

Agenda Item 11
Report PR21/22-10

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| Report to | Policy & Resources Committee |
| Date | 30 September 2021 |
| By | Head of Governance & Support Services |
| Title of Report (Note) | Corporate Risk Register |

Recommendation: The Committee is recommended to:

1) Note the Corporate Risk Register as at September 2021

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. The register is regularly monitored by the organisation's Operational Management Team and issues escalated to Senior Management Team (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.
- 1.4 Discussions are currently under way to consider if there is any further actions the committee can take, within its remit, to consider the risk register and further develop the committees understanding of the risks faced by the Authority. An update on these discussions will be presented to the Committee in due course.

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 SOLACE¹ 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 I** to this report.

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

3.2 Updates to mitigations and actions, where identified, across all risks are documented in **Appendix 2** to this report. The following significant changes have been made to the register since the last time it was presented to the Committee

- Risk 3 (Finance and Budget) update to include reference to anticipated 3 year flat cash settlement and introduction of new prioritisation process. No change to risk score.
- Risk 16 (Staffing) amended to introduction of blended working practices in the risk description and inclusion of new blended working policies as a mitigation to this risk. No impact on risk scoring but direction of travel amended pending analysis of the impact of introduction of blended working.
- Risk 21 (Projects – External Facing) mitigations updated to reflect operation of the new partnership . No change to risk score.
- Risk 7 (Development Management) has been updated to reflect a change in the situation post pandemic regarding recruitment and retention. This probability risk of this score has been increased to reflect this change. This risk is monitored closely by the Director of Planning and the Planning Senior Management team and further mitigations will be added as these are identified.

4. Options & cost implications

4.1 Members are asked to comment upon and note 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

| 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? | 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.

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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. |

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.

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

✕ = Residual Risk (Risk after mitigations in place)

Corporate Risk Register

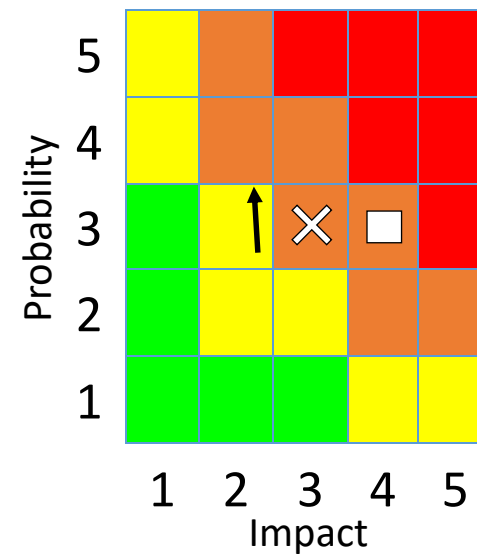
01. Health and safety

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. Impacts of Covid Pandemic.

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. Risk registers and new procedure in place to support arrangements to recover from pandemic

Updates: Annual health and safety report presented to committee in September 21

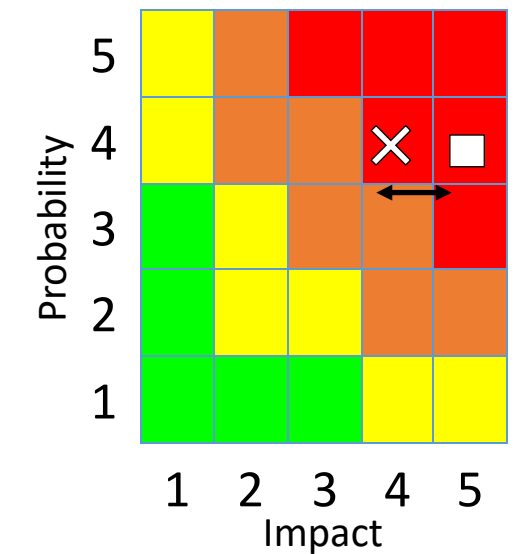


25. Government response to Landscape Review

Description of impact of risk: Govt response to Glover review, Defra's proposed consultation and any related announcements regarding governance reforms and the introduction of the National Landscape Service impacts negatively on the operation and delivery of the Authority's outcomes, affecting staff morale and relationships with key partners.

