




























Appendix 3: Strategic Risk register at the end of Quarter Two 2024/25

| Code | Risk Description | Original Score | Current Score | Target Score | Managed By | |
|---|---|---|--|---|---------------------|-------------|
| SR-01 | <p>Failure to Maintain a balanced budget and MTFP</p> <p>Failure to set a legal and balanced annual budget and to maintain a sustainable Medium Term Financial Plan (MTFP) The Council is required to set a legally balanced revenue budget by 11 March in advance of each forthcoming financial year. Failure to achieve this objective will require the s151 Officer to issue a statutory s114 Notice to the Council. The Council has a best value duty to set and maintain a sustainable and balanced Medium Term Financial Plan including maintenance of its reserves position to demonstrate financial resilience to be able to respond to unforeseen and complex financial challenges presented by the wider economic environment.</p> |  <p>35</p> |  <p>35</p> |  <p>21</p> | Director of Finance | |
| Current Mitigation | | Future Mitigation | Responsible Officer | Director | Target Date | |
| <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. | | Development of balanced 2024/25 Budget and MTFP to 2026/27 | Director of Finance |  | Director of Finance | 11-Mar-2024 |
| | | Refresh of the 2025-26 MTPS process | Andrew Humble |  | | 28-Jul-2024 |
| | | Failure of the Recover, Reset, Deliver Transformation Portfolio | Chief Executive |  | | 31-Mar-2025 |
| | | Failure of the Recover, Reset, Deliver Transformation Portfolio to identify further savings | Chief Executive |  | | 31-Mar-2025 |
| | | Monthly budget monitoring to be put in place | Director of Adult Social Care and Health Integration; Director of Children's Care; Director of Children's Services |  | | 31-Mar-2024 |
| | | Monthly budget monitoring to be put in place | Director of Adult Social Care and Health Integration; Director of Children's Care |  | | 31-Mar-2024 |

| | | | | |
|---|--|--|--|--|
| <ul style="list-style-type: none"> • Monthly monitoring of income budgets, council tax and business rates collection rates and debt levels. • 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 | Risk Description | | Original Score | Current Score | Target Score | Managed By |
|--|--|---|--|---|--|--|
| SR-02 | Volatility in the demand, complexity and cost of children's social care. | The risk that demand and cost of and children's social care continues to escalate on the scale experienced in 2022/23, is the single biggest risk to the Councils financial viability. More financially sustainable solutions for meeting social care needs of children need to be secured with urgency to ensure delivery within the approved budget for 2023/23. |  35 |  28 |  21 | Director of Children's Care; Director of Children's Services |
| Current Mitigation | | Future Mitigation | Responsible Officer | | Director | Target Date |
| Children's input <ul style="list-style-type: none"> • Weekly activity data through Chat reports/ data • Moving to monthly financial monitoring • Development of demand model | | Weekly placements panel to be put place for high cost placements | Director of Adult Social Care and Health Integration; Director of Children's Care  | | Director of Children's Care; Director of Children's Services; Director of Education and Partnerships | 30-Jun-2023 |
| | | Review Placements Manager post | Claire Walker  | | | 29-Feb-2024 |
| | | Monthly budget monitoring to be put in place | Director of Adult Social Care and Health Integration; Director of Children's Care; Director of Children's Services  | | | 31-Mar-2024 |

| Code | Risk Description | Original Score | Current Score | Target Score | Managed By |
|--|--|---|---|---|--|
| SR-03 | Volatility in the demand and cost of adult's social care The potential for underlying demand and cost pressures to arise in adult social care presents a significant risk to the Council's overall financial viability and measures must be put in place to manage within approved budget. |  35 |  15 |  9 | Director of Adult Social Care and Health Integration |
| Current Mitigation | | Future Mitigation | Responsible Officer | Director | Target Date |
| Local Government settlement Budget Management process Contract management processes Savings programme in place Demand model in place Monthly demand reported to DMT - activity not just finance | | Monthly budget monitoring to be put in place | Director of Adult Social Care and Health Integration; Director of Children's Care  | Director of Adult Social Care and Health Integration; Adult Social Care and Public Health Senior Managers | 31-Mar-2024 |
| | | Develop a demand model, that monitors performance across activity demand and unit costing, to understand 'current state'. | Director of Adult Social Care and Health Integration  | | 30-Sep-2024 |
| | | 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. | Samantha Stuart  | | 30-Nov-2024 |

