



This paper was provided to the Joint Committee for decision/discussion or information. Please refer to the minutes of the meeting for Committee's position on the paper.

To view other Joint Committee papers and minutes visit <http://www.jncc.gov.uk/page-2671>

To find out more about JNCC visit <http://www.jncc.gov.uk/page-1729>

JOINT NATURE CONSERVATION COMMITTEE
RISK MANAGEMENT STRATEGY AND PROCESS

Paper by Lynsey Bigger

1. Introduction

- 1.1 Sir John Bourn, head of the National Audit Office, produced a report in August 2000 entitled 'Supporting Innovation: Managing Risk in Government departments'. The report surveyed Government departments about their views of risk management and concluded that properly planned and managed risk taking by government departments could promote innovation and lead to improved value for money for taxpayers.
- 1.2 The *Modernising Government* programme encourages Government agencies and other public bodies to adopt sound risk management practices and JNCC has implemented this idea as part of its modernising government programme. Workshops were conducted in the Support Unit in September 2001 to develop a register of risks appropriate to the organisation. This register was further developed in 2002/03 through a series of workshops and in line with the JNCC risk management strategy (Annex A).
- 1.2 The JNCC risk management strategy adopts the principles issued by Treasury in their guidance document 'Management of Risk – a Strategic Overview' and has been approved by the JNCC Management Team subject to discussion at Committee about Committee involvement in the process.
- 1.3 The strategy covers identification, assessment, monitoring, reporting and review of risks, and integration of the risk register into JNCC work practices. It also highlights that JNCC is not a risk averse organisation but recognises that sound decisions can only be made with confidence if a robust risk management system that considers threats and opportunities is in place and embedded throughout the organisation.

2. JNCC risk register

- 2.1 The JNCC risk register (Annex A) has been split into corporate and medium/low risks. Corporate risks (e.g. political/policy change that inhibits JNCC in delivering its role) are those that have scored highly in terms of likelihood and impact and medium/low risks (e.g. insufficient cash flow to be able to pay creditors) lower on this scale. Responsibility for corporate risks rests directly with Management Team, medium/low risks are assigned to the appropriate manager in the organisation.

- 2.2 Guidance has been produced for risk managers to explain their responsibilities throughout the year and in particular at reporting times.
- 2.3 The risk register contains details of controls currently in place and an assessment of their effectiveness in limiting the likelihood and impact of the risk. Based on an assessment of the current situation a number of control improvements have been suggested (where appropriate) for each risk. These were considered and prioritised by Management Team in April 2003.
- 2.4 The risk register has been circulated to the country agency audit teams (who together carry out JNCC's internal audit function) and was used to inform the internal audit plan for 2003/04. This is an ongoing process and each audit is scoped with reference to the risk register.
- 2.5 A provisional risk register was circulated to Management Team for review in March 2002. The current register was agreed by Management Team in November 2002.

3. Review and Reporting

- 3.1 Reporting on risks is an important part of the risk management process – it ensures that management are aware of the status of the organisation and can make informed decisions in relation to potential opportunities and threats. It also provides an ongoing management system that can highlight any increase in risks to the organisation.
- 3.2 At the start of every Management Team meeting all agenda items are now considered in terms of their risk context. In addition, a quarterly performance report (which since the third quarter of 2002/03 has included an assessment of the current status of risks) is presented to Management Team. As noted in 2.1, corporate risks are considered collectively by Management Team at this time.
- 3.3 As suggested in Treasury guidelines, it is proposed that an annual review be conducted each year to assess whether the risks identified are still appropriate for the organisation and/or whether new risks have been recognised.
- 3.4 An annual review is currently being arranged for JNCC and is planned to take place within the Support Unit in June 2003. Representatives from different teams within the organisation will be asked to attend a workshop to review the current register. (A review of risks associated with the FMPR project is also planned and will be incorporated into the main register).

4. Next steps

- 4.1 The risk management process within the Support Unit has been established and approved by Management Team. However, it is now necessary to clarify and agree the involvement that Committee will have in the process both in terms of the formation of the risk register and consideration of reports against this throughout the year. Moving forward, it is essential that decisions taken by Committee are based on consideration of the risks facing JNCC and that

new risks identified by Committee are incorporated into the register on an ongoing basis.

