

This Report will be made public on 22 July 2019



Report Number **AuG/19/07**

**To:** Audit and Governance Committee  
**Date:** 30 July 2019  
**Head of service:** Charlotte Spendley, Assistant Director – Finance, Customer & Support Services  
**Cabinet Member:** Cllr David Monk, Leader of the Council

**SUBJECT:** UPDATE TO THE CORPORATE RISK REGISTER

**SUMMARY:** This report presents a refreshed Corporate Risk Register based upon the updated Risk Management Policy & Strategy which was adopted by Cabinet in July 2018.

**REASONS FOR RECOMMENDATIONS:**

Following the adoption of the Risk Management Policy & Strategy officers have developed and now updated a refreshed Corporate Risk Register which is presented to the Committee for consideration.

**RECOMMENDATIONS:**

1. To receive and note report AuG/19/07.

## **1. BACKGROUND**

- 1.1 The Risk Management Policy and Strategy was refreshed to ensure it remains effective and applicable for the organisation and presented to Cabinet in July 2018 for adoption.
- 1.2 Effective risk management is a key framework in the management of a complex organisation such as Folkestone & Hythe District Council. The new 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.
- 1.3 Section 9 of the Strategy outlines the role of this Committee. It states:

### **Audit and Governance Committee**

Audit and Governance Committee are to consider the effectiveness of the authority's risk management arrangements, and to seek assurance that action is being taken to mitigate those risks identified. As such an update on the Corporate Risk Register will be presented at each Quarterly Audit and Governance Committee. In addition Audit and Governance Committee will review the council's Risk Policy and Strategy and Corporate Risk Register annually in Quarter 1 of the financial year, ahead of these documents going to Cabinet.

- 1.4 The work on reviewing the Strategy has been delayed, but will commence shortly, and reported to this committee at its September meeting.

## **2. UPDATE TO THE CORPORATE RISK REGISTER**

- 2.1 Following its initial development during 2018 the register continues to be updated by Officers at regular intervals. Input has been received from across the organisation as well as being considered by the Corporate Leadership Team.
- 2.2 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 in red. Additionally the Risk Matrix, which is a pictorial snapshot of the current level of risks faced by the Council is available within Appendix 2.
- 2.3 The current Corporate Risk Register identifies 13 risks, which can be categorised as 1 low level risks, 4 moderate and 5 high and 3 extreme level risk. One new risk C13 – Landlord Service Failure has been identified and the issues faced through this risk have also affected a number of additional risks reflected on the register.
- 2.4 The key changes made include:  
C1 – Organisational Instability, the likelihood score has been increased from unlikely (2) to likely (3) resulting in an overall risk score of 9 (high level risk). Additionally changes to actions in place and being taken have been updated as has the risk description.

C7 – Capacity & Financial Resilience of key partners, the likelihood score has been increased from rare (1) to likely (3) resulting in an overall score of 9 (high level risk). This reflects the Councils relationship and reliance on East Kent Housing for its landlord services and the current service issues being experienced including matters of non-compliance with legislative requirements placed on landlords. In addition risks C10 Non Compliance and C11 Reputation, the likelihood score has been increased from unlikely (2) to very likely (4). Work is underway in liaison with EKH and the joint owner Councils which will hopefully enable these risks to be rescored shortly. The Risk Register should be a fluid document that will see risks be rescored often to reflect current circumstances.

- 2.5 The Risk register will continue to be monitored, and will be updated and reported to the next Audit & Governance Committee in September 2019, when the Strategy will also be reviewed and updated recommended. It is encouraging to have achieved input from all service areas and senior managers into this process, which is an important step towards risk management being embedded into our operating methods. Additionally departmental Risk Registers are now well progressing in their development across the organisation.

### 3. RISK MANAGEMENT ISSUES

#### 3.1

Perceived risk	Seriousness	Likelihood	Preventative action
Failure to have a current risk process adopted will cause inconsistencies in approach across the Council	High	Low	A revised Policy & Strategy document has been prepared and relevant officers consulted.
Failure to have a current Risk Register adopted will affect the Councils ability to deliver effectively on its Corporate Plan objectives	High	Low	A revised policy document has been prepared and a register developed & kept updated which provides for the management of Corporate Plan Objective risks.

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

#### 4.1 Legal Officer's Comments (AK)

There are no legal implications arising directly from this report

#### 4.2 Finance Officer's Comments (CS)

There are no direct financial implications of this report.

#### 4.3 **Diversities and Equalities Implications (CS)**

There are no direct implications of this report.

### 5. **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: Risk Management Policy & Strategy

#### **Appendices:**

Appendix 1: Corporate Risk Register

Appendix 2: Risk Matrix