














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










Code	Risk Description		Original Score	Current Score	Target Score	Managed By
SR-01	Failure to Maintain a balanced budget and MTFP	<p>Failure to set a legal and balanced annual budget and to maintain a sustainable Medium Term Financial Plan (MTFP)</p> <p>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.</p> <p>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>	 35	 28	 21	Director of Finance and Transformation
Current Mitigation			Future Mitigation	Responsible Officer	Director	Target Date
			Development of balanced 2024/25 Budget and MTFP to 2026/27	Director of Finance and Transformation 		11-Mar-2024



<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 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 	Refresh of the 2025-26 MTPS process	Andrew Humble		Director of Finance and Transformation	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
	MOU surrounding agency costs as a region to be implemented.	Director of Children's Care			30-May-2025
	Monthly budget monitoring to be put in place	Director of Adult Social Care and Health Integration; Director of Children's Care			31-Mar-2024

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.	<p>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.</p>  <p>35</p>	 <p>28</p>	 <p>21</p>	Director of Children's Care; Director of Children's Services
Current Mitigation		Future Mitigation	Responsible Officer	Director	Target Date
<p><u>Children's input</u></p> <ul style="list-style-type: none"> Weekly activity data through Chat reports/ data Monthly financial monitoring with Finance BP Development of demand model Placement review has taken place to manage costs associated with young people. MOU surrounding agency costs as a region to be implemented in April 2025. Recruitment and retention strategy reviewed to increase permanent staff within the local authority. Transformation of Children's Services underway. Access to grants being followed up. 		Weekly placements panel to be put place for high cost placements	Director of Adult Social Care and Health Integration; Director of Children's Care	✓	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
		MOU surrounding agency costs as a region to be implemented.	Director of Children's Care	▶	30-May-2025
		Director of Children's Care; Director of Children's Services; Director of Education and Partnerships			





Current Mitigation	Future Mitigation	Responsible Officer	Director	Target Date
<u>Children's input</u> • Weekly activity data through Chat reports/ data • Monthly financial monitoring with Finance BP • Development of demand model • Placement review has taken place to manage costs associated with young people. • MOU surrounding agency costs as a region to be implemented in April 2025. • Recruitment and retention strategy reviewed to increase permanent staff within the local authority. • Transformation of Children's Services underway. • Access to grants being followed up.	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
	MOU surrounding agency costs as a region to be implemented.	Director of Children's Care		30-May-2025

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	 20	 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	  	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; Dee Evans; Victoria Holmes		31-Mar-2025
			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.	Dee Evans; Victoria Holmes		31-Mar-2025







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			Refresh the committee report format	Ann-Marie Johnstone 	Director of Legal and Governance	31-Jul-2023
Corporate policies and procedures			Review the report development process	Ann-Marie Johnstone 		31-Jul-2023
Compliance checks across key areas including HSE, Risk etc, covering the corporate governance framework			Complete delivery of the Corporate Governance Improvement Plan	Ann-Marie Johnstone 		31-Mar-2025
Standard report formats			Complete delivery of the Section 24 Action plan	Ann-Marie Johnstone 		31-Mar-2025
Statutory officer posts to oversee governance			Progress report on improvement against the Best Value Notice by the independent Board considered by Council	Ann-Marie Johnstone 		31-Mar-2024
Annual Governance Statement assessment process			Progress report on improvement against BV notice considered by Executive	Ann-Marie Johnstone 		30-Sep-2024
Internal and external audit processes						
Refreshed whistleblowing policy						
Legal and finance report clearance process						
Regular review of the Council Constitution.						








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 ▶		31-Mar-2025
			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 , then this could impact on its' ability to deliver critical services which could cause harm to people and could result in government intervention.	 15	 9	 3	Director of Legal and Governance
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.</p> <p>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
<ul style="list-style-type: none"> * Annual ICT health checks (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. * Membership of North East WARP and CiSP. * Use of Protective DNS. * Robust backup regime, including off-line tape backups to ensure recovery. 			Review Cyber Security Training Strategy	Stephanie Bradley; Ben Knudsen 	Director of Legal and Governance	31-Jan-2025
			Benchmark against Cyber Assessment Framework	Stephanie Bradley; Ben Knudsen 		01-Dec-2024