| Code | Risk Description | Original Score | Current Score | Target Score | Managed By |
|--|--|--|---|---|----------------------------------|
| SR-04 | Unlawful decision by the Council If the Council took a decision that was unlawful then there is a risk of legal challenge or regulatory action that could damage its reputation and its financial position. |  35 |  10 |  6 | Director of Legal and Governance |
| Current Mitigation | | Future Mitigation | Responsible Officer | Director | Target Date |
| Council constitution and supporting policy framework Corporate policies and procedures Compliance checks across key areas including HSE, Risk etc, covering the corporate governance framework Standard report formats Statutory officer posts to oversee governance | | Refresh the committee report format | Ann-Marie Johnstone  | Director of Legal and Governance | 31-Jul-2023 |
| | | Review the report development process | Ann-Marie Johnstone  | | 31-Jul-2023 |
| | | Complete delivery of the Corporate Governance Improvement Plan | Ann-Marie Johnstone  | | 31-Dec-2024 |

| | | | | | |
|---|---|---------------------|--|--|-------------|
| Annual Governance Statement assessment process Internal and external audit processes Refreshed whistleblowing policy Legal and finance report clearance process Regular review of the Council Constitution. | Complete delivery of the Section 24 Action plan | Ann-Marie Johnstone | | | 31-Mar-2025 |
| | Progress report on improvement against the Best Value Notice by the independent Board considered by Council | Ann-Marie Johnstone | | | 31-Mar-2024 |
| | Progress report on improvement against BV notice considered by Executive | Ann-Marie Johnstone | | | 30-Sep-2024 |


| Code | Risk Description | | Original Score | Current Score | Target Score | Managed By |
|---|--|---|--|---------------|---|--------------------|
| SR-05 | Serious accident or death occurred as a result of failure to comply with Health and safety legislation and regulations | If a serious accident or death occurred as a result of failure to comply with Health and safety legislation and regulations then this could result in financial and reputational damage and individual prosecutions of staff. | 35 | 15 | 10 | Chief Executive |
| Current Mitigation | | Future Mitigation | Responsible Officer | | Director | Target Date |
| Comprehensive suite of Health and Safety policies and procedures. Mandatory and complimentary Health and safety training for all Council staff. Dedicated HSE Advisor team Incident investigation system (My Compliance) to learn from incidents. HSE intranet page with important HSE information Audit schedule HSE steering group Fire Management System implemented across Council premises. | | Fire Safety Management Policy Statement | Director of Regeneration; Gary Welch | | Chief Executive; Director of Legal and Governance; Director of Regeneration | 31-Jul-2023 |
| | | CEO to produce H&S Statement of Intent for the Council. | Chief Executive; Gary Welch | | | 31-Jul-2023 |
| | | Risk from reinforced autoclaved aerated concrete (RAAC) collapsing in maintained schools or other Council assets | Director of Regeneration; Richard Horniman | | | 30-Aug-2024 |
| | | Implementation of service area audits by the health and safety unit to give further assurance of sound HSMS within directorates. | Gary Welch | | | 31-Mar-2025 |




| Code | Risk Description | | Original Score | Current Score | Target Score | Managed By |
|-------|--|--|----------------|---------------|--------------|----------------------------------|
| SR-07 | Unable to recruit and retain key staff | If the Council is unable to recruit and retain key staff in Leadership Positions , then this could impact on their ability to | 15 | 9 | 3 | Director of Legal and Governance |




| | | provide effective leadership, deliver critical services which could cause harm to people and could result in government intervention. | | | | |
|---|--|---|----------------------------------|----------|----------------------------------|-------------|
| Current Mitigation | | Future Mitigation | Responsible Officer | Director | Target Date | |
| <p>Benchmarking salaries against other local authorities and similar roles in other disciplines to remain competitive. Work/life balance system such as agile working, 9 day fortnight, collaboration areas etc..</p> <p>Advertising roles on multiple platforms such as LinkedIn and other social networking sites with the aim of reaching target audience.</p> | | Benchmark grades and salaries against NE local authorities | Kerry Rowe | | Director of Legal and Governance | 31-Jul-2023 |
| | | Review recruitment process | Nicola Finnegan | | | 31-Oct-2023 |
| | | Create new people and cultural transformation strategy | Nicola Finnegan | | | 31-Oct-2023 |
| | | review the people strategy after the first year of implementation | Nicola Finnegan | | | 31-Mar-2025 |
| | | Recruitment of Chief Executive and S151 Officer | Director of Legal and Governance | | | 31-Mar-2025 |
| | | Track delivery of first quarterly report to LMT on delivery against People Strategy | Nicola Finnegan | | | 31-Jul-2024 |






