

Risk Policy



Paper for discussion

1. Purpose

The purpose of this paper is to introduce a discussion on a new Risk Policy for the National Park Authority.

Following the discussion, we will further develop and draft the policy, returning to the March Audit & Risk Committee meeting for further discussion.

2. Recommendation

We recommend that the Risk Policy should cover two main areas:

- Risk management
- Risk appetite and tolerance

We seek feedback from members on the potential principles and scope of the policy, as further outlined below.

3. Contribution to National Park Partnership Plan and Our 5-year Plan

The Risk Policy will help us identify and manage risks that could threaten delivery of the National Park Partnership Plan 2018-23 and Our 5-year Plan 2018-2023. It will ensure risks to delivery are identified early and that staff and the Executive consider appropriate action in light of those risks.

4. Background

We currently have a Corporate Risk Register that the Board approves annually, and the Audit & Risk Committee reviews quarterly. The Executive also regularly reviews the register.

Staff and teams are responsible for directly identifying and managing specific delivery, project or corporate risks within their areas. Teams undertake risk management using team or subject-specific approaches. For some areas, such as Health and Safety, there is additional emphasis on organisation-wide approaches to identifying and managing risk.

There is currently no overarching risk policy for the organisation. Developing one will help us ensure we are managing risks appropriately, while also taking informed risks where suitable to do so.

National Park Authority Audit & Risk Committee

Agenda Item 9

Risk Policy

5. Principles and scope of new Risk Policy

Principles: We suggest the following principles should apply to the new Risk Policy:

- Risk management should be live and ongoing throughout the organisation
- Risks should be managed at the appropriate level, with staff equipped and enabled to manage risks in their work
- The National Park should be willing to take reasonable and informed risks, where doing so supports achieving its objectives

Scope: We suggest the scope of a new Risk Policy should include:

Risk Management	
Roles and Responsibilities	The roles of different groups such as the Board, Audit & Risk Committee, other Committees, Executive, Operational Managers, and staff
Identification	How risk is initially identified, including level of detail
Assessment	Criteria for assessing the severity of risks, both before and after mitigating actions
Response and mitigation	How a response to a risk is developed, and how mitigation is identified
Tracking and reviewing	Process for tracking risks and mitigation actions, and reviewing and updating risks, ratings, and trends
Reporting	How risk management is reported to the Executive, Board and Committees
Risk Appetite	
Tolerance	What level of risk we may be comfortable tolerating per risk area (eg financial, operational, legal, etc), and how we consider what informed and reasonable risks we should take
Escalation	How and when risks should be escalated if outside of tolerance levels
Consideration in Executive, Board and Committee discussions and decision making	How risks and risk appetite should be presented to the Executive, Board and Committees when considering individual items (eg decision or discussion papers)

6. Next Steps

National Park Authority Audit & Risk Committee

Agenda Item 9

Risk Policy

We welcome feedback on the potential principles and scope of the Risk Policy. We will draft a policy for discussion at the March 2020 meeting of the Audit & Risk Committee.

Author and Executive Sponsor: Pete Wightman, Director of Corporate Services