

Committee(s)	Dated:
Epping Forest and Commons Committee	14 September 2023
Subject: Risk Management Update Report	Public
Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?	1, 5, 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: Interim Executive Director Environment	For decision
Report author: 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. They are 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 at Appendix 6.

Recommendation

Members are asked to consider, and if agreed, confirm, on behalf of the City Corporation as Trustee, whether the Risk Registers appended to this report satisfactorily identify the key risks to each of the five charities and that appropriate systems are in place to effectively 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 of the charity or charities relevant to that Committee every quarter. Detailed risk registers are presented to Committees every six months. The two interim quarterly reports present summary risk registers, with individual risks being reported in detail by exception. This report presents the detailed risk registers.
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. 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 7.
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 1 to 5. Officers are undertaking a range of actions to control each risk, as shown in the appended registers.
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 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. The Cross-Divisional risks are summarised in this report, with the Summary Risk Register included at Appendix 6 for information. The detailed Cross-Divisional Risk Register is presented to the Natural Environment Board for decision on a quarterly basis.

Current Position

Epping Forest Risks

8. The Epping Forest Risk Register is provided at Appendix 1. The register contains seven RED and seven AMBER risks owned and managed by the Assistant Director, Epping Forest and his Management Team. In addition, the Wanstead Park Reservoirs (RED) risk is managed in collaboration with the District Surveyor's Office.
9. Since the date of the last report to your Committee, all risks have been reviewed and updated in the risk management information system. The risks are listed below with their current score and notes summarising significant recent updates, where applicable.
 - **ENV-NE-EF 004: Decline in condition of assets (RED, 32)**
As a result of ongoing deterioration of assets and the lack of funding for remediation, the likelihood of this risk has been reassessed as 'likely' rather than 'possible, which has increased the current risk score to Red 32 (likely / extreme). Officers continue to liaise with colleagues in the City Surveyor's Department with the aim of reducing the risk.
 - **ENV-NE-EF 017: Tree failure (RED, 32)**
This risk remains at the maximum level of likelihood and impact (likely / extreme) due to a single Poplar tree identified as dangerous close to the M25 and high voltage power cables. Following legal advice, notice has been served on the power company to resolve the matter. Once resolved, the risk score will be reassessed and reduced if appropriate.
 - **ENV-NE-EF 006: Raised reservoirs (RED, 24)**
 - **ENV-NE0EF 018: Wanstead Park Reservoirs (RED, 24)**
This risk has been transferred to the Epping Forest risk register from the Cross-Divisional risk register (and re-coded accordingly) as it is specific to Epping Forest. The risk continues to be managed in collaboration with the District Surveyor's Office, Engineering Team and has been updated to reflect the current status of the project. A further detailed report on the project will be brought to your Committee as Project Gateway 5 is reached.
 - **ENV-NE-EF 008: Invasive non-native species (INNS), Pests and Pathogens (RED, 16)**
This risk, which formally covered INNS only, has now been amalgamated with the previously separate 'Pathogens' risk. This amalgamation aligns with the draft Epping Forest 'INNS, Pests and Pathogens Policy'. The risk has also been updated to include actions to control the risks associated

with Harmful Algal Blooms (HABs) and Bovine Tuberculosis.

- **ENV-NE-EF 012: Loss of forest land and buffer land/or concession of prescriptive rights** (*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*)
An action has been added to this risk to assess the need for, and provision of, water safety equipment at high risk locations within the Forest.
- **ENV-NE-EF 010: Development consents close to forest land** (*AMBER, 12*)
- **ENV-NE-EF 013: Loss of knowledge in skilled staff/difficulties in recruitment** (*AMBER, 12*)
Following Members' suggestions that the current risk score be increased, and the risk be proposed for escalation to the Corporate Risk Register, this risk has been reviewed in detail by the Executive Director Environment; the Natural Environment Director; and the Assistant Director, Epping Forest. It was concluded that a current risk score of 12 (possible / major) is appropriate as the TOM process is nearing conclusion. Recruitment to vacancies has now commenced and plans and systems are in place to ensure the retention and transfer of information and knowledge. Although the risk remains, the effects are being controlled and a reduction to the target score of 6 (possible / serious) by the end of the financial year is realistic. For these reasons, escalation of the risk to the Corporate Risk Register has not been taken forward. The risk will be kept under regular review and appropriate action taken should the situation change.
- **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*)

The Commons Risks

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

10. Since the date of the last report to your Committee, all risks have been reviewed and updated in the risk management information system. The risks are listed below with their current score and notes summarising significant recent updates, where applicable.
11. Each of the four registers included a risk which addressed the threat of 'Industrial action by emergency services'. These risks had low scores (GREEN,3) and have now been removed from the registers as the likelihood of such industrial action has reduced significantly and each site has appropriate controls in place to deal with the situation, should it occur. If it becomes necessary, the risks can be reactivated in the future.

