

Committee(s)	Dated:
Hampstead Heath, Highgate Wood and Queen's Park Committee	17 May 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: Juliemma McLoughlin, 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 included in full 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 the summary risk register is provided in the appendices.

Recommendation

The risks faced by the charities have been reviewed. Members are asked to consider, and if agreed to confirm, on behalf of the City Corporation as Trustee, whether the registers appended to this report satisfactorily set out the key risks to the charities 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.
3. Each Committee to which the Natural Environment Division of the Environment Department reports receives an update on the risks relevant to the Committee every quarter. Detailed risk registers will be presented to Committees every six months. The two interim quarterly reports will include 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 specific to its site or sites. 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 1.
6. The detailed 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 provided in full at Appendices 2 and 3. 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 4. The detailed register is presented to the Open Spaces and City Gardens Committee for decision on a regular basis.

Current Position

Hampstead Heath Risks

8. The Hampstead Heath Risk Register, summarised below and provided in full at Appendix 2, 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. The notes of each risk and its associated action(s) have been updated to reflect the current situation; none of the risk scores have changed.

10. **'ENV-NE-WH 014: Tree failure'** has been added to the Hampstead Heath Risk Register. There are large numbers of older, more vulnerable trees which require regular inspection and works to prevent failure. The risk of failure is increased by the greater frequency of extreme weather events, such as heavy rainfall and high winds. Robust tree management systems are in place to control the impact of the risk, including regular inspections of trees and prioritisation of works; and an effective Extreme Weather Protocol which sets criteria for the closure of Golders Hill Park and relevant areas of Hampstead Heath during high winds.

Highgate Wood and Queen's Park Risks

11. The Highgate Wood and Queen's Park Risk Register, summarised below and provided in full at Appendix 3, 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)
12. 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; none of the risk scores have changed.
13. **‘ENV-NE-HWQP 011: Tree failure’** has been added to the risk register. There are large numbers of older, more vulnerable trees which require regular inspection and works to prevent failure. The risk of failure is increased by the greater frequency of extreme weather events, such as heavy rainfall and high winds. Robust tree management systems are in place to control the impact of the risk, including regular inspections of trees and prioritisation of works; and an effective Extreme Weather Protocol which sets criteria for the closure of Highgate Wood and Queen’s Park during high winds.

Natural Environment Cross-Divisional Risks

14. 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 specific risks on these matters, and the Cross-Divisional risk consolidates them for oversight by the Director.
15. The Cross-Divisional risks are currently owned by the Executive Director Environment who has reviewed them in collaboration with the Natural Environment Senior Leadership Team. Ownership of these risks will be transferred to the new Natural Environment Director when they join the organisation in May 2023.
16. The Open Spaces and City Gardens Committee regularly receives a detailed report on the nine Cross-Divisional risks summarised below (the Summary Risk Register is provided at Appendix 3 for information).
- **ENV-NE 003:** Operational Property: Repair and maintenance of buildings and structural assets (RED, 24)
 - **ENV-NE 001:** Health and Safety (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

17. Across the Environment Department, risk management is a standing agenda item at the regular meetings of local, divisional and departmental management teams.
18. 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).
19. 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

20. 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

21. 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.
22. 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.
23. 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

24. 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 – Hampstead Heath Risk Register
- Appendix 3 – Highgate Wood and Queen's Park Risk Register
- Appendix 4 – Natural Environment Cross-Divisional Summary Risk Register

Contact

Joanne Hill, Business Planning and Compliance Manager, Environment Department

T: 020 7332 1301

E: Joanne.Hill@cityoflondon.gov.uk