

Report to	Governance Committee
Date	21 February 2017
By	Head of Governance
Title of Report	Corporate Risk Register

Recommendation: The Governance Committee is recommended to:

- 1) Note the Corporate Risk Register as at February 2017**
- 2) Consider if any risks should be referred to the Policy & Programme Committee**

1. Summary and Background

- 1.1 The Governance Committee has terms of reference which include "... to ensure the robustness of risk management and performance management arrangements; and to agree the Internal Audit Plan and Annual Report and receive progress and other relevant internal audit reports."
- 1.2 Corporate Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved. It includes the systems and processes, and cultures and values, by which public bodies are directed and controlled and through which they account to and engage with their partners, communities and citizens.
- 1.3 Risk management is a key aspect of corporate governance and is one of the 7 principles in the 'Delivering Good Governance in Local Government Framework (2016)' developed by Cipfa and SOLACE¹ to help public bodies make open, transparent and better informed decisions that take full account of risk and opportunities.
- 1.4 The Corporate Risk Register is to be reported to each meeting of the Governance Committee. From June 2016 the corporate risk register has been monitored by the organisation's Operational Management Team on a monthly basis and issues escalated to SMT as required.

2. The Corporate Risk Register

- 2.1 **Appendix 2** shows the risk register in a graphical way which allows Members to see, at a glance, the likelihood and impact of risks.
- 2.2 Changes to the risks included on the register are set out in the register at **Appendix 2**.
- 2.3 Significant changes are set out below for Members' information:
 - Risk 3 has been updated to reflect the implementation stage of CiL. This risk has been considered and agreed by OMT.
- 2.4 Updates to mitigations and actions across all risks are documented in **Appendix 2** to this report.

3. Conclusion

- 3.1 Members are asked to consider if there are any risks which should be referred to the Policy and Programme Committee on the basis they may have significant resource implications.

¹ Chartered Institute of Public Finance & Accountancy and Society of Local Authority Chief Executives & Senior Managers

3.2 The Governance Committee will receive a further update of the risk register at its next meeting.

4. Other Implications

Implication	Yes/No
Will further decisions be required by another committee/full authority?	No
Does the proposal raise any Resource implications?	There are no additional resource requirements arising directly from this report. Any additional resources required for the delivery of identified mitigations will be subject to the Authority's usual decision making requirements.
How does the proposal represent Value for Money?	Effective risk management contributes to the efficient running of the organisation.
Are there any Social Value implications arising from the proposal?	No
Has due regard been taken of the South Downs National Park Authority's equality duty as contained within the Equality Act 2010?	None arising from this report
Are there any Human Rights implications arising from the proposal?	There are no implications arising from this report.
Are there any Crime & Disorder implications arising from the proposal?	There are no implications arising from this report.
Are there any Health & Safety implications arising from the proposal?	There are no implications arising from this report.
Are there any Sustainability implications based on the 5 principles set out in the SDNPA Sustainability Strategy?	Effective risk management contributes to the principle of promoting good governance

5. Risks Associated with the Proposed Decision

5.1 There are no direct risks arising from this report. The report outlines the current major risks facing the Authority and how they will be mitigated.

ROBIN PARR

Head of Governance

South Downs National Park Authority

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Appendices: 1. Explanatory Information

2. Corporate Risk Register

SDNPA Consultees: Chief Executive Officer, Director of Countryside Policy & Management, Director of Planning, Chief Finance Officer, Monitoring Officer

Background Documents: Previous Committee reports

Explanatory Information for Risk Register:

Description	Likelihood of Occurrence
Almost Certain (5)	The event is expected to occur in most circumstances.
Likely (4)	There is a strong possibility the event will occur.
Possible (3)	The event might occur at some time
Unlikely (2)	Not expected, but a slight possibility
Rare (1)	Highly unlikely. It could happen but probably never will

Category	Example Descriptor of Impact
Insignificant (1)	Basic first aid required, less than £100 financial impact, reputation remains intact.
Minor (2)	Short term injury to 1 or 2 people, minor localised disruption lasting less than 24 hours, between £100-£1000, minimal reputation impact.
Moderate (3)	Semi-permanent disability, affects between 3-50 people, high potential for complaints, financial burden between £1,000 and £10,000, litigation possible.
Major (4)	Causing death serious injury or permanent disability. Service closure for up to 1 week, significant financial burden, national adverse publicity, litigation expected.
Catastrophic (5)	Multiple deaths, Financial burden over £100,000, international adverse publicity, widespread displacement of people (over 500), complaints and litigation certain.



