

# Risk and Issue Management Framework



# Risk and Issue Management Framework

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**Owner:** Corporate Performance Team

**Approved by:** NPA Board, March 2022

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# Risk and Issue Management Framework

## 1. Introduction

1.1. This document sets out our rules and standards for managing strategic and operational risks and issues and guides staff in assessing, monitoring and managing risks and issues on a day-to-day basis. It applies to all risks and issues identified across the organisation.

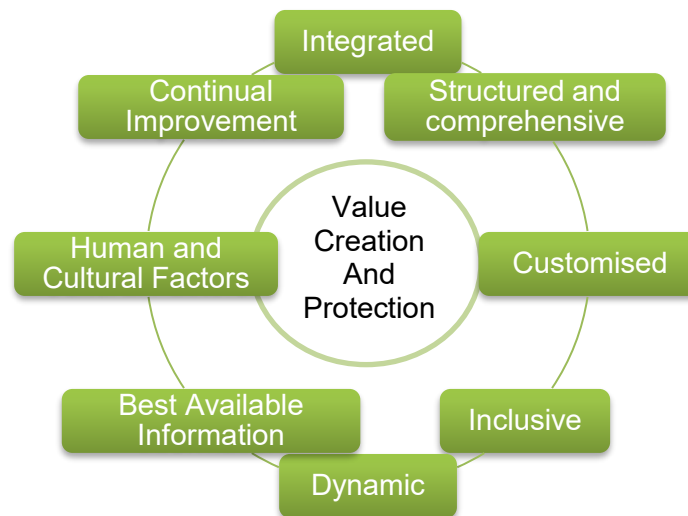
## 2. Principles of risk management

2.1. There are 8 principles of risk management, shown in the graphic below, which are the foundation for managing risk, which have been considered when establishing the organisations' risk management framework and processes. These principles enable us to manage the effects of uncertainty on its objectives.

2.2. The international standard for risk management (ISO 31000) sets out useful guidance on risk management, emphasising that it should be integral to all processes and for all staff. Good principles for managing risk are that:

- It needs to be systematic, structured and timely.
- Its framework and processes are customised and proportionate
- It is based on the best available information, including historical data, stakeholder and customer feedback, forecasting and expert judgement. It should be tailored to the organisation's internal and external context and risk profile.
- It takes human and cultural factors into account, recognising that people's capabilities, behaviours and intentions can either help or hinder the organisation's objectives.
- It is transparent and inclusive, needing the timely and appropriate involvement of stakeholders and decision makers at each stage, ensuring proper representation of all those affected.
- It needs to be iterative, dynamic and responsive to change, taking account of changes in the internal and external environment.
- It needs to demonstrate continuous improvement.

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## 3. Defining risk

- 3.1. In this context, “risk” refers to an uncertain event, or set of events, which may affect our ability to operate our core activity (or deliver a project/programme) and to achieve our aims and objectives. An “uncertain event” is one that might happen, rather than one that will definitely happen or is happening already.
- 3.2. Each risk has the key dimensions of “likelihood” and “impact”. Likelihood is the probability the event will happen, while impact is the effect the event would have if it happened.

## 4. Defining Issues

- 4.1. An issue is a known event (or set of events) that has already occurred and is already having a negative impact on our business or a project/programme’s aims and objectives.
- 4.2. An issue could have been a risk previously identified that escalated into a current problem or it can be surprise event that couldn’t have been identified at earlier stages.
- 4.3. Issues can have varying degrees of impact. An issue may only influence the short-term progress, or it may have an impact on the overall business or project/programme success.

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## 5. Managing Risks and Issues

5.1. We must consider risks and issues and how we are managing these events by introducing sufficient controls and mitigation measures to minimise their impacts.

5.2. Risk Management is a process that allows individual risk events and overall risks to be understood and managed proactively, optimising success by minimising threats by reducing the uncertainty to a tolerable level. The risk management process tends to follow four basic steps:

- Identification (of the possible events)
- Assessment (analysis of likelihood and possible impact(s))
- Treatment/mitigation (identification of sufficient mitigation actions)
- Monitoring (monitoring of results and adjust process as necessary)

5.3. Issue management is the activity or process during which the identification and resolution of an issue take place in order to control the impact of this event and to prevent it from having a continued and last impact on the project/programme's aims and objectives.

5.4. To be able to sufficiently manage risks and issues it is important to understand the differences between them. For more a detailed information please see [SG Supplementary Guide - Risk or Issue.docx](#).

5.5. Not having risk and issue management procedures in place could result in a failure to identify and monitor these or apply appropriate and proportionate mitigation measures. It is also important to bear in mind:

- Our stakeholders and public expectations that we manage risks and issues effectively.
- The demands of legislation and external bodies, such as regulators and auditors.
- The value of risk and issue management in making informed decisions about the effective use of capital and resources, and in reducing costly mistakes or firefighting.
- The desire to make the organisation a better and safer place to work, and for others to work with.