- 4.2 Whilst it is not necessary for Committee to play a detailed role in forming and assessing the risk register, it is important to ensure that Committee are made aware of the risks facing the organisation and have the opportunity to input to the process where required.
- 4.3 The following section discusses this further and offers recommendations to Committee about how this could be achieved.

5. Involvement of Committee in the risk management process

Requirements from Committee

- 5.1 It is important that Committee decisions are made within the context of the risks facing the organisation and that Committee has an understanding of the current status of those risks.
- 5.2 It is not practical or necessary for full Committee to become involved in the detailed discussions surrounding the formation of the register and the annual review, as most of this will take place within the Support Unit. However, it is important and necessary to ensure that Committee have a means of providing input into the process.
- 5.3 A more practical option may be to achieve this through Committee representation. An Audit and Resources sub-group of Committee is already in existence and the recommendation is that this group would provide the necessary representation from Committee.

Audit and Resources sub-group of Committee

- 5.4 The *Audit and Resources sub-group of Committee* considers audit, staffing and other resource issues and has previously discussed risk in terms of the JNCC audit plan. This group meets twice a year and comprises the Chairman, two independent members, the Chief Executive of English Nature (in the capacity of Joint Accounting Officer) and the JNCC Managing Director. It provides an important link between the Support Unit and the full Committee and offers the opportunity to look at certain issues in more detail.
- 5.5 In terms of the role that the sub-group could play on behalf of Committee in the risk management process, the following is recommended;
 - i. it would be useful for a member (or members) of the sub-group to be included in the annual review discussion workshop(s) conducted within the Support Unit.
 - ii. the sub-group could then consider as a whole the outcome of the annual review and respond to the Support Unit with any further comments about the risk register prior to it being confirmed

- iii. as at present, it is anticipated that the Audit and Resources sub-group would continue to receive a half yearly monitoring report, including reporting against the risk register.

Full Committee

- 5.6 If Committee are content to delegate the detailed discussions surrounding the formation and review of the risk register to the Audit and Resources sub-group, it is recommended that full Committee receives a report following the annual review and half yearly risk reports which incorporate comments from the Audit and Resources sub-group.
- 5.7 Additionally Committee should be made aware of any significant changes to the risk register as appropriate.

**JOINT NATURE CONSERVATION COMMITTEE
 JNCC RISK REGISTER – CORPORATE AND MEDIUM/LOW RISKS**

**JNCC RISK REGISTER – CORPORATE RISKS
 (risks scoring 9 +)**

No	Risk description	Likelihood (0-5)*	Impact (0-5)*	Overall rating (LxI)*	Current control(s)	Assessment of current control(s)	Control improvement or future actions	Risk Owner
A1	Major changes to priorities, up to and within 18 month timescale, especially when external drivers are working to different timescales and work is interdependent	5	3	15	<ul style="list-style-type: none"> ▪ Working in partnership with key individuals and organisations to identify issues which allow us to respond/influence early on. ▪ Establishment of a Brussels Office and post to identify European initiatives and, or opportunities and evaluate implications for the role and work of JNCC in conjunction with the Management Team. ▪ Prioritisation and planning of projects which underpins the strategy and corporate plan programmes. 	We have a number of systems in place to manage this risk but measures to improve the controls would be recommended, particularly as this has been identified as the greatest risk to the organisation.	<ul style="list-style-type: none"> ▪ Develop solutions to recognise and manage interdependencies, i.e. improve relationship management skills. ▪ Initiate Programme Boards/sub groups of Committee to develop an overview of the objectives for nature conservation and progress projects/strands of work linked to strategic themes – strategy workshops are planned. ▪ Improve project management skills. 	Wyn Jones

*Information relating to scores can be found at the end of this annex.

