

## NORTH EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY

**Report to:** Quarterly Meeting  
13 September 2012

---

### Strategic Risk Register – Six Monthly Review

---

Report of the Clerk of the Authority.

#### A. **Purpose of Report**

To inform the Authority that in accordance with the Risk Management Strategy, a six monthly review of the Strategic and Operational Risk Registers has been undertaken and is reported for the Authority's approval.

#### B. **Recommendation**

That the revised Strategic and Operational Risk Register be approved and reviewed in six months' time.

#### 1. **Background**

1.1 The Risk Management Strategy and associated Strategic and Operational Risk Registers were approved by the shadow Authority at its quarterly meeting held on 25 January 2011 (Minute 17 refers).

1.2 The Authority agreed that the Risk Management Strategy be reviewed on an annual basis and that the Strategic and Operational Risk Registers be reviewed every six months and reported to the Authority (Minute 17 refers). In accordance with these recommendations the Risk Management Strategy and associated risk registers were reviewed and updated on 8 March 2012 (Minuted items 74 & 75 refer).

#### 2. **Strategic & Operational Risk Register Reviews**

2.1 The Strategic and Operational Risk Registers have been reviewed to consider any potential changes which have occurred over the last six months which have affected the key risks identified in the Registers. The risks have been reviewed and the changes are highlighted in bold within the attached registers. An update position for each of the key indicators is also included in the Register. The next review of the Strategic Risk Register is scheduled for March 2013.

2.2 There have been some notable revisions to both the strategic and operational risks registers since the last review in March 2012. A new strategic risk 'NEIFCA 10' has been added to the strategic risk register to account for changes in national policy associated with the management of fishing activities within European Marine Sites. The implications of these changes have also been identified in some areas of operational risk including those associated with staffing resources. This financial year some limited income generation and delays in the implementation of Marine Conservation Zones have significantly eased some financial and budgetary risks. The successful IIP assessment during June has also significantly reduced any strategic risks associated with losing the award. In other areas operational risks have eased in relation to fuel costs due to a current

stabilisation of the global fuel market. In terms of the enforcement matrix there has been a revision to the risk level associated with over exploitation of stocks due to isolated reports from some areas of the Authority's district that lobster catches have fallen during the 2012 season.

- 2.3 The Strategic Risk Register is attached as Appendix 1, the Operational Risk Register as Appendix 2 and the risk based enforcement matrix, a sub register of the Operational Risk Register, as Appendix 3 for members information.

Contact Officer

Malcolm Sims, Deputy Clerk of the Authority  
Ext 3300

Background Papers

Strategic Risk Register  
Operational Risk Register  
Appendix 1

## NORTH EASTERN INSHORE AND CONSERVATION AUTHORITY - STRATEGIC RISK REGISTER

| Risk No  | Performance Plan Strategic Objective   | Category of Risk    | Risk  | Gross Risk Score | Control Action   | Residual Risk Score | Further Action Required                                      | Update | Risk Owner        |
|----------|--|---------------------|---|------------------|--|---------------------|--|--------|-------------------|
| NEIFCA 1 | A reputation for smart and prudent stewardship                                     | Reputation          | Loss or damage to reputation through poor press and public relations  | 9                | Good internal communications, PR, reports to Authority, Press releases approved by the Chief IFC Officer and Clerk/Chairman where necessary. Members and key managers to have received media training. Members receive detailed briefings on sensitive issues and confidentiality requirements. Back up arrangements through the national Association and partner IFCA's | 7                   | Reviewed on a quarterly basis                                |        | Chief IFC Officer |
| NEIFCA 2 | A reputation for smart and prudent stewardship.<br><br>Strategic objectives        | Reputation          | Failure to achieve policies, aims and objectives.   | 9                | Annual Performance Plan produced each year outlining strategic objectives. Performance measured against number of targets. Reviewed in March. Exceptions reported to Authority. Constitution, Standing Orders Schemes of Delegation. The Authority has put in place structures and processes to govern decision making.  | 7                   | Reviewed on a quarterly basis by the Authority.              |        | Chief IFC Officer |
| NEIFCA 3 | A reputation for smart and prudent stewardship.<br><br>Statutory responsibilities. | Reputation<br>Legal | Failure to meet statutory responsibilities set out by legislation. Main causes of risk are:-<br>(i) Poor leadership/ judgement by managers.<br>(ii) Inadequate monitoring review.<br>(iii) Lack of professional staff.<br>(iv) Legal challenge. | 8                | Series of performance targets set and measured to meet the requirements.<br><br>Reported on quarterly basis to the Authority.<br><br>Understanding and adherence to all governing legislation  | 6                   | Reviewed on a quarterly basis by reporting to the Authority. |        | Chief IFC Officer |