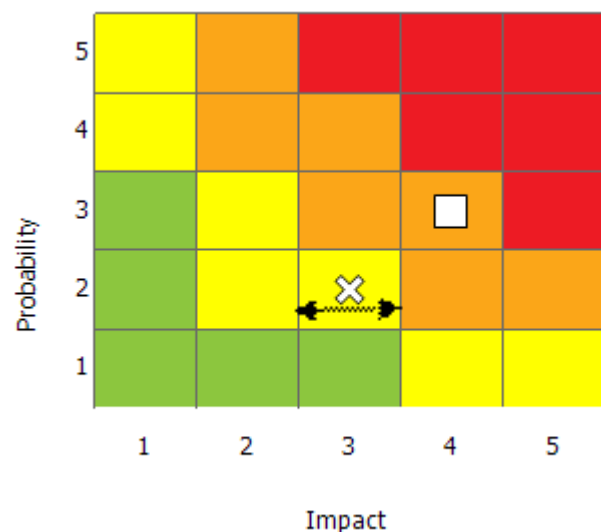
Corporate Risk Register

KEY:

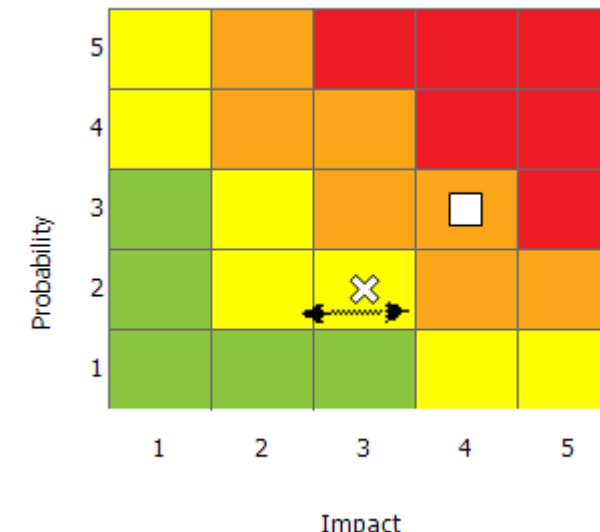
[] =Inherent Risk (Risk before any action is taken)

X =Residual Risk (Risk after mitigations put in place)

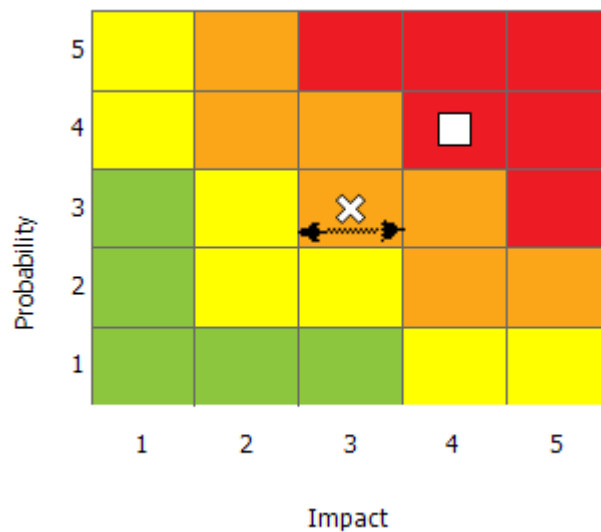
01. Health and safety
 Owner: Vicky Paterson
 Description of Impact of Risk: Accident or incident involving staff, volunteers, visitors, members or the public resulting in serious injury or death at an SDNPA facility or event. Breach of statutory duties, litigation and cost against the authority.
 Mitigations: 1. Services of external Health and Safety consultant retained. 2. H&S strategy and responsibilities agreed 3. Health and Safety elements included in induction programme for staff and volunteers 4. H&S committee and regular accident reporting 5. Health and Safety policy in place 6. All area offices regularly audited by the consultant. 7. Annual report to Governance Committee with recommendations 8. Members and SMT trained and briefed on H&S responsibilities 9. All risk assessments reviewed and updated
 Updates: none



