

Corporate Risk Register

Risk ID	Risk Name	Risk Owner	Risk Description & Triggers	Actions in place	Pre-mitigation Score			Mitigation scheme (Tolerate, Treat, Transfer, Terminate)	Proposed Actions	Timeframe	Post mitigation Score		
					Likelihood	Impact	Total				Likelihood	Impact	Total
C1	Organisational Instability	Susan Priest (HoPS); Cllr David Monk (Leader)	High levels of staff turnover & loss of professional/organisational expertise in some key roles. Changes in political make-up of the Council, greater political complexity. Potential escalation of the Coronavirus and impact on council services from staff issues.	Phase 1 implemented on 19/11/19, early indications are positive. Phase 2 Transformation consultation completed. New Member training has been concluded. Corporate Plan Working Group established and have met to progress future Corporate Plan, Group Leaders have discussed proposals with individual political groups. Collaboration on Cabinet agreed with Green and Liberal Democrat parties. Three new Corporate Directors appointed.	2	3	6	Treat	Training matrix being developed for all Phase 1 staff. Lessons learnt to be captured from Phase 1 transformation to inform Phase 2. Public consultation to be undertaken to inform Corporate Plan.	March 20 & ongoing	2	2	4
C2	Shortage of skills to deliver new agenda	Susan Priest (HoPS); Cllr David Monk (Leader)	Geographical location restricts available pool; recruitment difficulties (terms & conditions); shortage of specialist skills including project management, insight, business case preparation and evaluation, commercial appraisal. Emerging skills required at a time many organisations are looking due to national / international issues (such as Brexit Emergency Planning & Climate Emergency)	Alternative staff incentives on offer such as flexible working, F&H Rewards. Significant (£450k over 2 financial years) training provision made available. Pay agreement has secured improved terms for existing and new staff. Currently key roles such as Climate Emergency, Brexit role and Case Team Leaders have been successfully recruited to. New Corporate Director of Place externally recruited.	2	2	4	Treat	Transformation and ICT implementation plans to identify training programmes for skills gap within team - linking with Learning and Development team; People Strategy to consider alternative recruitment options and how it can support and develop a more 'digital' workforce.	Ongoing	1	2	2
C3	Failure to deliver Otterpool Park development	John Bunnett (Strategic Director); Cllr David Monk (Leader)	Delivery of a Garden Town which will present complex planning issues, financial exposure risks and require new connections to be established with key partners to enable delivery e.g.inward Investment required to facilitate infrastructure	Experienced dedicated Strategic Development projects team with embedded Legal & Financial representation on working group. Work has commenced building connections with Homes England and MHCLG. Legal, Financial and Commercial advisors in place. Financial model has been developed. Cross Party Working Group established. Full Council decision to earmark funds for project to commence. Recent acquisition of partners share, all major landholdings / options within Council control. Further funding received from Home England.	2	3	6	Treat	Continue to engage specialist advice where required. Specific advice has been commissioned to progress options for Delivery Vehicle, decision to be considered by Members in Spring 2020. Funding options will need to be assessed ahead of commencement of delivery of project. Ensure adequate Planning resources and access appropriate specialist advice.	Ongoing	1	3	3

