

Project: MedPay Review Phase 2
Risk Owner: Nicola Trainor

Likelihood: A Very likely B Likely C Unlikely D Rare
Impact: i Catastrophic ii Major iii Moderate iv Minor

Risk Number	Risk	Inherent risk (before controls)	Current Controls	Current risk (after controls)	Proposed / Further Controls / Treatment Action	Target risk (after further action)
	Outline risk, what could trigger it and what the impact could be if it were to occur.	Score with no controls	Outline controls (mitigation) already in place	Score after controls	Outline future controls that could be put in place. Outline opportunities that may occur because of rethinking/addressing the risk.	Score we are aiming for.
1	Funding: when undertaking market pay comparisons it could identify significant drift in current salaries that Medway pay versus external market and existing salary budgets will be insufficient and the scheme unaffordable	AI	<p>Q2 Budgets to be built based on midpoint of salary range for accomplished, practised and developing.</p> <p>Financial appraisal (cost modelling) was undertaken by an accountant assigned to the project in phase 1 which has determined likely financial impact for 2024/25 this is being accounted for in the budget proposals being considered by Cabinet and Council</p> <p>Q3 Increased salaries in priority areas (hard to recruit/high turnover) in the first phase, MTFO process to identify and manage budget pressures. Benchmark against comparators, not the whole market and identified the pay quartile (median) we are positioning ourselves at.</p>	<p>BII</p> <p>CII</p>	<p>Monitoring is in place for phase 2 teams and roles to capture budget pressures with regular reports into CMT.</p> <p>Officers, as part of the MTFO have considered options for next year to present to Members as part of budget setting process 2024/25.</p>	CIII
1a	<p>Funding: and/or on assessment majority of role holders are deemed accomplished (C) making the pay model unaffordable</p> <p>Assessment of phase 1 reveals that on average 26.1% of staff were on level A, 31.6% on level B and 42.3% on level C (data relates to 111 employees from 8 areas of operations)</p>	BI	<p>Q2 For roll out of phase 2 the Review Team commenced training to service managers in cohort 1 to ensure understanding of the model.</p> <p>Monitoring mechanisms designed for phase 2</p> <p>Q3 Written guidance for managers available in phase 2 to enable them to design career progression frameworks that provide clarity on the expectations at each of the levels.</p>	<p>BII</p> <p>CII</p>	<p>Continue to train managers and ensure understanding of the 3 levels and definitions are clear for both managers and employees.</p> <p>Undertake comparisons of Career Progression Framework's so they are robust and incorporate appropriate levels of stretch between the levels</p> <p>If teams are showing a majority of staff are paid at levels B & C then any recruitment activity will need to be focused at recruiting to level A to ensure affordability and succession planning.</p>	CIII

Risk Number	Risk	Inherent risk (before controls)	Current Controls	Current risk (after controls)	Proposed / Further Controls / Treatment Action	Target risk (after further action)
			Budgets to be built at the midpoint of the salary range.			
1b	Funding: and/or the profession frameworks are costly to achieve (e.g. obtaining qualifications, releasing staff to be trained, etc)	BIII	Promote apprenticeships – use levy funds	CIII	<p>Train managers on options available, promote development options of learning to employees to inform them of ways in which they can access the options</p> <p>Mapping of CPF's by L&D and the Apprenticeship Academy will ensure that training needs are identified, and expectations will need to be managed</p> <p>Seek clarity as to if and how qualifications referenced in the Career Progression Frameworks will be funded, particularly if not a viable option via the apprenticeship levy, and with a minimal corporate training budget.</p>	DII
2	Engagement: this change programme affects everyone across the council and implementation will be staggered. Challenge to ensure everyone understands the change, everyone can see the reason and benefits of change, everyone implements the change consistently, the change is perceived as fair and transparent now and, in the future	BI	<p>Q2 Established a communications and engagement group as part of the project</p> <p>Utilising employee forums such as Medway Makers</p> <p>MedPay Champions group was established in Q2</p> <p>A variety of communication methods have been adopted to ensure the greatest reach – Medspace page, briefing sessions, regular CMT comms, service manager need to know, EMC, newsletter launched October 2023 etc.</p> <p>Q3 Phase 2 training commenced in September 2023 for cohort 1 managers</p> <p>staff briefings well attended throughout October – December 2023 and further planned for 2024.</p> <p>MedPay Newsletter was launched in October 2023.</p>	BII	<p>Need to test that the communication is reaching all levels of the organisation, obtain feedback and respond to questions and concerns</p> <p>Be open and transparent</p> <p>Performance Appraisal awareness planned for phase 1 pilot group in Q4 and further plans to roll out more sessions for all managers and staff for launch across the Council April 2024</p> <p>Undertake pulse surveys</p>	CII