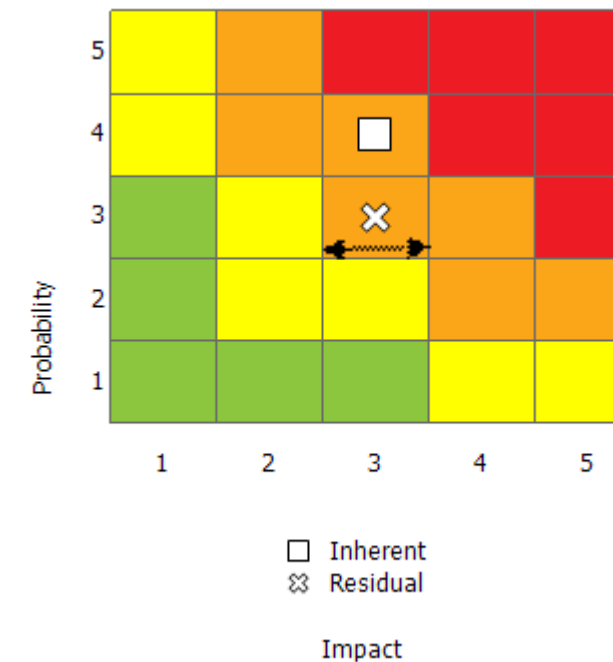
03. CIL
 Owner: Tim Slaney
 Description of Impact of Risk: Insufficient resources, systems and procedures are in place to effectively collect, distribute and monitor CIL funds. Results in a failure to deliver projects contained with the IDP due to insufficient funds collected. Poor management of the distribution of funds leads to challenge over decision making and a failure to deliver park purposes and duties. Reputational damage is suffered resulting from delays in determining applications and relationship with parishes, developers and communities negatively impacted as projects not delivered upon and community expectations fail to be met. Potential for Government to review CIL may result in further changes to requirements and regulation.
 Mitigations: Collection of CIL managed in house and responsibility for collection spread across the planning team. Major Planning Projects Officer and Development Management Offer roles have specific focus on monitoring and collection of CIL. Exacom module (Uniform) in place to calculate CIL.
 Updates: Work to develop appropriate processes for the allocation and distribution of CIL is underway.



02. Finance and budgets
 Owner: Trevor Beattie
 Description of Impact of Risk: Budgets insufficient or budgets become insufficient due to reduction in Defra grant or in year requirement for savings; failure to match resources and workloads across the organisation; Mgt Plan suffers and SDNPA lacks capacity to support other work. Resources not available to deliver on all priorities
 Mitigations: 1. Monthly budget monitoring undertaken by HoT's, enables identification of areas of potential overspend and compensating savings 2. Effective work prioritisation process 3. Rebalancing resources and priorities monitored through the business plan and corporate plan 4. Joint LP and NPMP timeline produced 5. Income Generation project 6. Budget setting process underway and organisational restructure in planning stages. 7. Budget announcements and four year settlement provide additional security
 Updates: Mitigations updated in light of ongoing activity. Probability score reduced in light of Defra settlement



06. Local Plan
 Owner: Tim Slaney
 Description of Impact of Risk: Failure to produce Local Plan within reasonable timeframe and with quality evidence makes the National park vulnerable to appeals of planning decisions
 Mitigations: Clear milestones established and communicated. Link with mgt plan, particularly the evidence base. Clarity of spend on the information required for the evidence base. Week by week analysis of progress against revised project plan.
 Updates: Recruitment of new local plan lead and senior policy planner was successful May/June 2016. New local plan timetable agreed and published June 2016. Parish workshops on emerging allocations held October 2016 and pre-submission planned for September 2017.