No	Risk description	Likelihood (0-5)*	Impact (0-5)*	Overall rating (LxI)*	Current control(s)	Assessment of current control(s)	Control improvement or future actions	Risk Owner
A2	Loss of 20% of staff due to resignation, illness or death in a year.	4	3	12	<ul style="list-style-type: none"> ▪ Reprioritise project targets and individual workloads based on organisational gaps and flexibility of remaining staff members. Discuss with partners to adjust programmes of work and manage expectations. ▪ Ensure access to welfare support from within the Support Unit or from country agencies. ▪ Conduct exit interviews with leavers to identify areas for improvement. 	We have a number of systems in place to manage this risk but there is room for improvement.	<ul style="list-style-type: none"> ▪ Develop continuity plan for staff resources and core/specialist competencies to deliver role. ▪ Introduce a system of knowledge management. ▪ Develop and progress retention strategy for key competencies and roles. 	Malcolm Vincent
A3	Political/policy change that inhibits delivery of role	3	3	9	<ul style="list-style-type: none"> ▪ Managing Director and Chairman are in regular contact with DEFRA, Whitehall and the devolved administrations to exchange views. ▪ Relationships with Government and devolved administrations provide opportunities to assess impact on nature conservation and actively influence and ensure awareness of potential change and implications e.g. devolution and UK overview. 	We have a number of systems in place to manage this risk but there is room for improvement, particularly in the area of prioritisation of projects to adapt quickly to changes.	<ul style="list-style-type: none"> ▪ Develop prioritisation process of programmes and projects to ensure that enough flexibility exists to allow us to adapt quickly to political and policy changes. ▪ Improve project management skills. ▪ Improve relationship management skills to ensure effective communication both internally and externally. 	Deryck Steer

No	Risk description	Likelihood (0-5)*	Impact (0-5)*	Overall rating (LxI)*	Current control(s)	Assessment of current control(s)	Control improvement or future actions	Risk Owner
A4	Competitor/predator actions result in a potential loss of resources to JNCC.	4	3	12	<ul style="list-style-type: none"> ▪ Effective, ongoing engagement with stakeholders/customers ▪ Use of JNCC copyright on publications. 	Systems in place are mostly adequate to control this risk but additional controls could make us less vulnerable.	<ul style="list-style-type: none"> ▪ Look at possibilities and opportunities to broaden our customer base. ▪ Consider where JNCC ‘adds value’ to the work of the country agencies to establish the unique selling points of JNCC. 	Ian McLean
A5	Significant budget changes (+/-£).	5	3	15	<ul style="list-style-type: none"> ▪ Review project plans to scale up or down programmes and projects to reflect funding – prioritise areas of work supported by stakeholders or we are committed to delivering e.g. contracts. ▪ Committee, Senior Management and Management Team use contacts within Government and devolved administrations to influence/direct additional funding. ▪ Profile spend and income effectively to manage budget change. Ensure that where possible substantial increases are carried forward if unspent. 	Systems in place are mostly adequate to control this risk but additional controls and actions could make us less vulnerable.	<ul style="list-style-type: none"> ▪ Develop prioritisation process of programmes and projects to ensure that enough flexibility exists to allow us to adapt quickly to significant budget changes. ▪ Identify other funding sources and consider how funding from Government can be split. ▪ Moving forward, ensure that the Financial Memorandum contains enough flexibility to adapt to changes. 	Paul Rose

No	Risk description	Likelihood (0-5)*	Impact (0-5)*	Overall rating (LxI)*	Current control(s)	Assessment of current control(s)	Control improvement or future actions	Risk Owner
A6	Staff complement does not reflect the competencies needed to deliver the role.	4	3	12	<ul style="list-style-type: none"> ▪ Creation of a pool of generalists with a broad range of skills (on permanent contracts). ▪ Flexibility of recruitment to permanent/appropriate length FTA contracts. ▪ Management training programme to develop core personal and staff management competencies. 	We have a number of systems in place to manage this risk but there is room for improvement.	<ul style="list-style-type: none"> ▪ Profile key core and specialist competencies needed across the organisation to deliver role. ▪ Develop recruitment and retention strategy that underpins our role and reflects the key competencies identified. ▪ Consider flexibility in posts, enabling transfer of relevant skills. ▪ Ensure relevant and appropriate follow up to training courses. 	Tony Weighell
A7	Not fulfilling the role because too risk averse	3	3	9	<ul style="list-style-type: none"> ▪ Engagement and consultation with stakeholders to identify opportunities and priorities to feed into the corporate planning and strategy development process. ▪ Clear interpretation of the special functions to scope JNCC's nature conservation role and its work. 	The controls in place are adequate at present but it is essential that organisational changes resulting from the FMPR do not make us vulnerable in this area.	<ul style="list-style-type: none"> ▪ Building on the JNCC strategy, at the correct pace, to develop nature conservation role. ▪ Consider and agree levels of delegation within the organisation, a key element of FMPR implementation. ▪ Management training to develop planning and risk assessment competencies. 	Mark Tasker