Risk Number	Risk	Inherent risk (before controls)	Current Controls	Current risk (after controls)	Proposed / Further Controls / Treatment Action	Target risk (after further action)
			A pulse survey was sent out to all staff in phase 1			
2a	Engagement: hindered by the NJC pay award	BII	Updated MedPay FAQ's Q3 Establish the PPP newsletter and ensure the organisation is kept up to date with the MedPay review, the pay protocol process and other related pay policies.	CIII	Educate managers on the pay protocol process through the Leadership Programme	CIII
3	Service Delivery: productivity / output is affected as those in later phases feel unfairly rewarded Initiation of Job Family stream of activity was planned was to commence Q3 but has slipped to Q4. Implementation will be throughout 2024 and possibly into 2025	BII	Feedback mechanisms in place via Medway Makers, staff survey, comms champions and staff forums so that feelings and concerns can be addressed Additional resources secured in the project team for phase 2 to accelerate implementation Q3 Not all additional roles were filled in the project team due to failed recruitment campaigns	CIII	Increase opportunities for issues to be discussed, such as drop-in sessions. Consider immediate changes to current Medpay scheme, for example, no levels and pay COLA (Cost of Living Award) only, or allocate PRP (Performance Related Pay) funds across the whole organisation as previously done during covid	DIII
4	Employee's expectations: employees are expecting a salary increase because of this pay review and/or a move backwards to incremental pay	BII	Established a communications and engagement group as part of the project Q2/3 Brief managers Ensure details of the 3 levels are clearly disseminated to staff; run drop-ins and engagement sessions. Utilise MedPay Communications Champions Ensure clarity on Pay Protocol processes and differentiated these from the review Monitoring of Phase 1 is showing positive impact on the majority of people's pay and policy in place to ensure staff have their salaries honoured for the duration of the MedPay review	CII	Monitor assessments through phase 2 Provide evaluation information to key stakeholders such as members and trade unions	DIII
5	Risked removed for phase 2					

Risk Number	Risk	Inherent risk (before controls)	Current Controls	Current risk (after controls)	Proposed / Further Controls / Treatment Action	Target risk (after further action)
6	<p>Capacity of project team: project group members are not solely assigned to this project and are from across the council not just within HR. Demands from service areas to support with BAU (Business as Usual)</p> <p>Difficulties recruiting to vacant Organisational Change Consultant post ongoing</p> <p>Phase 2, cohort 1, more teams than anticipated and many require restructure activity as well</p> <p>In phase 2, cohorts overlap so potential pressure points for project capacity</p>	All	<p>Funding secured for a designated project manager and project coordinator.</p> <p>Additional resource secured at HRBP, Project Co-ordination and Support levels. Posts appointed to in Summer 2023.</p> <p>Monitored demands such as organisational change on the HRBP's and changed the role to incorporate MedPay Review activity</p> <p>Established a Strategic Working Group which assisted with project initiation</p> <p>Regular feedback loop into CMT established</p> <p>Review resource needs for phase 2 and phase 3 in a timely manner and ensure built into budget setting process</p> <p>HRBPs working closely to ensure pick up slippage and to support each other</p> <p>Timeline monitoring put in place</p> <p>Q2 Reprioritise HRBP work to ensure project takes precedence</p> <p>Q3 Unsuccessful campaigns to recruit additional Organisational Change Consultant</p> <p>Link in with other HR recruitment campaigns to fill vacant post</p>	BII	<p>Move teams out of their cohort if the agreed timelines slip</p> <p>Ensure Project Team monitors as a standing item and reports issues to CMT</p> <p>Plan, monitor and manage implementation in line with resources</p>	CIII
7	<p>Recruitment and retention: continue to be an issue over the phases of the project due to length of time to implement</p>	BII	<p>Focusing on high turnover areas in phase 1</p> <p>Q3 Legal services have been successful in their recruitment campaigns following implementation and reducing locum spend</p>	BIII	<p>Work with TAT Team to establish a mechanism for monitoring turnover levels and recruitment difficulties so that timely action / intervention can be taken</p>	CIII

