

ITEM 6 – RISK MANAGEMENT

Report by: Alice Miles, Acting SDP Manager

Purpose

This Report includes an update on risk management.

Recommendations

It is recommended that the SESplan Joint Committee:

1. Notes the update on risk management as set out within this Report.

Resource Implications

As set out below.

Legal and Risk Implications

As set out below.

Policy and Impact Assessment

No separate impact assessment is required.

1. Background

- 1.1 The SESplan Joint Committee at its meeting on the 7 March 2011, approved SESplan's approach to risk management requiring that an annual review and update of the Risk Register is considered and agreed by the SESplan Project Board and that a report on risk management based on the updated Risk Register is presented to the Joint Committee no later than December each year. This approach assists with project management and addresses a recommendation of the Annual Audit 2009 / 2010.

2. Risk Management

- 2.1 A report on the SESplan approach to risk management was considered by SESplan Joint Committee at its meeting in November 2016. This report contains an update on risk management as at November 2017.
- 2.2 The risk register has been updated by closing risks that are no longer applicable or current. The probability and impact scores associated with individual risks have also been revised to reflect the current stage of the programme. Of those risks that remain active, the following have a residual amber risk score.
- 2.3 The project risks are summarised as follows:
- **The Examination and Supplementary Guidance** – The current project includes resources for supplementary guidance to be undertaken on a Cross Boundary Developer Contributions Framework and Cross Boundary Green Network Priority Areas. The Scottish Government in their representations to the Proposed Plan considered that supplementary guidance should also be prepared on Heat Mapping, Wind and Minerals. SESplan considers that there is limited value in preparing a Heat Map at the strategic level as there is a National Heat Map and detailed heat mapping will be undertaken at the local level. Similarly on wind as there is already detailed guidance at the local level. Subsequent to the Proposed Plan, the Minerals Technical Note which sets out the detailed landbank position for the SESplan area was updated and has been submitted to the Examination. There is a risk that the Reporter will consider that SESplan should prepare supplementary guidance in these areas and additional resources within the Core Team / from within the Member Authorities may be required. The Project Board will continue to monitor resources within the Core Team and are assigning resources from within the member authorities as appropriate.
 - **Supplementary Guidance Cross Boundary Transport Developer Contributions Framework** – There is a risk that the outputs of the Cross Boundary Study are not sufficient to construct a Cross Boundary Transport Contributions Framework that would meet the tests relevant to Planning Obligations.

There are also uncertainties around the most appropriate mechanism to secure contributions, particularly in light of the planning review recommendations regarding a Regional Infrastructure Levy and that the Study does not take account of national flows and is not robust and thorough. SESplan officers formed part of the Steering Group of the Study and Transport Scotland will be a member on the supplementary guidance working group to ensure continuous liaison.

- **Alignment** – There is a risk that SDP2 and its associated Action Programme and the Cross Boundary Transport Project (Study and Contributions Framework) are not aligned with the emerging City Region Deal. The SESplan Action Programme will be required to be reviewed shortly after SDP2 approval and the reviewed Programme will be aligned with City Deal.
- **The Examination, Timescales and Approval** – The second Strategic Development Plan (SDP2) was submitted for Examination within four years of the approval of SDP1 on the 26 June 2017 in accordance with statutory requirements. SDP2 is required to be approved by 27 June 2018 or SDP1 will be considered out of date. The DPEA works to a timescale of 6 – 9 months, with the Report of Examination currently scheduled for the 27 March 2018. The Reporter will send the Report of Examination to Scottish Ministers who then have 17 weeks within which to approve, reject or modify the Plan. On current timescales, SDP2 will be approved in late July, around a month later than the required timescales. The timescales for the Examination, other than responding to Further Information Requests and / or Hearings are not in the control of SESplan. Appropriate resources from within the Core Team / Member Authorities will be assembled at short notice to ensure a quick turnaround and so as not to delay the Examination process.

2.4 The operational risks are summarised as follows:

- **Resources** – There is a risk of insufficient resources to respond to Further Information Requests and / or a Hearing or prepare further Supplementary Guidance if required by the Report of Examination. Further resources will also be required to prepare post approval documentation including finalising, publishing and circulating the final approved Plan, the post adoption SEA Statement and Habitats Regulations Appraisal and the Action Programme. The Project Board are monitoring resources within the Core Team and are assigning resources from within member authorities as required and appropriate.

- **The Planning Review** – The Planning Bill is anticipated to be published in winter 2017. There are uncertainties around the content of the Bill and how much guidance will be included on the form and content of Regional Working Partnerships. In the interim there is no further guidance from Scottish Government on transitional arrangements and what work programme SESplan should be taking forward post approval of SDP2 other than the post approval documents and supplementary guidance. Officers will continue to liaise with Scottish Government through direct discussions and via the SDPA Managers group.

3. Conclusion

- 3.1 The Risk Register will continue to be reviewed by the SESplan Core Team in conjunction with the SESplan Project Board.

- 3.2 Annual reports on risk management will be presented to the SESplan Joint Committee by no later than December of each year. This report will highlight and summarise the main risks and additions to the Register.

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