| Code | Risk Description | | Original Score | Current Score | Target Score | Managed By |
|---|---|---|--|---------------|----------------------------------|--|
| SR-08 | Fail to ensure an approach to cyber security that meets good practice standards as set out by the National Cyber Security Centre and other bodies | If the Council fails to ensure a sound approach to cyber security (technology, processes and awareness), then this could result in a cyber-attack which disrupts service delivery, increases risks to service users and incurs significant financial costs to respond to and recover from an attack. | 35 | 14 | 10 | Director of Legal and Governance; Stephanie Bradley; Gemma Cooper; Ben Knudsen |
| Current Mitigation | | Future Mitigation | Responsible Officer | Director | Target Date | |
| <p>* Annual ICT healthchecks (Internal and external penetration testing).</p> <p>* Compliance with PSN and PCI standards.</p> <p>* Internal scanning as new systems go live.</p> <p>* Robust defence systems including firewalls, content filtering and endpoint protection.</p> <p>* Robust 60 day patching and maintenance cycle.</p> <p>* Test complete and continue to test.</p> <p>* Healthcheck recommendations reviewed and implemented.</p> | | Review Cyber Security Training Strategy | Stephanie Bradley; Ben Knudsen | | Director of Legal and Governance | 30-Sep-2024 |
| | | Benchmark against Cyber Assessment Framework | Stephanie Bradley; Ben Knudsen | | | 01-Dec-2024 |
| | | Complete LGA Test and Exercise | Stephanie Bradley; Gemma Cooper; Ben Knudsen | | | 31-Aug-2024 |








| | | | | |
|---|--|--|--|--|
| * Membership of North East WARP and CiSP. * Use of Protective DNS. * Robust backup regime, including off-line tape backups to ensure recovery | | | | |
|---|--|--|--|--|







| Code | Risk Description | | Original Score | Current Score | Target Score | Managed By |
|---|--|--|--|--|---|----------------------------------|
| SR-09 | Corporate Governance arrangement not fit for purpose | If the Council's Corporate Governance arrangements are not fit for purpose and appropriate action is not taken to rectify this at pace , this could result, censure from the Council's auditors within a public interest report that would damage the Council's reputation and/or in government formal intervention including removal of powers from officers and members and direction of council spend. |  15 |  28 |  9 | Director of Legal and Governance |
| Current Mitigation | | | Future Mitigation | Responsible Officer | Director | Target Date |
| External reports commissioned on Corporate governance and findings reflected within a Corporate Governance Improvement Plan Improvement Board in place Detailed improvement plan in place that has delivered a range of changes to corporate governance processes Annual Governance Statement process and supporting action plan. Draft AGSs in place for both 2021/22 and 2022/23 Regular reports to Audit Committee on aspects of corporate governance to provide assurance | | | Complete delivery of the Section 24 Action plan | Ann-Marie Johnstone |  | 31-Mar-2025 |
| | | | Refreshed approach to corporate governance agreed by council | Ann-Marie Johnstone |  | 31-Jul-2023 |
| | | | Corporate peer review held to assess process | Ann-Marie Johnstone |  | 31-Jan-2025 |
| | | | Develop the detailed delivery plan | Gemma Cooper |  | 30-Sep-2023 |
| | | | Progress report from MIIAB to Council by end March 2024 | Ann-Marie Johnstone |  | 31-Mar-2024 |
| | | | Progress report from MIIAB to Executive by end July 2024 | Ann-Marie Johnstone |  | 31-Jul-2024 |

| Code | Risk Description | | Original Score | Current Score | Target Score | Managed By |
|-------|--|---|--|--|---|--------------------------|
| SR-10 | Negative Impact of Mayoral Development Corporation | If the Council's ambitions for town centre regeneration or the wider financial sustainability of the organisation are negatively impacted by the establishment of a Mayoral Development |  10 |  15 |  3 | Director of Regeneration |