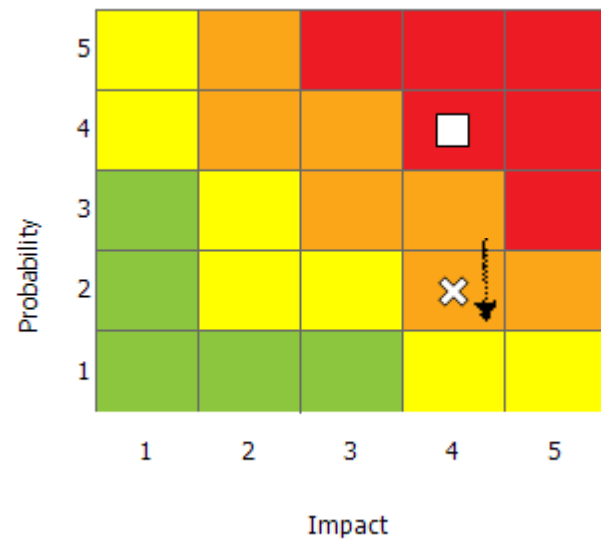


[] Inherent
 X Residual

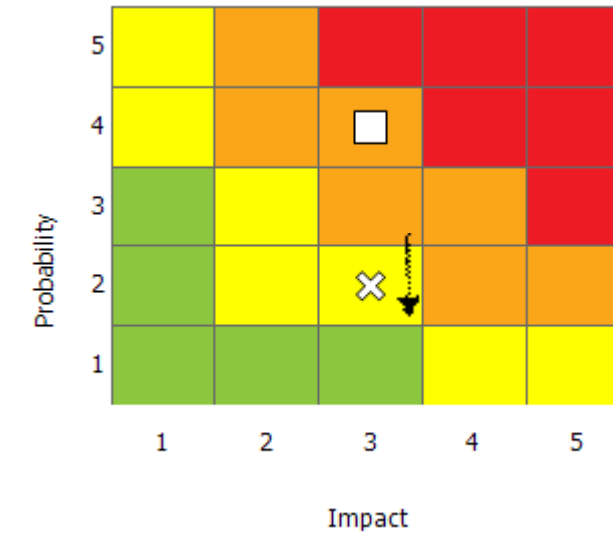
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Corporate Risk Register

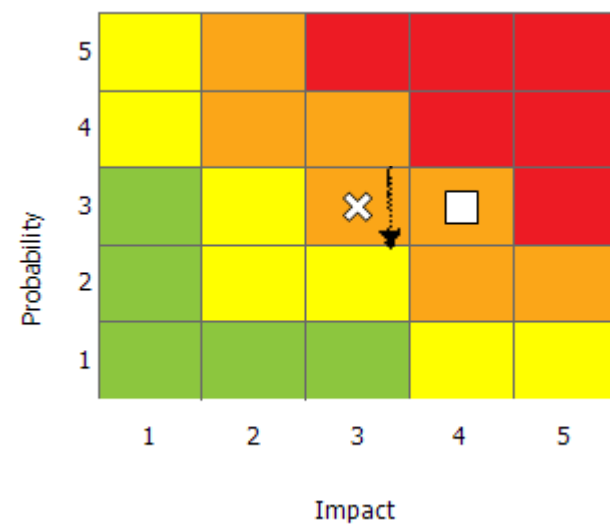
07. Development Management
 Owner: Tim Slaney
 Description of Impact of Risk: Lack of capacity to manage development management function effectively results in unwanted developments not enforced against, lack of consistency, delayed decision making or an increase in planning appeals/inquiries. Significant additional costs to the Authority incurred and reputational damage and loss of confidence in the planning functions of the authority.
 Mitigations: DM team now at nearly full strength only 0.6 post in Minerals and Waste remaining vacant
 Updates: Risks 7 & 11 have been merged. Score updated to reflect views of committee and reassessment of risk