| Risk No  | Performance Plan Strategic Objective                  | Category of Risk  | Risk  | Gross Risk Score | Control Action  | Residual Risk Score | Further Action Required   | Update | Risk Owner                                       |
|----------|---|-------------------|---|------------------|---|---------------------|---|--------|--|
| NEIFCA 4 | A reputation for smart and prudent stewardship.       | Disaster Planning | Major incident, ie patrol vessel collides with another vessel.  | 8                | The appropriate qualifications/licences/tickets are held by the crew.<br><br>Train staff with skills in marine environment.<br><br>Adequate Insurance.                                | 6                   | Continue to keep up to date with training and appropriate qualifications                            |        | Chief IFC Officer & Assistant Chief IFC Officers |
| NEIFCA 5 | A reputation for smart and prudent stewardship.       | Reputation/ Legal | Officers acting beyond their statutory remit. Legal challenge. Potential incident. Adverse publicity.   | 8                | Full training in role. Qualifications. Performance monitoring, target setting, recruitment procedures.  | 6                   | As roles develop, change, continuous training and development. EDP process to be utilised for this. |        | Chief IFC Officer                                |
| NEIFCA 6 | An Authority which attracts and keeps the best staff. | Customer/ Staff   | Specialist staff and skills shortages. Sickness absence. Triggers include:-<br><br>(i) Inability to recruit and retain staff.<br>(ii) Inadequate succession planning.<br>(iii) The Authority has a small but dedicated workforce. | 7                | Recruitment, retention policies, including work life balance policy, training and development, surveys of existing staff, analysis at exits interviews and managing sickness absence. | 5                   | Continuously reviewed through policy implementation   |        | Chief IFC Officer & Assistant Chief IFC Officers |

| Risk No  | Performance Plan Strategic Objective            | Category of Risk   | Risk   | Gross Risk Score | Control Action  | Residual Risk Score | Further Action Required  | Update  | Risk Owner                          |
|----------|---|--------------------|--|------------------|---|---------------------|--|---|-------------------------------------|
| NEIFCA 7 | A reputation for smart and prudent stewardship. | Financial/Economic | <p>Cuts to service, balance budget. Triggers include:-</p> <ul style="list-style-type: none"> <li>• Poor budget settlement or lack of Government funding through specific grants to precepting authorities which impact on the budget for the Committee.</li> <li>• Budget over spends, insufficient reserves.</li> <li>• Precept set too low.</li> <li>• Lack of compliance with financial regulations</li> </ul> | 7                | <p>Three year financial plan in place based on prudent projections and sensitivity analysis. Budget process flexible enough to deal with changes in funding. Lobbying with other Authority's to get better deals. Government assumptions used in the planning exercise. Formal considerations of reserves. Monthly revenue and capital budget monitoring. Demonstrating the ability to manage in-year budget pressures. Early closure of accounts. Attraction of EU and other grants for project works.</p> | <b>5 (6)</b>        | <p>Ensure sound business cases are made to Authority funders for continued financial support.</p> <p>Continue to apply for EU and other grants for project work.</p> | <p><b>Some offshore generated income received in the 2012/2013. Full extent of NEIFCA duties not yet fully recognised realising some limited savings.</b></p> | Clerk/ Treasurer/ Chief IFC Officer |

