
Peak District National Park Authority Risk Management Policy (October 2015)

Purpose of This Document

1. This Risk Management Policy (the policy) supports one of the core principles in the Authority's Code of Corporate Governance (approved at Authority, May 2009) of 'Taking informed and transparent decisions which are subject to effective scrutiny and managing risk'.
2. The policy explains the Authority's underlying approach to risk management, documents the roles and responsibilities of Members, Management Team, Chief Finance Officer, Assistant Directors, Heads of Service, Performance Team and other key parties. It also outlines key aspects of the risk management process, and identifies the main reporting procedures.

Underlying Approach to Risk Management

3. The following key principles outline the Authority's approach to risk management and internal control:
 - a. Members have responsibility for overseeing risk management within the Authority as a whole;
 - b. An open and receptive approach to mitigating risk problems is adopted by Members;
 - c. The Chief Executive and the senior management team supports, advises and implements policies approved by Members;
 - d. The Authority makes prudent recognition and disclosure of the financial and non-financial implications of risks in line with its risk appetite;
 - e. Directors, Assistant Directors, Heads of Service, Team Managers, Project Managers and Strategic Partnership Lead Officers are responsible for encouraging good risk management practice within their designated managed area; and
 - f. Key risks will be identified and closely monitored on a regular basis.

Statement of the Authority's Risk Appetite

4. The Authority will use risk management to achieve its objectives through pro-actively managing its exposure to risk. It will seek to recognise risk and mitigate the adverse consequences but recognises that, in pursuit of its vision and objectives, it may choose to accept an increased degree of risk in certain circumstances. It will do so, subject always to ensuring that the potential benefits and risks are fully

understood before developments are authorised, and that sensible measures to mitigate risk are established.

Role of Members

5. Members' role in the management of risk is to:
 - a. Set the tone and influence the culture of risk management within the Authority, including;
 - Determining whether the Authority is 'risk taking' or 'risk averse' as a whole or on any relevant individual issue (the Authority's risk appetite);
 - Determining what levels of risk are acceptable and which are not, on the advice of Management Team, and setting the standards and expectations of staff with respect to conduct and probity.
 - b. Approve major decisions affecting the Authority's risk profile or exposure;
 - c. Monitor quarterly the management of significant risks to reduce the likelihood of unwelcome surprises or impact;
 - d. Satisfy themselves that the less significant risks are being actively managed, with the appropriate controls in place and working effectively;
 - e. Annually review the Authority's approach to risk management and approve changes or improvements to key elements of its processes and procedures as part of the Annual Governance Statement. (This is the annual review of the Code of Corporate Governance (which includes the Chair and Vice Chair of Audit, Resources and Performance Committee and is approved by the Audit, Resources and Performance Committee).

Role of the Senior Management Team (Chief Executive, Directors and Chief Finance Officer)

6. Key roles of the Senior Management Team are to:
 - a. Set the overall culture of risk management in the Authority;
 - b. Take overall responsibility for the administration and implementation of the risk management process within the Authority;
 - c. Identify and evaluate the significant risks faced by the Authority for review by Members (the corporate risk register);
 - d. Provide adequate information in a timely manner to Members and its committees on the status of risks and controls;

- e. Annually review the Authority's approach to risk management as part of the annual review of the Code of Corporate Governance and recommend changes or improvements;
- f. Review and monitor the risks identified in their individual services with their Assistant Directors, Heads of Service, Team Managers and Lead Officers (the service risk registers) including consideration of risks from working with strategic and major delivery partnerships, and escalate risks to the Corporate Risk Register as considered appropriate;
- g. Annually review the Authority's uninsured and insured risks.

Role of the Chief Finance Officer (statutory responsibility)

- 7. The role of the Chief Finance Officer is to:
 - a. Help ensure the effective governance of the Authority by supporting the development of risk management and reporting frameworks and ensuring risks are fully considered;
 - b. Lead on the implementation and maintenance of a framework of financial controls and procedures for managing financial risks ensuring robust systems of risk management and internal control;
 - c. Help promote arrangements to identify and manage key business risks including safeguarding assets, risk mitigation and insurance.

Role of Assistant Directors, Heads of Service, Team Managers and Lead Officers of Major Delivery Partnerships (for which we are the accountable body)

- 8. Key roles are to:
 - a. Take overall responsibility for the administration and implementation of risk management within the Directorate/ Service/ Team/ Partnership;
 - b. Identify and evaluate the significant risks faced in the Directorate/ Service/ Partnership;
 - c. Provide adequate information in a timely manner to Senior Management Team on the status of risks and controls;
 - d. Manage significant risks within the policy guidelines;
 - e. Propose escalation of service risks to the Corporate Register as considered appropriate.

Role of Lead Officers of Strategic Partnerships or Major Delivery Partnerships where the Authority is not the accountable body

9. Key roles are to:
 - a. Undertake an initial risk assessment for the partnership and review on an annual basis with the relevant Assistant Director or Head of Service the risks to the Authority associated with being involved in the partnership, to enable identified risks to be incorporated into the service risk register.
 - b. Review, on a quarterly basis, with relevant Assistant Director or Head of Service any risks that appear on the service risk register relating to the partnership and inform of any risks that should be escalated to the service risk register or the Corporate Risk Register.

Role of the Performance Management Team

10. Key roles of the Performance Management Team are to:
 - a. Take day to day responsibility for the administration and implementation of the risk management process;
 - b. Support Senior Management Team, Assistant Directors, Heads of Service and Lead Officers of Strategic and Major Delivery Partnerships in managing and monitoring risks;
 - c. Facilitate the process of consideration of risks onto the Corporate Risk Register on a quarterly basis;
 - d. Support Senior Management Team in the annual review of the Authority's approach to risk management.

Monitoring and Evaluation of this Policy

11. This policy will be monitored and evaluated annually as part of the Authority's annual review of the Code of Corporate Governance and reported to Audit, Resources and Performance Committee with any recommendations for change.