

This report will be made
Public on 20 July 2022

Report AuG/22/11

To: Audit & Governance
Date: 28 July 2022
Director: Charlotte Spendley, Director – Corporate Services
– Section 151 Officer
Cabinet Member: Cllr David Monk, Leader of the Council

SUBJECT: REVIEW OF 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 report AuG/22/11 and the updated Corporate Risk Register.

1. BACKGROUND

- 1.1 The Risk Management Policy and Strategy was updated and agreed by Cabinet in March 2022.
- 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 (red). Additionally the Risk Matrix, which is a pictorial snapshot of the current level of risks faced by the Council, is available at Appendix 2 (with changes identified in italics).
- 2.2 The current Corporate Risk Register identifies 13 risks, which can be categorised as 1 low level risk, 8 high and 4 extreme level risks. Compared to March 2022 matrix which indicated 2 low, 1 moderate, 6 high and 4 extreme.
- 2.3 The key changes made include:
New risks has been identified for:
 - C6 – Cost of living pressures put unsustainable demands on council services – this risk recognises the current pressures being faced by residents and the anticipated growing impact of these pressures over the coming months. This is anticipated to drive demand for the support offered by the council and impact upon demand and service pressures.
 - C7 – Failure to deliver Strategic Project Princes Parade – this new risk recognises the critical phase of the project and the key license & contract agreements required to secure the delivery of this project.

The scoring for risk:

- C2 – Otterpool Park development has been re-scored from extreme (12) to high (9) recognising the progress made in the finalisation of the Strategic Land Agreement, submission of outline planning application for consideration and the adoption of the Core Strategy.
- C7 – Failure to support economic recovery of district post COVID – this risk has been removed from the register. Sufficient progress with the conclusion of the Place Plan, proposed submission of the Levelling Up bid, continuation to March 2023 of the High Streets Fund to remove this as a specific risk on the corporate risk register.
- C6 – Failure to support the social recovery of the district post COVID has been reshaped to reflect the cost of living pressures affecting residents.

- C10- Waste Collection disruption has been reshaped to include the Street Cleaning service and the pressures being faced as a result of the summer season and high visitor numbers, particularly in coastal areas.

Additionally, a number of risks have updated, actions completed, and new actions identified.

3. SUMMARY & NEXT STEPS

- 3.1 CLT have recently considered and agreed the introduction of an officer Risk Management Group (RMG) to heighten risk awareness and ensure risk management is part of the organisational culture. The RMG will be made up of the officers responsible for maintaining the operational risk registers. A RMG can improve the understanding and communication of emerging risks and ensure risks are scored and treated consistently across the organisation. The group will be formed in the Autumn and will continue to assist in embedding a risk management culture within the organisation.
- 3.2 The Risk Register has undergone a comprehensive review in line with the guidance in the revised Risk Management Policy and Strategy. The Risk Register will continue to be monitored, and updated and reported to the next Audit and Governance Committee. The Risk Register continues to be a fluid document that will see risks be rescored often to reflect current circumstances.
- 3.3 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 organisation 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			An up to date strategy

the Councils ability to deliver effectively on its Corporate Plan objectives, impact upon its deployment of resources or impact upon its reputation	High	Low	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

Bob Palmer, Interim Assistant Director – Corporate Services
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Charlotte Spendley, Director – Corporate Services
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The following background documents have been relied upon in the preparation of this report:

Appendices:

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