

<b>Committee(s)</b>	<b>Dated:</b>
Epping Forest and Commons Committee	18 May 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, 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 decision</b>
<b>Report author:</b> Joanne Hill, Business Planning and Compliance Manager	

### Summary

This report is presented to provide the Epping Forest and Commons 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. Risks are reviewed regularly within the Department as part of the ongoing management of the operations. It is also reviewed regularly by the management teams at Epping Forest and The Commons.

Your Committee is responsible for five Registered Charities: Epping Forest (charity number 232990), Ashted Common (charity number 1051510), Burnham Beeches (charity number 232987), Coulsdon and Other Commons (charity number 232989) and West Wickham and Spring Park (charity number 232988). 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. Using the Corporate Risk Register guidance, the management of these risks meets the requirements of the Charity Commission.

Each of the five 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 at Appendix 7.

## **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 each of 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 five 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 registers for Epping Forest and each of the four Commons charities are summarised in the main body of this report and provided in full at appendices 2 to 6. For each risk, officers across the Division are undertaking a range of actions to mitigate the effects at their own sites.
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 7. The detailed register is presented to the Open Spaces and City Gardens Committee for decision on a regular basis.

## Current Position

### Epping Forest Risks

8. The Epping Forest Risk Register is provided at Appendix 2. The register contains seven RED and eight AMBER risks owned and managed by the Assistant Director, Epping Forest and his Management Team.
9. In addition, the Director owns the Wanstead Park Reservoirs (RED) risk which is managed jointly with the City's Building Control Service.
  - **ENV-NE 007:** Wanstead Park Reservoirs (RED, 24)
  - **ENV-NE-EF 017:** Tree failure (RED, 32)
  - **ENV-NE-EF 004:** Decline in condition of assets (RED, 24)
  - **ENV-NE-EF 006:** Raised reservoirs (RED, 24)
  - **ENV-NE-EF 008:** Invasive non-native species (RED, 16)
  - **ENV-NE-EF 012:** Loss of forest land and buffer land/or concession of prescriptive rights (RED, 16)
  - **ENV-NE-EF 013:** Loss of knowledge in skilled staff/difficulties in recruitment (RED, 16)
  - **ENV-NE-EF 015:** Public behaviour (RED, 16)
  - **ENV-NE-EF 003:** Health and safety incidents/catastrophic health and safety failure (AMBER, 12)
  - **ENV-NE-EF 007:** Pathogens (AMBER, 12)
  - **ENV-NE-EF 010:** Development consents close to forest land (AMBER, 12)
  - **ENV-NE-EF 016:** Financial management and loss of income (AMBER, 12)
  - **ENV-NE-EF 005:** Declining Site of Special Scientific Interest (SSSI)/Special Area of Conservation (SAC) condition (AMBER, 8)
  - **ENV-NE-EF 009:** Severe weather events (AMBER, 8)
  - **ENV-NE-EF 011:** Wanstead Park – Heritage at Risk Register (AMBER, 8)
  - **ENV-NE-EF 014:** Major incident resulting in prolonged 'access denial' (AMBER, 8)
10. Since the risk register was last presented to your Committee, one new risk has been added: '**ENV-NE-EF 017: Tree failure**'. There are large numbers of older, more vulnerable trees throughout Epping Forest which require regular inspection and works to prevent failure. A rise in tree disease combined with extreme weather conditions due to climate change exacerbate the risk and there are currently insufficient staff resources to complete all necessary works. Robust actions are in place to manage the risk, including regular

inspections of trees and prioritisation of works; and an effective Severe Weather Protocol which is implemented in the event of large storms/high winds.

11. This risk has been scored at the maximum level of likelihood and impact (Red, 32 – likely / extreme) due to a single Poplar tree identified as dangerous close to the M25 and beneath high voltage power cables. The tree is due to be felled by a third party in May 2023. Following this, the risk score will be reassessed and reduced if appropriate.
12. Tree-related health and safety risk was previously included within '**ENV-NE-EF 003: Health and safety incidents/catastrophic health and safety failure**'. As it has now transferred to the new tree failure risk, the current score of **ENV-NE-EF 003** has decreased to AMBER, 12 (possible / major) and the risk and actions have been updated accordingly.

### **The Commons Risks**

A separate risk register is held for each of the four Commons charities to enable effective site-specific management and assessment.

13. Since the date of the last report to your Committee, a new risk has been added to the register of each charity to address the risk associated with potential industrial action by the emergency services. A range of mitigating actions are in place to control this risk should the situation occur. For example, contingency plans would be implemented, and high-risk activities suspended.

