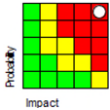
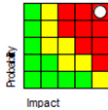
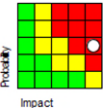
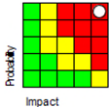
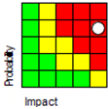
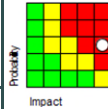


Appendix 4: Strategic Risk register at the end of Quarter One 2024/25

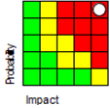

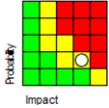
Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score		
SR-01	Failure to Maintain a balanced budget and MTFP	Director of Finance		<ul style="list-style-type: none"> • Responsibility and Accountability for Financial Management reinforced by Accountability Agreements for all Directors • Monthly budget monitoring, forecasting, and tracking of savings delivery by Directors with accountability to the Interim CEO through LMT and development and delivery of financial recovery plans to control within approved budget • Monthly budget challenge sessions chaired by Director of Finance for all Directorates to enable development of insight, understanding and wider collaboration of colleagues in order to address significant financial risks. • Timely briefing of Mayor and Executive Members on significant financial challenges with agreement for action. • Quarterly budget challenge sessions chaired by the Executive Member for Finance & Governance to engage Executive Members. • Monthly monitoring of income budgets, council tax and business 		35	Development of balanced 2024/25 Budget and MTFP to 2026/27		21
							Refresh of the 2025-26 MTFP process		
							Failure of the Recover, Reset, Deliver Transformation Portfolio		
							Failure of the Recover, Reset, Deliver Transformation Portfolio to identify further savings		
							Monthly budget monitoring to be put in place		
Monthly budget monitoring to be put in place									

Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
				<p>rates collection rates and debt levels.</p> <ul style="list-style-type: none"> • Update MTFP ahead of Council Planning and budget setting process for 2024/25. • Implementation of budget management Power BI dashboard over Business World financial management system in order to improve accessibility of financial information for Directors, Heads of Service and Budget Manager. • Implementation and expansion of purchase to pay compliance dashboards for use by Directors, Heads of Service and Budget Managers to drive increase in compliant procurement in relation to retrospective ordering, on vs off contract spend and use of purchase cards 			
Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
SR-02	Volatility in the demand, complexity and cost of children's social care.	Director of Children's Services	 <p>Priority Impact</p>	<p>Children's input</p> <ul style="list-style-type: none"> • Weekly activity data through Chat reports/ data 	 <p>Priority Impact</p> <p>28</p>	<p>Weekly placements panel to be put place for high cost placements</p> <hr/> <p>Review Placements Manager post</p>	 <p>Priority Impact</p> <p>21</p>

Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
				<ul style="list-style-type: none"> Moving to monthly financial monitoring Development of demand model 		Monthly budget monitoring to be put in place	
Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
SR-03	Volatility in the demand and cost of adult's social care	Director of Adult Social Care and Health Integration		<p>Local Government settlement</p> <p>Budget Management process</p> <p>Contract management processes</p> <p>Savings programme in place</p> <p>Demand model in place</p> <p>Monthly demand reported to DMT - activity not just finance</p>	 15	<p>Monthly budget monitoring to be put in place</p> <hr/> <p>Develop a demand model, that monitors performance across activity demand and unit costing, to understand 'current state'.</p> <hr/> <p>Develop a forecast model, that uses the 'current state' model, to predict activity demand and financials across Adults Social Care in the next 1/2/5 years.</p>	 9
Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
SR-04	Unlawful decision by the Council	Ann-Marie Johnstone		<p>Council constitution and supporting policy framework</p> <p>Corporate policies and procedures</p>	 10	<p>Refresh the committee report format</p> <hr/> <p>Review the report development process</p>	 6

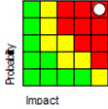
Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
				<p>Compliance checks across key areas including HSE, Risk etc, covering the corporate governance framework</p> <p>Standard report formats</p> <p>Statutory officer posts to oversee governance</p> <p>Annual Governance Statement assessment process</p> <p>Internal and external audit processes</p> <p>Refreshed whistleblowing policy</p> <p>Legal and finance report clearance process</p>		<p>Complete delivery of the Corporate Governance Improvement Plan</p> <p>Complete delivery of the Section 24 Action plan</p> <p>Progress report on improvement against the Best Value Notice by the independent Board considered by Council</p> <p>Progress report on improvement against BV notice considered by Executive</p>	
Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
SR-05	Serious accident or death occurred as a result of failure to comply with Health and safety legislation and regulations	Ann-Marie Johnstone		<p>Comprehensive suite of Health and Safety policies and procedures.</p> <p>Mandatory and complimentary Health and safety training for all Council staff.</p> <p>Dedicated HSE Advisor team</p> <p>Incident investigation system (My Compliance) to learn from incidents.</p>	 <p>15</p>	<p>Fire Safety Management Policy Statement</p> <p>CEO to produce H&S Statement of Intent for the Council.</p> <p>Risk from reinforced autoclaved aerated concrete (RAAC) collapsing in maintained schools or other Council assets</p>	 <p>10</p>

Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
				HSE intranet page with important HSE information Audit schedule HSE steering group Fire Management System implemented across Council premises.		Implementation of service area audits by the health and safety unit to give further assurance of sound HSMS within directorates.	
Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
SR-06	Understand and implement the requirements of the social care reform	Director of Adult Social Care and Health Integration		<ul style="list-style-type: none"> Project in place with two dedicated staff Governance documentation in place etc 	 10		 10
Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
SR-07	Unable to recruit and retain key staff	Nicola Finnegan		Benchmarking salaries against other local authorities and similar roles in other disciplines to remain competitive.	 9	Benchmark grades and salaries against NE local authorities	 3
				Work/life balance system such as agile working, 9 day fortnight, collaboration areas etc..		Review recruitment process	
				Advertising roles on multiple platforms such as LinkedIn and		Create new people and cultural transformation strategy	

Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
				other social networking sites with the aim of reaching target audience.		review the people strategy after the first year of implementation	
						Recruitment of Chief Executive and S151 Officer	
						Track delivery of first quarterly report to LMT on delivery against improvement plan	
Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
SR-08	Fail to ensure a sound approach to cyber security	Gemma Cooper		<ul style="list-style-type: none"> * Annual ICT healthchecks (Internal and external penetration testing). * Compliance with PSN and PCI standards. * Internal scanning as new systems go live. * Robust defence systems including firewalls, content filtering and endpoint protection. * Robust 60 day patching and maintenance cycle. * Test complete and continue to test. * Healthcheck recommendations reviewed and implemented. 	 14	Review Cyber Security Training Strategy Benchmark against Cyber Assessment Framework Complete LGA Test and Exercise	 10

Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
				<ul style="list-style-type: none"> * Membership of North East WARP and CiSP. * Use of Protective DNS. * Robust backup regime, including off-line tape backups to ensure recovery. 			
Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
SR-09	Corporate Governance arrangement not fit for purpose	Ann-Marie Johnstone		<p>External reports commissioned on Corporate governance and findings reflected within a Corporate Governance Improvement Plan</p> <p>Improvement Board in place</p> <p>Detailed improvement plan in place that has delivered a range of changes to corporate governance processes</p> <p>Annual Governance Statement process and supporting action plan. Draft AGSs in place for both 2021/22 and 2022/23</p> <p>Regular reports to Audit Committee on aspects of corporate governance to provide assurance</p>	 28	<p>Complete delivery of the Section 24 Action plan</p> <p>Refreshed approach to corporate governance agreed by council</p> <p>Corporate peer review held to assess process</p> <p>Develop the detailed delivery plan</p> <p>Progress report from MIIAB to Council by end March 2024</p> <p>Progress report from MIIAB to Executive by end July 2024</p>	 9
Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score

Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score	
SR-10	Negative Impact of Mayoral Development Corporation			Council representation on the board of the MDC		Heads of Terms agreed on individual asset transfers		
				Pushing for no detriment clauses in the MDC constitution		15		Delivery of planning functions until robust alternative is in place
				Engagement with TVCA on the development of future MDC projects				Agree robust business rates protocols
Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score	
SR-11	Failed Partnerships			Partnership governance register in place.		Refresh of the Partnership Governance register		
				Partnership governance annual assurance report and supporting register in place to assess the health of key partnerships.		21		Community Cohesion
				<p>Children's Controls</p> <p>All partnerships contain TOR - Partners contribute.</p> <p>External scrutiny of partnerships.</p> <p>New Mayor to chair Corporate Parenting Board.</p> <p>Formal reporting process in place - record of discussion and decision making.</p> <p>Adults Controls</p>				

Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
				Victim support for those within ASC who require it. Additional resources as required,			
Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
SR-12	Fail to deliver quality practice within children's safeguarding services			<p>Delivered Children's services improvement plan</p> <p>Improvement board in place</p> <p>External oversight of progress from DFE</p> <p>Monthly performance monitoring reports</p>		Implementation of post ILACs improvement plan	
						Creation and recruitment to the head of Quality Principal Social Work Learning and Review	
						Review progress in delivery of the ILACS improvement plan to assess progress and impact of actions	
						Complete delivery of the ILACs improvement	
Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
SR-13	Failure to deliver transformation successfully	Director of Legal and Governance		<ul style="list-style-type: none"> - PPMF in place - Transformation governance arrangements and reporting cycle agreed 		Failure of the Recover, Reset, Deliver Transformation Portfolio	
						Failure of the Recover, Reset, Deliver Transformation	

Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
				- Funding of £4.827m agreed by Council to fund transformation work		Portfolio to identify further savings	
						Agree the content and approach of the transformation portfolio	
						First cycle of Transformation governance arrangements scheduled	
						Develop specification for transformation resourcing	
Code	Title	Managed By	Original Risk Score	Internal Controls Implemented	Current Risk Score	Title	Target Risk Score
SR-14	Failure to ensure effective governance of the Middlesbrough Development Corporation	Paul Clarke		- Teesworks report and commitment from TVCA to reflect findings in the governance arrangements of the MDC - Council representatives on the MDC Board		10 Refresh the Local Plan	