



Corporate Risk Register

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EVALUATION OF RISK

Framework

The Board's "Risk Management Framework" states that the purpose of the Corporate Risk Register is to record the evaluation of corporate risks, and to inform those responsible for managing those risks about actions taken and planned to mitigate them.

Within the Register, a Risk Matrix is used to give each risk a relative score for probability and impact. This enables the Board to identify those needing urgent attention, and the level at which they can be addressed. The scales used for both probability and impact are explained below, using the DEFRA definitions.

Probability

The probability of the threat occurring is expressed according to four categories, and in the context of existing controls being in place:

Very Low	Rare	The risk may occur in exceptional circumstances.	(Score 1)
Low	Possible	The risk may occur in the next three years.	(Score 2)
Medium	Likely	The risk is likely to occur more than once in the next three years.	(Score 3)
High	Almost certain	The risk is likely to occur this year or at frequent intervals.	(Score 4)

Impact

The impact of the threat is expressed in similar terms:

Very Low	No financial loss; service delivery unaffected; no legal implications; unlikely to affect the environment; unlikely to damage reputation.	(Score 1)
Low	Small financial loss; re-prioritising of delivery required; minor legal concerns raised; minor impact on the environment; short-term reputational damage.	(Score 2)
Medium	Significant financial loss; deadlines re-negotiated with customers; potentially serious legal implications (e.g. successful legal challenge); significant environmental impact; longer-term damage to reputation.	(Score 3)
High	Huge financial loss; key deadlines missed; very serious legal concerns (e.g. successful legal challenge), with substantial implications for the Board; major environmental impact; loss of public confidence.	(Score 4)

Residual Risk

The "Residual Risk" score for each area is then calculated by simple multiplication of the Probability and Impact scores.

The table below ranks the areas of residual risk in descending order, and then lists those risk areas which have previously been considered, but which have been excluded from the current residual risk schedule.

AREAS OF RESIDUAL RISK IN PRIORITY ORDER	TABLE REF.	RISK SCORE
Cotswold Way Funding	6	12
Financial Reserves	8	6
DEFRA	1	6
Funding Base	2	6
Management Plan – Planning Decisions & Section 85 compliance	4	6
Agri-Environment Funding	5	6
The Lion Café & Discovery Centre	3	4
LEADER Programme	7	4
	Total	50
AREAS OF RISK PREVIOUSLY CONSIDERED		
Destination Management Organisations	-	6
Insurance	-	4
Cash Flow	-	4
Friends of the Cotswolds	-	4
Small Team & Business Continuity - Staff	-	4
Well-motivated team	-	4
Information Technology	-	4
Work parties, field trips, seminars and other events	-	3
Work Programme	-	3
Conduct	-	3
Non-Compliance	-	3
Financial Management	-	3
Pension Scheme & FRS17	-	2
Theft	-	2

Objective – Arrangements for establishing strategic and operational objectives and for policy and decision-making are in place, and that there are arrangements for ensuring that services meet the needs of users and for engaging the wider community.

