

# North York Moors National Park Authority Finance, Risk, Audit and Standards Committee

2 February 2015

## Risk Management Strategy Update

### 1. Purpose of the Report

- 1.1 To update Members on the Authority's Risk Management Strategy and to agree amendments to the Authority's Corporate Risk Register.

### 2. Background

- 2.1 The Authority's Corporate Risk Register is a working document. The process that was undertaken to develop it was facilitated by NYCC's Insurance and Risk Management Team. The scheme of delegation gives responsibility to review and approve the Risk Management Strategy and Corporate Risk Register to this Committee (FRASC).
- 2.2 The risk register approved by Members is a summary of a detailed document which includes a series of actions to be taken to reduce the risk levels.
- 2.3 The purpose of this report is to update Members on the progress made to date. Officers have reviewed progress on the proposed Risk Reduction actions and the detailed risk register has been updated accordingly.
- 2.4 Overall progress on the Risk Register has been good. A summary of the risk register is attached as **Appendix 1** to this report. As Members will note, one of the Risk Categories has changed since the register was last updated in November. However, this document takes a long term view and many of the activities which underpin the plan are ongoing and embedded into the work of the Authority. A copy of the detailed Register with detailed actions is available on request. From April 2015 this will be made available on the Members Extranet.
- 2.5 Members are reminded that at any given time the Authority is facing many operational risks and actions are taken to mitigate against the crystallisation of these risks on a daily basis. The Corporate Risk Register is not intended to capture all of these risks but to identify the potential strategic level risks.
- 2.6 Members have received a full report on the accident which took place on 22 October 2014. The Health and Safety Executive have indicated that there will not be a full investigation following full cooperation with the preliminary enquiries. The actions in the Risk Register have been updated to include the implementation of the Action Plan which has been developed from the lessons learned from the internal investigation. The impact of this has been to increase the category to a 4 from a 5, which is still relatively low risk.
- 2.7 As reported verbally at the meeting on 24 November 2014 Veritau Ltd have completed an audit of the Authority's Risk Management processes and have concluded that the systems in place provide High Assurance.

2.8 NYCC's Insurance and Risk Management Team are working with Officers on the development of the Strategic Risk Register for 2015/16. By the date of the meeting the annual workshop will have taken place and a revised Risk Register which is developed will be presented to Authority in March for approval. Although there are a number of Strategic Risks which remain unchanged from year to year this annual process enables the Register to be adapted to reflect emerging specific risks. One of the key challenges.

### 3. **Financial Implications**

3.1 There are no financial implications resulting from this report.

### 4. **Legal and Sustainability Implications**

4.1 There are no legal or sustainability implications resulting from this report.

### 5. **Recommendation**

5.1 That Members note the contents of this report and approve **Appendix 1**.

Contact Officer:  
Irene Brannon  
Director of Corporate Services  
01439 772700

#### **Background documents to this report**

#### **File Ref.**

1. 2014 Corporate Risk Register

## North York Moors National Park Authority

Risk Register: January 2015 Review – summary

Report Date: 16<sup>th</sup> January 2015 (cpc)