**JNCC RISK REGISTER – MEDIUM AND LOW RISKS
(risks scoring 0 - 8)**

No	Risk description	Likelihood (0-5)*	Impact (0-5)*	Overall rating (LxI)*	Current controls	Assessment of current controls	Control improvement or future actions	Risk Owner
B1	Failure to respond to major long term issues	2	2	4	<ul style="list-style-type: none"> ▪ Ongoing development of the strategy to anticipate and respond to significant issues for nature conservation in the medium and long term. ▪ Prioritisation and planning of projects which underpins the strategy and corporate Plan programmes. 	We have a number of systems in place to manage this risk but measures to improve the controls could be implemented.	<ul style="list-style-type: none"> ▪ Initiate Programme Boards/sub groups of Committee to develop an overview of the objectives for nature conservation and progress projects/strands of work linked to strategic themes (strategic workshops are planned). ▪ Develop a strategic programme of work for the Joint Committee which identifies emerging issues,. ▪ Consider and agree levels of delegation within the organisation, a key element of FMPR implementation. 	Marcus Yeo
B2	Loss of key long term surveillance information held by key partners and JNCC.	1	3	3	<ul style="list-style-type: none"> ▪ Documentation of datasets – metadata and information on use, storage and retrieval.Liaison with partners to ensure they have back-up arrangements in place. 	Systems in place are mostly adequate to control this risk but additional controls could make us less vulnerable.	<ul style="list-style-type: none"> ▪ Development of a records management system which will include guiding principles for storage and retrieval. 	Lawrence Way

No	Risk description	Likelihood (0-5)*	Impact (0-5)*	Overall rating (LxI)*	Current controls	Assessment of current controls	Control improvement or future actions	Risk Owner
B3	Loss of key operational or business information.	2	2	4	<ul style="list-style-type: none"> ▪ Information archived and stored on servers and back-up arrangements in place. 	We have systems in place to manage this risk but improvements could be made that would provide a more effective system for management of information.	<ul style="list-style-type: none"> ▪ Development of a records management system which will include guiding principles for storage and retrieval. ▪ Identification of paper and electronic datasets held by teams to form part of the records management system. 	Lawrence Way
B4	Loss of commissioned knowledge and information.	3	1	3	<ul style="list-style-type: none"> ▪ Information archived and stored on servers and back-up arrangements in place. 	We have systems in place to manage this risk but improvements could be made that would provide a more effective system for management of information.	<ul style="list-style-type: none"> ▪ Development of a records management system which will include guiding principles for storage and retrieval. ▪ Identification of paper and electronic datasets held by teams to form part of the records management system. ▪ Liaison with organisations who have commissioned research to understand their storage procedures. 	Lawrence Way
B5	Premises loss as a result of fire, flood or other such event.	0	2	0	<ul style="list-style-type: none"> ▪ Standard preventative measures are in place, e.g. fire alarms, drills, fire marshalls etc. 	Standard controls are in place but it is important to ensure a comprehensive business continuity plan is developed.	<ul style="list-style-type: none"> ▪ Preparation of a Business Continuity Plan. 	Francis Mitchell

