

**Agenda Item 17**  
**Report PRI9/20-39**

Report to	<b>Policy &amp; Resources Committee</b>
Date	<b>27 February 2020</b>
By	<b>Head of Governance and Support Services</b>
Title of Report (Note)	<b>Corporate Risk Register</b>

**Recommendation: The Committee is recommended to:**

**1) Note the Corporate Risk Register as at February 2020**

**1. Introduction**

- 1.1 The Policy and Resources 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 The Corporate Risk Register is reported to each meeting of the 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.
- 1.3 At its meeting in September 2019 the Committee approved a new Risk Management Policy and Guidance document which has since been communicated across the Authority

**2. Policy Context.**

- 2.1 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.
- 2.2 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 SOLACE<sup>1</sup> to help public bodies make open, transparent and better informed decisions that take full account of risk and opportunities.

**3. Issues for consideration**

- 3.1 **Appendix 2** shows the risk register in a graphical way which allows Members to see, at a glance, the likelihood and impact of risks. Explanatory information is provided at **Appendix 1** to this report.
- 3.2 Significant changes to the Risk Register since it was last considered by the committee are:
  - There have been no significant updates since the last time the risk register was presented to the committee.

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

3.3 Updates to mitigations and actions, where identified, across all risks are documented in **Appendix 2** to this report.

**4. Options & cost implications**

4.1 Members are asked to consider and comment upon the Corporate Risk Register.

4.2 Management of risk is a key aspect of the organisation’s governance and is undertaken within existing corporate budgets.

**5. Next steps**

5.1 Further updates on the Corporate Risk Register will be brought to future meetings of the Committee.

**6. Other Implications**

<b>Implication</b>	<b>Yes/No</b>
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?	There are no equalities implications arising from this report. Actions and mitigations are subject to an Equalities Impact Assessment where this is appropriate.
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 Data Protection implications?	There are none
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

**7. Risks Associated with the Proposed Decision**

7.1 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:**

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

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

**SDNPA Risk Appetite Statement:**

The Authority seeks to operate within a limited overall risk range. The Authority's lowest risk appetite relates to safety including employee health and safety, with a higher risk appetite towards those activities directly connected with the Authority's Purposes and Duty. The Authority accepts that risk is ever present and is generally only willing to accept low levels of risk as part of its day to day business and in relation to its reputation. The Authority will normally only consider options where the level of risk can be managed to a low degree. However, the Authority may be willing to consider a higher level risk where it has the opportunity to be innovative in relation to its service delivery.

## Corporate Risk Register

□ = Inherent risk ( Risk before any action is taken)

✕ = Residual Risk ( Risk after mitigations in place)

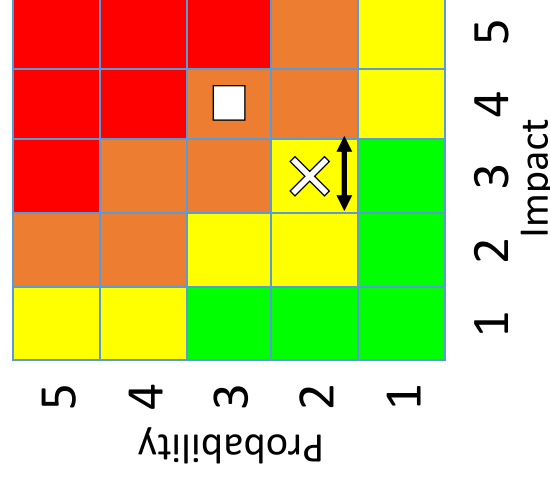
### 01. Health and safety

**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 operating and receiving regular accident reporting. 5. Health and Safety policy in place. 6. All area offices regularly audited. 7. Annual report to P&R Committee with recommendations. 8. Members and SMT trained and briefed on H&S responsibilities. 9. All risk assessments reviewed and updated. 10. Additional health and safety related training provided via e-learning—fire safety and health and safety delivered as mandatory courses. 11. IOSH training completed by all H&S reps. 12. Lone working policy agreed by OMT.13 internal health safety advisor in place to support existing contact

**Updates:** Action plan arising from external independent audit being implemented. IOSH training for manager to be rolled out during early 2020. Near miss reporting communication drive.



