

Report to **Policy & Resources Committee**
Date **19 September 2024**
By **Head of Governance**
Title of Report **Risk Management Policy and Guidance**
Decision

Recommendation: The Committee is recommended to:

I. Agree the Risk Management Policy and Guidance as set out at Appendix I.

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."
- 1.2 Members are asked to agree the Authority's Risk Management Policy and Guidance document (**Appendix I**) which is used to support the ongoing management of risk within the Authority.

2. Policy Context

- 2.1 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 (Chartered Institute of Public Finance & Accountancy and Society of Local Authority Chief Executives & Senior Managers) to help public bodies make open, transparent and better-informed decisions that take full account of risk and opportunities. CIPFA's 2022 Guidance for Audit Committee Guidance also highlights the importance of local authorities having effective risk management arrangements in place.

3. Issues for consideration

- 3.1 The Risk Management Policy and Guidance was last considered and approved by the Policy & Resources Committee in September 2019. The revised document is set out at **Appendix I**.
- 3.2 The document sets out the Authority's approach to risk management and includes a revised risk appetite statement. The revised statement indicates that the Authority's appetite for risk in certain categories is higher than previously. This has been informed through feedback from officers and workshop with Members held in February 2024 where risk appetite was tested through a consideration of the Authority's overarching risks and scenario-based discussions. The revised statement reflects the Authority's drive for innovation in service delivery and the need for the Authority to identify alternative sources of income, where possible, to support the Authority delivering value for money.

3.3 The Authority’s general approach to risk management is considered to be robust and this is borne out through recent audit reports. To further support risk management at the Authority the Senior Leadership Team will undertake an annual radar / PESTEL analysis of overarching risks to the Authority. A central record of all key risks being managed through both the Corporate and Directorate Risk Registers will also be created to ensure simpler monitoring of all risks managed at these levels.

3.4 In reviewing this document particular regard has been had to the guidance set out in the UK Government’s Orange Book: Management of Risk – Principles and Concepts and the supporting documents. Regard has also been had to the ISO31000 risk management standard. Feedback from operational and senior managers and Authority Members has been sought as part of the review.

4. Options & cost implications

4.1 Members are asked to agree the Risk Management Policy & Guidance document.

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 A central record of key risks will be compiled alongside the risk registers. The annual review of the Authority’s overarching risks will be scheduled. The Corporate Risk Register will be reported on as usual to future meetings of the Committee.

5.2 The amended risk appetite statement along with any changes to risk management processes will be communicated to the wider organisation through in person discussions / workshops with Senior Leadership, Operational and Directorate Management Teams and Members to ensure the Policy and Guidance is embedded in the consideration of risk and decision making. Monitoring of the Authority’s approach to risk management will continue to be through the Senior Leadership and Operational Management Teams and the P&R 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.
Which PMP Outcomes/ Corporate plan objectives does this deliver against	Risk management at the SDNPA underpins the effective delivery of PMP Outcomes and Corporate Plan Priorities.
Links to other projects or partner organisations	As the SDNPA works in partnership with many other organisations, some risks will inevitably impact on project and/or partnership working.

Implication	Yes/No
How does this decision contribute to the Authority's climate change objectives?	Risks to SDNPA's objectives and action plan would be monitored through risk management procedures and, if required, would be escalated to the Corporate Risk Register.
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?	The risk appetite statement sets out that the Authority seeks to operate within a tight risk profile in the area of Health & Safety.
Are there any Data Protection implications?	The risk appetite statement sets out that the Authority seeks to be risk averse in the area of Data Protection.

7. Risks Associated with the Proposed Decision

- 7.1 Poor risk management at the Authority would likely open the Authority to a significant range of risks. The Risk Management Guidance & Policy seeks to ensure effective risk management procedures at the Authority that contribute to the Authority achieving its objectives and delivering on its purposes and duty.

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Appendices	I. Risk Management Policy & Guidance
SDNPA Consultees	Chief Executive Officer, Director of Planning, Chief Finance Officer, Monitoring Officer.
External Consultees	None
Background Documents	The Orange Book

