

HERITAGE HORIZONS RISK MANAGEMENT AND RISK REGISTER

This risk register has been prepared to support the management of the Heritage Horizons Project and is drawn up within the scope of the Cairngorms National Park Authority's Risk Management Strategy and operated within the Authority's risk management processes which were graded as "substantial" by our independent internal auditors, BDO, in September 2019. This represents the highest grading within BDO's internal audit assessment framework.

The CNPAs most recent strategic risk register, publicly available online and approved by the CNPA Board in September 2020, highlights the embedded nature of leadership and management of major externally funded programmes and outlines mitigation of the strategic risks associated as a Lead Applicant for such programmes. The Authority has a wealth of accumulated knowledge and experience of acting as a lead applicant and accountable body for major externally funded and community led projects: for example in supporting multiple EU LEADER funding programmes; NLHF funded Tomintoul and Glenlivet Landscape Partnership Programme; and NLHF funded Cairngorms Capercaillie Project. WE have built on our experience of strategic management of such programmes in development of the following risk register will support risk and opportunity management in contributing to successful delivery of the Heritage Horizons Programme.

The following table sets out the identified risks and their assessed impacts, together with an associated score of risk likelihood (L) and impact (I). Risk mitigation measures are identified and residual risk rescores to give likelihood of risk after successful preventative action (ML) and impact of risk after successful remedial action (MI).

Risk appetite is set at a score of 15 or more. At or above such scores, mitigation action is required, otherwise risks will be monitored by management team. Review of the risk register is coordinated by the Management Team and Operational Management Group. Movement in risk management assessment is indicated in the body of the risk register by upward and downward arrows.

Key to abbreviations:

L = Likelihood of risk score

I = Impact of risk score

ML = Mitigated Likelihood of risk score after effective implementation and preventative mitigation action.

MI = Mitigated Impact of risk score after effective implementation and remedial mitigation action.

Scores 1 Low to 5 High

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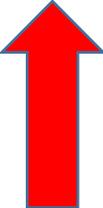
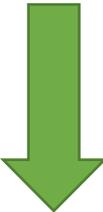
20 January 2021 original updated 14 January 2022

Owner	Risk	Impact	L	I	Prevent	ML	Remedial	MI
DCS / PM	Governance: the programme governance is not clearly defined as regards responsibility for leadership and delivery of strategic outcomes.	Potential for creation of conflict and competition between programme leaders and managers and those of other organisations and entities.	4	5	Extensive consultation with partners through bid development and subsequently after approval. Establish clear and agreed lines of governance and reporting.	2 1 	Ensure clear lines of two way communication is in place to make early identification and resolution of any issues possible.	2 
DCS / PM	Governance: the focus on innovation and creativity in designing and implementing step change solutions is impeded by a risk averse leadership.	Failure to realise the objectives around a transformative and innovative programme through lack of leadership willingness to embrace new ideas and innovation. Key opportunities are not taken up.	4	5	Specific Programme Risk appetite will be drawn up and agreed by Programme Leadership at early phase of development, giving clarity of purpose and clear basis for innovation and embracing opportunity. Implement formal opportunity appraisal method to fit with risk appetite.	2 	Programme Board and Programme Manager will regularly review feedback on project and opportunity appraisals to test for decisions which are contrary to agreed risk appetite.	3 

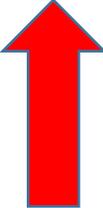
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Owner	Risk	Impact	L	I	Prevent	ML	Remedial	MI
PM / HC	Engagement: scale of project acts to prohibit engagement of people and communities where perception is their impact will be too small to matter.	Programme fails to attract levels of engagement with people and communities and does not achieve "People" objectives	3	5	Communication focus on the potential direct benefit of programmes of work to people and their communities and the meaningful contributions that can be made.	2 	Establish effective feedback loops to gather, analyse and respond to incidences of lack of expected engagement and adverse feedback.	2 
PM / DPMs	Engagement: proposals to establish community empowerment cut across and / or conflict with existing community and wider decision making structures.	Programme proposals create conflict with existing structures and processes, and generates significant adverse feedback or sentiment amongst some stakeholders.	3	5	Ensure clear mapping of existing relevant decision making structures and place of empowerment proposals within that. Undertake full and effective consultations during design and implementation.	2 	Ensure clear and transparent consideration of feedback received; clear analysis and publication of rationale for actions.	4 
PM / HC	Reputation: high profile incidents or one off stories, can have an undue influence on the Programme's wider reputation	Programme achievements are lost amongst negative publicity. Resources consumed in managing negative publicity are inappropriate to scale of incidents.	4	4	Establish and implement a clear, proactive communications strategy which establishes appropriate reflection of programme's responsibilities and operations, gives consistent responses and builds positive image.	3 	Maintain good balance of traditional and social media releases presenting positive outcomes and generating positive overall profile balance.	2 

