

<b>Committee(s)</b>	<b>Dated:</b>
Open Spaces and City Gardens Committee West Ham Park Committee	7 July 2022 7 July 2022
<b>Subject:</b> Risk Management Update Report	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	<b>1, 5, 12</b>
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>No</b>
<b>If so, how much?</b>	<b>N/A</b>
<b>What is the source of Funding?</b>	<b>N/A</b>
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	<b>N/A</b>
<b>Report of:</b> Juliemma McLoughlin, Executive Director Environment	<b>For Information</b>
<b>Report author:</b> Joanne Hill, Business Planning and Compliance Manager	

### Summary

This report provides the Open Spaces and City Gardens Committee and the West Ham Park Committee with assurance that risk management procedures in place within the Environment Department are satisfactory and that they 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.

Under the Corporation's new Target Operating Model, with effect from 1 April 2022, the former Open Spaces Department became the Natural Environment Division of the new Environment Department. City Gardens has transferred to the City Operations Division, alongside the Cleansing and Highways services, and West Ham Park is now part of the North London Open Spaces. Each charity now has its own risk register.

A full review of risks and related processes is being undertaken to reassess and refine the risks and ensure a compliant, consistent approach to risk management is implemented across the Department and across each charity. The outcome of this review will be reflected in a report to your Committee in October 2022 which will include detailed risk registers.

### Recommendation

Members are asked to:

- Note the content of this report and the action being taken to effectively manage risks, including the ongoing review of risks and risk management processes across the Environment Department.

## **Main Report**

### **Background**

1. The Risk Management Strategy of the City of London Corporation requires each Chief Officer to report regularly to Committee on the risks faced by their department.
2. Risk owners are consulted, and risks are routinely reviewed, with the updates recorded in the corporate risk management information system (Pentana).
3. 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. Each Committee to which the Natural Environment Division reports is presented with relevant risk registers three times per year to fulfil this requirement.

### **Current Position**

4. Under the City's new Target Operating Model, with effect from 1 April 2022, the former Open Spaces Department became the Natural Environment Division of the new Environment Department. The former Parks and Gardens operational group has been disbanded: City Gardens has transferred to the City Operations Division, alongside the Cleansing and Highways services, and West Ham Park is now part of the North London Open Spaces.
5. All of the Environment Department's risks have been recoded and reorganised to reflect the new departmental and divisional names and structures. Risks which were formerly categorised as Open Spaces departmental risks are currently referred to as cross-divisional risks of the Natural Environment Division.
6. Natural Environment service level risks have been separated by charity, rather than being by operational groupings. As a result, there are now separate risk registers for West Ham Park and City Gardens instead of one combined register.
7. It is of utmost importance that clear, consistent and compliant risk management processes are in place across the Environment Department and across each charity. In order to ensure this, a full review of all risks and risk management processes is being undertaken and will be complete by September 2022.
8. While the review is underway, the Executive Director 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.

9. The outcome of the review will be reflected in a full risk management update report to your Committee in October 2022 which will include detailed risk registers.
10. In the meantime, this report contains a summary of the current cross-divisional risks of the Natural Environment Division and those held by City Gardens and West Ham Park. For each risk, officers across the division are undertaking a range of actions to mitigate the effects at their own sites.

### **Natural Environment Cross-Divisional Risks**

11. The Natural Environment's Cross-Divisional Risk Register contains seven RED and two AMBER risks.
  - **ENV-NE 007:** Wanstead Park Reservoirs (RED, 24)
  - **ENV-NE 003:** Repair and maintenance of buildings and structural assets (RED, 24)
  - **ENV-NE 006:** Maintaining the City's water bodies (RED, 24)
  - **ENV-NE 001:** Health and safety (RED, 16)
  - **ENV-NE 004:** Pests and diseases (RED, 16)
  - **ENV-NE 009:** Budget reduction and income loss (RED, 16)
  - **ENV-NE 008:** Accelerated long-term damage to sites (RED, 16)
  - **ENV-NE 005:** Impact of development (AMBER, 12)
  - **ENV-NE 002:** Extreme weather and climate change (AMBER, 12)

### **City Gardens Risks**

12. The City Gardens Risk Register contains one RED and five AMBER risks as listed below. Please note that the risk code prefix denotes that City Gardens are now part of the Gardens and Cleansing section of the City Operations (CO) Division.
  - **ENV-CO-GC 010:** Finance – budget reduction implications (RED, 16)
  - **ENV-CO-GC 011:** Tree diseases and other pests (AMBER 12)
  - **ENV-CO-GC 090:** Increase in health and safety incidents/catastrophic health and safety failure (AMBER, 8)
  - **ENV-CO-GC 013:** Major incident resulting in prolonged 'access denial' (AMBER, 8)
  - **ENV-CO-GC 014:** Ultra-Low Emissions Zone (AMBER, 8)
  - **ENV-CO-GC 012:** Climate and weather (AMBER, 6)

### **West Ham Park Risks**

13. The West Ham Park Risk Register contains two RED and seven AMBER risks.
  - **ENV-NE-WH 004:** Finance – budget reduction implications (RED 16)
  - **ENV-NE-WH 011:** Maintenance of buildings, memorials, play areas and equipment (RED 16)

- **ENV-NE-WH 005:** Tree diseases and other pests (AMBER 12)
- **ENV-NE-WH 003:** Increase in health and safety incidents/catastrophic health and safety failure (AMBER 8)
- **ENV-NE-WH 007:** Major incident resulting in prolonged 'access denial' (AMBER 8)
- **ENV-NE-WH 008:** Ultra-Low Emissions Zone (AMBER 8)
- **ENV-NE-WH 010:** Population increase (residential and worker) (AMBER 12)
- **ENV-NE-WH 006:** Climate and weather (AMBER 6)
- **ENV-NE-WH 009:** Public behaviour (AMBER 6)

14. Detailed risk registers will be presented to your Committee in October 2022.
15. The Epping Forest and Commons Committee; Hampstead Heath, Highgate Woods and Queen's Park Committee; and Culture, Heritage and Libraries Committees will receive updates on the risks of their relevant charities in separate reports.

### **Risk Management Process**

16. Risk Management is a standing agenda item at the regular meetings of each Division's Senior Management Team and the Environment Department's Senior Leadership Team.
17. Between Management Team meetings, risks are reviewed in consultation with risk and control owners, and updates are recorded in the corporate risk management information system (Pentana).
18. 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.
19. Following the recent formation of the new Environment Department, a full review of risks and related processes is being undertaken to reassess and refine the risks and ensure a compliant, consistent approach to risk management is implemented across the Department and across each charity.

### **Identification of New Risks**

20. New and emerging risks are identified through a number of channels, the main being:
  - 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.

- The risk register may be refreshed over and above the stated process for review and oversight, in response to emerging issues or changing circumstances.

## **Corporate & Strategic Implications**

**Strategic implications:** 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.

**Financial implications:** None

**Resource implications:** None

**Legal implications:** None

**Risk implications:** 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.

**Equalities implications:** There are no proposals in this report that would have an impact on people protected by existing equality legislation.

**Climate implications:** None

**Security implications:** None

## **Conclusion**

21. Members are asked to note that risk management processes within the Environment Department adhere to the requirements of the City Corporation's Risk Management Framework and the Charities Act 2011. Risks identified within the operational and strategic responsibilities of each area of service are proactively managed. This report meets the requirements of the Charity Commission.

## **Appendices**

- Appendix 1 – City of London Corporation Risk Matrix

## **Contact**

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