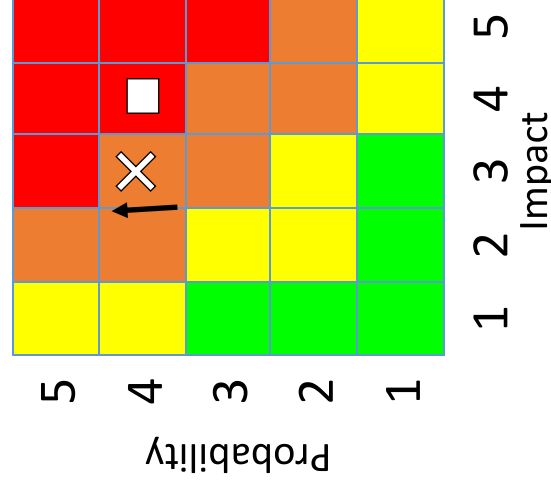
### 02. Finance and budgets

**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; Management plan suffers and SDNPA lacks capacity to support other work. Resources not available to deliver on all priorities.

**Mitigations:** 1. Sufficient flexibility within revenue budget to enable shortfall to be at least partly managed. 2. Sufficient reserves to enable residual shortfall to be managed in short term whilst budget adjusted . 3. Income Generation activity underway (see risk 22) to provide potential to raise income to meet shortfall 4. Effective planning and approach to the Budget setting process. 5. Monthly budget monitoring undertaken by managers and OMT, enables identification of areas of potential overspend and compensating savings

**Updates :** Defra grant for 20/21 still awaited



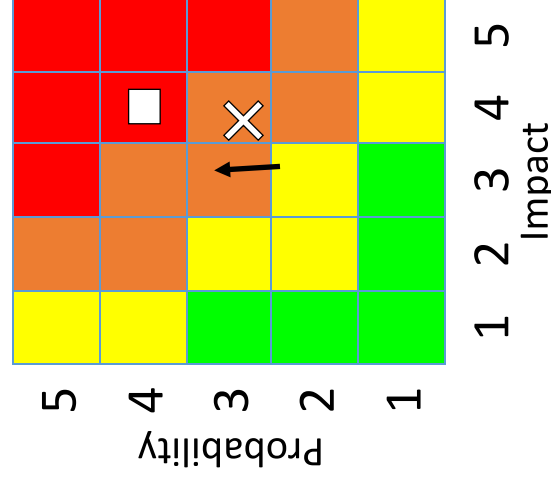
### 07. Development Management

**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 reputation damage and loss of confidence in the planning functions of the Authority.

**Mitigations:** 1. recruitment and retention practices 2. Staff pay and benefits scheme 3. Planning reserve in place. 4. training provided to host authority's. 5. s101 agreements in place 6 . Planning performance data reported to P&R committee and appeals info reported to Planning Committee

**Updates:** risk score updated due to recent turnover of staff . Recruitment practices currently under review.



## Corporate Risk Register

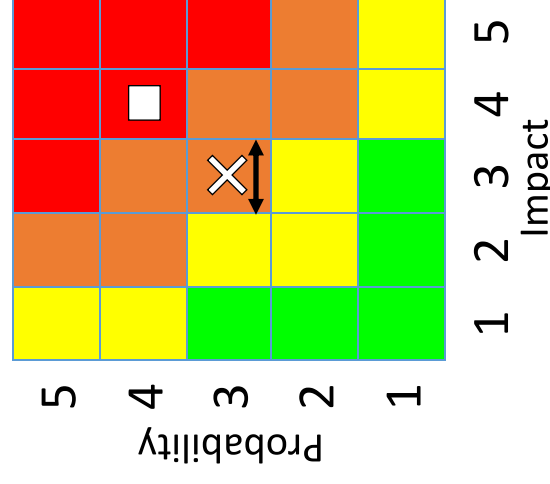
### 16. Staffing

**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 restructuring, training and development programme, staff survey action plan, PDR policy, capacity regularly reviewed by OMT, Internal policies and procedures in place e.g. (Family friendly, flexible working)