Mitigations: 1. Close Working with Defra Officials to inform decision making within Government including CEO representation on the Defra Contact Group. 2 Development of a joint approach through National Parks England 3. Close association with AONBs nationally and locally to share analysis and impact 4. Delivery of glover outcomes built into existing work programmes. 5. Establishment of new South Downs Partnership enables more effective communication with key partners. 6 . Staff and members kept informed through internal communications channels and regular updates from SMT

Updates: . Member workshop scheduled to discuss implications of announcement and consider next steps. Authority response to consultation to be developed and agreed by NPA at appropriate time. Contact Group between MHCLG and Defra established and regularly attended by Chief Executive



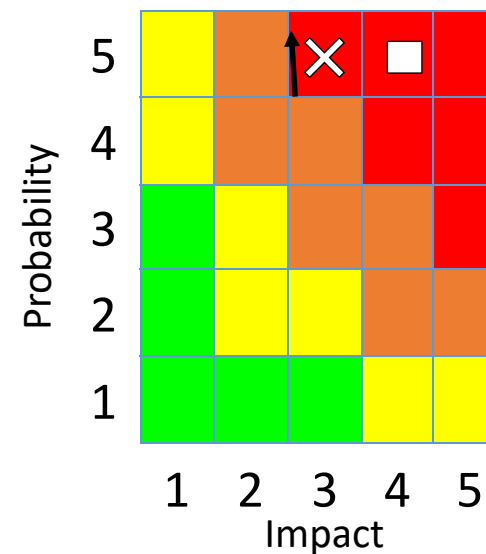
02. Finance and budgets

Owner: Trevor Beattie

Description of impact of risk: Budgets insufficient or budgets become insufficient due to a failure of the Defra grant to increase in real terms 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 and sufficient reserves to enable residual shortfall to be managed in short term whilst Medium Term budget adjusted .. Income Generation activity underway (see risk 22) to provide potential to raise income . Effective and early planning through member workshops to redefine MTFP process and approach to Budget setting . Monthly budget monitoring undertaken by managers and OMT, enables identification of areas of potential over-spend and compensating savings. Work underway to encourage private investment into the National Park e.g.: Payment for Eco System Services and carbon trading. Introduction of robust prioritisation through the corporate plan process to ensure funds are allocated to priority areas.

Updates : 3 year Flat cash settlement from Govt now anticipated . Grant settlement letter explains NPA expected to do more with reduction in real term resourcing Budget process for 22/23 underway with zero based budgeting exercise . Members workshop in September



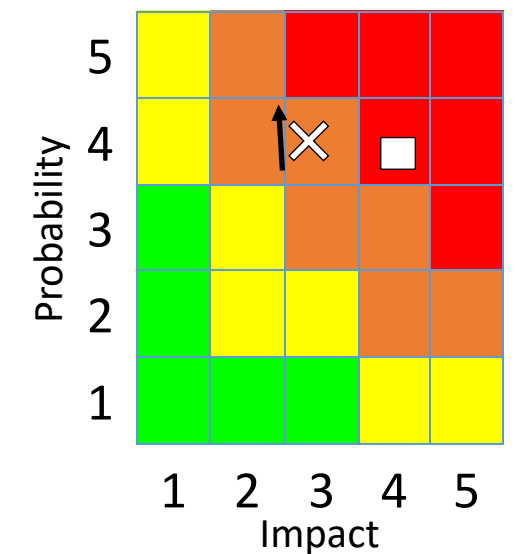
07. Development Management

Owner: Tim Slaney

Description of impact of risk: Failure to attract, grow and retain adequate levels of high quality staff to deliver a planning service to the required high standard results in a 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 7. Use of planning consultants as appropriate. Robust monitoring systems in place and culture to adapt and change—Programme of cultural change within department underway to refine working practices and increase efficiency .

Updates: Current vacancies and turn over is high and having an impact upon delivery .Consultants engaged to help address issues but not a long term solution. Recruitment activity underway again but market very competitive.