No	Risk description	Likelihood (0-5)*	Impact (0-5)*	Overall rating (LxI)*	Current controls	Assessment of current controls	Control improvement or future actions	Risk Owner
B6	Unsuitability of premises (size, location, quality, cost) for current and future needs.	1	2	2	<ul style="list-style-type: none"> ▪ Accommodation review and planning for future space needs. 	The control in place is adequate at present. The nature of the organisation makes it difficult to plan too much in advance in terms of space required etc.		Francis Mitchell
B7	Change to legislative environment that inhibits JNCC from delivering its role.	1	4	4	<ul style="list-style-type: none"> ▪ Relationships with Government and devolved administrations provide opportunities to assess impact on nature conservation and actively influence and ensure awareness of legislative change and implications e.g. devolution and UK overview. ▪ Managing Director and Chairman are in regular contact with DEFRA, Whitehall and the devolved administrations to exchange views. 	We have a number of systems in place to manage this risk but there is room for improvement.	<ul style="list-style-type: none"> ▪ Develop prioritisation process of programmes and projects to ensure that enough flexibility exists to allow us to adapt quickly a change in the legislative environment. ▪ Improve project management skills. ▪ Improve relationship management skills to ensure effective communication both internally and externally. 	Marcus Yeo

No	Risk description	Likelihood (0-5)*	Impact (0-5)*	Overall rating (LxI)*	Current controls	Assessment of current controls	Control improvement or future actions	Risk Owner
B8	Loss of co-operation between JNCC and one or more country agencies.	1	4	4	<ul style="list-style-type: none"> ▪ Networking and effective engagement at all levels within the Support Unit with agency colleagues. ▪ Chairman and JNCC Committee able to rebuild/salvage relationships and broker agreement. 	The controls in place are adequate but improvements could be made.	<ul style="list-style-type: none"> ▪ Improve relationship management skills to ensure effective communication both internally and externally. 	Alex Geairns
B9	Failure to respond to the Government's modernisation agenda (e.g. e-commerce, openness etc).	3	1	3	<ul style="list-style-type: none"> ▪ Modernising Government Action Plan in place for JNCC. 	The controls in place are adequate at present.	<ul style="list-style-type: none"> ▪ Development of a records management system – one aspect of modernising government. 	Lynsey Bigger
B10	Major fraud.	0	4	0	<ul style="list-style-type: none"> ▪ Finance policy/guidelines in place. ▪ FMS controls and segregation of duties. 	The controls in place are adequate at present but any organisational change resulting from the FMPR will lead to a need to reassess this area.	<ul style="list-style-type: none"> ▪ In light of possible changes as a result of the FMPR, there will be a need to develop policies and controls applicable specifically to JNCC as an independent body. 	Francis Mitchell
B11	A failure to deliver value for money from the resources that are available.	5	1	5	<ul style="list-style-type: none"> ▪ Corporate planning prioritisation and project/work planning to scope tasks fully to identify how work should be delivered to enhance a positive nature conservation outcome and VFM. ▪ Procurement procedures in place to scope contracts and select suitable contractors. 	We have systems in place to manage this risk but improvements could be made.	<ul style="list-style-type: none"> ▪ Improve project management skills. ▪ Ensure that staff have the necessary skills and information to manage effectively the money for which they are responsible. 	Francis Mitchell

No	Risk description	Likelihood (0-5)*	Impact (0-5)*	Overall rating (LxI)*	Current controls	Assessment of current controls	Control improvement or future actions	Risk Owner
B12	IT Fraud (including access by hackers and inappropriate use by staff).	3	1	3	<ul style="list-style-type: none"> ▪ IT Security policy is in place. ▪ Systems are capable of producing full audit logs. ▪ Some password access controls are in use. ▪ Firewalls are in place. 	Slight increase in risk at Q3 (2002/03) as we have changed our network protection system and need to develop expertise in operating it.	<ul style="list-style-type: none"> • training/skills transfer in staff and an external assessment of the quality of implementation, probably by an attempt to hack into our systems. 	Lawrence Way
B13	Failure to select appropriate contractors/suppliers which incurs excessive costs or delivery of substandard product.	1-3	3-1	3	<ul style="list-style-type: none"> ▪ Procurement procedures in place to scope contracts, identify appropriate limits of liability and select possible contractors. ▪ Effective contract management and regular review. 	We have systems in place to manage this risk but improvements could be made.	<ul style="list-style-type: none"> ▪ Review and development of a supplier database to assist in the selection procedure. 	Francis Mitchell
B14	Insufficient income to cover costs on repayment projects, publications etc.	2	1	2	<ul style="list-style-type: none"> ▪ Staff training to ensure that contracts are clearly specified, costings scoped and monitored. 	We have systems in place to manage this risk but improvements could be made.	<ul style="list-style-type: none"> ▪ Ensure continuance of training on the procurement process. ▪ Develop a system to share best practice on repayment projects. 	Francis Mitchell
B15	Insufficient cash flow to be able to pay creditors.	2	1	2	<ul style="list-style-type: none"> ▪ Profiling and drawdown procedures in place. 	The controls in place are adequate at present.		Francis Mitchell