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5.6. By practising risk and issue management, we will:

- Limit the impact of identified threats to the delivery of our objectives.
- Acknowledge and manage opportunities which may be of benefit to the organisation.
- Enable more efficient decision making, enhance delivery and create efficiencies
- Develop and promote positive risk and issue management culture and behaviours.
- Effectively manage and promote confidence in our internal risk and issue management controls.

## 6. Roles and Responsibilities

### 6.1. Board

The Board have overall responsibility for risks taken by the organisation, and review the Corporate Risk Register once a year. The authority to manage and review risks is delegated to the Audit and Risk Committee.

### 6.2. Audit and Risk Committee (ARC)

The Audit and Risk Committee oversees the development and operation of risk management at a strategic level, and regularly reviews the Corporate Risk Register, as well as Project and Programme Risks which are deemed strategic. The Audit and Risk Committee are responsible for providing assurance to both the Board and Accountable Officer that risks within the organisation are appropriately managed.

### 6.3. Accountable Officer

The Accountable Officer is responsible for ensuring that there are sound and effective arrangements for internal control and risk management. They are advised by both the Board and Audit and Risk Committee, who have a key role to advise on risk tolerance, risk appetite and the management of risk within the organisation.

### 6.4. Executive Team

The Executive Team is responsible for monitoring and managing risk across the organisation and making sure we have effective policies and procedures in place. The Executive oversees the review of the Risk Management Policy and Corporate Risk Register, with support from the Corporate Performance Manager. Any significant corporate issues relating to risk management are brought to the Audit and Risk Committee's attention. Decisions of the Executive Committee should be made in alignment with the Risk Management Framework and the appended Risk Appetite Matrix.

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## 6.5. Operational Managers

As part of the shared responsibility to collaboratively deliver effective risk management across the organisation, Operational Managers should making sure risk management is embedded into their areas of responsibility, that risk owners and all other staff are aware of its importance, and that appropriate mitigation measures are in place.

## 6.6. Project/Programme Managers

Project/Programme Managers are responsible for the Project/Programme Risk Registers, which focus on their related activities.

They will review their risk registers on a regular basis (at least every six weeks, or when circumstances change significantly) and make sure their risk registers are updated accordingly. They will bring Project/Programme Board's attention to any concerns or instances where ineffective risk management is impacting on our business or the achievement of its key aims and objectives.

## 6.7. Risk Owners

Risk Owners are responsible for monitoring and managing their assigned risks on a day-to-day basis. They will review their risks on a regular basis (at least every six weeks, or when circumstances change significantly) and make sure their risk registers are updated accordingly. Risk Owners will bring their Project/Programme Managers' attention to any concerns or instances where ineffective risk management may be impacting on our business or the achievement of its key aims and objectives.

## 6.8. Other staff

Risk management is not a specialist activity or only for nominated "Risk Owners". It is a core part of everyone's job and should be embedded throughout the organisation and its activities. A risk assessment should be part of planning and implementing all activities, with risks identified and mitigation measures put in place. **This Risk Management Framework and appended Risk Appetite Matrix should be implemented in a way that allows it to appropriately inform operational decision making.**

## 6.9. Training

Regardless of the role our staff take in managing risk within the organisation, as a minimum, all staff should complete the Risk Management Learning Module within ELMS.

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## 7. Risk Registers

### 7.1. Types of register

We maintain a strategic Corporate Risk Register and a Project and Programme Risk Register.

#### 7.1.1. Corporate Risk Register

The Corporate Risk Register is considered quarterly by the Executive and Audit and Risk Committee and sets out the “across the board” risks that could threaten our core business and the way it operates. The Corporate Risk Register is maintained on the organisation’s SharePoint site.

#### 7.1.2. Individual Project/Programme Risk Register

The Project/Programme Risk Register identifies risks that could threaten project/programme activities. This register is maintained by the project teams and is reviewed by the Project Board.

Where necessary, Project/Programme Board has the ability to escalate a risk to the Corporate Risk Register, if appropriate. Any risks sitting above the agreed tolerance limit are escalated to the Audit and Risk Committee for noting and discussion if needed. The Project Risk Register is maintained on our projects/programmes SharePoint or on the PM Hub’s relevant sites.

### 7.2. Format

All registers have the following information:

Area impacted by the risk (financial, legal/compliance/regulatory, operational, reputational, people/knowledge, environmental, political and public)

- Risk name and description
- Date entered on risk register
- Initial risk scores (likelihood and impact)
- Tasks to mitigate the risk (controls/safeguards/precautions/mitigation actions)
- Revised risk scores (likelihood and impact)
- Additional actions required
- Risk owner (by job title)