Risk	Initial Risk Assessment			Controls in place	Residual Risk			Further Action Planned	Target Date	Owner
	P	I	RS		P	I	RS			
<p>1. DEFRA</p> <p>There is an inherent risk that the Board will not be able to influence DEFRA decision making. The Board falls between two parts of the protected landscape family i.e. it is not a national park (but its purposes and structure are based on an NPA) and it's not a "normal" AONB (it has different purposes from majority of AONBs) but is funded as a normal AONB.</p> <p>DEFRA does not have a policy for Conservation Boards, creating a policy vacuum. Risk of Conservation Boards slipping on DEFRA agenda and priority.</p>	3	3	9	<p>*Ongoing dialogue with DEFRA at officer and member level.</p> <p>*Host meetings and visits from relevant SoS /Minister e.g. Minister visit Nov 2018.</p> <p>*Chairman liaises with Defra via appointment of new SoS appointees.</p> <p>*The Board is a member of the NAAONB who lobby DEFRA on behalf of AONBs.</p> <p>*Good dialogue with MP's:Geoffrey Clifton-Brown, David Drew, Alex Chalk..</p> <p>*Meetings with Chairman of Natural England in place.</p> <p>*Glover Review of National Parks and AONBs announced May/June 2018, reassurances given that review will not lead to financial cuts. Hosted visit from two of the Glover Review Advisory Panel in August 2018.</p> <p>*Currently in Year 4 of a 4-year DEFRA grant offer.</p>	2	3	6	<p>*Participate fully in Glover Review, formal submissions made December 2018.</p> <p>*Briefings with MPs over National Park proposal.</p> <p>*Fully consider and promote the case for a Cotswolds National Park, (Ambition 4 in Management Plan).</p> <p>*Continue to influence DEFRA to ensure Conservation Board and Cotswolds AONB issues remain a high priority.</p> <p>*Chairman and Board Members meeting lead Officials and Ministers for DEFRA.</p> <p>*Attending relevant national and international conferences and workshops.</p> <p>*Dovetail Board activities with DEFRA priorities</p> <p>*Arrange for visits from senior DEFRA staff and Ministers to see the work of CCB.</p> <p>*Defra now making half-yearly advance payments, helping the Board's cash flow.</p> <p>*Recent positive messages from Defra and Glover.</p>	Ongoing	Chief Executive / Chairman

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Risk	Initial Risk Assessment			Controls in place	Residual Risk			Further Action Planned	Target Date	Owner
	P	I	RS		P	I	RS			
<p>2. Funding Base</p> <p>The Board is heavily dependent on DEFRA for 80% of core funding. This means that the Board's budget (and work programme) could be severely limited if DEFRA cut back its funding.</p> <p>Local authorities also provide significant funding. The Board is vulnerable to the withdrawal or restriction of this funding as the local authorities respond to challenges in their own finances.</p> <p>Risk of failure to realise the anticipated new sources of funding.</p>	3	4	12	<p>*Board has established an External Funding Working Group wef May 2018.</p> <p>*Options to widen and strengthen Board's funding base considered periodically by Executive.</p> <p>*We ensure that the Board is seen to deliver high value for money for its funding sponsors through individual reports, quarterly updates and an Annual Review.</p> <p>*We ensure funding partners are kept informed of the Board's work and achievements through the bi-monthly updates, e-news, Youtube videos and the Annual Review.</p> <p>*Priorities are reviewed and the effect on the Business Plan assessed.</p> <p>*Action taken to begin to develop fee income e.g. consultancy work, services to local authorities, on-line payment donations, sponsorship, sale of publications, advertising, course bookings, and sales through website and sales income.</p> <p>*DEFRA grant secured.</p> <p>*Half-yearly advance payments secured.</p> <p>*Local Authority funding settlements flat-lined for 2019/20.</p> <p>*DEFRA showed commitment to Protected Landscapes in January 2016 by confirming that grant funding will be protected in real terms for the next four years (until 2019/20), with a 1.7% increase per year.</p>	2	3	6	<p>*Seek to widen and strengthen funding base, in particular through seeking contributions for projects from a wider range of partners (e.g. other lottery sources, and the private and charitable sector).</p> <p>*Develop sponsorship and advert income associated with some publications e.g. Lion newspaper and Explore.</p> <p>*When developing projects identify at an early stage how they could continue if DEFRA/ NE / Local Authority funding ended.</p> <p>*Explore other funding sources including match sponsorship for SDF, visitor giving scheme.</p> <p>*Explore options for delivery of the concurrent powers held with local authorities, which may realise new income or a transfer of resources e.g. PROW management.</p> <p>*Support new funding approaches e.g. Cotswolds AONB Hare Trail auction (Sept 18). Secured £35,000 income from Hare Trail and £45,000 from private donor over two years.</p> <p>*Explore more commercial approach to ongoing project funding e.g. Meadows Service within Esmee Fairbairn Foundation application – who are investing £210,000 in the Glorious Cotswolds Grasslands project.</p> <p>*£500,000 received from Network Rail to mitigate electrification of rail line in southern Cotswolds.</p> <p>*Recent encouraging responses from NHLF and National Grid.</p>	Ongoing	Chief Executive, Lead Officers and External Funding WG