Risk Number	Risk	Inherent risk (before controls)	Current Controls	Current risk (after controls)	Proposed / Further Controls / Treatment Action	Target risk (after further action)
			Managers utilising the Skills Shortage and Retention Allowance policy ahead of MedPay review			
8	Political priorities: change in leadership and local councillors due to the election may impact upon the drivers for change and leadership priorities may change	CII	Engagement with new political leaders at CMT (Corporate Management Team) level Employment Matters Committee Opposition briefings Member induction to ensure councillors fully briefed Establish a mechanism for briefing new leaders Delegations to the CEO and CMT will ensure stability for the project	CIII	Continue to develop good working relationships with the new administration	DIII
9	Local Economy: downturn in the local economy could affect affordability and alter external market forces dramatically	All	MTFO processes in place Ensure targets for financial resilience are in place in the Finance & Business Intelligence (FBI) Divisional plan Procured a salary benchmarking system for 2 years (+1 +1 if required) to enable comparison with external market Q3 Managers utilising the new Skills Shortage and Retention Allowance policy	BII BIII		CIII
10	Dual pay systems: managing the two pay systems whilst working through the phases of the project	BI	Resourcelink has ability to run different pay systems New pay scale has been built in Resourcelink	CIII	Ongoing comms with Payroll and HR Systems team will ensure that changes are embedded, work is programmed in, and any issues are resolved	CIII
11	Dual pay systems: capacity of the HR & Payroll system and the Payroll and HR & Payroll Systems Teams to deliver two pay processes	All	Resourcelink has ability to run different pay systems Scoping of new processes undertaken to inform specifications for ICT and HR & Payroll Systems Teams	BII	Options appraisal required to ascertain cost/benefits of in-house processes as opposed to off the shelf solution from Resourcelink or other providers Work with the Head of Payroll & Systems, ensuring that this work is built into the payroll and HR Systems work plan	CIII

Risk Number	Risk	Inherent risk (before controls)	Current Controls	Current risk (after controls)	Proposed / Further Controls / Treatment Action	Target risk (after further action)
12	Evaluation: methods of evaluation and measures of success of the project are not robust enough due to poor or irregular access and time lags in obtaining data that would be of relevance	BII	Possible methods of evaluation identified, and processes are being put in place at project preparation stage for regular monitoring Project Co-Ordinator post recruited to August 2023 and will focus on KPI monitoring Q3 KPI dashboard for the MedPay review created DIA undertaken on phase 1 pilot group and updating in real time	BIII	Project Team to manage the evaluation process and to report into CMT, EMC & CCC	CIII
13	Measures of success: first cohort does not produce the anticipated improvements in vacancy or retention rates due to failure to recruit and/or lack of confidence in the MedPay enhancements	BII	Talent Acquisition Team engagement with project objectives Comms strategy being developed to ensure that the workforce is informed of the proposed enhancements covering pay, rewards, and career pathways Introduction of the Medway Leadership Programme for R5-R7 in November 2023 Employee Benefits promotions taking place Summer/Autumn/Winter 2023	CII	Development of recruitment and retention strategies and ongoing improvement of the Councils employee benefits offer to complement the proposed enhancements to Performance, Progression & Pay	CIII
14	Timescale for implementation: a lot of processes, frameworks, governance, systems etc to establish in phase 1 within a tight timeframe	BI	Project plan road map, action log and risk register maintained through phase 1 and developed for Phase 2 Recruited to vacant posts, except Organisational Change Consultant Identified support required from other 'experts' across the council and secured their commitment to the project via CMT and FBI	BII	Develop expertise within the project team to ensure self-sufficiency where possible	CIII
15	Staff Absence impacting upon capacity to deliver the project: Sickness absence and planned holidays of project team members and wider contributors to the project creating delays in project delivery	All CII	Workload plans reviewed regularly and work re-allocated to others in the team. In the case of wider contributors such as finance support back-up arrangements, finance have been provided with information on cohorts to enable them to plan and share	CIII	Ensure project team members are trained in others' areas of work so that they can cover absence	DIV

Risk Number	Risk	Inherent risk (before controls)	Current Controls	Current risk (after controls)	Proposed / Further Controls / Treatment Action	Target risk (after further action)
			the work amongst the Finance Business Partners			

Key: Shaded Yellow = in Council's corporate risk register