

<b>Committee(s)</b>	<b>Dated:</b>
West Ham Park Committee	13 February 2023
<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 decision</b>
<b>Report author:</b> Joanne Hill, Business Planning and Compliance Manager	

### Summary

This report is presented to provide the West Ham Park Committee with assurance that risk management procedures in place within the Environment Department and its Natural Environment Division, which includes West Ham Park, 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 the West Ham Park Charity (registered charity number: 206948). 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.

The risks faced by the West Ham Park charity are summarised in this report and the detailed risk register is provided in 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.

## **Recommendation**

The risks faced by the West Ham Park Charity have been reviewed. Members are asked to consider, and if agreed to confirm, on behalf of the City Corporation as Trustee, whether the register appended to this report satisfactorily sets out the key risks to the charity and that appropriate systems are in place to 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. Each Committee to which the Natural Environment Division of the Environment Department reports is presented with relevant risk registers every quarter which more than fulfils this requirement.
3. 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.
4. Risks faced by the West Ham Park Charity 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 1.
5. The detailed risk register for West Ham Park is summarised in the main body of this report and provided in full at Appendix 2. For each risk, officers are undertaking a range of actions to mitigate the effects.
6. 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 Natural Environment sites: individual charities hold their own local 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 and the detailed register will be presented to the Open Spaces and City Gardens Committee for decision on 13 February 2023.

## Current Position

### West Ham Park Risks

7. The West Ham Park Risk Register, summarised below and provided in full at Appendix 2, contains nine risks (one RED, seven AMBER and one GREEN) which are owned and managed by the Assistant Director, North London Open Spaces, and her Management Team.
  - **ENV-NE-WH 011:** Maintenance of buildings, memorials, play areas and equipment (RED, 16)
  - **ENV-NE-WH 006:** Climate and weather (AMBER, 12)
  - **ENV-NE-WH 013:** Delivery of Capital Projects (AMBER, 12)
  - **ENV-NE-WH 003:** Health and Safety incidents (AMBER, 8)
  - **ENV-NE-WH 004:** Finance - Budget reduction implications (AMBER, 8)
  - **ENV-NE-WH 009:** Public behaviour (AMBER, 8)
  - **ENV-NE-WH 012:** Recruitment and retention of staff (AMBER, 8)
  - **ENV-NE-WH 005:** Tree diseases and other pests (AMBER, 6)
  - **ENV-NE-WH 010:** Local planning issues (GREEN, 4)
8. Since the date of the last report to your Committee, all risks have been reviewed. The notes of each risk and its associated action(s) have been updated to reflect the current situation. The current scores of the following risks have changed:
  - a. **ENV-NE-WH 006: Climate and weather.** The risk score has **increased** to AMBER 12 (possible / major). The impact of this risk has increased from 'serious' to 'major' due to the greater potential frequency of extreme weather events.
  - b. **ENV-NE-WH 009: Public behaviour.** The risk score has **increased** to AMBER 8 (likely / serious). The likelihood of the risk has increased due to ongoing issues with public behaviour at the park.
  - c. **ENV-NE-WH 012: Recruitment and retention of staff.** The risk score has **increased** to AMBER 12 (possible / major). Both the likelihood and impact have risen due to ongoing vacancies and difficulties in recruitment.
  - d. **ENV-NE-WH 005: Tree diseases and other pests.** The risk score has **decreased** to AMBER 6 (possible / serious). The likelihood of this risk occurring has decreased from 'likely' to 'possible' as a result of effective preventative actions being undertaken.
  - e. **ENV-NE-WH 010: Local planning issues.** The risk score has **decreased** to GREEN 4 (unlikely / serious). The likelihood and impact of this risk have decreased as a result of effective preventative and mitigating actions.
9. Also since the last report to your committee, **ENV-NE-WH 008: Ultra-low Emissions Zone**, has been removed from the risk register as all replacement

vehicles have been procured and the park is compliant with the ULEZ requirements.

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

10. The Cross-Divisional Risk Register of the Natural Environment Division contains top-level risks, such as those on specific 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 and are reviewed regularly by the Director and her Senior Leadership Team.
12. On 13 February 2023, the Open Spaces and City Gardens Committee will receive a report on the nine Cross-Divisional risks summarised below.
  - **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)
13. ENV-NE 011 has been added to the register to address the risk of being unable to recruit and retain sufficiently skilled members of staff. Mitigating actions include improving the learning and development offer to our existing staff, and widening recruitment campaigns.
14. ENV-NE 010 has been added to the register to address the risk of a reduction in income. In order to mitigate the risk, a Charity Income Strategy has been drafted for Committee approval. Additionally, consideration is being given to adopting software which will assist in the identification of relevant grants to which we can bid for funding.

### **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 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.
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 – City of London Corporation Risk Matrix
- Appendix 2 – West Ham Park Risk Register

### **Contact**

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