Risk	Initial Risk Assessment			Controls in place	Residual Risk			Further Action Planned	Target Date	Owner
	P	I	RS		P	I	RS			
<p>3. Lion Café & Discovery Centre</p> <p>1) The key risk is the Board fails to achieve its objectives:</p> <ul style="list-style-type: none"> - enabling a vibrant centre at the Old Prison focusing on the understanding, appreciation and active enjoyment of the Cotswolds and its distinctive features; - to work in partnership with the Friends of the Cotswolds (Friends) and others to deliver the vision for the Old Prison site; - to have office accommodation suitable for the Board's operations and at an affordable price; <p>2) Reputational risk to the CCB/Friends of the Cotswolds that Museum Collection is not interpreted properly or adequately looked after.</p> <p>3) Risk of insufficient business continuity, IT failure and disaster recovery.</p> <p>4) Risk of not getting NNDR relief for the Cotswolds Discovery Centre at the Old Prison through the Friends</p>	4	3	12	<p>*The Board and the Friends have a shared vision and commitment for the development of the site.</p> <p>*The Board has terminated its Agency Operational Agreement with the Friends, and withdrawn from responsibility for operating the café and Discovery Centre.</p> <p>*The Old Police Station has been sub-let in September 2019.</p> <p>*Data backups completed daily from the server onto magnetic tape. Tapes taken off site by administration assistant.</p> <p>*Data Security Guidance & Business Continuity Plan available for staff.</p> <p>*Sharing of key operational information with other staff members to allow continued operation should staff members leave or be absent.</p> <p>*Friends responsible for NNDR rate relief requests submitted on time, ensuring VOA details are up to date. Friends secure 80% not 100% relief.</p>	2	2	4	<p>*Friends of the Cotswolds have secured Growth Fund grant award from Glos LEP and are raising match funding.</p> <p>*The Friends have accepted the Board's notice of termination of the Agency Agreement.</p> <p>*The Café and Discovery Centre were closed at the end of Oct 2018 to enable refurbishment works to go ahead.</p> <p>*The Board's Café Manager has been made redundant and casual staff released.</p> <p>*Refurbishment work has been completed.</p> <p>*The Friends have appointed new Café management.</p> <p>*The Board's financial investment in the Café and Discovery Centre, which was budgeted within the General Fund, has now been completed.</p>	Dec 2019	Chief Executive & Partnership Board

Objective – Arrangements for managing risks that could adversely affect delivery of the Board’s Management Plan for the AONB

Risk	Initial Risk Assessment			Controls in place	Residual Risk			Further Action Planned	Target Date	Owner
	P	I	RS		P	I	RS			
<p>4. Planning Decisions & Section 85 compliance</p> <p>Any authority (down to Parish Council level) does not have due regard to the purposes of conserving & enhancing the AONB.</p> <p>Risk of not achieving jointly agreed vision for solution to the A417 Missing Link.</p>	4	3	12	<p>*The following refers to S85 and are written to provide policy and guidance: *CRoW Act 2000 (S85) *Management Plan 2018-2023 plan. *NPPF (National Planning Policy Framework) *NPPG (National Planning Practice Guidance) *Local Authority Planning Policy *Influencing Neighbourhood Plans *Board submission to NPPF consultation May 2018 – Board also led NAAONB response.</p> <p>Jointly agreed Vision, Design Principles, Objectives and Sub Objectives for A417.</p> <p>Membership of A417 Stakeholder Group and Landscape / Environment Technical Working Group.</p>	2	3	6	<p>Management Plan 2018-2023 adopted November 2018.</p> <p>Management Plan incorporates evolution of earlier Engagement Plan, whereby Board signals priorities for Plan delivery to partner organisations.</p> <p>Position Statements and guidance to be reviewed and updated so that they support Management Plan.</p> <p>Working to improve awareness and channels of communication with Local Authorities and Parishes.</p> <p>Ongoing liaison with Highways England (HE)/ Dept. Transport on A417.</p> <p>Board submitted 3 alternative options for how the A436 joins A417.</p> <p>Ongoing liaison with partner organisations over A417.</p>	<p>Ongoing</p> <p>A417 Preferred route announced.</p>	<p>Planning and Landscape Officer Planning & Infrastructure WG</p> <p>Chief Executive/ Chairman/ A417 Missing Link WG/ Planning and Landscape Officer</p>

