

Committee(s)	Dated:
Hampstead Heath, Highgate Wood and Queen's Park Committee	17 July 2023
Subject: Risk Management Update Report	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1, 2, 4, 11, 12
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of: Executive Director Environment	For decision
Report author: Joanne Hill, Business Planning and Compliance Manager	

Summary

This report is presented to provide the Hampstead Heath, Highgate Wood and Queen's Park Committee with assurance that risk management procedures in place within the Environment Department and its Natural Environment Division are satisfactory and meet the requirements of the Corporate Risk Management Framework and the Charities Act 2011. Risk is reviewed regularly within the Department as part of the ongoing management of the operations.

Your Committee is responsible for two Registered Charities: Hampstead Heath (charity number 803392) and Highgate Wood and Queen's Park Kilburn (charity number 232986). In accordance with the Charity Commission's Statement of Recommended Practice (SORP), Trustees are required to confirm in the charity's annual report that any major risks to which the charity is exposed have been identified and reviewed and that systems are established to mitigate those risks. By following the processes defined in the Corporate Risk Management Framework, the management of these risks meets the requirements of the Charity Commission.

Each of the two charities holds a risk register which is summarised in the main body of this report and within the appendices.

The Natural Environment Cross-Divisional Risk Register includes risks which are managed by the Natural Environment Director at a higher, strategic, level. The Cross-Divisional risks are summarised in this report and at Appendix 3.

Recommendation

Members are asked to confirm, on behalf of the City Corporation as Trustee, that the registers appended to this report satisfactorily identify the key risks to the charities and that appropriate systems are in place to effectively identify and mitigate risks.

Main Report

Background

1. The City of London's Risk Management Strategy, which forms part of its Corporate Risk Management Framework, requires each Chief Officer to report regularly to Committees on the risks faced by their department.
2. The Charity Commission requires Trustees to confirm in a charity's annual report that any major risks to which the charity is exposed have been identified and reviewed and that systems are established to mitigate those risks. These risks are to be reviewed annually.
3. Each Committee to which the Natural Environment Division of the Environment Department reports receives an update on the risks of the charity or charities relevant to that Committee every quarter. Detailed risk registers are presented to Committees every six months. The two interim quarterly reports present summary risk registers, with individual risks being reported in detail by exception.
4. The Executive Director Environment assures your Committee that all risks held by the Natural Environment Division continue to be managed in compliance with the Corporate Risk Management Framework and the Charities Act 2011.
5. Each of the charities for which your Committee is responsible holds a risk register. All risks are regularly reviewed by management teams, in consultation with risk owners, with updates recorded in the corporate risk management information system (Pentana). Risks are assessed on a likelihood-impact basis, and the resultant score is associated with a traffic light colour. For reference, the City of London's Risk Matrix is provided at Appendix 4.
6. The risk register for Hampstead Heath and the register for Highgate Wood and Queen's Park are summarised in the main body of this report and at Appendices 1 and 2. For each risk, officers are undertaking a range of actions to mitigate the effects.
7. The Natural Environment Director maintains oversight of all risks and holds a Cross-Divisional Risk Register containing risks which are common to most or all sites: individual charities hold their own specific risks on these matters, and the Cross-Divisional risk consolidates them for oversight by the Director. This register also contains risks related to specific projects which are managed by the Director at a strategic level. The Cross-Divisional risks are summarised in

this report, with the summary risk register included at Appendix 3. The Cross-Divisional risks were presented to the Natural Environment Board for decision on 10 July 2023.

Current Position

Hampstead Heath Risks

8. The Hampstead Heath Risk Register, summarised below and at Appendix 1, contains **thirteen risks (two RED, ten AMBER, one GREEN)** which are owned and managed by the Assistant Director, North London Open Spaces, and her Management Team.

- **ENV-NE-HH 003:** Outbreak of fire in woodland/heathland (RED, 16)
- **ENV-NE-HH 007:** Maintenance of buildings and equipment (RED, 16)
- **ENV-NE-HH 004:** Climate and weather (AMBER, 12)
- **ENV-NE-HH 011:** Recruitment and retention of staff (AMBER, 12)
- **ENV-NE-HH 012:** Delivery of Capital Projects (AMBER, 12)
- **ENV-NE-HH 001:** Budget reduction and income loss (AMBER, 8)
- **ENV-NE-HH 002:** Long-term damage to site (AMBER, 8)
- **ENV-NE-HH 006:** Health and safety incidents (AMBER, 8)
- **ENV-NE-HH 009:** Supervised water facilities (AMBER, 8)
- **ENV-NE-HH 010:** Maintenance of water bodies (AMBER, 8)
- **ENV-NE-HH 013:** Tree failure (AMBER, 8)
- **ENV-NE-HH 005:** Plant and tree disease (AMBER, 6)
- **ENV-NE-HH 008:** Local planning issues (GREEN, 4)

9. Since the date of the last report to your Committee, all risks have been reviewed and updated in the risk management information system. **None of the risk scores have changed.**

Highgate Wood and Queen's Park Risks

10. The Highgate Wood and Queen's Park Risk Register, summarised below and at Appendix 2, contains **eleven risks (two RED, eight AMBER and one GREEN)** which are owned and managed by the Assistant Director, North London Open Spaces, and her Management Team.

