems e.g. ICT, finance, FOI, data protection, legal, facilities	The processes and systems introduced are not sufficiently understood/operated leading to potential inability to deliver SDNPA functions (Reputational) (Legal) (Financial) (Operational)	Increase in staff to develop and manage Estates Strategy and facilities management Permanent ICT team in place and new contract for provision of ICT let - transition to new provider in July 2012 Improvements to staff induction to include policies and procedures - new induction process now being used for new recruits Comprehensive HR Strategy being developed Key processes mapped, based on risk analysis Specific objective included in 2012-13 Business Plan Work being undertaken on information governance Procurement system rolled out and training undertaken to embed. New procurement manager recruited both of which will lead to greater control	Reallocate resources to support this work	Unlikely (2)	Major (4)	HR	Significant	22/05/2012	
N	45	Lack of capacity to manage Development Management function effectively, especially around enforcement issues, having regard to recovery of service	Unwanted developments not enforced against Lack of consistency Delayed decision making Unwanted developments not enforced against (Reputational) (Operational) (Legal)	Review of Development Management function Jan 2012 New staff resources recruited and in place New structure in place with greater use of Link Officers New enforcement post recruited into		Unlikely (2)	Major (4)	TS	Significant	21/05/2012	
O	57	Failure to take effective action as a result of the finding s from the staff survey and member away day	Effect on morale of staff which has a knock on effect on the services delivered (Operational) (Reputational)	Clear action plan developed with staff Staff workshop to develop action plan Follow up work carried out with members Continued external facilitation for staff survey follow up work		Unlikely (2)	Major (4)	TB	Significant	05/03/2012	

Line	Ref No	Description of Risk	Description of Impact	Mitigation	Contingency	Likelihood	Impact	Owner	Severity	Date reviewed	Review Date
P	31	Changes in South Downs Joint Committee functions (e.g. Rights of Way management, Dutch Elm Disease control) not transferring to SDNPA have an adverse impact on the public's perception of the National Park Authority.	Possible perceived deterioration of Rights of Way management and Dutch Elm Disease control attributed to the SDNPA (Reputational) (Financial)	Clear communications to the public on where responsibilities lie Use influence to seek effective way forward for these functions through partners Agreed accords in place with Highways Authorities by March 2012 SDW officer in post Funding agreed for National Trail post Develop a clear set of messages about functions such as Rights of Way Rights of Way working group established Member Group has finished but an officers group has been set up with Highways Authorities Some evidence that key messages about responsibilities are becoming known		Possible (3)	Moderate (3)	PB	Significant	Closed 21/05/12	
Q	48	IDOX Project is under-resourced to deliver to timescale	Delay project beyond April 2012 (Operational) (Reputational)	Planning admin manager allocating adequate time to the project for the development of the SDNPA templates and reports Allocating 2 days a week on the project until backfill post Provided with laptop to work from home Recruiting for backfill post to allow planning admin manager to work full time on project Provide Planning admin manager with clear work programme and regular 1:1s Admin support now in place		Possible (3)	Major (4)	TS	Significant	Closed 21/05/12	
R	53	Implementation of 3 large contracts at the same time: IDOX ICT new provider - lack of continuity of specialist staff Finance new provider	Organisational resilience and management of change capacity. Potential discontinuity of service and potential for some functions not to be delivered. (Reputational) (Operational) (Financial)	Project Management in place to include handover arrangements and management of change. Recruitment of permanent ICT complete. Major procurements now in advanced stages and the impact of the changes has reduced because of this.		Almost Certain (5)	Minor (2)	HR	Significant	Closed 21/05/12	