No	Risk description	Likelihood (0-5)*	Impact (0-5)*	Overall rating (LxI)*	Current controls	Assessment of current controls	Control improvement or future actions	Risk Owner
B16	Failure to monitor and report financial expenditure to comply with Treasury guidelines.	0	2	2	<ul style="list-style-type: none"> ▪ Use of financial policies and procedures ensure compliance with DAO letters from Treasury. 	The controls in place are adequate at present but any organisational change resulting from the FMPR will lead to a need to reassess this area.	<ul style="list-style-type: none"> ▪ In light of possible changes as a result of the FMPR, there will be a need to develop policies and controls applicable specifically to JNCC as an independent body. 	Francis Mitchell
B17	Failure to deliver key pieces of work which are vital to the role	2	3	6	<ul style="list-style-type: none"> ▪ Negotiations/consultations with partner organisations to identify priorities and understand requirements in order to scope projects and expected outcomes. ▪ Quarterly monitoring of projects to identify cause and extent of slippage. ▪ Management Team overview to determine course of ameliorative action to reprioritise work or divert resources. 	The controls in place are adequate at present.		Unit heads

No	Risk description	Likelihood (0-5)*	Impact (0-5)*	Overall rating (LxI)*	Current controls	Assessment of current controls	Control improvement or future actions	Risk Owner
B18	Delivering work outside of our role	4	2	8	<ul style="list-style-type: none"> ▪ Management Team overview of programmes and project targets to balance priorities and ensure clear relationship between work and role and strategy development. ▪ Discussions with stakeholders to determine priorities and requirements. ▪ Ongoing influencing and relationship building to develop work that is beneficial to nature conservation and our role but currently perceived as outside role 	Systems in place are mostly adequate to control this risk but improvements could be made.	<ul style="list-style-type: none"> ▪ Ensure that individual staff targets link to the work plan. ▪ Improve relationship management skills to ensure effective communication both internally and externally. 	Marcus Yeo
B19	Failure to prioritise	4	2	8	<ul style="list-style-type: none"> ▪ Management Team overview of Corporate Plan programmes and projects to prioritise targets. ▪ Project development, planning and implementation, coupled with regular review and evaluation. ▪ Discussions with stakeholders to determine priorities and requirements. 	Systems in place are mostly adequate to control this risk but improvements could be made.	<ul style="list-style-type: none"> ▪ Improve project management skills. 	Marcus Yeo

No	Risk description	Likelihood (0-5)*	Impact (0-5)*	Overall rating (LxI)*	Current controls	Assessment of current controls	Control improvement or future actions	Risk Owner
B20	Missing major opportunities through delays in the decision-making process or as a result of being risk averse.	2	3	6	<ul style="list-style-type: none"> ▪ Engagement and consultation with stakeholders to identify opportunities and priorities to feed into the corporate planning process. ▪ Clear interpretation of the special functions to scope JNCC's nature conservation role and its work. 	The controls in place are adequate at present but it is essential that organisational changes resulting from the FMPR do not make us vulnerable in this area.	<ul style="list-style-type: none"> ▪ Building on the JNCC strategy, at the correct pace, to develop nature conservation role. ▪ Consider and agree levels of delegation within the organisation, a key element of FMPR implementation. ▪ Management training to develop planning and risk assessment competencies. 	Malcolm Vincent
B21	Lack of staff support and commitment to JNCC's strategy.	4	1	4	<ul style="list-style-type: none"> ▪ Clear interpretation of the special functions to scope JNCC's nature conservation role and its work. 	The strategy is currently under development and therefore it is important that the future actions listed are implemented.	<ul style="list-style-type: none"> ▪ Building on the JNCC strategy, at the correct pace, to develop nature conservation role. ▪ Effective communication of the strategy between Management Team and other staff members. ▪ Ensure that individual staff targets link to the strategy. 	Marcus Yeo