| | | | | | |
|--|--|----------------------------|---|--------------------------|--------------------|
| | Corporation that would take over some of the Council's existing statutory roles. This could potentially result in a lack of investment in the town, reduction in the Council's business rates income, loss of commercial income and reduction in asset holdings affecting the Council's financial viability. Reputational damage is also possible through the incorrect discharge of responsibilities such as town planning or business rate relief. | | | | |
| Current Mitigation | | Future Mitigation | Responsible Officer | Director | Target Date |
| Council representation on the board of the MDC Pushing for no detriment clauses in the MDC constitution Engagement with TVCA on the development of future MDC projects | Heads of Terms agreed on individual asset transfers | Director of Regeneration |  | Director of Regeneration | 31-Jul-2025 |
| | Delivery of planning functions until robust alternative is in place | Director of Regeneration |  | | 31-Dec-2023 |
| | Agree robust business rates protocols | Sue Blakey; Janette Savage |  | | 31-Oct-2024 |

| Code | Risk Description | Original Score | Current Score | Target Score | Managed By |
|---|---|--|--|--|--------------------------------|
| SR-11 | Failed Partnerships If the Council and its partners do not have the collective capacity to deliver system wide change to key issues such as public health, crime and safeguarding, then this could result in the population's health, wellbeing and safety declining. |  35 |  21 |  10 | Chief Executive |
| Current Mitigation | | Future Mitigation | Responsible Officer | Director | Target Date |
| Partnership governance register in place. Partnership governance annual assurance report and supporting register in place to assess the health of key partnerships. Children's Controls All partnerships contain TOR - Partners contribute. External scrutiny of partnerships. New Mayor to chair Corporate Parenting Board. Formal reporting process in place - record of discussion and decision making. Adults Controls Victim support for those within ASC who require it. Additional resources as required, | | Refresh of the Partnership Governance register | Ann-Marie Johnstone |  | 31-Dec-2023 |
| | | Community Cohesion | Marion Walker |  | Chief Executive 19-Jul-2024 |







| Code | Risk Description | Original Score | Current Score | Target Score | Managed By |
|---|--|--|--|--|--|
| SR-12 | Fail to deliver quality practice within children's safeguarding services If the Council fail to deliver quality practice within children's safeguarding services then this may result in further government intervention, serious harm to individuals and loss of financial control. |  35 |  21 |  10 | Director of Children's Care; Director of Children's Services |
| Current Mitigation | | Future Mitigation | Responsible Officer | Director | Target Date |
| Delivered Children's services improvement plan Improvement board in place External oversight of progress from DFE Monthly performance monitoring reports | | Implementation of post ILACs improvement plan | Director of Adult Social Care and Health Integration; Director of Children's Care  | Director of Children's Care; Director of Children's Services | 31-Jan-2024 |
| | | Creation and recruitment to the head of Quality Principal Social Work Learning and Review | Director of Adult Social Care and Health Integration; Director of Children's Care  | | 30-Sep-2023 |
| | | Review progress in delivery of the ILACS improvement plan to assess progress and impact of actions | Director of Adult Social Care and Health Integration; Director of Children's Care; Director of Children's Services  | | 30-Apr-2024 |
| | | Complete delivery of the ILACs improvement | Director of Adult Social Care and Health Integration; Director of Children's Care; Director of Children's Services  | | 31-Jan-2025 |

| Code | Risk Description | Original Score | Current Score | Target Score | Managed By |
|--|---|---|---|---|-------------------------------|
| SR-13 | Failure to deliver transformation successfully If the Council fails to transform its service delivery model to a model that can deliver outcomes for residents at a reduced cost base, then the Council's financial position will become untenable and may result in the issuing of a S114 Notice. |  35 |  10 |  5 | Chief Executive; Gemma Cooper |
| Current Mitigation | | Future Mitigation | Responsible Officer | Director | Target Date |
| <ul style="list-style-type: none"> - PPMF in place - Transformation governance arrangements and reporting cycle agreed - Funding of £4.827m agreed by Council to fund transformation work | | Failure of the Recover, Reset, Deliver Transformation Portfolio | Chief Executive  | Chief Executive | 31-Mar-2025 |
| | | Failure of the Recover, Reset, Deliver Transformation Portfolio to identify further savings | Chief Executive  | | 31-Mar-2025 |
| | | Agree the content and approach of the transformation portfolio | Chief Executive  | | 30-Apr-2024 |

