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## **APPENDIX 2: Supporting documentation to the Authority's Risk Management Policy**

### **1. Key Components of the Authority's Risk Management System**

#### A. Identification of Risk

##### *a. The Corporate Risk Register*

The Authority manages risk at a corporate level through the Corporate Risk Register which is compiled by the Senior Management Team and approved by Audit, Resources and Performance Committee. It helps to facilitate the identification, assessment and ongoing monitoring of risks significant to the Authority. The document is formally appraised annually but every quarter emerging risks are reviewed and added as required, whilst current risks are assessed to determine whether the level of risk has been managed down sufficiently to remove the risk from the register. Improvement actions are also monitored through Audit, Resources and Performance Committee.

##### *b. Service Risk Registers*

Assistant Directors and Heads of Service develop and use these registers to ensure that significant risks in their directorate/ service are identified, assessed and monitored. The document is formally appraised annually by the respective director and Chief Executive as part of the service planning process and allows for significant risks to be escalated to the Corporate Risk Register. Risks are added or removed as appropriate, and improvement actions to address risks are monitored with their Director through the Quarterly Performance Outturn Meeting. This allows any emerging significant risks to be escalated to the Corporate Risk Register during the year.

##### *c. Major project/ partnership risk registers*

A risk register (following the template for the service risk register) is completed for all major projects which are monitored on a quarterly basis by the project team and the respective Head of Service, Assistant Director or Director. If there is a significant risk (red) the project will be put on the respective Service Risk Register.

As stated in the Partnership Protocol, the lead officer for each major or strategic partnership will undertake an initial risk assessment of the partnership which is reviewed annually with the respective Assistant Directors or Head of Service. If there is a significant risk (red) it will be placed on the Service Risk Register.

##### *d. Insurance risks*

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The Authority decides on uninsured and insured risks as part of its annual review of insurance arrangements.

## B. Monitoring of Risk

### *a. Quarterly monitoring*

Comprehensive quarterly reporting is designed to monitor key risks and their controls. Decisions to rectify problems, if appropriate, are made at regular meetings of:

- i) the Senior Management Team and Audit, Resources and Performance Committee, for corporate risks,
- ii) Heads of Service, Assistant Directors and the Senior Management Team, for service level risks (at the Quarterly Performance Outturn Meetings),
- iii) Project Managers and Heads of Service/ Assistant Director/ Director for major project risks. More frequent monitoring may be adopted depending upon the nature of the project.

### *b. Annual review*

An annual review is conducted to:

- i) support the development of the subsequent year's risk registers (both corporate and service levels) and
- ii) review the effectiveness of our risk management strategy as part of the Annual governance Statement.

## C. Reporting

### *a. Audit, Resources and Performance Committee*

The Audit, Resources and Performance Committee receive quarterly reports on risk and respond to any emerging issues. In addition, the committee receives the Annual Governance Statement. The committee is therefore well-placed to monitor and scrutinise the Authority's system for the management of risk.

### *b. Quarterly Performance Outturn Meetings*

Senior Management Team, Assistant Directors and Heads of Service meet every quarter to progress and consider issues relating to risk as part of this meeting and decisions to rectify problems, if appropriate, are made.

## D. Assurance

### *a. Internal Audit Programme*

Internal audit monitors the effectiveness of our internal control systems including our management of risk and reports to Audit, Resources and Performance Committee three times per year.

*b. External audit*

The District Auditors assess the Authority's arrangements to achieve economy, efficiency and effectiveness in our use of money, time and people against criteria specified by the Audit Commission. This includes assessing whether the Authority has adequate arrangements in place for risk management and internal control as part of giving their value for money opinion as reported in the annual governance report from the Audit Commission.

*c. Other external assessments*

We will consider feedback received (for example through the National Park Authorities Performance Assessment process) as part of our ongoing assessment of risk.

*d. Annual Insurance Report*

Resource Management Team approve annually the insurance arrangements in place to mitigate risks inherent in the Authority's portfolio of property and equipment assets, vehicle operations and potential liabilities arising from officer and member actions.

E. Support

*a. Skills and Training*

Directors, Assistant Directors and Heads of Service are responsible for ensuring that staff who have responsibility for risk management are familiar with the Authority's risk policy and have the appropriate skills and training to undertake their role.

*b. Toolkit*

A toolkit of documents that support the management of risk are provided and are included as follows:

- i. Risk Register template
- ii. Risk Scoring guide (Defining likelihood and impact levels)