| Risk No   | Performance Plan Strategic Objective                      | Category of Risk     | Risk   | Gross Risk Score | Control Action  | Residual Risk Score | Further Action Required   | Update  | Risk Owner   |
|-----------|---|----------------------|--|------------------|---|---------------------|---|---|--|
| NEIFCA 8  | A reputation for smart and prudent stewardship.           | Financial Reputation | <p>Failure to manage the Authority's assets, caused by:-</p> <ul style="list-style-type: none"> <li>• Lack of funding</li> <li>• Service failures/poor maintenance</li> <li>• Poor risk assessments and controls</li> <li>• Inaction on behalf of the Chief IFC Officer and his assistants.</li> </ul> | 7                | <p>Asset Management Plans - including audit and survey result to target investment and maintenance at high priority areas.</p> <p>Patrol Vessel renewal fund.</p> <p>Maintenance programme.</p> <p>Risk assessments.</p> <p>Inspections and surveys.</p> <p>Insurance.</p>                          | 6                   | <p>Review and define inspection survey programme. Ensure compliance with the programme. Review health and safety arrangements.</p> <p>Review adequacy of sums insured and compliance with insurance policy conditions.</p> <p>Operating a close monitoring regime on investment priority and reactive criteria.</p> |   | <p>Chief IFC Officer</p> <p>Assistant Chief IFC Officer</p>  |
| NEIFCA 9  | A reputation for smart and prudent stewardship - staffing | Staff, customer      | Failing to retain Investors in People status.  | 7                | <p>Ensure Investors in People remains a priority for service delivery. Continue to develop the service to take on board and incorporate any areas identified for development in the last assessment. Ensure that all staff are involved and actively encouraged to take ownership of the award.</p> | <b>1 (4)</b>        | <b>Continue working to IIP standards and implement recommendations from the recent 2012 assessment report.</b>  | <b>IIP successfully retained by NEIFCA in June 2012. Will be subject to 18 month interim review</b> | <p>Clerk</p> <p>Chief IFC Officer</p> <p>Assistant Chief Officers</p>                                  |
| NEIFCA 10 | A reputation for smart and prudent stewardship            | Reputation/legal     | Failure to deliver revised fisheries management policies within European Marine Sites which fall within the Authority's jurisdiction.  | 7                | <p>Full engagement with Defra, MMO, national working groups and local management groups.</p> <p>Consider need for additional temporary staffing resources</p>   | 6                   | <p>Regular updates and progress reports to Science and Governance Working Group, Executive and full Authority</p>   |   | <p>Chief,</p> <p>Assistant Chief IFC Officers.</p> <p>Environmental IFC Officer and support staff.</p> |

## NORTH EASTERN INSHORE FISHERIES AND CONSERVATION AUTHORITY - OPERATIONAL RISK REGISTER

| Performance Plan Reference        | Process                         | Risk Identification  | Risk Analysis | Risk Control  | Residual Risk | Monitoring                              |  |   |
|-----------------------------------|---------------------------------|--|---------------|---|---------------|---|--|---|
|                                   |                                 |  |               |   |               | Risk Category                           | Risk   | 1-3 = Low<br>4-6 = Medium<br>7-9 = High   |
| 1.2.5<br>IFCA Success Criterion 1 | Staffing                        | Lack of staffing resources to deliver service and to ensure that staff have adequate skills training to achieve performance requirements.<br><br><b>Revised national management regime for European Marine Sites notified in August 2012 has potential to stretch resources/delivery</b> | <b>7(4)</b>   | Communication networks.<br>Staff flexibility.<br>Monitoring of workloads.<br>Workforce Development.<br>Vacancy Management.<br>Adhere to Sickness Policy.<br>Implement Training Plans.<br>Health and Safety. | <b>6(3)</b>   | Clerk and Chief IFC Officer.            | Quarterly.                                       | Reports to Authority.<br>Team meetings/<br>EDRs.<br>Sickness Review Meetings.<br>Vacancy/sickness.<br>Performance monitoring results. |
| 1.2.5<br>IFCA Success Criterion 4 | Customer Service/<br>reputation | Failure to provide agreed service.<br>Failure to establish and achieve performance targets therefore having a detrimental impact on the delivery of service to the customer and achievement of performance objectives.   | 6             | Performance Indicators.<br>Inspections audit.<br>Workload monitoring.<br>Policy and procedure compliance.<br>Staff training.<br>Communication with customers.   | 4             | Clerk and Chief IFC Officer.            | Quarterly  | Annual reports.<br>Performance monitoring reports.<br>Feedback from staff and customers.  |
| 4.10(7)<br>6.0                    | Technological.                  | Failure to meet targets in ICT strategy and implementation of new technology impacting on the efficiency and delivery of the service.  | <b>6(7)</b>   | Project management.<br>Ensure funding is available.<br>Communication with IT Services.<br>Reports to Authority.   | 5             | Clerk and Chief IFC Officer.            | Project stages and regular reports to Authority. | Project schedules<br>Monitoring ICT strategy and IT reports.  |
| 3.0                               | Financial and contractual.      | Unexpected budget demands and variances and failure to achieve agreed budget<br><b>Revised risk level due to some limited income generation this financial year and delays in extension to full duties.</b>  | <b>5(7)</b>   | Monitoring systems.<br>Systems to capture spend.<br>Regular budget holder meetings.<br>Internal Audit.  | <b>5(7)</b>   | Treasurer, Clerk and Chief IFC Officer. | Monthly.   | Budget financial reporting.   |