**Updates:** Staff Survey action plan being delivered



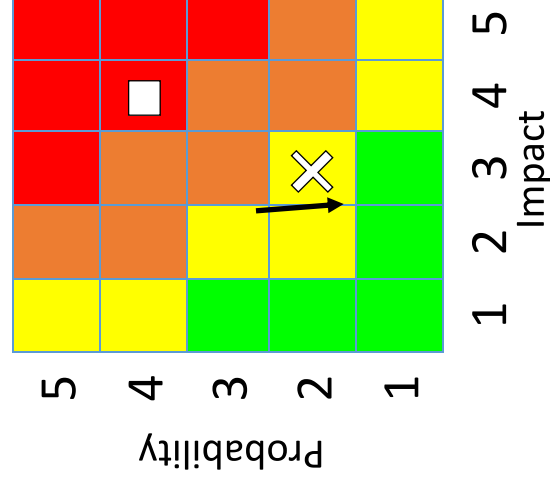
### 18. Projects - Internal Management

**Owner:** Trevor Beattie

**Description of impact of risk:** Project resources not optimised and opportunities to undertake projects are missed. Insufficient skills and capacity in the organisation to effectively develop, manage and deliver high quality projects. Opportunities to develop and deliver projects are missed, project resources are not used as effectively as possible, projects bought forward are of insufficient quality to deliver outcomes for the National Park.

**Mitigations:** Performance and Projects team in place. Prioritisation and approval process in place and audited. Guidance published on intranet, direct professional and expert support during project development and evaluation lessons learnt and performance reporting to committee. The-matic Boards operating. OMT role in decision making. Role of Strat leads, Rangers and other staff to identify opportunities and support is available to turn these into projects where appropriate. Project Manager is now in post and is undertaking a review of process and guidance and will recommend improvements where needed.

**Updates:** score updated Perceived direction of travel updated. Additional staff recruited and minimal vacancies currently within the authority to ensure maximum resource is available



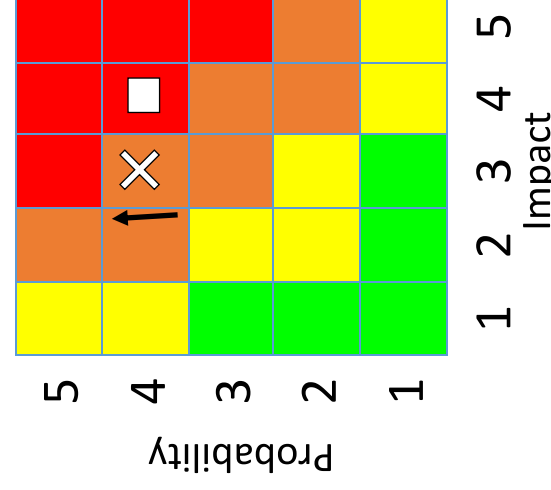
### 17. Brexit Transition

**Owner:** Andrew Lee

**Description of impact of risk:** Defra funding for SDNPA and National Park family under pressure as department takes on multiple priorities to develop post-CAP support package and repatriate complex basket of EU environment legislation. Level of protection for sites within NP weakened. Farm incomes threatened by unfavourable terms of trade, declining subsidies and shortage of casual labour. Land managers suffer loss of income from CAP Pillar 1 leading to undesirable changes in landscape management and increased pressure on our planning function due to rush to diversify income. Increased uncertainty holds back investment, increases pressure to remove environmental protections and multiplies calls for direct SDNPA support that do not accord with partnership model.

**Mitigations:** Close liaison maintained with other NPAs, with AONBs, NGOs and with central government departments to maximise information, advance warning and collective action. Members similarly on the alert within their own networks. Brexit fund allocated in SDNPA budget. Close liaison between NPE and Defra Ministers and officials, Natural England etc and NPE position statement lodged with Defra pre-election. Strong joint working between SDNPA and agencies, landowners, environmental NGOs, NFU and CLA in area.

**Updates:** Risk and mitigations updated Future of farming pilot scheme work underway . Direction of travel reassessed in light of latest position NPA continuing work with DEFRA related to future land management schemes ongoing



