

This Report will be
made public on
25 November 2020



Report Number: **AuG/20/12**

To: Audit & Governance
Date: 3 December 2020
Status: Non key decision
Head of service: Charlotte Spendley, Director – Corporate Services
– Section 151 Officer
Cabinet Member: Cllr David Monk, Leader of the Council

SUBJECT: REVIEW OF THE CORPORATE RISK REGISTER

SUMMARY: This report provides an update to the Corporate Risk Register.

REASONS FOR RECOMMENDATIONS:

It is essential that the Committee regularly review the Risk Register to consider progress made against agreed actions, and consider the key risks faced by the organisation.

RECOMMENDATIONS:

1. To receive and note the updated Corporate Risk Register.

1. BACKGROUND

- 1.1 The Risk Management Policy and Strategy was updated and agreed by Cabinet in December 2019.
- 1.2 Effective risk management is a key framework in the management of a complex organisation such as Folkestone & Hythe District Council. The strategy seeks to provide Members and officers with a clear framework by which to work within, as well support the development of a risk management culture within the Council.

2. UPDATE TO CORPORATE RISK REGISTER

- 2.1 The updated Corporate Risk Register has been appended in full to this report (Appendix 1). For ease of reference the changes to the Risk Register have been highlighted. Additionally the Risk Matrix, which is a pictorial snapshot of the current level of risks faced by the Council is available within Appendix 2.
- 2.2 The current Corporate Risk Register identifies 15 risks (following the addition of one risks), which can be categorised as 1 low level risks, 6 moderate and 7 high and 1 extreme level risk (previously 2 low level risks, 3 moderate and 5 high and 4 extreme level).

- 2.3 The key changes made include:

C1 – Organisational Instability – the impact has been increased to 3 (significant) from 2 (moderate) bringing the overall level of risk to a moderate level risk recognising the potential risk to the workforce of the second wave of COVID-19.

C7 – Capacity & Financial Resilience of key partners – this risk has decreased following revaluation by senior managers. It is now considered a high level risk to the Council.

C9 – Failure to deliver Strategic Projects – the likelihood of this risk has been increased to significant from moderate reflecting the number of projects and the work underway to consider resources & skills required for the delivery of key projects.

C10 – Risk of non-compliance – this risk has been reduced following the reduction of the impact score to reflect the improvements to LGSR compliance and the return of the housing service to in-house provision.

C11- Reputational risks – this risk has been decreased following the reduction of the likelihood score to unlikely, following re-evaluation by managers.

C13 - New Landlord service – this risk has amended to reflect the new service provision.

C15 – Climate Emergency - this is a new risk identified on the register at a moderate level, it considers the challenge of the zero carbon agenda and the work underway to manage this.

Other narrative changes have been made to the register to reflect the current position, but they will not in every instance require a change in scoring.

3. SUMMARY & NEXT STEPS

- 3.1 The Risk Register has had a comprehensive review undertaken, with cross service manager input. The Risk register will continue to be monitored, and will be updated and reported to the next Audit & Governance Committee in March. The Risk Register should be a fluid document that will see risks be rescored often to reflect current circumstances.
- 3.2 There are a number of changes both in terms of scoring and in actions that reflect the work ongoing in respect of the identified risks for the organisation.

4. RISK MANAGEMENT ISSUES

4.1

Perceived risk	Seriousness	Likelihood	Preventative action
Failure to have a current Risk Management Policy & Strategy in place will cause inconsistencies in approach across the Council	Medium	Low	Policy & Strategy document is in place, relevant officers consulted, and organization wide training delivered. Work is ongoing to ensure all aspects risk are managed in line with the framework.
Failure to manage risks effectively could affect the Councils ability to deliver effectively on its Corporate Plan objectives, impact upon its deployment of resources or impact upon its reputation	High	Low	An up to date strategy framework is in place, training delivered and regular reporting occurring to both CLT and Audit & Governance Committee. CLT have also given a commitment to

			continue to develop the attitude towards Risk Management within the organisation.
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5. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

Legal Officer’s Comments (AK)

There are no legal implications arising directly from this report.

Finance Officer’s Comments (CS)

There are no direct financial implications of this report.

Diversities and Equalities Implications (CS)

There are no direct implications of this report.

6. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting:

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The following background documents have been relied upon in the preparation of this report: None

Appendices:

- Appendix 1: Corporate Risk Register
- Appendix 2: Risk Matrix