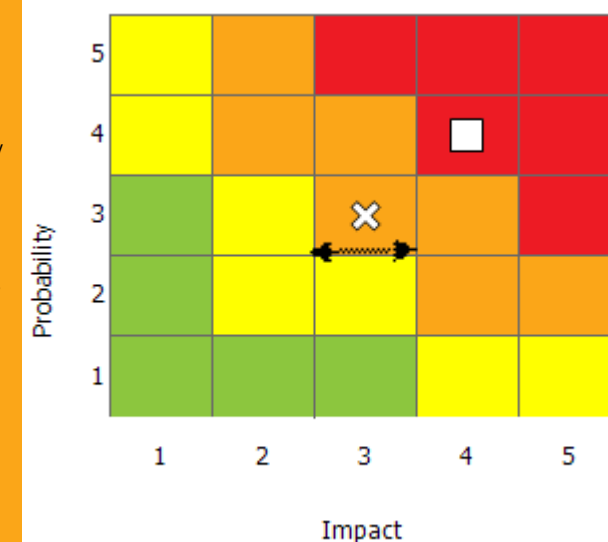
09. Partnership Management Plan
 Owner: Andrew Lee
 Description of Impact of Risk: The objectives and activities in the NPMP are not delivered due to lack of alignment with business plans of other organisations, lack of resources from partners, our resources to deliver the plan are reduced and focussed on core statutory activities
 Mitigations: 1. Close engagement with partners 2.. Meetings with key partners, in particular the South Downs Partnership to build support for the NPMP 3. Income Generation Strategy, 4. Public Affairs Strategy in development 5. ensure timing of PMP review is aligned with partners business planning 6. involve SDP in review of PMP and State of the Park report. 7 Increased project fund available due to Defra Settlement
 Updates: Probability score reduced due to budget settlement. Mitigations updated



08. Business Continuity Planning
 Owner: Robin Parr
 Description of Impact of Risk: Lack of organisational business continuity planning may prevent delivery of key services in the event of a major incident
 Mitigations: BCP for Key buildings in place. Business Critical functions identified and planned for. IT recovery plans in place. Key staff roles identified in BCP and communicated. 6 monthly review and annual testing of the plan in place
 Updates: First test of plan undertaken in Feb 2017 and plan updated. Subsequent review testing will take place annually.

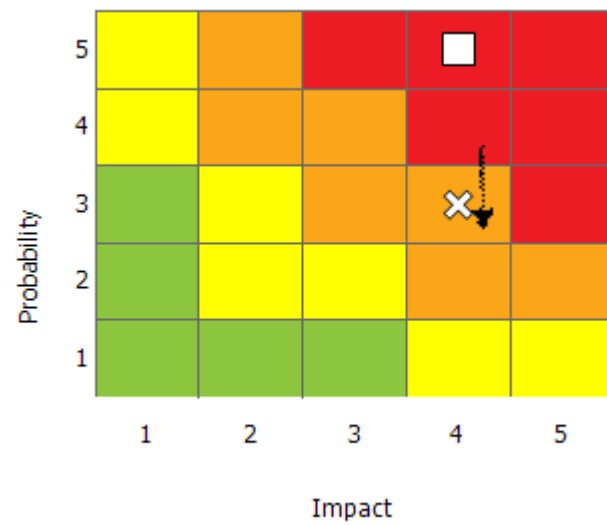


12. Awareness and Favourability
 Owner: Andrew Lee
 Description of Impact of Risk: Awareness and favourability with decision makers, partners and public is low or is significantly negatively impacted by our failure to deliver key projects/outcomes
 Mitigations: Public affairs strategy being developed, wider communications strategy, close engagement with and expectation management of partners, Project management approval process, robust project governance, Reporting to P&P and Governance Committee, Project evaluation and lessons learnt process, strong financial planning, proactive communications with partners, public and members about projects. Four year settlement helps forward plan activity and provide consistency and increase project pots
 Updates: none