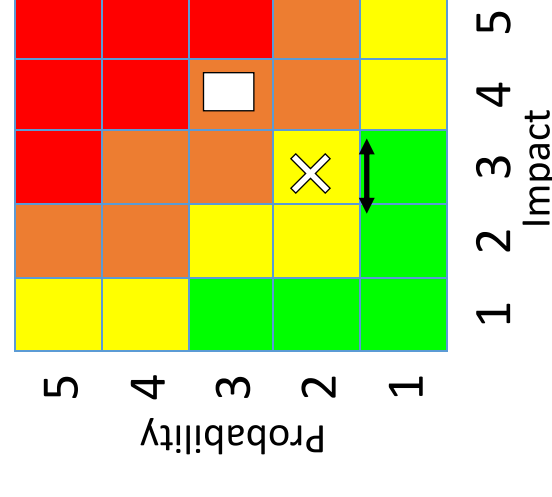
### 24. Major Infrastructure projects

**Owner:** Andrew Lee

**Description of impact of risk:** The NPA has insufficient resources to respond to Major infrastructure projects. The SDNPA is subject to legal challenge over its failure to adequately challenge a major infrastructure promoter in relation to our purposes .

**Mitigations:** Evidence based approach to infrastructure consultation responses adopted by NPA; additional resource employed (both through consultancy and staffing) to strengthen the authority's ability to respond to infrastructure projects; NPE protocol with Highways England; legal services contract in place;

**Updates:** description updated .





## Corporate Risk Register

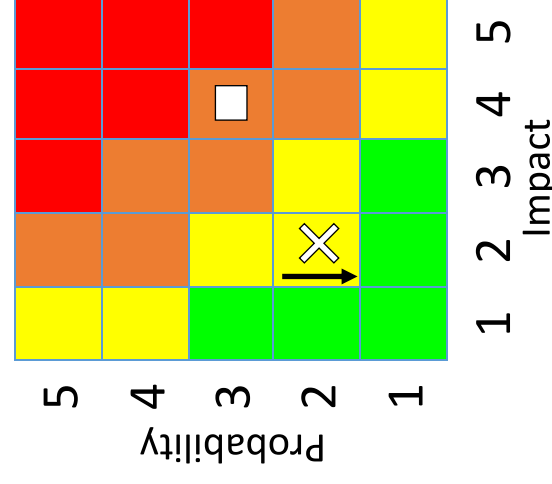
### 20. Business Continuity Planning and Organisational Resilience.

**Owner:** Trevor Beattie

**Description of impact of risk:** Lack of organisational business continuity planning and organisational resilience may prevent delivery of key services in the event of a major incident, or as a result of the loss of key staff.

**Mitigations:** BCP in place. Business Critical functions identified and planned for. BCP reviewed and tested annual. IT Disaster Recovery plans in place and tested annual. Key staff roles identified in BCP and communicated. 6 monthly review and annual testing of the plan in place. Potential single points of failure in organisation identified and mitigations in place including documenting of key processes. Specific implications of IT provision addressed through day to day IT support functions being provided via outsourced contracts meaning that user support would not be immediately impacted by the departure or absence of the IT Strategy Manager. IT network and key systems delivered externally via contracts. Network Resilience and continuity issues have also been addressed via the IT contracts. Linked to mitigations of risk 16 related to staffing.

**Updates :** none



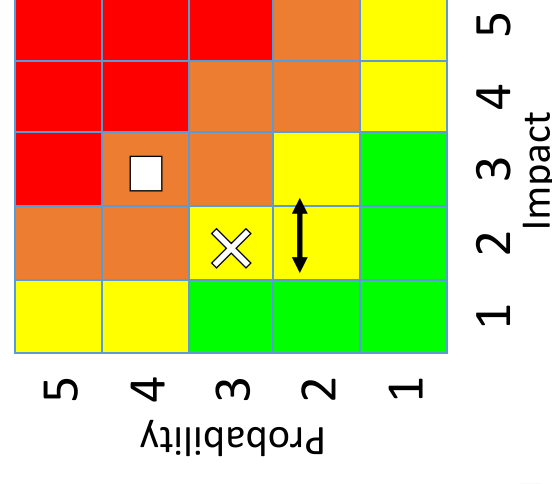
### 22. Income Generation

**Owner:** Trevor Beattie

**Description of impact of risk:** Insufficient income generation opportunities are identified to generate significant income to support NPA budgets. Insufficient skills /experience “in house” to exploit potential income generating opportunities. Challenge to commercial activity results in additional costs or reputational damage to the Authority.