| Performance Plan Reference        | Process                                      | Risk Identification   | Risk Analysis                                    | Risk Control   | Residual Risk                                    | Monitoring                             | Performance Plan Reference | Process   |
|-----------------------------------|--|---|--|--|--|--|----------------------------|---|
|                                   | <b>Risk Category</b>                         | <b>Risk</b>   | <b>1-3 = Low<br/>4-6 = Medium<br/>7-9 = High</b> | <b>Control Action</b>  | <b>1-3 = Low<br/>4-6 = Medium<br/>7-9 = High</b> | <b>By Whom</b>                         | <b>Review Frequency</b>    | <b>Triggers for Action</b>  |
| 1.2.5<br>IFCA Success Criterion 1 | Professional, contractual, legal reputation. | Failure to effectively support projects, poor contract documentation, failure to meet contract deadlines, failure to meet legal requirements and procurement legislation<br>Provider fails to deliver the contract.   | 7  | Use of internal/external experts/consultants.<br>Robust specifications.<br>Risk Assessments.<br>Strong contract management.<br>Financial, technical and legal vetting of all providers.<br>Procurement policy followed.<br>Monitoring and reporting processes.<br>Meet statutory requirements.<br>With regard to supporting national projects ensure maintenance of dialogue and a proactive approach. | 5  | Chairman, Clerk and Chief IFC Officer. | Monthly.                   | Procurement processes.<br>Legislative changes.<br>Contract variations.<br>Timetable slippage.   |
| 1.2.5<br>IFCA Success Criterion 1 | Financial reputation.                        | Failure to deliver projects through lack of resources or investment.<br>Loss of funding and grants resulting in inability to proceed with projects.<br>Change in legislation resulting in inability to generate funds.<br>Reputation for inability to utilise grants awarded.<br><b>Revised risk level due to changes in national management regime for European Marine Sites notified in August 2012 has potential to stretch resources/delivery</b> | 7  | Budget setting and monitoring process.<br>Procurement policy followed.<br>Appropriate resources available to undertake the project.<br>Skills and knowledge of staff.<br>With regard to supporting national projects ensure maintenance of dialogue and a proactive approach.  | <b>6(5)</b>                                      | Clerk and Chief IFC Officer.           | Monthly                    | Performance monitoring reports.<br>Budget reports.<br>Legislative changes.<br>Government funding initiatives.<br>Authority decisions.<br>Contract variation slippage. |