Corporate Risk Register

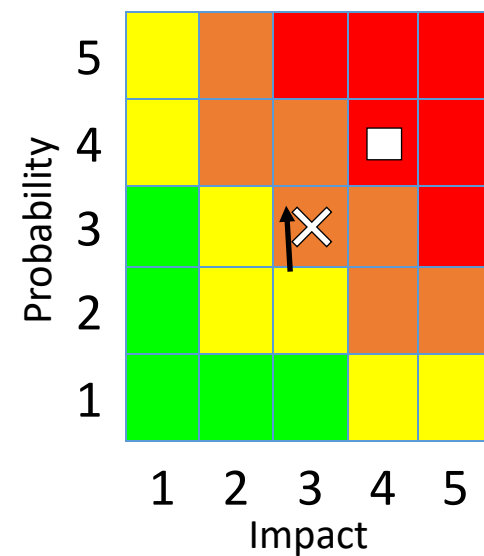
16. Staffing

Owner: Trevor Beattie

Description of impact of risk: Inability to attract/retain key staff, Impact of High staff turnover , or Introduction of blended working models which fail to meet the needs of the organisation as well as staff impact upon the organisation’s service delivery or result in inefficiency across the organisation. Mental Health issues affect staff performance and delivery.

Mitigations: Pay structure and terms and conditions in place, 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). Staff survey to inform development of post-covid plan. Webinars available for all staff related to mental health and homeworking, regular communications through internal communications channels . Mental health first aiders in place, independent counselling and support resources available through simply Health. Staff health and wellbeing group in place. New blended working policies developed and agreed

Updates: Blended working policies agreed and presented to staff in September 21



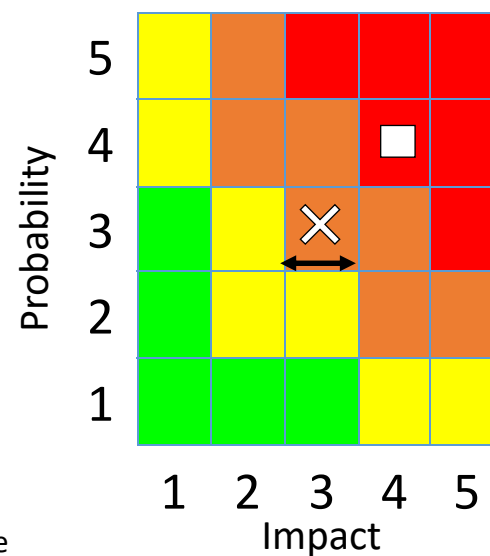
17. Legislative Impact post Brexit

Owner: Andrew Lee

Description of impact of risk: the new legislative and policy framework arising from exiting the European union does not sufficiently safeguard the National Park environment, address rural funding issues, or provide sufficient transitional support for farming and rural industries especially in relation to commodity tariffs/seasonal labour

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. Close liaison between NPE and Defra Ministers and officials, Natural England etc . Strong joint working between SDNPA and agencies, landowners, environmental NGOs, NFU and CLA in area.

Updates: None



20. Business Continuity Planning and Organisational Resilience.

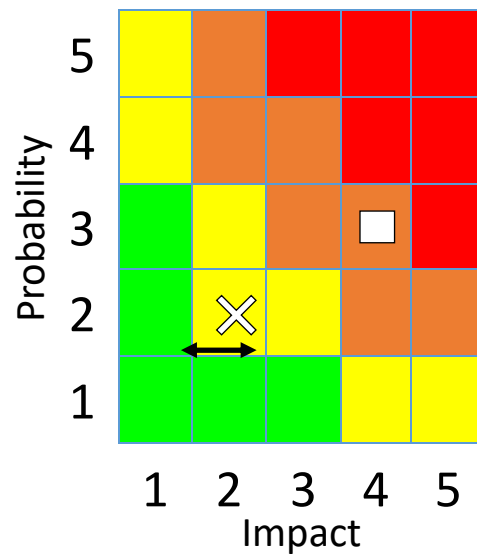
Owner: Trevor Beattie

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 : Separate BCP for Seven Sisters Country Park operations in development