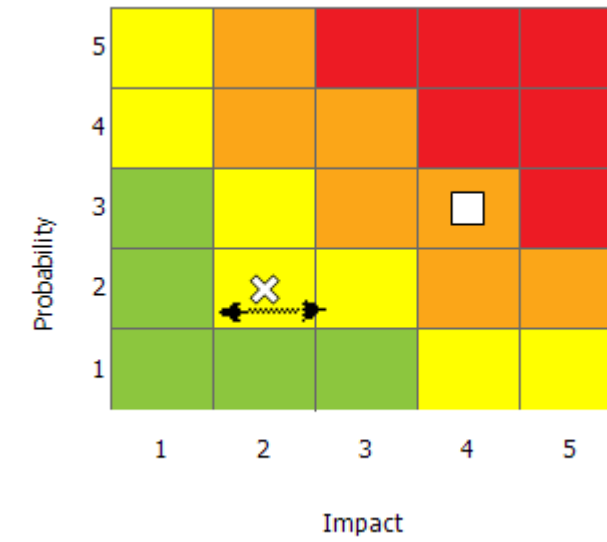


Corporate Risk Register

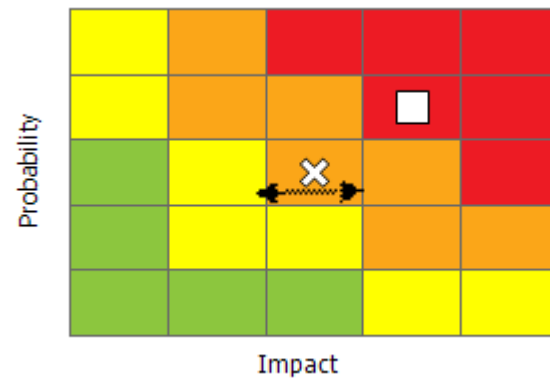
13. Partner expectations
 Owner: Andrew Lee
 Description of Impact of Risk: Expectations on the Authority are unrealistic as public sector and other partners reduce activity and/or cut back resources in the National Park. Which results in a reduction in capacity to deliver PMP outcomes. Strong continuous dialogue with relevant partners, clarity around our legal obligations and requirements, ongoing communications work around managing public expectations.
 Mitigations: Involving partners in the review of the PMP, particularly as we move into Brexit negotiations. Encourage private investment into the National Park eg: PES and carbon trading. See also mitigations for the Brexit risk. PMP partnership workshops underway.
 Updates: Recent publication of strategies' for the South Downs published by key partners. Residual probability score revised.



15. IT Contract
 Owner: Alan Brough
 Description of Impact of Risk: Single point of failure in the IT contract
 Mitigations: 1. The role has been developed to ensure it is sustainable and turnover of staff is kept to a minimum 2. Day to day support functions are provided via contract meaning that user support would not be impacted by the departure of the IT manager post holder. 3 documentation of key processes. 4. Work in progress reporting
 Updates: none



16. Staffing
 Owner: Trevor Beattie
 Description of Impact of Risk: Inability to attract/retain key staff impacts upon the organisation's service delivery. High staff turnover results in inefficiency across the organisation
 Mitigations: New pay structure and terms and conditions post restructure, Training and development programme, Staff survey action plan, PDR policy, Resilience and capacity review by OMT, Internal policies and procedures in place e.g. (family friendly, flexible working)
 Updates: new structure now gone live on target. Timetable for further recruitment set out and being adhered to.



17. Brexit Transition
 Owner: Trevor Beattie
 Description of Impact of Risk: Loss of DEFRA focus on National Parks and our priorities as this is overtaken by other issues. Potential cut in agreed four year budget as a result of autumn statement in late 2016. Change of legislative programme may introduce additional burdens or remove existing protections from the National Park. Relationships with landowners may be impacted by new requirements/ removal of existing programme. New sources of project funding need to be identified for large scale projects. Existing EU funded projects may be impacted in the longer term.
 Mitigations: 1. Chief Executive, senior managers and members agreed approach focussing on continued delivery of existing work streams, being prepared to contribute when government requires our input and audit of existing EU funded projects. 2. Identification of risks for project risk registers – to be managed as part of ongoing project activity. 3. Establishment of a group of members/officers to monitor developments and ensure communication. 4. In collaboration with NPE and NPUK maintain close and positive relations with central Govt at right time to raise profile of National Parks and ensure that NPAs are a key part of the new framework for environmental policy and agricultural support. 5. Watching brief as new legislative/reform programme develops to seek opportunities for NPA input at correct time. 6. Close working relationships with NPE, NPUK and other NPAs and strong strategic alliances with key external stakeholders to develop shared response to issues and proactive new approaches at the appropriate time. 7. Close monitoring of budget spend. 8. Workshops and NPA updates at key points as information /developments emerge. 9. consideration of creation of a "Brexit fund" to assist pilot activity as part of budget process.
 Updates: Updates to provided to NPA and progress monitored at Chairs and SMT meetings