<p>5. Agri-Environment Funding</p> <p>Risk of adverse changes in Agri-Environment policy affecting funding for schemes in the Cotswolds, particularly following the Brexit agenda following the EU referendum.</p>	3	3	9	<p>*Board collects evidence base through Natural England and can use this to lobby NE and DEFRA on funding and scheme design.</p> <p>*Board has made representations to influence the new NCA Targeting Statements.</p> <p>*Board responds where possible to consultations on this topic e.g. Health & Harmony response, May 2018.</p> <p>*Board invited to submit proposals for trial and test of new ELMS scheme.</p> <p>* Board invited to join DEFRA panel to consider ELMS trials and testing advisory group.</p> <p>Board test on local payment rates agreed by DEFRA, commencing Spring 2019.</p>	2	3	6	<p>* Continue to advance Board's proposals and ideas for new agri-env schemes and for a proposed joint agri-env and rural development scheme - with a local Cotswolds scheme menu, delivered locally.</p> <p>Renewed submission to officials and Minister made in January 2019, approved August 2019.</p>	Ongoing	Land Management Officer
<p>6. Cotswold Way Funding</p> <p>Risk of any future grant settlement not being sufficient to employ a Trails & Access Officer.</p> <p>Reputational risk of quality of Cotswold Way deteriorating.</p>	4	4	16	<p>*Ongoing dialogue with NE at officer and member level.</p> <p>*Part-time Trails and Access Officer now employed on 12-month contract.</p> <p>*CCB management arrangement for Cotswold Way National Trail from April 2008 strengthened the working relationship with NE and the 4 related Highway Authorities.</p> <p>* Meetings held with DEFRA Minister to discuss future of Trails funding.</p> <p>*The Voluntary Wardens are highly committed to ensuring that the Cotswold Way is well managed.</p> <p>*Board staff ensure that web-based services are maintained to a good standard.</p>	4	3	12	<p>* Continue dialogue with DEFRA and NE to influence the future review of National Trails and to resolve the longer-term funding of the Cotswold Way.</p> <p>*Develop new income streams linked to the Cotswold Way.</p> <p>*Consideration being given by the Chairs of the 15 National Trail Partnerships to the establishment of a National Association type body for Trails – submission to HLF for Resilience Funding pending.</p> <p>*Board recommendation to DEFRA to consider that National Trail funding be incorporated into AONB and National Trail settlements in future, given the high degree of coincidence between the protected landscapes and the trails and that the protected landscapes are often the lead body / employer.</p> <p>*National Trail Chairmen collectively agreed a 5% cut in NE grant for 2019/20.</p>	Ongoing	Trails & Access Officer

<p>7. LEADER Programme</p> <p>Reputational risk of failing to meet the targets set by the RPA.</p> <p>Financial risk of failing to comply with the RPA guidance concerning the Management and Administration claim process.</p>	4	3	12	<p>*Delivery plan in place to ensure programme remains focussed and on target. Regular reporting of LEADER Programme milestones and performance to the Executive Committee.</p> <p>*Experienced Programme Manager and Administrative Asst, LAG Executive Group in place.</p> <p>*Frequent communications with senior RPA staff at Leader Exchange Group (LEG) and by direct correspondence to stay abreast of developments.</p> <p>* Programme Manager overseeing the M&A claim process. Past claims submitted successfully to RPA and payment received.</p> <p>*RPA agreed extension to projects contracted deadline from March to July 2019</p> <p>*RPA have agreed an uplift in RCA (hosting /operational costs) from 18 to 22%.</p> <p>Successful RPA reviews and positive feedback on Board performance.</p>	2	2	4	<p>* Continue to engage with the rural business community targeting in particular the theme areas where a need for further applications or increased job creation is identified.</p> <p>* Continue to monitor the closing situation and RPA bulletins closely.</p> <p>* Continue to liaise closely with the Rural Development Team at the RPA to ensure interpretation of guidance is correct and up to date.</p>	Ongoing	LEADER Programme Manager
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Risk	P	I	S	Controls in Place	P	I	S	Further Action Planned	Target Date	Owner
<p>8. Financial Reserves Previously reviewed and risk considered well managed, (P2, I2, R4).</p> <p>Re-introduced to risk register due to reduction in reserves at end of 17/18.</p>	4	4	16	Reserves are reviewed quarterly by Executive Committee as part of the Business Plan and annually as part of the Statement of Accounts processes.	2	3	6	<p>*Reserves policy formally approved by Board in June 2019.</p> <p>*Increased reserve targets have been agreed and significant progress achieved in 2019/20.</p> <p>*Board achieved financial surplus in 2018/19.</p> <p>*Executive Committee aware of need for greater focus on establishing healthy reserves and need for clear fundraising target.</p> <p>* External Funding Working Group operating.</p>	Ongoing	Chief Executive & Finance Officer