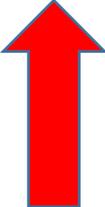
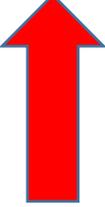
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Owner	Risk	Impact	L	I	Prevent	ML	Remedial	MI
Bd / CEO	Partnerships: key partnerships are not formed or not sufficiently developed to deliver priorities.	Lack of clarity on partnership responsibilities and / or lack of partner commitment to programme objectives prevent achievement of key outcomes	4	5	Establish clear Memoranda of Understanding which are authorised at senior level to establish partnership frameworks. Establish clear delivery targets and partner contributions to those.	2 	Implement regular performance and delivery monitoring with early identification of delivery gaps and processes of remedial action clear and effective.	2 
PM / DCS	Finance: Sustrans and NLHF application processes and funding award timelines do not marry up	Differing funding award timetables leaves gaps in coherence of funding packages and lack of certainty in match funding supporting applications, impacting on strength of bids and potential failure of relevant projects.	5	5	Early engagement with all relevant funding bodies to raise awareness of issues and synchronise funding timetables. Design of project delivery around funding timetables.	2 4 	Some redesign of work plans may be possible to move outcomes from development into delivery phase. Liaison with NLHF on outcomes.	3 
DCS	Finance: programme delivery and resource management is not sufficiently separated from that of the lead applicant / accountable partner.	Delivery and financial management lacks transparency and the specific investment and benefits of the programme are lost	3	5	Clear design of separate cash and management accounting processes. Clear design of separate operational and performance management and reporting processes.	2 1 	Test all financial and operational reporting to ensure there is transparency around programme management and clear separation from the reporting of the lead applicant / accountable partner.	3 

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Owner	Risk	Impact	L	I	Prevent	ML	Remedial	MI
PM	Programme Management: COVID Pandemic continues to impact on operational delivery possibilities	Communications, engagement and delivery possibilities are limited through restricted activity and face to face contact.	4	5	Design COVID adaptations into all relevant project plans.	3 	Monitor project impacts and use feedback loops to inform ongoing adaptations.	3 
DCS / PM	Programme Management: Timescales for development phase are not sufficient to realise full ambitions and objectives of development phase application	Evidence base not as comprehensive as intended to support Delivery Phase application. Delivery Phase application not as strong as expected by NLHF. Elements of Development Phase plans not delivered.	2 5	5	[No specific preventative mitigation available given current specific timetable as set by grant award. Risk shown as escalating as 3 months in expected timetable lost between NLHF award and approval to start.]	5 	Instructions to Delivery Project Managers to be aware of time constraints in review and redevelopment of project plans. Liaise with NLHF on project timelines and delivery phase application deadline.	4 
PM / DCS	Delivery: Procurement timetables overrun expected project plans and timeframes	Intended outcomes of development phase are not realised.	3 4	5	Prioritise procurement requirements at outset of development phase. Consider tender briefs and specifications with an awareness of potential timelines. Develop template approaches to procurement to minimise development time.	3 	Review project timetables; establish project delivery contingency plans around longer than expected procurement timetables.	3 

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Owner	Risk	Impact	L	I	Prevent	ML	Remedial	MI
PM / DCS	Delivery: Contractor supply in insufficient to meet demands of the programme	Intended outcomes of development phase are not realised.	2 4	4	Test market as early as possible in timetable. Consider structure of procurement to allow range of contractor scales to tender – may be capacity through a mix of small, medium and larger scale tenders to access differing business sectors.	2 	Contingency planning around project delivery methods which are less reliant on contractor input.	2 