- **ENV-NE-HWQP 003:** Outbreak of fire in woodland/heathland (RED, 16)
- **ENV-NE-HWQP 007:** Maintenance of buildings and equipment (RED, 16)
- **ENV-NE-HWQP 004:** Climate and weather (AMBER, 12)
- **ENV-NE-HWQP 009:** Recruitment and retention of staff (AMBER, 12)
- **ENV-NE-HWQP 010:** Delivery of Capital Projects (AMBER, 12)
- **ENV-NE-HWQP 001:** Budget reduction and income loss (AMBER, 8)
- **ENV-NE-HWQP 002:** Long-term damage to site (AMBER, 8)
- **ENV-NE-HWQP 006:** Health and safety incidents (AMBER, 8)
- **ENV-NE-HWQP 011:** Tree failure (AMBER, 8)
- **ENV-NE-HWQP 005:** Plant and tree disease (AMBER, 6)

- **ENV-NE-HWQP 008: Local planning issues (GREEN, 4)**
11. Since the date of the last report to your Committee, all risks have been reviewed and updated in the risk management information system. **None of the risk scores have changed.**

Natural Environment Cross-Divisional Risks

12. The Cross-Divisional Risk Register of the Natural Environment Division contains top-level risks. The majority of risks on the register are those which are common to most or all sites: individual charities hold their own specific risks on these matters, and the Cross-Divisional risk consolidates them for oversight by the Director.
13. The Cross-Divisional risks are owned by the Natural Environment Director and they have been recently reviewed in collaboration with the Natural Environment Senior Leadership Team.
14. On 10 July 2023, the Natural Environment Board receives a report on the nine Cross-Divisional risks summarised below (the Summary Risk Register is provided at Appendix 3 of this report for information).
 - **ENV-NE 001: Health and Safety (RED, 24)**
 - **ENV-NE 003: Operational Property: Repair and maintenance of buildings and structural assets (RED, 24)**
 - **ENV-NE 007: Wanstead Park Reservoirs (RED, 24)**
 - **ENV-NE 004: Pests and diseases (RED, 16)**
 - **ENV-NE 002: Extreme weather and climate change (AMBER, 12)**
 - **ENV-NE 005: Impact of development (AMBER, 12)**
 - **ENV-NE 011: Recruitment and retention of staff (AMBER, 12)**
 - **ENV-NE 010: Budget pressures (AMBER, 8)**
 - **ENV-NE 009: Failure to implement the Charity Review (AMBER, 6)**

Risk Management Process

15. Across the Environment Department, risk management is a standing agenda item at the regular meetings of local, divisional and departmental management teams.
16. Between management team meetings, risks are reviewed in consultation with risk and action owners, and updates are recorded in the corporate risk management information system (Pentana).
17. Regular risk management update reports are provided to this Committee in accordance with the City's Risk Management Framework and the requirements of the Charities Act 2011.

Identification of New Risks

18. New and emerging risks are identified through several channels, including:
- Directly by Senior Management Teams as part of the regular review process.
 - In response to ongoing review of progress made against Business Plan objectives and performance measures, e.g., slippage of target dates or changes to expected performance levels.
 - In response to emerging events and changing circumstances which have the potential to impact on the delivery of services.

Corporate and Strategic Implications

19. Effective management of risk is at the heart of the City Corporation's approach to delivering cost effective and valued services to the public as well as being an important element within the corporate governance of the organisation.
20. The risk management processes in place in the Environment Department support the delivery of the Corporate Plan, our Departmental high-level Business Plan, local Management Plans and relevant Corporate Strategies, including, but not limited to, the Climate Action; Cultural; Sport and Physical Activity; and Volunteering Strategies. Risks are also being taken into consideration as part of the development of the Natural Environment and City Operations Divisions' emerging strategies.
21. Risks which could have a serious impact on the achievement of business and strategic objectives are proactively identified, assessed and managed in order to minimise their likelihood and/or impact.

Conclusion

22. The proactive management of risk, including the reporting process to Members, demonstrates that the Natural Environment Division of the Environment Department is adhering to the requirements of the City of London Corporation's Risk Management Framework and the Charities Act 2011.

Appendices

- Appendix 1 – Hampstead Heath Summary Risk Register
- Appendix 2 – Highgate Wood and Queen's Park Summary Risk Register
- Appendix 3 – Natural Environment Cross-Divisional Risks - Summary Risk Register
- Appendix 4 – City of London Corporation Risk Matrix

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