## 8. Risk types

8.1. There are 4 types of risk which are widely recognised;

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<p><b>Internal</b></p>	<p>The organisation has some control over these risks. They can be managed using internal controls and mitigating actions involving risk registers, controls and assurances</p>	<p>Examples of this type of risk include;</p> <ul style="list-style-type: none"> <li>• Health &amp; Safety</li> <li>• Security</li> <li>• Infrastructure</li> </ul>
<p><b>External</b></p>	<p>The organisation must consider its resilience to major events taking place in the wider world. It can sometimes be difficult to assess the likelihood of these events, but it is possible to assess the impact that an external event would have on the organisation. Resilience frameworks for these types of risk are outlined in the organisations</p>	<p>Examples of this type of risk include;</p> <ul style="list-style-type: none"> <li>• Economic Downturn</li> <li>• Terrorist Attacks</li> <li>• Extreme weather</li> <li>• Cyber Attacks</li> <li>• Global Pandemics</li> </ul>
<p><b>Strategic</b></p>	<p>These are risks to the organisations purpose and objectives. These types of risk will jeopardise the achievement of objectives within their set timeframe. For example, the objectives set within the 5-year plan.</p>	<p>Examples of this type of risk include;</p> <ul style="list-style-type: none"> <li>• Immediate impact events which stop the organisation operating</li> <li>• Slow burning risks that gradually grow to prevent delivery of objectives             <ul style="list-style-type: none"> <li>○ Staff turnover</li> </ul> </li> </ul>
<p><b>Major Projects</b></p>	<p>Projects are central to the work of the National Park Authority. Risks to the delivery of top priority projects should be considered by the Audit and Risk Committee. They will be specific to each individual project.</p>	<p>Examples of this type of risk include;</p> <ul style="list-style-type: none"> <li>• Shifting requirements</li> <li>• Slippage in timeframes</li> <li>• Failure to deliver</li> </ul>

## Risk Categories

- Reputational
- Environment and Sustainability
- Property and Assets
- People and Knowledge
- Operational
- Information Technology and Security
- Political
- Governance
- Legal and Regulatory
- Financial

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## 9. Risk Appetite and Tolerance

- 9.1. The organisations Risk Appetite reflects the amount and type of risk that we are willing to take. Risk Tolerance reflects the organisations readiness to bear that risk in order to achieve its business objectives. Simply put how much risk are we willing to take to achieve our goals, and are we suitably prepared to take it.
- 9.2. “*The Orange Book – Management of Risk, Principles and Concepts*” (2019), and subsequent UK Government publications provide the following definitions;
- 9.2.1. **Risk Appetite**: the level of risk with which an organisation **aims** to operate.
- 9.2.2. **Risk Tolerance**: the level of risk with which an organisation is **willing** to operate.
- 9.3. We have a separate Risk Appetite Matrix which should be viewed in conjunction with this document and can be found at Appendix 1. This statement is reviewed at least every 6 months by the Audit and Risk Committee, and once a year by the Board.

## 10. Assessing risk tolerance levels

- 10.1. We assess risk against the matrix below. For each risk, the dimension scores of **likelihood** and **impact** are multiplied to produce an **initial risk score**. When mitigation measures are identified, the two dimensions are scored and multiplied again to produce a **revised risk score**. This score is categorised as being an acceptable, adequate, tolerable and unacceptable **level of tolerance**. Where a risk covers more than one of the Impact categories, then the highest likelihood and impact score should be selected.

**Risk scores matrix**

Likelihood	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5
			1	2	3	4
		Impact				

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Total score	Risk treatment
16 – 25 Unacceptable	Risks are so significant that risk treatment is mandatory.
9 – 15 Tolerable	Risks are so significant that risk treatment is mandatory within specified timescale.
5 – 8 Adequate	Risks should be kept under regular review, with revision to risk mitigation and rating, where appropriate.
1 – 4 Acceptable	Risks can be regarded as negligible, or so small that no risk treatment is required, however controls should be maintained.

## Risk level tolerance

When a potential new action or objective is assessed for risk, either Project/Programme Board or Executive Team will review the revised risk score suggested by the risk owner to make sure it is robust and reasonable. This is kept under continuous review by both Project/Programme Managers and Project/Programme Board, where appropriate.

Where a post-mitigation risk score reaches the tolerance level of 17 or above (unacceptable risk), the Chief Executive will immediately bring the risk to the attention of the Convener as well as to the Chair of the Audit and Risk Committee.

## 11. Risk Escalation

11.1. There are a number of trigger points within our risk registers that escalate a risk to the next level for monitoring. These are set out below for both Corporate Risks and Project/Programme Risks. Project/Programme risks will only routinely be escalated to Audit and Risk Committee where they contain strategic risks; Audit and Risk Committee have the authority to request sight of Project/Programme Risk Registers should they wish.

### 11.2. Individual Project/Programme Risk Registers

Trigger Point (post mitigation)	Action
9 to 15	When a risk on an individual Project/Programme Risk Register is scored between 9 and 15 inclusive, this should be escalated to Project Sponsor and to the next Project/Programme Board meeting, with a clear outline of risk mitigations in place, and a date the risk is expected to be closed.