RISKS PREVIOUSLY CONSIDERED

<p>The following risks have been addressed and are no longer considered to be of a high enough risk level to warrant continued monitoring (Residual Risk shown in brackets). If the risk level in respect of any of these risks appears to rise in future, they will be added back to the Corporate Risk Register above.</p>
<p>Work parties, field trips, seminars and other events (P3, I1, R3)</p>
<p>Risks associated with this type of event are addressed through risk assessments and control measures in advance of the event. Voluntary wardens have a good track record. Public and Employee Liability and Personal Accident Insurance are in place.</p>
<p>Insurance (P2, I2, R4)</p>
<p>The Board has appropriate cover for employers' liability, public liability, contents, material damage, libel and slander, motor vehicles, fidelity guarantee, professional indemnity, travel and personal accident with Zurich Municipal.</p>
<p>Theft (P2, I1, R2)</p>
<p>Offices are covered by alarm systems. Inventories of property are maintained. Anti-Fraud and Corruption Policy in place. Insurance cover secured. Options for improved alarm system currently under review</p>
<p>Cotswold and Forest of Dean, Bath and Worcestershire Destination Management Organisations (P2, I3, R6)</p>
<p>Board member representation on the DMO enables Board to identify opportunities in relation to the Management Plan.</p>
<p>Work Programme (P3, I1, R3)</p>
<p>The Business Plan and performance management systems are in place and reviewed regularly by the Executive Committee and the Board.</p>
<p>Conduct (P1, I3, R3)</p>
<p>The Board has appropriate controls in place to conduct issues in relation to members and officers.</p>
<p>Cash Flow (P2, I2, R4)</p>
<p>Arrangements are in place to monitor and manage cash flow. Unused cash is invested in term deposits where the balance of risk is low.</p>
<p>Friends of the Cotswolds (P2, I2, R4)</p>
<p>The Friends of the Cotswolds has been established as an independent organisation. Arrangements are in place for liaison between the Board and the Friends.</p>
<p>Small Team (P2, I2, R4) & Business Continuity – Staff (P2, I2, R4)</p>
<p>Arrangements are in place to safeguard against the loss of key staff. Arrangements are in place to safeguard against the risks associated with a small team, including arrangements for deputising, filling vacancies, appointing staff, sound business planning and communication processes.</p>
<p>Non-compliance (P1, I3, R3)</p>
<p>Arrangements are in place to ensure compliance with the law, regulation, policies and procedures. Successive audit reports have indicated a good record of compliance.</p>
<p>Financial Management (P1, I3, R3)</p>
<p>Arrangements are in place to ensure sound financial management. Successive audit reports have indicated a good record of financial management.</p>
<p>Pension Scheme & Financial Reporting Standard 17 (P1, I1, R2)</p>
<p>The Board approved a pensions policy in June 2009. Changes to Accounts & Audit Regulations mean that the Board is no longer required to report FRS17 valuations at year end.</p>
<p>Well-motivated team (P2, I2, R4)</p>
<p>The Board has implemented appropriate management systems and a safe and healthy work environment.</p>
<p>Information Technology (P2, I2, R4)</p>
<p>The Board has implemented an IT Strategy to guard against risks associated with failure of IT systems.</p>