

This Report will be made public on 28 November 2023

Report Number **AuG/23/16**

**To:** Audit and Governance Committee  
**Date:** 6 December 2023  
**Status:** Non key  
**Responsible Officer:** Adrian Tofts, Strategy, Policy & Performance Lead Specialist

**SUBJECT:** UPDATE TO CORPORATE RISK REGISTER

**SUMMARY:** This report provides an update to the Corporate Risk Register, last considered by the Audit and Governance Committee on 13 September 2023.

**REASONS FOR RECOMMENDATIONS:**

So that Folkestone & Hythe District Council is fully apprised of the risks facing the organisation and takes mitigating measures as appropriate.

**RECOMMENDATIONS:**

1. To receive and note report AuG/23/16.
2. That Audit and Governance Committee reviews the corporate risk register (Appendix 1) and risk matrix (Appendix 2) and makes any necessary recommendations regarding the district council's management of risk.

## 1. BACKGROUND

- 1.1. Effective risk management is key to the management of Folkestone & Hythe District Council. The corporate risk register seeks to provide Members and officers with a framework to identify and mitigate the risks to the council.
- 1.2. Previous updates to the risk register have been taken to Audit and Governance Committee on 15 March 2023 (AuG/22/29) and 13 September 2023 (AuG/23/12).

## 2. UPDATE TO THE CORPORATE RISK REGISTER

- 2.1. The updated corporate risk register is attached to this report (**Appendix 1**). For ease of reference the changes to the register from September 2023 have been highlighted in red (deletions are shown struck-through and new text is shown underlined).
- 2.2. The updated risk matrix, which provides a snapshot of the current level of risks faced by the council, is provided in **Appendix 2**. Amendments are highlighted in red (deletions are shown struck-through and new text is shown underlined).
- 2.3. The corporate risk register identifies a total of 16 risks; most are classed as 'extreme' or 'high', with one classed as 'moderate'. A list is provided below.

Risk level	Identified risks
Extreme risk	<ul style="list-style-type: none"><li>• C1 – Organisational Capacity</li><li>• C2 – Delivery of Otterpool Park</li><li>• C3 – Otterpool Park Planning and Place</li><li>• C4 – Medium Term Financial Strategy Uncertainty</li><li>• C9 – Carbon Neutral Ambitions</li><li>• C10 – Housing Deliverability</li><li>• C12 – Cyber Threat</li><li>• C13 – Economic Climate</li><li>• C15 – Sports and Leisure Provision</li></ul>
High risk	<ul style="list-style-type: none"><li>• C5 – Delivery of Affordable Homes</li><li>• C6 – Organisational Non-compliance</li><li>• C7 – Cost of Living Pressures</li><li>• C8 – Princes Parade</li><li>• C11 – Waste Collection</li><li>• C14 – Levelling-up Fund Folkestone</li></ul>
Moderate risk	<ul style="list-style-type: none"><li>• C16 – Fraud and Corruption</li></ul>
Low risk	<i>None</i>
Very low risk	<i>None</i>

- 2.4. Descriptive and contextual changes from the September 2023 Risk Register reflect:

- Progress with development projects and governance arrangements, including regarding Otterpool Park, Folkestone Town Centre regeneration and the Princes Parade hoardings.
- Ongoing work on the budget and Medium-Term Financial Strategy.
- Receipt of government funding for improved cyber security and the UK Shared Prosperity Fund (UKSPF).
- The passing of the Levelling-up and Regeneration Act into law on 26 October 2023.
- Changes to responsible officers and risk owners to reflect amended job titles and directorate structures.

2.5. In addition, changes have been made to:

- Increase the risk for C11: Waste Collection and Street Cleansing Disruption from 'moderate' to 'high', to reflect the findings of the street cleansing internal audit. The audit action plan has been added to the proposed actions.
- Decrease the risk for C8: Princes Parade from 'extreme' to 'high', to reflect the ongoing work on the site.
- Amend information in the 'Risk Name' column of the table in Appendix 1 to clarify the scope of the risks (C5 and C10), and to reflect that the risk register focuses on risks to the council as an organisation, rather than risks to the community more generally (C7).

### 3. SUMMARY AND NEXT STEPS

3.1. The risk register will continue to be monitored and updated; it will next be reported to Audit and Governance Committee on 13 March 2024.

### 4. RISK MANAGEMENT ISSUES

4.1 A summary of the perceived risks follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Failure to have a risk management strategy in place will cause inconsistencies in approach across the council.	Medium	Low	The risk register is in place and updated quarterly. Relevant officers are consulted. Work is continuing to ensure that all aspects of risk are managed in line with the framework.
Failure to manage risks effectively could affect the council's ability to	High	Low	An up-to-date framework is in place, training is delivered and regular reports are provided to senior

Perceived risk	Seriousness	Likelihood	Preventative action
deliver its Corporate Plan objectives effectively, impact on the deployment of resources or harm its reputation.			managers and Audit and Governance Committee.

## 5. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

- 5.1. **Legal Officer's Comments (NM)** – There are no legal implications arising directly from this report. Identifying, managing and reducing any risk effectively mitigates against potential legal challenge.
- 5.2. **Finance Officer's Comments (RH)** - There are no direct financial implications from this report.
- 5.3. **Diversities and Equalities Implications (GE)** – 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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### Appendices:

- Appendix 1: Corporate Risk Register (6 December 2023)  
 Appendix 2: Risk Matrix (6 December 2023)