Ashtead Common

12. The Ashtead Common Risk Register (Appendix 2) contains five AMBER and one GREEN risk as shown below.

- **ENV-NE-AC 004: Local planning issues** (*AMBER 8*)
- **ENV-NE-AC 005: Tree diseases and other pests** (*AMBER, 8*)
The score of this risk has been increased from 6 (possible / serious) to 8 (likely/serious) due to a recent increase in reports of tick bites and at least one confirmed case of Lyme Disease. An action plan is in place which should help to bring the risk score back to 6.
- **ENV-NE-AC 009: Maintenance of buildings and other structures** (*AMBER, 8*)
- **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*)

Burnham Beeches and Stoke Common

13. The Burnham Beeches and Stoke Common Risk Register (Appendix 3) contains four RED and four AMBER risks. None of the risk scores have changed since the last report to your Committee.
- **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)

Coulsdon and Other Commons

14. The Coulsdon and Other Commons Risk Register (Appendix 4) contains one RED and six AMBER risks. None of the risk scores have changed since the last report to your Committee.

- **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)

West Wickham and Spring Park

15. The Wickham and Spring Park Risk Register (Appendix 5) contains one RED and five AMBER risks. None of the risk scores have changed since the last report to your Committee.

- **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)

Natural Environment Cross-Divisional Risks

16. The Cross-Divisional Risk Register of the Natural Environment Division contains top-level 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.

17. The Cross-Divisional risks are owned by the Natural Environment Director who reviews them regular in liaison with her Senior Leadership Team. A recent, detailed review has resulted in current and target risk scores being updated and three new risks being added to the register. In addition, the risk relating to the Wanstead Park Reservoirs project has been transferred to the Epping Forest risk register as it relates specifically to that site.

18. The Natural Environment Board is asked to approve the detailed Cross-Divisional risk register on a regular basis, and your Committee receives the Summary Register for information. Appendix 6 contains the Summary Risk Register; the three new risks are included in detail for your reference.

- **ENV-NE 003: Repair and maintenance of buildings and structural assets** (RED, 32)

- **ENV-NE 004: Pests and diseases** (*RED, 16*)
- **ENV-NE 010: Budget pressures** (*RED, 16*)
- **ENV-NE 016: Wildlife management** (*RED, 16*)
This new risk addresses the necessary control of wildlife across the Natural Environment site in order to ensure populations remain healthy and in balance with their environment, to conserve biodiversity and protect carbon stocks. A key action is to undertake deer management at Epping Forest.
- **ENV-NE 014: Lack of asset register** (*RED, 16*)
This new risk includes actions to compile a comprehensive asset register for the Division, so that we can identify ownership and ensure compliance with Charity Commission requirements. The register will also enable us to consider wider opportunities for income generation.
- **ENV-NE 001: Health and Safety** (*AMBER, 12*)
- **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 013: Increased visitor pressure** (*AMBER, 8*)
This new risk addresses the Division-wide issues related to increased number of visitors. Actions are being undertaken to improve visitor infrastructure and encourage the public to use sites responsibly.

Risk Management Process

19. Across the Environment Department, risk management is a standing agenda item at the regular meetings of local, divisional and departmental management teams.
20. 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).
21. 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

22. 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

23. 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.
24. The risk management processes in place in the Environment Department support the delivery of the Corporate Plan, our Departmental high-level Business Plan, local Management Plans and relevant Corporate Strategies, including, but not limited to, the Climate Action; Cultural; Sport and Physical Activity; and Volunteering Strategies. Risks are also being taken into consideration as part of the development of the Natural Environment Divisions' emerging strategies.
25. 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

26. 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 – Epping Forest Risk Register
- Appendix 2 – Ashted Common Risk Register
- Appendix 3 – Burnham Beeches and Stoke Common Risk Register
- Appendix 4 - Coulsdon and Other Commons Risk Register
- Appendix 5 – West Wickham and Spring Park Risk Register
- Appendix 6 - Natural Environment Cross-Divisional Risks - Summary Register
- Appendix 7 – City of London Corporation Risk Matrix

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