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16 to 25	<p>When a risk on an individual Project/Programme Risk Register is scored at 16 or above, this should be escalated to Project/Programme Sponsor and to Project/Programme Board immediately (via email), with a clear outline of risk mitigations in place, and a date the risk is expected to be closed.</p> <p>Project Board will review the mitigations proposed, add any further mitigations required and will ensure monitoring of the risk via regular Project Board meetings.</p>
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## 11.3. Project/Programme Risk Register

<b>Trigger Point</b> (post mitigation)	<b>Action</b>
16 and above	<p>When a risk on the Project Risk Register is scored at 16 and above, Project/Programme Board will take a considered view as to whether this should be escalated to the Corporate Risk Register.</p> <p>This view should consider the date the risk is expected to be closed, the overall project/programme status, whether any further mitigations are likely to reduce the risk, whether the risk has a strategic impact and whether there is public / board interest in the progress of a particular project/programme.</p>

## 11.4 Corporate Risk Register

<b>Trigger Point</b> (post mitigation)	<b>Action</b>
9 to 15	<p>When a risk on the Corporate Risk Register is scored between 10 and 16 inclusive, the Executive Team will consider whether this requires the immediate attention of Audit and Risk Committee.</p> <p>This view should consider the date the risk is expected to be closed, the overall project/programme status, whether any further mitigations are likely to reduce the risk and whether there is public / board interest in the progress of a particular project/programme.</p>

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16 to 25	<p>When a risk on the Corporate Risk Register is scored at 16 or above, this should be escalated to the Audit and Risk Committee.</p> <p>The Committee will review the mitigations proposed, add any further mitigations required and will ensure monitoring of the risk via Audit and Risk Committee.</p>
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## 12. Risk management tools

### 12.1. Risk identification

Identifying a new risk can happen any time, but is most likely:

- When we take on a new responsibility, scheme or project/programme.
- As a result of an unforeseen incident or event; or
- As part of the regular review of risks by Executive or Directorate teams.

### 12.2. Risk statements

A marker of a good quality risk statement is that it can answer the following questions:

- What could happen?
- Why could it happen?
- Why do we care?

The key to writing a good risk statement is having a foundational understanding of risk components and their interrelationships.

Understanding key risk-related terms and their definitions, as well as the business and its objectives, will result in more impactful risk articulation.

Within our organisation, we write risk statements using the following structure:

[Event that has an effector on objectives] **caused by** [cause/s] **resulting in** [consequence/s]

**Example:** *Inability to carry out site risk assessments **caused by** lack of availability of appropriately qualified staff **resulting in** a delay in project timeline by 1 week and potential requirement to repay small amount of funding.*

**Example:** *Personal data breach **caused by** use of inappropriate data collection method and lack of staff training **resulting in** a fine of up to 4% of annual turnover.*

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***Example:** High employee turnover **caused by** job dissatisfaction and/or uncompetitive remuneration **resulting in** loss of corporate knowledge and delay in delivery of business objectives.*

## 12.3. Risk mitigation

Once a risk is identified, mitigation measures need to be considered. Initially, this can be defined simply as “tolerate, transfer, treat or terminate”.

12.4. A new risk should be reported to the appropriate person as soon as possible by any officer so it can be entered in the relevant Risk Register. The Executive/Corporate Project Team will then assess whether the risk should be entered in the Corporate Risk Register or escalated to Audit and Risk Committee.

12.5. When a new corporate risk is identified, Executive Team will assess the mitigating measures in place or proposed, and whether these will manage the risk to “as low as reasonably practicable”. This process looks at whether the likelihood and impact of the risk is addressed adequately, and whether we need to enter into the risk, assuming it is optional, bearing in mind how the activity itself will further our objectives and the level of risk associated with it.

## 13. **Issue Management Process in Projects and Programmes**

13.1. Issues or otherwise known problems, gaps, inconsistencies or conflicts need to be recorded and addressed when they happen. One of the key challenges of issue management is to resolve the identified issues as quickly as possible and to move on with as little impact on the project/programme as possible. Therefore, it is paramount that there is a robust process in place for identifying, documenting and resolving problems when they occur.

13.2. It is likely that any issue will be disruptive to your ability to deliver a specific activity or the entirety of your project /programme’s objectives.

Therefore, it is essential that you fully understand the impact that the issue is having and are taking appropriate steps to resolve it, or at the very least, reducing the impact to a manageable level and allows you to continue to deliver.

13.3. Issues can come out of nowhere and surprise you, but they can also happen when risks crystallise/materialise. There will be many reasons for a risk turning into an issue, including the failure of a control (or a badly implemented control) or circumstances moving faster than anticipated.

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To manage issues appropriately an Issue Log is introduced within our Project/Programme Controls document which is an efficient tool for reporting and communicating issues that happen to a project or programme. This ensures that the issues are going to get captured, raised, and then investigated and resolved quickly and effectively.

The issue log ensures that the following steps will be taken:

- Issues are logged and raised using a simple and reliable method.
- Issues are assigned ownership and responsibility to ensure accountability.
- Issues are analysed and prioritised.
- Resolution action(s) are identified.
- Issues are tracked to completion.