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C4	Medium Term Financial Uncertainty	Charlotte Spendley (S151 Officer) Cllr David Monk (Leader)	Fair funding review will fundamentally change LG funding but detail unknown at present. Will need to plan with within climate of uncertainty which may only become clearer close to budget setting time. Lack of certainty on Business Rates Localisation/Retention and other funding streams. New system will take effect from April 2021.	Officers regularly attending briefings on future LG funding. Updated MTFS was considered by Cabinet/Council in October and Budget Strategy considered in November. S151 Officer part of Kent Finance Officers Group. Balanced budget for 2020/21.	3	3	9	Treat	Officers will continue to attend briefings on LG Funding and brief members. Staff and Members to be provided with regular updates on MTFS and assessment of updates to Fair Funding proposals.	Ongoing	2	2	4
C6	Capacity to deliver competing demands	Susan Priest (HoPS); Cllr David Monk (Leader)	Balance between business as usual activity and aspiration including emerging agendas (including High Streets fund, Climate Change Emergency, Governance Review, Pesticides motion) leading to stretched resource base (staffing & financial).	Corporate Plan Working Group established and met three times with the principle of 10 year plan established. Draft objectives agreed and discussed by Group Leaders with their parties.	3	3	9	Treat	Public consultation to be undertaken to inform Corporate Plan.	March 20 & Ongoing	2	2	4
C7	Capacity & Financial Resilience of key partners	Susan Priest (HoPS); Cllr J Hollingsbee (Communities); Cllr Godfrey (Housing)	Pressures faced by many public services impact upon our ability and capacity to deliver against Corporate Plan including Police who are key to ASB duties; "Health Matters"links to NHS & GP issues locally, coastal district with natural & historic sites so Appearance matters outcome partially reliant on other agencies. Outsourced Landlord service difficulties (see C13).	Key Strategic Partnerships established including Folkestone & Hythe Community Safety Partnership, Local Children's Partnership Group and South Kent Coast Health and Wellbeing Board. Regular close liaison with EKH Chief Executive, EK Chief Executives now act as Board of EKH. Paper to agree future of housing to be considered on 19 February.	3	3	9	Treat	Monitor Corporate Plan delivery plan and appropriate Service Plans against agreed priorities to ensure teams remain focused on agreed input. Protocols established for role of Council with partner organisations. Continued liaison with EKH Chief Executive / Board (Joint Owners), decision due on 19 February regarding future of EKH.	Ongoing	3	1	3

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C8	Failure to deliver Transformation change including key components of ICT & People Strategy	Susan Priest (HoPS); Cllr David Monk (Leader), Cllr Hollingsbee (Communities)	Transformational change is not delivered by the agreed timescales, to agreed budget, project objectives or fails to make required savings. IT delivered is not customer focused or fit for the future (as well as current requirements). The People Strategy does not deliver cultural change required to support new operating model.	Transformation Board established to track project progress against milestones and budget. IT Strategy agreed and first phase of implementation commenced. ICT implementation work streams monitored by Technology Board exception report to Transformation Board. Digital Strategy agreed. Experienced Project Manager appointed to lead transformation. Implementation timescales for phase 2 & 3 agreed by Transformation Board. Skype for Business & new Customer Contact Centre and Staff Hub ICT & first phase of Built Environment module in place. Phase 1 staffing changes launched. Phase 2 staff consultation concluded.	2	3	6	Treat	Phase 2 implementation in Spring. Process redesign underway and to continue throughout 2020, alongside IT Arcus project.	Key milestone March 20 & ongoing	1	3	3
C9	Failure to deliver Strategic Projects due to complexity	Andy B (Housing & Operations Director); Cllr David Godfrey (Housing, Transport & Special Projects)	Ambitious Strategic Development & housing development projects agenda identified of a complex nature presenting planning risks, financial exposure risks and require new connections to be established with key partners to enable delivery e.g.inward Investment required to facilitate infrastructure	Experienced dedicated Strategic Development projects team. Work has commenced building connections with Homes England and MHCLG with some funding already agreed. Engaging specialist advice where required.	2	3	6	Treat	Stakeholder map to be drafted to identify connections that exist and need to be built. Detailed Business cases to be developed and considered by Cabinet ahead of project commencement. Continue to engage specialist advice where required.	Ongoing	1	3	3