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.	<div><div><div>Probability</div><div>Impact</div></div></div> 15	<div><div><div>Probability</div><div>Impact</div></div></div> 15	<div><div><div>Probability</div><div>Impact</div></div></div> 9	Director of Legal and Governance
Current Mitigation			Future Mitigation	Responsible Officer	Director	Target Date
<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>			Complete delivery of the Section 24 Action plan	Ann-Marie Johnstone 	Director of Legal and Governance	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-2025
			Progress report from MIIAB to Executive by end July 2024	Ann-Marie Johnstone 		31-Jul-2024
			Continue to implement a scheme of sub-delegations where appropriate	Director of Legal and Governance 		31-May-2025








	to further improve governance around officer delegated decisions.			
	Seek an LGA Corporate Peer Challenge review within the next two years to provide an external review of the Council's corporate governance arrangements.	Director of Legal and Governance 		25-Jan-2025
	Continue to be addressed by the Corporate Governance Improvement Plan and the sec 24 action plan put in place to respond to the statutory recommendations of the EA and the governance weaknesses identified by CIPFA, Government and the Council itself.	Chief Executive 		31-Mar-2025
	A robust officer scheme of delegations and sub-delegations is required to ensure effective, appropriate and timely taking of decisions that can be taken by officers. (20/21 action). This will be addressed following the review of the constitution in 2024.	Director of Legal and Governance 		31-May-2025
	Refreshed approach to consultation and community engagement to be developed in 2024. A revised supporting policy will then be developed	Ann-Marie Johnstone 		31-Mar-2025
	Refresh the Information Strategy during 2024.	Ann-Marie Johnstone 		31-Mar-2025
	In 2024/5 the Council will continue to deliver against its improvement plan and move towards BAU practices that provide assurance to government that the Council is	Chief Executive 		31-Mar-2025




	maintaining a culture of good governance.			
	Development of a Workforce Plan to ensure staff at all levels have the skills and capabilities to be successful in their roles	Nicola Finnegan		31-Mar-2025
	Complete the first annual review of the People Strategy	Nicola Finnegan		30-Apr-2025
	Complete recruitment process for all interim appointments in a Leadership Management Team position	Nicola Finnegan		31-Mar-2025
	Complete the first annual review of the Member Development Strategy to assess effectiveness and impact on culture and compliance	Ann-Marie Wilson		30-Nov-2024
	Commence reporting annually on how the Audit Committee has complied with CIPFA good practice, discharged its responsibilities, and include an assessment of its performance. The report should be available to the public.	Director of Legal and Governance; Ann-Marie Johnstone		31-Mar-2025
	Review current governance arrangements for Audit Committee and make recommendations in relation to inclusion of co-opted independent members for Committee consideration	Director of Legal and Governance		31-Mar-2025
	The Council will refresh its approach to customers within a revised Customer Services Strategy that will set out how customer services will be delivered within the Council's	Janette Savage		30-Nov-2024

	target operating model developed within the Transformation programme			
	Review the Consultation and Engagement policy to ensure it aligns with the wider needs of the organisation that will emerge from the Transformation Programme.	Ann-Marie Johnstone		31-Mar-2025
	Put in place a strategic Partnerships Strategy.	Chief Executive		31-Mar-2025
	Review the process for managing any changes to reports that occur between publication and meetings	Director of Legal and Governance		31-May-2025
	The Council is implementing a Corporate Landlord Model as part of the transformation work. This sets out the framework for property decisions and will be formally considered by Executive prior to full adoption.	David Jamison		30-Nov-2024
	A clear Asset Acquisition Policy reflecting these requirements is integrated into the Corporate Landlord Model framework that will be considered by Executive.	David Velemir		30-Nov-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 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.	<div><div><div>Probability</div><div>Impact</div></div></div> 10	<div><div><div>Probability</div><div>Impact</div></div></div> 15	<div><div><div>Probability</div><div>Impact</div></div></div> 3	Director of Regeneration
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 		28-Feb-2025




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	 Chief Executive	31-Dec-2023

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.	<div><div><div>Probability</div><div>Impact</div></div></div> 35	<div><div><div>Probability</div><div>Impact</div></div></div> 15	<div><div><div>Probability</div><div>Impact</div></div></div> 10	Director of Children's Care; Director of Children's Services
Current Mitigation			Future Mitigation	Responsible Officer	Director	Target Date
<ul style="list-style-type: none">Delivered Children's services improvement planMonthly performance monitoring boards in placeReview to be undertaken of Children's CareMonthly audit activity and reports undertaken to consider the quality of practice.Ongoing monitoring via OFSTED with an annual conversation to take place.OFSTED future inspections to continue.Internal audit to review working practices.			Implementation of post ILACs improvement plan	Director of Adult Social Care and Health Integration; Director of Children's Care		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-2026

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	 7	 5	Chief Executive; Director of Finance and Transformation
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	 15	 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 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. 			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
			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

<p>. Gold and Silver recovery group meetings with senior leadership teams across the organisation and partners.</p> <p>. Action plan developed by silver group to be reported to gold with escalations.</p> <p>. Community safety partnership reconstituted to provide greater strategic oversight.</p> <p>. MBC have secured £600k to be spent in response to community tensions as a further control.</p>	<p>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).</p>	<p>Marion Walker</p> 		<p>30-Aug-2025</p>
	<p>Respond quickly and effectively to flashpoint incidents and triggers.</p>	<p>Marion Walker</p> 		<p>30-Aug-2025</p>
	<p>Repair relationships and engagement between local communities where they have broken down following serious conflict and flashpoint incidents.</p>	<p>Marion Walker</p> 		<p>30-Aug-2025</p>