Corporate Risk Register



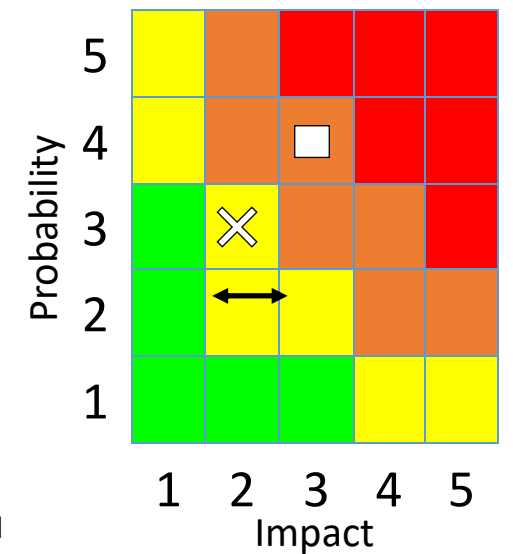
22. Income Generation

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: Limited retail operations have commenced at SSCP



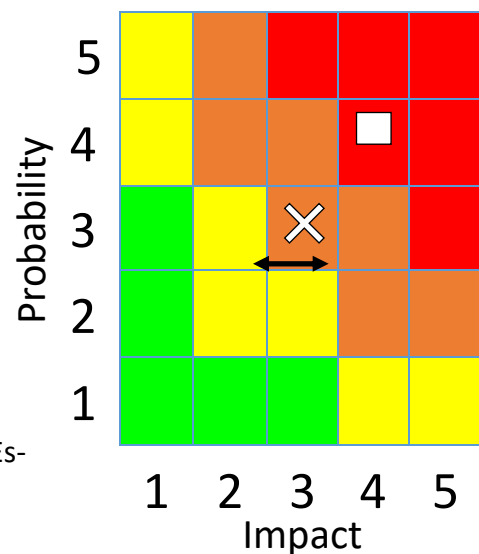
21. Projects—External facing (Delivery and Reputation) .

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 and /or Loss of commitment or ability to deliver from Partners due to Covid 19 impacts and recovery priorities and failure to maintain the profile and programmes of the National Park post COVID results in SDNPA reputation and influence with decision makers, partners and other stakeholders being negatively impacted.

Mitigations: Successful roll out of £350k Covid Recovery Fund, and SD enterprise group being established. Launch of FiPL providing direct support for farm businesses. Creation of Sustainable Community Fund endowment (Trust/SDNPA) to provide secure basis for future support of small projects. Establishment of new South Downs Partnership with independent chair and more diverse membership with access to broader networks. PMP in place and new approach to budget setting embedded . Public affairs strategy revised with three clear priorities and proactive comms managing public expectations and setting out key messages for stakeholders and partners. Launch of Nature Recovery Campaign with clear asks for partners and donors

Updates: Second meeting of SD Partnership set for 4th October and will respond to Defra consultation on Glover proposals. FiPL panels timetable for rest of FY and strong pipeline of applications established. Over £100,000 allocated to date



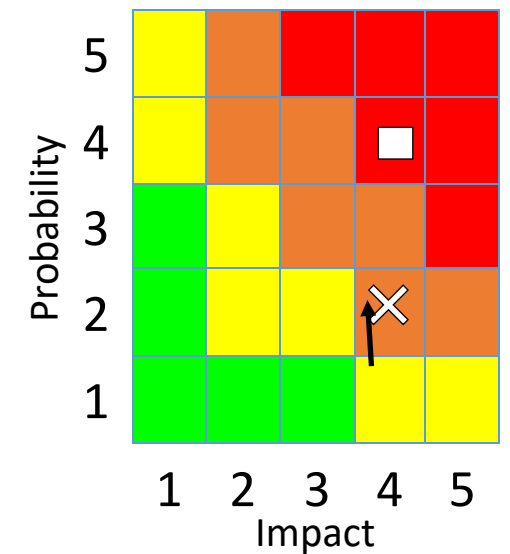
23. Seven Sisters Country Park

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. regular project reporting P&R Committee .Resource management plans in place and overseen by SMT. Stakeholder and comms plans in place . Seven sisters team recruited, trading co established . Active search underway for possible opportunities in the western area of the National Park.

Updates: .SDNPA teckal company now established. Limited retail operations now underway at seven sisters country park



Corporate Risk Register