Key Risk Mitigation Actions Outstanding At Reporting Date

Owner	Action	Update
DCS	Specific Programme Risk appetite will be drawn up and agreed by Programme Leadership at early phase of development, giving clarity of purpose and clear basis for innovation and embracing opportunity	Action to be worked on over Q1 of 2022 once immediate priority of procurement of development phase consultancies is complete.
PM / HC	Communication focus on the potential direct benefit of programmes of work to people and their communities and the meaningful contributions that can be made.	Engagement Strategy being presented to current round of Programme Advisory Board and Programme Board. Once agreed and adopted this will provide platform to deliver risk mitigation.
PM / HC	Establish and implement a clear, proactive communications strategy which establishes appropriate reflection of programme's responsibilities and operations, gives consistent responses and builds positive image.	Consider work required on this action following agreement of engagement strategy during Q1 of 2022
PM	Establish clear Memoranda of Understanding which are authorised at senior level to establish partnership frameworks.	Following development of project plans at initial stage of development phase, consideration to be given by Programme Manager of establishing Memoranda or exchanging letters with partners to ensure clarity of understanding of relationships and expectations around input and delivery over course of remainder of development phase.
PM	Design COVID adaptations into all relevant project plans	Programme Manager to test thinking on project planning around potential COVID interruptions and contingency plans over next cycle of one to one meetings with delivery project managers.
PM / DCS	Procurement early market testing	While first procurement has been successful in securing a Heritage Consultant advisor, noted this only returned a single tender proposal with some potential confirmation of restrictions on supply side. Focus in January 22 in launching other key procurements, including Active Travel. Programme Manager with support of DCS to emphasise need for contingency planning with delivery project managers.

Risks Under Monitoring

The risks in this section of the risk assessment either have initial risk scores of under 15, or 15 where impact is 3. Risks falling into these risk scores will continue to be monitored by management and any escalation will require remedial action to be taken. At present, risks are accepted without the need for immediate (within the next 3 to 6 month period) remedial action being taken.

Owner	Risk	Impact	L	I	Prevent	ML	Remedial	MI
PM / HC	Reputation: the Programme's reputation is impacted by a small number of vociferous social media opinion leaders	Programme achievements are lost amongst negative publicity. Resources consumed in managing negative publicity are inappropriate to scale of incidents.	3	4	Establish and implement a clear, proactive social media and digital communications element of communications strategy.	2	Maintain good balance of traditional and social media releases presenting positive outcomes and generating positive overall profile balance.	2
DCS	Financial stewardship: the scale of cash flow management is too great to be managed by the lead partner.	Programme failure as a result of lack of effective cash flow support.	1	5	Utilise experience of previous multi-million annual external funding support in development of treasury management and cash flow support arrangements for programme.	1	Close cash flow monitoring of programme and impacts on lead partner. Close working between programme leaders and lead partner strategic finance.	3
PM	Staffing: Recruitment of project staff takes longer than anticipated or is unsuccessful	Programme delays or failure through lack of staff resources	2	5	Utilise experience of lead partner HR and recruitment staff.	1	Agree contingency plans for instances of reduced recruitment interest. Agree	2

Owner	Risk	Impact	L	I	Prevent	ML	Remedial	MI
					Advance planning of recruitment plans and timetables.		scope for wider recruitment support and advertising	
DCS	Financial stewardship: match funding is not secured to provide the full and expected programme budget	Failure to take significant opportunities targeted by the programme. Failure to achieve significant objectives.	3	4	Multi stage process of identifying and confirming match funding offers. Use experience gained from similar prior processes.	2	Ongoing management of match funding package and identification of any delays for quick resolution.	3

Key to Risk Owners

- Bd Programme Board
- CEO Chief Executive, CNPA
- DCS Director of Corporate Services and Deputy Chief Executive, CNPA
- DPMs Delivery Project Managers
- HC Head of Communications, CNPA
- PM Programme Manager, CNPA

Version Control

- 0 Drafting
- 0.1 DC first draft position statement as at 20 January 2021
- I Development Phase
- I.0 DC first review during Development Phase for Programme Board