Identity			Person	Classification													
Change	Risk Title	Risk Description	Risk Manager	Pre						RR		Post					
				Prob	Obj	Fin	Serv	Rep	Cat	RRs	Next Action	Prob	Obj	Fin	Serv	Rep	Cat
◀▶	201/148 - Minerals Planning	Lack of capacity and resources both within the Authority and partner organisations to deal with the complex issues relating to the exploration and potential extraction of minerals including potash and shale gas resulting in inability to effectively assess the environmental impact with the socio economic benefits, negative impact on other planning work, reputational damage both locally and nationally, legal action, knock on effects to other work as resources transferred	NYM DIR DM	H	H	H	M	H	1	8	31/12/2014	M	H	H	L	H	2
◀▶	201/158 - Funding Challenge	Inability to deliver current Business Plan and manage any further reduction in funding results in failure to deliver Purposes. Reduction in the availability and increased competition for external funding sources.	NYM DIR CS	M	H	H	H	H	2	14	31/03/2015	M	M	H	H	M	2
◀▶	201/199 - Legal Action against Authority (non Health & Safety)	Successful legal action against the Authority as a result of members of the public to whom we owe a duty of care (including vulnerable groups) come to harm through the Authority's actions, inactions, or decisions across all of the Authority's activities	NYM DIR CS	M	H	M	M	H	2	4	31/03/2015	L	L	M	M	H	3
◀▶	201/200 - Flood, Fire Damage and Other Disaster Events	Repetition of flood, fire damage or other disaster events within the Park resulting in diversion of staff time and resources away from business plan priorities, eg foot and mouth.	NYM CEO	M	H	M	M	L	2	2	31/03/2015	M	M	M	M	L	4
◀▶	201/161 - Procurement Process	Failure to follow the required Procurement process and management of Contracts for goods and services resulting in legal challenge and failure to achieve value for money.	NYM DIR CS	M	L	M	L	H	2	3	31/03/2015	L	L	L	L	L	5
◀▶	201/391 - This Exploited Land (TEL) Project	This project does not meet HLF requirements for stage 2 funding. If funding is achieved, the project disrupts the work of the Authority and fails to consult effectively with partners leading to poor delivery.	NYM DIR CONSERV	M	M	H	H	M	2	7	31/03/2015	L	L	L	L	L	5
◀▶	201/198 - Fraud and Corruption	Failure to detect and act upon fraudulent or corrupt activity resulting in financial loss to the authority.	NYM DIR CS	L	L	L	L	H	3	2	30/12/2014	L	L	L	L	H	3
◀▶	201/202 - Business Continuity Planning	Failure to update and test comprehensive and effective business continuity plans throughout the Authority resulting in inability to recover delivery of services following loss of premises, records or IT systems, etc and criticism.	All Mgt Board	L	M	H	H	M	3	4	31/12/2014	L	M	H	H	L	3
◀▶	201/347 - New Initiatives	Failure to explore and take full advantage of new service development opportunities resulting in lack of growth in income and lost innovation options. Failing to ensure that the balance between risk and opportunity in new service development opportunities is appropriately taken in to account.	All Mgt Board	L	M	H	M	M	3	10	31/12/2014	L	L	M	M	L	5

## North York Moors National Park Authority

Risk Register: **January 2015 Review – summary**Report Date: 16<sup>th</sup> January 2015 (cpc)

Change	Risk Title	Identity Risk Description	Person Risk Manager	Classification													
				Pre						RR	Next Action	Post					
				Prob	Obj	Fin	Serv	Rep	Cat	RRs	Prob	Obj	Fin	Serv	Rep	Cat	
▲	201/203 - Health And Safety	Failure to meet Health and Safety statutory requirements in relation to staff, Members, volunteers, service users and contractors resulting in possible loss of life/serious injuries, prosecution, claims, media attention, fines.	NYM DIR CS	M	L	M	M	M	4	10	31/03/2015	L	L	L	M	M	5
◀▶	201/201 - Information Governance - DPA and FOI	Failure to comply with DPA and FOI/EIR requirements and consequent issues resulting in loss of reputation, prosecution, complaints, claims. Together with lack of capacity to deal with an increase in volume and complexity of complaints resulting in a negative impact on workload.	NYM DIR CS	M	M	L	M	M	4	8	31/01/2015	L	L	L	L	L	5
◀▶	201/330 - Renewable Energy Projects - Ruswarp Hydro	a) Inability for practical or policy reasons of the Esk Energy Ltd Ruswarp Hydro Installation to generate sufficient electricity resulting in potential reputational damage and financial loss. b) Inability of the Authority to ensure that the Environment Agency generate sufficient data to evidence that the fish and other wildlife stocks will not be harmed resulting in policy dilemmas, reputational risk and potential legal challenge	NYM DIR PS	M	M	L	L	M	4	3	31/03/2015	L	L	L	L	L	5
◀▶	201/159 - Tourism and Profile	Failure to promote tourism, sustain and improve tourism activity, raise the profile of the NP and convey NPA messages resulting in loss of opportunity to raise awareness and deliver our Second Purpose and Duty	NYM CEO	L	M	L	L	M	5	12	31/03/2015	L	M	L	L	M	5

Key	
▲	Risk Ranking has worsened since last review.
▼	Risk Ranking has improved since last review
◀▶	Risk Ranking is same as last review
- new -	New or significantly altered risk