

This Report will be made  
Public on 26 November  
2019



Report Number **AuG/19/16**

**To:** Audit & Governance Committee  
**Date:** 4 December 2019  
**Status:** Non key decision  
**Head of service:** Charlotte Spendley, Assistant Director – Finance,  
Strategy & Support Services  
**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/19/16.
2. To receive and note the updated Corporate Risk Register.

## **1. BACKGROUND**

- 1.1 The Risk Management Policy and Strategy was updated and considered by this committee in September.
- 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.

## **3. 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 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.
- 2.2 The current Corporate Risk Register identifies 13 risks, which can be categorised as 1 low level risks, 3 moderate and 7 high and 2 extreme level risk (previously 1 low level risks, 4 moderate and 5 high and 3 extreme level)
- 2.3 The key changes made include:
  - C2 – Shortage of skills to deliver new agenda, the impact score has been decreased from significant (3) to moderate (2) resulting in an overall risk score of 4 (low level risk). The recent pay deal and recruitment undertaken have indicated and supported a reduction in the size of this risk to the organisation.
  - C5 – Brexit / Wider Market Conditions, the likelihood score has been decreased from likely (3) to unlikely (2) resulting in an overall score of 8 (high level risk). This reflects the work that has been undertaken both in terms of tender preparation and also in Brexit Planning, as well as the delay to Brexit at this time.
  - C6 – Capacity to deliver competing demands, the likelihood score has been increased to likely (3) along with the impact score being increased to significant (3) resulting in an overall score of 9 (high level risk). This reflects the emerging wider agenda of the Council and recent motions passed.
  - C11 – Reputational Risks, the likelihood score has been decreased from very likely (4) to likely (3), resulting in an overall score of 9 (high level risk). This reflects the reputational risks being managed via a number of control mechanisms in place monitored by officers and members.

### 3. SUMMARY & NEXT STEPS

- 3.1 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	High	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.

### 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

Charlotte Spendley, Assistant Director – Finance, Strategy & Support 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