**Mitigations:** 1. Governance framework for consideration of SDNPA powers in relation to commercial/income generation activity developed. 2. Seven Sisters project plan and business case 3. Sufficient reserves held to enable recruitment of staff with necessary skill set if required. 4.Skilled income generation team of four people operating well and meeting its targets

**Updates:** ESCC confirmed transfer of Seven Sisters Country Park to SDNPA, awaiting secretary of State Approval



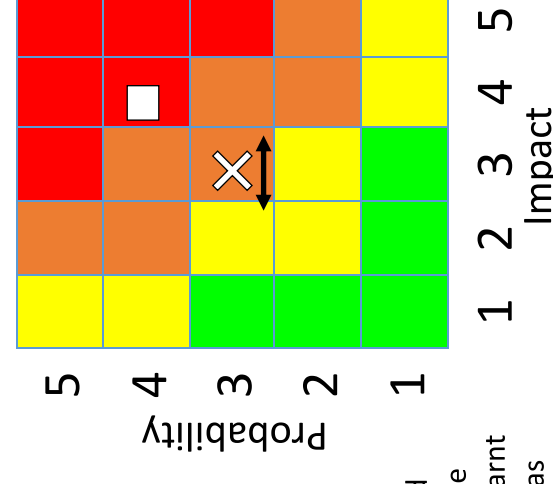
### 21. Projects—External facing (Delivery and Reputation) .

**Owner:** Andrew Lee

**Description of impact of risk:** failure to deliver key projects or NPMP outcomes and objectives due lack of resources, unrealistic expectations or alignment with partner business plans results in SDNPA reputation and influence with decision makers, partners and other stakeholders being negatively impacted.

**Mitigations:** New PMP agreed by Authority in October 2019 and new approach to budget setting. Close engagement and strong continuous dialogue with partners on ongoing basis, including meetings with the SDP to build support for NPMP2.Income generation activity 3. Public affairs strategy and proactive comms managing public expectations to ,4. Clarity around our legal obligations and requirements, t6. Robust project processes in place including enhanced project resources. 7. . Project evaluation and lessons learnt reported to committee 8. Potential Brexit transition implications identified as specific risk esp future of farming 10.Engagement with Lawton Group to encourage closer working between national NGO’s operating within the NP 11. Work underway to encourage private investment into the National Park e.g.: Payment for Eco System Services and carbon trading 12. Advance preparations to address risks arising from Brexit including Future of farming work and liaison with partners and central government. See also mitigations for the Brexit risk 13. Natural England to align its South Downs work programme with the PMP

**Updates:** Mitigations updated



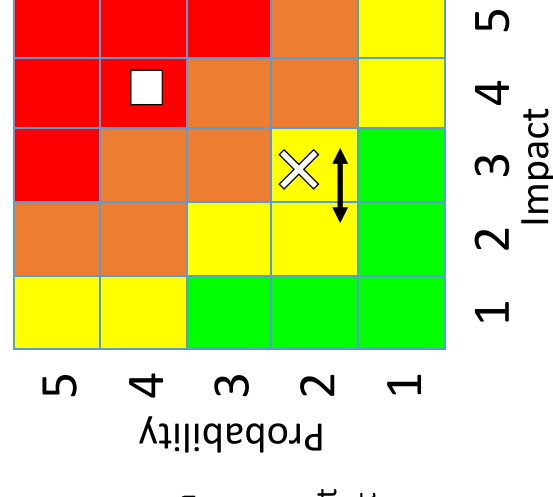
### 23. Seven Sisters Country Park

**Owner:** Trevor Beattie

**Description of impact of risk:** Seven Sister Country Park project diverts focus and resources from other priority areas. Failure to effectively manage project impacts negatively on the Authority’s finances and reputation

**Mitigations:** New PMP developed setting out priority areas, and new approach to budget setting developed to support effective prioritisation of PMP outcomes. Corporate Plan places Seven Sisters within the context of the wider business of the Authority. Project board established. Project being run using well established and widely used Prince 2 (Projects IN Controlled Environments) project management approach, business case and delegations agreed by NPA with appropriate mechanisms to return to NPA if required, regular project reporting P&R Committee . Project work streams and leads identified , resource management plans in place and overseen by SMT which will establish a separate team, under a dedicated manager to manage the site post acquisition . Stakeholder and comms plans in place

**Updates:** project board continues to over see progress and all actions on track at last project meeting . ESCC confirmed transfer of Seven Sisters Country Park to SDNPA, awaiting secretary of State Approval



## Corporate Risk Register