| | | | | | |
|--|---|--------------|--|--|-------------|
| | First cycle of Transformation governance arrangements scheduled | Gemma Cooper | | | 30-Apr-2024 |
| | Develop specification for transformation resourcing | Gemma Cooper | | | 30-Apr-2024 |

| Code | Risk Description | | Original Score | Current Score | Target Score | Managed By |
|---|---|--|--------------------------|----------------------------|--------------------------|--------------------------|
| SR-14 | Failure to ensure effective governance of the Middlesbrough Development Corporation | If the Middlesbrough Development Corporation fails to reflect the relevant findings from the review of Teesworks governance in its structures, then there is a risk that it could fail to ensure value for money or good governance in its decision making, which will have an adverse impact on the economic vitality of the Town Centre. | 35 | 10 | 10 | Director of Regeneration |
| Current Mitigation | | | Future Mitigation | Responsible Officer | Director | Target Date |
| <ul style="list-style-type: none"> - Teesworks report and commitment from TVCA to reflect findings in the governance arrangements of the MDC - Council representatives on the MDC Board | | | Refresh the Local Plan | Paul Clarke | Director of Regeneration | 31-Mar-2025 |

| Code | Risk Description | | Original Score | Current Score | Target Score | Managed By |
|--|--|---|--|----------------------------|--|--------------------|
| SR-15 | Threats to Social Cohesion and Democratic Resilience | If Communities feel disconnected and that they do not live in a safe and resilient environment that promotes the best outcomes for citizens of the town. This could lead to local flashpoints which would be damaging to community relations, the reputation and image of a multi-cultural Middlesbrough. | 35 | 21 | 14 | Marion Walker |
| Current Mitigation | | | Future Mitigation | Responsible Officer | Director | Target Date |
| Internal Controls (Current Mitigations in place): <ul style="list-style-type: none"> . Community tension monitoring undertaken. . Community engagement undertaken. . Neighbourhood safety liaison in place. . Prevent operational group risk plans in place | | | Promote social cohesion through a dedicated local government effort, amplifying and reinforcing democratic freedoms and norms; and supporting evidence-based local cohesion initiatives. | Marion Walker | Director of Environment & Community Services | 30-Aug-2025 |

| | | | | | |
|---|---|---------------|---|--|-------------|
| <ul style="list-style-type: none"> . Liaison with policing partners to verify validity of possible demonstrations. . Initial credibility verification through visual audits using CCTV operations and open sources. . Gatekeeping protocols with marketing and communications for potentially controversial communications . Ongoing promotion of education around disinformation and building of media literacy by partners within the local authority and via social media . Monthly meetings held with senior leadership. . Gold and Silver recovery group meetings with senior leadership teams across the organisation and partners. . Action plan developed by silver group to be reported to gold with escalations. . Community safety partnership reconstituted to provide greater strategic oversight. . MBC have secured £600k to be spent in response to community tensions as a further control. | Build resilience in local communities against extremist ideologies and narratives, including conspiracy theories and disinformation (PREVENT). | Marion Walker |  | | 30-Aug-2025 |
| | Engage people utilising the neighbourhood model, tying in with partnership organisations, VCS, local community groups and elected members. We will work to find solutions with communities and not to them. | Marion Walker |  | | 30-Aug-2025 |
| | Develop an early tension warning system that monitors and alerts the local authority and other key local partners about growing tensions. | Marion Walker |  | | 30-Aug-2025 |
| | Marginalise and isolate extremist and other malign actors to prevent the mainstreaming of extremist ideologies and dangerous conspiracy theories which are causing severe harm and disruption in local areas (PREVENT). | Marion Walker |  | | 30-Aug-2025 |
| | Respond quickly and effectively to flashpoint incidents and triggers. | Marion Walker |  | | 30-Aug-2025 |
| | Repair relationships and engagement between local communities where they have broken down following serious conflict and flashpoint incidents. | Marion Walker |  | | 30-Aug-2025 |