No	Risk description	Likelihood (0-5)*	Impact (0-5)*	Overall rating (LxI)*	Current controls	Assessment of current controls	Control improvement or future actions	Risk Owner
B22	Ineffective governance at Committee and Management Team levels.	2	2	4	<ul style="list-style-type: none"> ▪ Clear interpretation of the special functions to scope JNCC's nature conservation role and its work. ▪ Standing orders in place for Committee meetings. 	The controls in place are adequate at present but it is essential that organisational changes resulting from the FMPR do not make us vulnerable in this area.	<ul style="list-style-type: none"> ▪ Consider and agree levels of delegation within the organisation, a key element of FMPR implementation. 	Lynsey Bigger
B23	Failure to comply with employment legislation.	2	2	4	<ul style="list-style-type: none"> ▪ JNCC does not directly employ any staff and much of this risk will rest at the country agency level as employers. However, there are some elements of risk to which JNCC would be liable at a local level (e.g. harassment cases). ▪ Advice is available from Personnel, country agency HR services and independent legal advisors. 	The controls in place at present are adequate to counter the risks to which JNCC is exposed. However, organisational changes resulting from the FMPR will lead to a need to completely review this area.	<ul style="list-style-type: none"> ▪ In light of possible changes as a result of the FMPR, there will be a need to develop policies and controls applicable specifically to JNCC as an independent body. 	Trish Williams

No	Risk description	Likelihood (0-5)*	Impact (0-5)*	Overall rating (LxI)*	Current controls	Assessment of current controls	Control improvement or future actions	Risk Owner
B24	Failure to identify and invest in key relationships	1	3	3	<ul style="list-style-type: none"> ▪ Regular contact between partner organisations and Committee members, Senior Management and Management Team to discuss, identify and understand requirements and future direction. ▪ Representative from Management Team takes responsibility as key contact for one of the country agencies. 	Systems in place are mostly adequate to control this risk but improvements could be made.	<ul style="list-style-type: none"> ▪ Senior Management and Management Team to consider range of partners to identify new stakeholders and devise influencing strategies. ▪ Improve relationship management skills to ensure effective communication both internally and externally. 	Deryck Steer
B25	Key customers lose respect for JNCC and its impartiality	2	3	6	<ul style="list-style-type: none"> ▪ Corporate governance arrangements establish role and responsibilities of Committee and Senior Management to operate with integrity. ▪ Relationships with partner organisations help to build consensus in developing robust advice and position statements. ▪ Openness demonstrated by sharing information that forms the basis for advice, where disclosure would not detrimentally affect biodiversity (via the web site and through publications etc.). 	We have systems in place to manage this risk but improvements could be made.	<ul style="list-style-type: none"> ▪ Development of a publications scheme to ensure where possible information is openly available. ▪ Improve relationship management skills to ensure effective communication both internally and externally. 	Alex Geairns

No	Risk description	Likelihood (0-5)*	Impact (0-5)*	Overall rating (LxI)*	Current controls	Assessment of current controls	Control improvement or future actions	Risk Owner
B26	Someone whose name is associated with JNCC is involved in scandal	1	1	1	<ul style="list-style-type: none"> ▪ Country agency codes of conduct for staff are in place. ▪ Control method different depending on nature of situation - balance of taking appropriate steps to offer support and establishing the facts of the situation. If the allegations are founded then further steps to distance JNCC may be appropriate e.g. meetings with stakeholders or press notice. If a member of staff is involved, taking disciplinary action may be required. 	The controls in place are adequate at present.		Alex Geairns
B27	Failure to deliver services and products of appropriate quality under contract to other organisations.	2	1	2	<ul style="list-style-type: none"> ▪ Negotiations/consultations with partner organisations to identify priorities and understand requirements in order to scope projects and expected outcomes. 	We have systems in place to manage this risk but improvements could be made.	<ul style="list-style-type: none"> ▪ Improve project management skills. 	Malcolm Vincent
B28	Leaks of confidential information.	1	2	2	<ul style="list-style-type: none"> ▪ PR expertise to handle media relations. ▪ Training for staff in effective communication. 	The controls in place are adequate at present.		Alex Geairns/ Lawrence Way