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C10	Risk of non compliance	Susan Priest (HoPS); Cllr David Monk (Leader)	FHDC operates in a complex regulatory and legislative environment. Risk of challenge over Planning decisions (Secretary of State or Judicial Review) or potential intervention into Core Strategy Review and Places and Policies Local Plan that would delay projects and landlord statutory obligations. Issues arising from landlord statutory functions.	Legal support embedded in project teams for key projects. External Advice sought where required. LGSR arrangements procured and commissioned and service being delivered and monitored. Commission tendered to review the arrangements for resident health and safety and statutory compliance for the council's tenants and leaseholders in East Kent. Additional governance of compliance work directly overseen by Council with focus on ensuring compliance activity given high priority. LGSR activity now fully compliant with other key compliance areas being actioned.	4	4	16	Treat	Continued External Advice sought when required. Use of professional specialists (Legal, Finance, Procurement) in key projects (e.g. Waste Contract, Strategic Development). Review findings and recommendations resultings from the full review into service failures in relation to LGSRs and the wider service failures identified by the work completed by EKAP. Ongoing monitoring and regular reporting to Chief Executive in place for all compliance issues to ensure adequately resourced and being implemented. Regular meetings held with Housing Regulator, and Voluntary undertaking to be agreed by March. Risk of challenge to Examination in Public (EIP) to be manged through appointment of experienced barrister.	Ongoing	1	3	3
C11	Reputational Risks	Susan Priest (HoPS); Cllr David Monk (Leader)	Failure to deliver key Corporate objectives and Financial plans. Key contracts to deliver (2020/21 Waste & Recycling and Housing Responsive Repairs) risks include procurement challenge, Member agreement to proposals, effective shared working with EK Councils/EKH, financial impact. Reputational risks associated with implementation of Strategic Projects. Customer satisfaction falls during Transformation changes. Risk of partner / service failure, referral / investigation from regulatory body.	Quarterly KPI monitoring and exception reporting to CLT, OSC and Cabinet. Internal Audit reporting quarterly to Audit & Governance. Working Groups established early to progress key contract delivery by agreed timeframes. Procurement expertise on working group with external advice being sought as required. Application for Judicial Review on Princes Parade rejected but is subject to oral appeal.	3	3	9	Treat	Project Governance and oversight of key contracts to be agreed with CLT. Independent review commissioned into LGSR & wider compliance issues.	Ongoing	2	2	4

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C12	Non-compliance with ESIF regulations for the Folkestone Community Works (FCW) programme	Katharine Harvey (Chief officer) & Cllr Wimble (Economy)	FHDC is the accountable body with management responsibilities for the FCW programme. As a result it forward funds approved project spend and recoups quarterly from DWP and MCHLG, as the managing authorities for ESF and ERDF. Any non-compliance could result in financial risk to the council	In-depth scrutiny of ability and systems of project lead organisations to undertake EU compliant projects; FHDC decision panel to scrutinise assessments of lead organisations and projects prior to approval; robust Grant Funding Agreements with project lead organisations; regular quarterly monitoring by the programme management team and oversight by the LAG; LAG to regularly monitor the more detailed operational risk register for the FCW programme	3	2	6	Treat	Ensure that the mechanisms in place to reduce the risk are operationalised by undertaking checks. PMT resources increased to include a Project Support Officer, to ensure project compliance. Quarterly claim checks by Managing Authorities ensure satisfactory processes and evidence in place. Managing Authorities are satisfied with process during annual On the Spot Inspection Visits.	Ongoing	1	2	2
C13	Landlord Service Failure	Susan Priest (HoPS); Cllr David Monk (Leader) & Cllr Godfrey (Housing) & Cllr Collier (Estates & Assets)	The council is a landlord and has tenants in its own buildings, in those owned by Oportunitas, and its social landlord functions are managed by East Kent Housing Ltd, a jointly owned Council company. Significant statutory compliancy issues have been identified with EKH, in addition to issues being identified with contract management within the organisation. The issues present legal & moral issues for the Council in its role as landlord, in addition to potential financial issues, reputational damage. Discharging all landlord functions appropriately is necessary, as is acting immediately to reports of non-compliance across a variety of health and safety issues.	Robust estate and asset management functions for properties managed by the council. Contractual arrangements in place for asset management functions for Oportunitas and EKH. Weekly meetings with partner owner Councils & senior representation from EKH to address reported non-compliance issues. Interim arrangements in place at EKH both for compliance and management. Interim Director in place to support transition of service. Council Chief Executives now constitute the EKH Board and senior management changes within EKH effected to address ongoing issues. Specialist council staff now working within EKH and action plan developed with support of Penningtons, a specialist housing consultancy, and ongoing liaison with the Housing Regulator. Council to submit a voluntary undertaking to the regulator to address identified recognised weaknesses. Interim Director in place to support transition of service to Council control following decision at Council (19 February 2020) and new Director of Housing and Operations appointed to be responsible for service.	4	4	16	Treat	Full Council to consider council landlord functions on 19 February following tenant consultation. Review findings and recommendations resulting from the full review into service failures in relation to LGSRs and the wider service failures identified by the work completed by EKAP. Dependant on decision, arrangements will need to be put in place to continue to deliver the function on future. Arrangements are currently being put in place to ensure positive transition of service to mitigate current issues and to improve the service over the medium term. CLT deep dive into transition arrangements scheduled for March.	Ongoing	1	2	2