

<b>Committee(s)</b>	<b>Dated:</b>
Hampstead Heath, Highgate Wood and Queen's Park Committee	29 November 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>	1, 2, 4, 11, 12
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>No</b>
<b>Report of:</b> Bob Roberts, Interim Executive Director Environment	<b>For decision</b>
<b>Report author:</b> Joanne Hill, Environment Department	

### 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 charities holds a risk register which is summarised in the main body of this report and provided in full at Appendices 2 and 3.

### Recommendation

#### **Hampstead Heath, and Highgate Wood and Queen's Park risk management:**

Members are asked to confirm, on behalf of the City Corporation as trustee, that the registers appended to this report satisfactorily set out the key risks to the 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.
4. The Interim 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. All risks are regularly reviewed by management teams, in consultation with risk owners, with updates recorded in the corporate risk management information system. 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 3.
6. The risk register for Hampstead Heath and the risk register for Highgate Wood and Queen's Park are summarised in the main body of this report and the detailed registers are provided Appendices 1 and 2. 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. The Cross-Divisional risks were presented to the Natural Environment Board for decision on 16 October 2023.

### **Current Position**

#### **Hampstead Heath Risks**

8. The Hampstead Heath Risk Register, summarised below and at Appendix 1, contains twelve risks (one RED, ten AMBER, one GREEN) which are owned

and managed by the Assistant Director, North London Open Spaces, and his Management Team.

- **ENV-NE-HH 007:** Maintenance of buildings and equipment (RED, 16)
- **ENV-NE-HH 001:** Budget reduction and income loss (AMBER, 12)
- **ENV-NE-HH 004:** Climate and weather (AMBER, 12)
- **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 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 013:** Tree failure (AMBER, 8)
- **ENV-NE-HH 005:** Plant and tree disease (AMBER, 6)
- **ENV-NE-HH 008:** Local planning issues (GREEN, 4)

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

9. The Highgate Wood and Queen's Park Risk Register, summarised below and at Appendix 2, contains ten risks (one RED, eight AMBER and one GREEN) which are owned and managed by the Assistant Director, North London Open Spaces, and his Management Team.

- **ENV-NE-HWQP 007:** Maintenance of buildings and equipment (RED, 16)
- **ENV-NE-HWQP 001:** Budget reduction and income loss (AMBER, 12)
- **ENV-NE-HWQP 004:** Climate and weather (AMBER, 12)
- **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 006:** Health and safety incidents (AMBER, 8)
- **ENV-NE-HWQP 009:** Recruitment and retention of staff (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)

10. Since the date of the last report to your Committee, all risks have been reviewed. The following risks, which are common to both charities, have been reassessed as follows:

#### **a) Maintenance of buildings and equipment (RED, 16)**

This risk is on the register of both charities and has been held at its current score of Red 16 (Likelihood: Likely / Impact: Major) since June 2022. Prior to that it was held at a score of Amber 12 (possible / major) for two years.

Officers continue to do all they can to reduce this risk, including liaising with colleagues in the City Surveyor's Department to resolve service delivery issues; to notify them of defects; and to highlight the need for increased fund allocation for urgent works. However, we recognise that finding a solution is a complex issue which requires further consideration and collaboration to identify and agree a range of options.

We are confident that, by undertaking the actions outlined in the detailed risk registers, we can begin to reduce the risk to both charities and have, therefore, set a target to reduce the risk likelihood to 'possible' rather than 'likely' (an overall score of Amber 12) by the end of 2024.

The risk may be affected by the results of the ongoing evaluation of the presence, or lack thereof, of RACC in CoL buildings and facilities. Officers are supporting the City Surveyor's Department, and the organisation's Health and Safety unit, in initial analysis of buildings within North London Open Spaces for the existence of RACC. Further investigations, where required, will be undertaken by the Surveyor's. When there is more certainty around the existence of RACC and its potential impact, the risk will be reassessed and rescored if appropriate.

**b) Outbreak of fire in woodland/heathland (AMBER, 8)**

This risk is largely seasonal and, as such, the current score has been reduced to 8 (unlikely / major) to reflect the lower likelihood of fires during the winter months. The risk will be kept under review and reassessed as appropriate.

**c) Delivery of Capital Projects**

The risk has been removed from the risk register of both charities as it is sufficiently addressed as part of the 'Maintenance of buildings and equipment risk'.

**Risk Management Process**

11. Across the Environment Department, risk management is a standing agenda item at the regular meetings of local, divisional and departmental management teams.
12. 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.
13. 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**

14. New and emerging risks are identified through several channels, including:
  - Directly by Senior Leadership 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**

15. 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.
16. 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 Division's emerging strategies.
17. 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**

18. 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 – Hampstead Heath Risk Register
- Appendix 2 – Highgate Wood and Queen's Park Risk Register
- Appendix 3 – City of London Corporation Risk Matrix

## **Contact**

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