No	Risk description	Likelihood (0-5)*	Impact (0-5)*	Overall rating (LxI)*	Current controls	Assessment of current controls	Control improvement or future actions	Risk Owner
B29	Failure to demonstrate openness.	2	1	2	<ul style="list-style-type: none"> ▪ Open Committee meetings ▪ Openness demonstrated by sharing information that forms the basis for advice, where disclosure would not detrimentally affect biodiversity (via the web site and through publications etc.). 	Systems in place are mostly adequate to control this risk but improvements could be made.	<ul style="list-style-type: none"> ▪ Development of a publications scheme to ensure where possible information is openly available. ▪ Need to assess requirements under the new Environmental Information Regulations, which are currently at consultation stage. ▪ Need to keep track of requirements under the Freedom of Information Act 2000. 	Lynsey Bigger
B30	Loss of impartiality through acceptance of external funding	0	3	0	<ul style="list-style-type: none"> ▪ Effective engagement with stakeholders/customers ▪ Corporate governance arrangements establish role and responsibilities of Committee and Senior Management to operate with integrity. 	The controls in place are adequate but improvements could be made.	<ul style="list-style-type: none"> ▪ Management training to develop risk assessment competencies. ▪ Consider where JNCC ‘adds value’ to the work of the country agencies to establish the unique selling points of JNCC. ▪ Consider and agree levels of delegation within the organisation, a key element of FMPR implementation. 	Malcolm Vincent

No	Risk description	Likelihood (0-5)*	Impact (0-5)*	Overall rating (LxI)*	Current controls	Assessment of current controls	Control improvement or future actions	Risk Owner
B31	JNCC is perceived to be too strongly linked to individuals, organisations or contractors.	2	4	8	<ul style="list-style-type: none"> ▪ Senior Management and Management Team guidance on approaches to assess relationships and ensure impartiality. ▪ Procurement procedures in place to scope contracts, identify appropriate limits of liability and select possible contractors. ▪ Effective contract management and regular review. ▪ Effective engagement with stakeholders/customers 	The controls in place are adequate but improvements could be made.	<ul style="list-style-type: none"> ▪ Review and development of a supplier database to assist in the selection procedure. ▪ Improve project management skills. ▪ Improve relationship management skills to ensure effective communication both internally and externally. 	Francis Mitchell
B32	Potential uninsured losses such as theft or accidental damage.	3	1	3	<ul style="list-style-type: none"> ▪ Health and Safety regulations ▪ Security entrance system ▪ Fraud policy in place 	The controls in place are adequate at present.	<ul style="list-style-type: none"> ▪ Whistle blowing policy. 	Francis Mitchell

1. Evaluation of risks

- 1.1. Evaluation of risks assists in determining the priority in which risks should be considered.
- 1.2. Evaluation of risks should be based on an assessment of likelihood and impact. It should be noted that in most cases this will be a subjective evaluation.
- 1.3. The framework for assessing and scoring risks is outlined below. Scoring a risk in this way provides a consistent basis that facilitates comparison and enables a judgement to be made about the response to the risk.

Likelihood		Impact	
0	Remote event	0	Nil impact
1	Small chance	1	Small impact
2	Realistic possibility if not controlled	2	Moderate short term impact
3	Likely to happen over a period of time	3	Moderate longer term impact
4	Likely in the short term	4	Major business impact
5	Likely and imminent	5	Catastrophic threat to survival

- 1.4. Scoring enables risks to be placed into categories, i.e. corporate, and medium and low risks. Although split within these categories, the score should be retained to enable Management Team and risk owners to identify any changes at review times. For example, a risk may stay within the medium and low level but could move from the bottom to the top of this bracket and could be approaching a corporate risk. Retention of the score therefore enables this to be identified and appropriate measures put in place.
- 1.5. All risks will need to be scored on a consistent basis.

*Information relating to scores can be found at the end of this annex.