

<b>Committee(s)</b>	<b>Dated:</b>
Hampstead Heath, Highgate Wood and Queen's Park Committee	5 October 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, 2, 4, 11, 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 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.

Following the formation of the Environment Department in April 2022, a detailed review of all risks has been undertaken with risk owners and management teams. The outcome of this review is reflected in the risk registers which are presented in this report and its appendices.

### Recommendation

Members are asked to:

- Note the content of this report and the actions being taken to effectively manage risk at Hampstead Heath, Highgate Wood and Queen's Park, including the recent 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 will be presented with relevant risk registers every six months which fulfils this requirement.
4. 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.
5. The requirements of the Charities Act 2022, which is due to be implemented over the coming year, will be monitored. Should there be any implications for the management and reporting of risks, processes will be amended as necessary to ensure continued compliance with the appropriate legislation.

### **Current Position**

6. Over recent months, a full review has been undertaken of all risks and risk management processes across the Environment Department. The outcome of this review is reflected in the risk registers presented in this report.
7. The scores, descriptions and mitigating actions of all risks have been fully reviewed and updated; they have been assessed in accordance with the City of London's Risk Matrix (Appendix 1). New risks have been added where necessary and others have been removed.
8. A Natural Environment Cross-Divisional Risk Register includes risks which are managed by the Director at a higher, strategic, level. The Cross-Divisional risks are summarised in this report and the detailed register will be presented to the Open Spaces and City Gardens Committee on 6 October 2022.
9. Each of the Natural Environment charities holds its own risk register which is reported to its respective Committee. The detailed risk registers for Hampstead Heath and Highgate Wood and Queens Park are summarised in the main body of the report and provided in full at Appendices 2 and 3. For each risk, officers are undertaking a range of mitigating actions.

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

10. The Cross-Divisional Risk Register of the Natural Environment Division contains top, strategic, risks, such as those on key projects. Other risks on the register are those which are common to most or all sites: individual charities hold their own local risks on these matters, and the Cross-Divisional risk consolidates them for oversight by the Director.
11. These Cross-Divisional risks are owned by the Natural Environment Director who reviews them regularly along with her Senior Leadership Team.
12. On 6 October 2022, the Open Spaces and City Gardens Committee will receive a report on the seven Cross-Divisional risks summarised below.
  - **ENV-NE 001:** Health and Safety (RED, 24)
  - **ENV-NE 003:** 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 009:** Failure to implement the Charity Review (AMBER, 6)
13. The Wanstead Park Reservoirs risk (ENV-NE 007) is managed jointly with the City's Building Control Service.
14. ENV-NE 009 has been added to the register to address the risk of failing to implement the Charity Review by the required deadline. The Director leads on the review and regular reports on the progress of the programme will be presented to all Natural Environment Committees.
15. ENV-NE 002 addresses the risks associated with extreme weather and climate change. This includes the risk of fire which, despite the increased probability over recent months, has been contained as a result of the successful implementation of mitigating actions at each site. This is kept under continual review at a local and cross-divisional level and further actions to manage the risk will be taken as necessary.

### **Hampstead Heath Risks**

16. The Hampstead Heath Risk Register contains one RED and eleven AMBER risks owned and managed by the Assistant Director, North London Open Spaces, and her Management Team.
17. The risk review identified two new risks: 'Recruitment and retention of staff' (011) and 'Delivery of Capital Projects' (012).
  - **ENV-NE-HH 007:** Maintenance of buildings and equipment (RED, 16)
  - **ENV-NE-HH 008:** Local planning issues (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 003:** Outbreak of fire in woodland/heathland (AMBER, 8)
- **ENV-NE-HH 005:** Plant and tree disease (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 011:** Recruitment and retention of staff (AMBER, 8)
- **ENV-NE-HH 004:** Climate and weather (AMBER, 6)

### **Highgate Wood and Queen's Park Risks**

18. The Highgate Wood and Queen's Park Register contains one RED and nine AMBER risks owned and managed by the Assistant Director, North London Open Spaces, and her Management Team.
19. The risk review identified two new risks: 'Recruitment and retention of staff' (009) and 'Delivery of Capital Projects' (010).
  - **ENV-NE-HWQP 007:** Maintenance of buildings and equipment (RED, 16)
  - **ENV-NE-HWQP 008:** Local planning issues (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 003:** Outbreak of fire in woodland/heathland (AMBER, 8)
  - **ENV-NE-HWQP 005:** Plant and tree disease (AMBER, 8)
  - **ENV-NE-HWQP 006:** Health and safety incidents (AMBER, 8)
  - **ENV-NE-HWQP 009:** Recruitment and retention of staff (AMBER, 8)
  - **ENV-NE-HWQP 004:** Climate and weather (AMBER, 6)

### **Risk Management Process**

20. Risk management is a standing agenda item at the regular meetings of local, divisional and departmental management teams.
21. 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).
22. 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**

23. 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**

24. 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.
25. The risk management processes in place in the Environment Department support the delivery of the Corporate Plan, Departmental and Divisional Business Plans and relevant Corporate Strategies, such as the Climate Action; Cultural; Sport and Physical Activity; and Volunteering Strategies. Risks are also being considered as part of the development of the Natural Environment Division's emerging strategies.
26. 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**

27. The proactive management of risk, including the reporting process to Members, demonstrates that 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 – City of London Corporation Risk Matrix
- Appendix 2 – Hampstead Heath Risk Register
- Appendix 3 – Highgate Wood and Queen's Park Risk Register

### **Contact**

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