### **Ashtead Common**

14. The Ashtead Common Risk Register contains five AMBER and two GREEN risks as shown below. The detailed register is presented at Appendix 3.
  - **ENV-NE-AC 004**: Local planning issues (AMBER 8)
  - **ENV-NE-AC 009**: Maintenance of buildings and other structures (AMBER, 8)
  - **ENV-NE-AC 005**: Tree diseases and other pests (AMBER, 6)
  - **ENV-NE-AC 006**: Climate and weather (AMBER, 6)
  - **ENV-NE-AC 008**: Water pollution (AMBER, 6)
  - **ENV-NE-AC 001**: Budget reduction and income loss (GREEN, 4)
  - **ENV-NE-AC 010**: Industrial action by emergency services (GREEN, 3)
15. The 'Local planning issues' risk (**ENV-NE-AC 004**) risk has recently been reassessed and the current score increased from Green 3 (possible/minor) to Amber 8 (likely/serious). This is because Epsom and Ewell Council have begun consultation on a new Local Plan that could see significant residential development in the vicinity of Ashtead Common. Locally, there are limited resources to engage with this process. The situation will be kept under review and the risk updated accordingly.

### **Burnham Beeches and Stoke Common**

16. The Burnham Beeches and Stoke Common Risk Register contains four RED, four AMBER and one GREEN risk. The detailed register is presented at Appendix 4.

- **ENV-NE-BBSC 002:** Damage to sites (RED, 16)
- **ENV-NE-BBSC 005:** Tree diseases and other pests (RED, 16)
- **ENV-NE-BBSC 007:** Rural Payment Agency Grants (RED, 16)
- **ENV-NE-BBSC 009:** Maintenance of buildings and other structures (RED, 16)
- **ENV-NE-BBSC 001:** Budget reduction and income loss (AMBER, 12)
- **ENV-NE-BBSC 004:** Local planning issues (AMBER, 12)
- **ENV-NE-BBSC 006:** Climate and weather (AMBER, 12)
- **ENV-NE-BBSC 008:** Pollution (AMBER, 8)
- **ENV-NE-BBSC 011:** Industrial action by emergency services (GREEN, 3)

### **Coulsdon and Other Commons**

17. The Coulsdon and Other Commons Risk Register contains one RED, six AMBER and one GREEN risk. The detailed register is presented at Appendix 5.

- **ENV-NE-COC 009:** Maintenance of buildings and other structures (RED, 16)
- **ENV-NE-COC 002:** Damage to sites (AMBER, 12)
- **ENV-NE-COC 004:** Local planning issues (AMBER, 8)
- **ENV-NE-COC 005:** Tree diseases and other pests (AMBER, 8)
- **ENV-NE-COC 008:** Pollution (AMBER, 8)
- **ENV-NE-COC 001:** Budget reduction and income loss (AMBER, 6)
- **ENV-NE-COC 006:** Climate and weather (AMBER, 6)
- **ENV-NE-COC 011:** Industrial action by emergency services (GREEN, 3)

### **West Wickham and Spring Park**

18. The Wickham and Spring Park Risk Register contains one RED, five AMBER and one GREEN risk. The detailed register is presented at Appendix 6.

- **ENV-NE-WWSP 009:** Maintenance of buildings and other structures (RED, 16)
- **ENV-NE-WWSP 002:** Damage to sites (AMBER, 12)
- **ENV-NE-WWSP 004:** Local planning issues (AMBER, 8)
- **ENV-NE-WWSP 005:** Tree diseases and other pests (AMBER, 8)
- **ENV-NE-WWSP 001:** Budget reduction and income loss (AMBER, 6)
- **ENV-NE-WWSP 006:** Climate and weather (AMBER, 6)
- **ENV-NE-WWSP 010:** Industrial action by emergency services (GREEN, 3)

## Natural Environment Cross-Divisional Risks

19. 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.
20. 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.
21. 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 7 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)
22. As the Wanstead Park Reservoirs risk (ENV-NE 007) is specifically relevant to your Committee, it is included in detail in the Epping Forest Risk Register at Appendix 2. This risk is managed jointly with the City's Building Control Service. A detailed report on the project was presented to your Committee in January 2023.

## Risk Management Process

23. Across the Environment Department, risk management is a standing agenda item at the regular meetings of local, divisional and departmental management teams.
24. 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).
25. 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**

26. 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**

27. 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.
28. 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.
29. 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**

30. 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 – Epping Forest Risk Register
- Appendix 3 – Ashted Common Risk Register
- Appendix 4 – Burnham Beeches and Stoke Common Risk Register
- Appendix 5 - Coulsdon and Other Commons Risk Register
- Appendix 6 – West Wickham and Spring Park Risk Register
- Appendix 7 - Natural Environment Cross-Divisional Summary Risk Register

### **Contact**

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