| Performance Plan Reference        | Process                          | Risk Identification   | Risk Analysis                           | Risk Control  | Residual Risk                           | Monitoring   | Performance Plan Reference                  | Process  |
|-----------------------------------|----------------------------------|---|---|---|---|--|---|--|
|                                   | Risk Category                    | Risk  | 1-3 = Low<br>4-6 = Medium<br>7-9 = High | Control Action  | 1-3 = Low<br>4-6 = Medium<br>7-9 = High | By Whom  | Review Frequency                            | Triggers for Action                                  |
| 1.2.5<br>IFCA Success Criterion 1 | Financial reputation, technical. | Volatility of global oil/fuel markets and national tax changes.<br><b>Revision to risk level due to a period of stabilisation in global fuel costs.</b> | <b>5(6)</b>                             | Regular monitoring of fuel spends included within quarterly reports to Authority. Additional provision made within annual precept.  | 5                                       | Chairman, Clerk, Deputy Clerk, Chief IFC Officer and Skipper of patrol vessel. | Monthly.                                    | Budget financial review & reporting                  |
| 1.2.5<br>IFCA Success Criterion 1 | Legal/reputation.                | Legal challenge resulting from failure to undertake statutory responsibilities in terms of enforcement or poorly drafted Authority bye-laws.            | 7                                       | Performance monitoring in terms of enforcement targets. Drafting of bye-laws in consultation with Legal Services.<br>Proper consultation processes followed in accordance with statutory requirements.<br>Involvement of MMO DEFRA in final approval of bye-laws. | 5                                       | Clerk, Legal Advisor and Chief IFC Officer.                                    | Monthly and quarterly reports to Authority. | Performance monitoring reports.<br>Legal challenges. |

OPERATIONAL RISK REGISTER – RISK BASED ENFORCEMENT MATRIX

| Performance Plan Reference            | Process       | Risk Identification  | Risk Analysis | Risk Control   | Residual Risk | Monitoring   |  |   |
|---------------------------------------|---------------|--|---------------|--|---------------|--|--|---|
|                                       |               |  |               |  |               | Risk Category  | Risk   | 1-3 = Low<br>4-6 = Medium<br>7-9 = High   |
| 1.2.5<br>IFCA Success Criterion 2 & 6 | Environmental | Habitat damage caused by invasive fishing methods. Damage to protected features of European Marine Sites or Marine Conservation Zones  | 6             | Ongoing monitoring of activities. Active participation in associated schemes of management. Introduction of emergency and long-term Byelaw regulations and codes of conduct governing activities. Enforcement of existing regulations. Timely use of emergency byelaw making procedures when necessary | 5             | Chief IFC Officer, Assistant Chief IFC Officers Environmental Officers | Quarterly to Authority and associated working groups | Significant increases in related activity. Evidence of damage and impact. Complaints        |
| 1.2.5<br>IFCA Success Criterion 2 & 6 | Environmental | Impacts on other marine species such as sea birds, cetaceans and other organisms associated with fishing activities  | 7             | Monitoring through fishing permit schemes and accreditation processes. One off studies and assessments. Timely use of emergency byelaw making procedures when required.  | 6             | Chief IFC Officer, Assistant Chief IFC Officers Environmental Officers | Quarterly to Authority and associated working groups | Negative feedback from catch reporting schemes and or studies. Complaints                   |
| 1.2.5<br>IFCA Success Criterion 2 & 6 | Environmental | Impacts on fish and shellfish stocks through non-compliance with regulations   | 6             | Targeted approach to enforcement at ports and areas of known high non compliance at peak season. Focus on ports of high volume landings out of season  | 5             | Chief, Assistant Chief and IFC Officers                                | Monthly  | Intelligence reports. Surveillance. Routine observations and complaints                     |
| 1.2.5<br>IFCA Success Criterion 2 & 6 | Environmental | Impacts on fish and shellfish stocks through over-exploitation<br><br><b>Revision to risk level following isolated reports from parts of the Authority’s district that 2012 lobster landings have declined</b> | <b>8(7)</b>   | Detailed monitoring of stock health. Development of dedicated management plans and strategies. Tailored management provisions. Sound enforcement. Fisheries accreditation schemes. National coordination   | <b>7(6)</b>   | Chief IFC Officers and Environmental Officers                          | Quarterly & monthly                                  | Non achievement of stock indicators. Declining catches and fleets. Complaints and comments. |