## 13.4. Issue Reporting/Escalation

Unlike with risks, issues are to be raised as soon as they are identified and defined as there are no trigger points for these. In the first instance, Project/Programme Sponsors (Senior Responsible Owners/SROs) are to be notified to seek steer for resolution. If the Project/Programme Sponsor cannot resolve the situation, further escalation to Project/Programme Board or Executive will be required, which can be done via email correspondence or at a Project/Programme Board meeting if timing allows.

13.5. Issue logs are to be reviewed/monitored on an ongoing basis until outstanding issues can be closed off.

## 14. **Risk Register Review timetable**

14.1 In addition to the regular reviews by risk owners, all Risk Registers should be reviewed regularly to consider whether:

- The identified risks are appropriate and up to date
- The actions and controls in place are adequate and appropriate
- The revised risk score is appropriate
- Any additional action is needed to help mitigate the risk
- Any new risks should be added to the Register, either for new activities or for existing activities where the risk level may have increase.

The review timetable for each Risk Register is set out below:

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<b>Risk Register</b>	<b>Review Frequency</b>	<b>By Whom</b>
Individual Project/Programme Risk Register	At least every month	Project/Programme Team
Project Risk Register	At least every six weeks	Project/Programme Board
Corporate Risk Register	Live and ongoing with a structured quarterly review	Executive Team

14.2 The Corporate Risk Register will be reviewed by the Audit and Risk Committee at least twice a year. Where a risk score has increased, the reasons for the change will be set out.

14.3 The Corporate Risk Register will also be reviewed the by Board once a year.

## 15. Equality and Diversity Impact Assessment (EqIA)

15.1. An equality and diversity impact assessment was carried out and no discriminatory effects were identified for any particular group within the workforce. This will be monitored on an ongoing basis. We are committed to making our services easy to use for all members of the community. In line with our statutory equalities duties, we will always ensure that reasonable adjustments are made to help customers access and use our services. If you want this information in another language or format, such as large font, please ask us and we will do our best to help meet your requirements.

## 16. Best Value

16.1 This document meets the best value criteria, specifically in terms of governance and accountability, as a public authority our working practices are subject to public scrutiny and our decision making cannot be called into question. In addition, effective identification and management of risk and issues is required across all of our business activities to ensure that we have considered risks and issues appropriately.

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## Risk Appetite Matrix 2026-2030

## Appendix A

### Introduction

This appendix provides information on the organisation's appetite to risk. It sets out our approach to risk as well as a framework for the level of risk appetite which can be pursued to achieve our objectives.

Using the Matrix will help speed up our decision-making and make it more robust. Following the Matrix will give decision-makers:

The right information at the right time and in a consistent way so they can properly assess the risk of taking – or not taking – the decision

Confidence to proceed where the decision is within the risk appetite set out in the Matrix; and

A clear escalation route to the Executive Management Team where they consider there is a compelling reason to go ahead with a decision what would otherwise be out-with appetite.

This in turn improves the efficiency of our decision-making because it:

- creates consistency – everyone takes the same factors into consideration
- improves clarity and transparency – the record of the decision clearly shows why it was taken, and
- supports the full decision lifecycle – articulating what would happen if risks materialise helps us manage potential impacts before they arise.

We'll embed the Matrix into our day-to-day decision-making. To do this we'll need to have appropriate training and guidance in place and have a proportionate process for oversight and reporting. We'll create the operational design of this with key internal stakeholders building on the experience and learnings from other public sector organisations.

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This Risk Appetite Matrix was approved by the Board at their meeting of Monday 9<sup>th</sup> March 2026.

Category	Risk	Appetite	Rationale
Reputational	Risks which impact on the Authority's reputation and public image:		The Authority's reputation is a critical asset. Damage to its reputation can undermine the Authority's ability to deliver its core aims.
	<ul style="list-style-type: none"> <li>risks arising from innovative activities which align with our key corporate priorities</li> </ul>	Moderate to Open	The Authority has a <b>moderate to open</b> appetite to take action to support its key corporate priorities even where the Authority is aware it might be subject to challenge or differing views.
	<ul style="list-style-type: none"> <li>risks of working with others to promote our brand, vision, goals and priorities</li> </ul>	Moderate	The Authority has a <b>moderate appetite</b> to develop relationships with other bodies to deliver the ambitions in its Partnership and Corporate plans.
	<ul style="list-style-type: none"> <li>risks of decisions where sustainability, climate, greener living and net zero ambitions haven't been properly considered</li> </ul>	Low	The Authority has a <b>low appetite</b> for risks likely to have an adverse impact on those it works with or generate adverse publicity.
	<ul style="list-style-type: none"> <li>risks of innovation and activity that isn't aligned with corporate priorities</li> </ul>	Low	The Authority has a <b>low appetite</b> for activity that isn't clearly aligned to its corporate priorities, or for systemic or repeated failures in our processes.
	<ul style="list-style-type: none"> <li>risks of systemic or repeated failures in operational performance</li> </ul>	Low	
	<ul style="list-style-type: none"> <li>risks of breach of conduct and ethical standards</li> </ul>	No	The Authority has <b>no appetite</b> for any criminal acts or breach of ethical or professional standards either internally or with key partners.

