

This Report will be
made public on 29 November
2022



Report Number **AuG/22/18**

To: Audit and Governance Committee
Date: 7 December 2022
Head of service: Charlotte Spendley, Director – Corporate Services
– Section 151 Officer

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 Corporate 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/22/18 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 to work within, as well as supporting 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 provided at Appendix 2 (with changes identified in italics).
- 2.2 The current Corporate Risk Register identifies 13 risks, which can be categorised as 5 high and 8 extreme level risks. Compared to the July 2022 matrix which indicated 1 low level risk, 8 high and 4 extreme level risks.
- 2.3 The key changes made include:

A new risk has been identified for:

- C13 – May 2023 Elections, the first requiring voter ID. This new risk captures concerns that delays in secondary legislation and guidance will obstruct the planning for and delivery of the elections.

An old risk has been deleted:

- C11 (old) – Failure to ensure vulnerable customers can access services. This has been scored as a low level risk since it was included on the re-written register in July 2021. As this has been a low level risk for over a year, it is appropriate to remove it from the register. The low scoring of the risk reflects the work done on implementing the Customer Access Strategy and the wide adoption of the MyAccount application that provides access to many services.

Scores have been updated for risks:

- C3 – MTFS uncertainty of future funding. This was already scored as an extreme risk at 12 but this has increased to the highest possible of score of 16. This reflects the ongoing uncertainty around the settlement for local government, the fair funding review, the re-set of business rates and the future of the new homes bonus.
- C7 – Princes Parade, this has been re-scored from high (9) to extreme (16). This change is necessary given the current review of the scheme and future options.

- C9 – Housing Deliverability, this has been re-scored from high (9) to extreme (12). The risk has been comprehensively updated and the change in scoring reflects concern about meeting net zero carbon requirements.
- C12 Economic Climate, this was previously described as Inflation and scored as high (9). The widening of the risk to cover the whole economic climate and the worsening of that climate has caused the score to increase to extreme (12).

Additionally, a number of risks have been updated to reflect changes since July 2022.

3. SUMMARY & NEXT STEPS

- 3.1 The Risk Register has undergone a comprehensive review in line with the guidance in the Risk Management Policy and Strategy. The Risk Register will continue to be monitored and updated and will be reported to the next Audit and Governance Committee. The Risk Register continues to be a fluid document that will see risks re-scored to reflect changes in 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 organisation wide training delivered. Work is ongoing to ensure all aspects of risk are managed in line with the framework.
Failure to manage risks effectively could affect the Council's 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 from this report.

Diversities and Equalities Implications (CS)

There are no direct implications from 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:

Appendices:

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