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<b>Environment and Sustainability</b>	<b>Risks which impact our environmental and sustainability objectives:</b>		<b>Positively promoting (a) nature restoration, biodiversity and climate impact and / or a more sustainable way of living through greener housing, jobs, skills and economy is key to delivering the Authority's aims core aims.</b>
	<ul style="list-style-type: none"> <li>risks arising from our strategic leadership and action on the environment and sustainability</li> </ul>	Moderate to Open	<p>The Authority has an <b>open appetite</b> to taking action and decisions which aim to protect and / or deliver benefits to the environment, nature and / or climate.</p> <p>Conversely, the Authority has <b>no appetite</b> for actions, inactions and / or decisions which cause avoidable net harm to the environment, nature and / or climate. In taking actions and decisions the Authority will be mindful of any legal, regulatory or Scottish Government policy requirements that might apply, for example in its role as Planning authority.</p>
	<ul style="list-style-type: none"> <li>risks from failure to work effectively with partners to reduce climate change, biodiversity loss or negative ecological impact and / or promote a greener and more accessible way of living through greener housing, jobs skills, economy and tourism.</li> </ul>	Low	<p>The Authority has <b>low appetite</b> for failing to engage and work effectively with partners as effective collaboration is needed to address environmental and sustainability risks. However the Authority recognises there are limits to the influence it has in whether and how partners engage.</p>
	<ul style="list-style-type: none"> <li>risks arising from organisational actions or inaction – intentional or unintentional – which result in harm, danger or damage to the environment or cause negative environmental or climatic impacts</li> </ul>	No to low	<p>While some decisions taken by the Authority will inevitably carry a degree of impact to the environment, nature and / or climate, the Authority has a <b>low appetite</b> for unacceptably detrimental impacts.</p> <p>The Authority has <b>no appetite</b> for any organisational actions or inactions which directly harm the environment, nature or climate.</p>

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Property and Assets	Risks that impact on the Authority's property and/or assets:		As a public body the Authority has a responsibility to manage and maintain its property and assets efficiently.
	<ul style="list-style-type: none"> <li>risks from the statutory community empowerment process</li> </ul>	Open	The Authority has an <b>open appetite</b> for considering asset transfer or similar engagement requests as this reflects the Authority's commitment to community empowerment.
	<ul style="list-style-type: none"> <li>risks of unauthorised and/or inappropriate use of or access to Authority assets leading to damage, theft or vandalism</li> </ul>	Low	The Authority has a <b>low appetite</b> for such damage. Although the Authority cannot always control the actions of others it will take appropriate steps to prevent damage from unauthorised access
	<ul style="list-style-type: none"> <li>risks of damage from natural events such as fire, flooding or extreme weather</li> </ul>	Low	While it has little control over natural events, the Authority will take appropriate steps to prevent or minimise damage.
	<ul style="list-style-type: none"> <li>risks from complex ownership or tenancy structures resulting in legacy operational/maintenance/legal issues</li> </ul>	Low	The Authority has a <b>low appetite</b> for these complex structures because resolving them diverts resources away from delivering its core priorities over the longer-term.
	<ul style="list-style-type: none"> <li>risks from failure to use or maintain Authority property and assets appropriately</li> </ul>	No	As a public body the Authority must demonstrate value for money. As a result, the Authority has <b>no appetite</b> for failing to use or maintain its property or assets in an appropriate way through their life cycle.
People and Knowledge	Risks which impact on the Authority's employees:		The Authority's people are its biggest asset. Supporting and developing staff to deliver maximum impact within the available capacity is key to the Authority's ability to deliver its core aims.

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	<ul style="list-style-type: none"> <li>risks arising from innovative development of people and skills</li> </ul>	Moderate	The Authority has a <b>moderate appetite</b> for exploring innovations that improve culture and support transformational change or continuous improvement to meet our ambitious goals within our capacity.
	<ul style="list-style-type: none"> <li>risks arising from poor workplace culture</li> </ul>	Low	Workplace culture has an important part to play in high employee morale, engagement, retention and productivity. The Authority therefore has a <b>low appetite</b> for weaknesses in workplace culture.
	<ul style="list-style-type: none"> <li>risks of insufficient capacity or capability</li> </ul>	Low	The Authority has a <b>low appetite</b> for taking risks that mean it is unable to manage its talent, succession plan, motivate, develop and train its staff. This includes having the right people in the right jobs, effective people management and a structure fit to deliver the Authority's organisational outcomes.
	<ul style="list-style-type: none"> <li>risks of inappropriate conduct and unacceptable behaviour</li> </ul>	No	The Authority has <b>no appetite</b> for risks that give rise to harassment or other similar claims.
	<ul style="list-style-type: none"> <li>risks of breach of employment legislation / HR policies</li> </ul>	No	The Authority has <b>no appetite</b> for risks that undermine the health and safety, wellbeing, diversity and equality of its employees or the public.
Operational	<p><b>Risks adversely impacting the Authority's ability to deliver accessible and inclusive services:</b></p> <ul style="list-style-type: none"> <li>risks from processes which adversely impact user services and / or deliver poor value for money</li> </ul>	Low to moderate	<p><b>Delivery of statutory services (such as planning and our role as access authority) is regulated and complex, with continued pressure on budgets.</b></p> <p>The Authority has a <b>low appetite</b> for inadequate, poorly designed or ineffective processes, or failure / inadequate review of processes which adversely affect user services. The Authority needs to deliver accessible and inclusive services effectively, efficiently and in a way that provides value for money. It therefore has a <b>low appetite</b> (for statutory services) to <b>moderate appetite</b> (for discretionary services) in how it delivers those statutory and discretionary services, and what discretionary services are provided.</p>

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	<ul style="list-style-type: none"> <li>risks of failure to deliver a statutory service, or failing to uphold health and safety in service provision</li> </ul>	No	The Authority has <b>no appetite</b> for failure to deliver a statutory service or to compromise health and safety.
<b>Information Technology and Security</b>	<b>Risks which compromise system security and performance:</b>		<b>Protecting information in the Authority's systems is vital to allow continued availability and innovation against the backdrop of ever-increasing cyber-security threats.</b>
	<ul style="list-style-type: none"> <li>risks arising from being innovative and adopting new technology</li> </ul>	Moderate to low	The Authority acknowledges the efficiencies that technology can bring so has a <b>moderate appetite</b> to explore adopting innovative technological solutions. Those solutions must be sustainable, so the Authority has a <b>low appetite</b> for solutions which would create fragmented systems, rely on a single point of knowledge or require support out-with the IT resources available.
	<ul style="list-style-type: none"> <li>risks of poor system performance which adversely impacts the expected level of services provided</li> </ul>	Low	The Authority has a <b>low appetite</b> for losing continuity of business activity resulting from system unavailability or reduced performance. Resiliency planning will be aligned with strategic objectives
	<ul style="list-style-type: none"> <li>risks of failures in system security and resilience / cyber security</li> </ul>	No	The Authority has <b>no appetite</b> for unauthorised access to or use of systems and confidential data. The Authority will maintain strong controls to mitigate these risks.
<b>Political</b>	<b>Risks arising from changing national political priorities:</b>		<b>The Authority acknowledges that, although its statutory aims provide a stable backdrop, it needs to be able to accommodate changes in ministerial emphasis and direction.</b>

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	<ul style="list-style-type: none"> <li>risks arising from engagement with - and activity to influence - government thinking, policies, guidance and legislation</li> </ul>	Moderate to Open	The Authority has <b>moderate to open</b> appetite for engaging with the legislative, policy and guidance process to shape and influence political priorities/commitments. The Authority will consider challenge to nature, climate and environmental commitments which are counter to its aims.
	<ul style="list-style-type: none"> <li>risks that strategies and plans:               <ul style="list-style-type: none"> <li>fail to reflect current ministerial priorities</li> <li>diverge from ministerial priorities in the future</li> <li>fail to retain the flexibility to remain effective in the medium to longer term</li> </ul> </li> </ul>	Low	The Authority accepts a degree of uncertainty exists against a changing political backdrop but has <b>low appetite</b> for committing to a strategy or plan which doesn't reflect current priorities and / or fails to embed flexibility for future changes.
Governance	<b>Risks which impact good governance:</b>		<b>Clear planning and oversight are needed to deliver the National Park Partnership and Corporate Plans while meeting the governance requirements in the Framework Agreement and other Scottish Government guidance.</b>
	<ul style="list-style-type: none"> <li>risks arising from lack of diversity Board membership</li> </ul>	Open	The Authority actively seeks to create a diverse and representative Board and has an <b>open appetite</b> in how to achieve this.

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	<ul style="list-style-type: none"> <li>risks from unclear plans and priorities</li> </ul>	Low	Given the long-term nature of the Authority's NPPP and Corporate Plans, the Authority accepts it can't predict or control all external factors affecting delivery at the outset. Having a robust annual and medium-term planning process allows it to respond to changes and therefore have a <b>low appetite</b> in this area.
	<ul style="list-style-type: none"> <li>risks from ineffective oversight of operational decision-making or organisational performance</li> </ul>	Low	The Authority has a <b>low appetite</b> for poor or ineffective oversight which may adversely impact on its people, systems and / or its ability to deliver its objectives.
	<ul style="list-style-type: none"> <li>risks from ineffective processes to support strategic decisions being taken by the Board</li> </ul>	Low	Enabling efficient and effective strategic decisions by the Board is key to the Authority's ability to deliver its aims. The Authority therefore has a <b>low appetite</b> for any process failures which compromise the Board's ability to take strategic decisions.
	<ul style="list-style-type: none"> <li>risks arising from unclear authorities and accountabilities</li> </ul>	No	The Authority has <b>no appetite</b> for unclear authorities and accountabilities which may hamper the effectiveness and efficiency of the Authority in meeting its priorities.
Legal and Regulatory	<b>Risks which compromise compliance with the laws and regulations which apply to the Authority:</b>		<b>As a public body the Authority must operate within the boundaries of applicable laws, regulations, statutory guidance and ethical standards.</b>
	<ul style="list-style-type: none"> <li>risks arising from taking enforcement or other action in support of the Authority's aims</li> </ul>	Moderate to open	The Authority has a <b>moderate to open appetite</b> to take appropriate enforcement or other action to support the exercise of its statutory powers, to protect its people and assets from harm, to defend its position, and to recover costs from third parties where their actions have caused the Authority to suffer loss

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	<ul style="list-style-type: none"> <li>risks arising from interpretation of the laws and regulations which apply to the Authority.</li> </ul>	Low to moderate	Where (a) there is a legal argument supporting a proposed course of action (ie legal advice is that the Authority is likely or very likely to win any challenge) and (b) the proposed approach clearly furthers the Authority's statutory aims, the Authority has a <b>low to moderate appetite</b> to adopt a course of action which could give risk to risk of challenge.
	<ul style="list-style-type: none"> <li>risks arising from some other action, inaction or event which could result in a claim being made or the Authority incurring a liability or other loss.</li> </ul>	No to low	The Authority has <b>no to low appetite</b> for events which could result in a claim, liability or loss. This includes, for example, defects in its procurement processes or defects in documenting (or failing to document) contracts or funding arrangements.
	<ul style="list-style-type: none"> <li>risks from failure to comply with legal and regulatory obligations</li> </ul>	No	The Authority has <b>no appetite</b> for breaches.
Financial	<b>Risks which compromise sound financial stewardship and sustainability:</b>		<b>To deliver its objectives the Authority must exercise prudent stewardship over its financial resources, maintain strong internal controls and ensure compliance with applicable governmental and accounting standards. The Authority recognises it cannot always control or precisely predict external factors that may affect its financial resources or spending plans but will make prudent decisions to mitigate the financial impact.</b>
	<ul style="list-style-type: none"> <li>risks of seeking medium to long term financial sustainability</li> </ul>	Moderate	The Authority has a <b>moderate appetite</b> for exploring medium to long term financial sustainability through supplementary sources of funding and delivering efficiencies in line with the Authority and Governmental priorities.
	<ul style="list-style-type: none"> <li>risks of short term financial and delivery liabilities resulting from the</li> </ul>	Low to moderate	The Authority has a <b>low to moderate appetite</b> for short-term financial risk that occurs in response to external factors, providing it is consistent with the National Park Partnership Plan and Corporate Plan and governmental standards including the Scottish Public Finance Manual.

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	<p>annualised nature of funding</p>		
	<ul style="list-style-type: none"> <li>risks arising from poor financial management, reporting and internal controls including controls to mitigate against fraud</li> </ul>	<p>No</p>	<p>The Authority has <b>no appetite</b> for weaknesses in financial management, reporting or internal controls that would result in it being non-compliant with the SPFM, Accounting Standards or any other applicable rules or regulations. This also includes weaknesses that would expose the Authority to an unreasonable risk of fraud.</p>
	<ul style="list-style-type: none"> <li>risks of not achieving value for money from the resources deployed or not protecting financial assets</li> </ul>	<p>No</p>	<p>The Authority has <b>no appetite</b> for resource utilisation that does not represent value for money for public funds nor expose the financial assets of the Authority to unreasonable risk.</p>

# Risk and Issue Management Framework

## Document Control Sheet

## Appendix B

<b>Prepared By</b>	Corporate Performance Manager
<b>Date Effective From</b>	Tuesday 2 <sup>nd</sup> June 2026 (pending approval by ARC)
<b>Review Frequency</b>	As required – no less than every 5 years
<b>Contact</b>	Corporate Performance Manager

### Revision History:

<b>Version:</b>	<b>Date:</b>	<b>Summary of Changes:</b>	<b>Name:</b>
0_1	March 2022	New procedure	Samantha Stubbs (Corporate Performance Manager)
0_2	December 2025 - April 2026	Revision to incorporate Issue Management (SG guidance)  Revision to include updated risk categories and work undertaken on risk appetite and articulation as approved by Board March 2026.  Updates made for clarity and to better reflect operating reality.	Douglas Smith (Corporate Performance Manger)  Jane Kemp (Head of Governance and Performance)

**Approvals:** This document requires the following signed approvals.

<b>Name/Title</b>	<b>Date</b>	<b>Version</b>
NPA Board	14/03/2022	0_1
Audit and Risk Committee	02/06/2026	0_2

# Risk and Issue Management Framework

**Distribution:** This document has been distributed to

<b>Name:</b>	<b>Title/Division:</b>	<b>Date of Issue:</b>	<b>Version:</b>
All Staff	Risk Management Framework_APPROVED_20220314	March 2022	0_1
All Staff	Risk and Issue Management Framework	June 2026	0_2