

## Q4 2023/24 SUMMARY OF STRATEGIC RISK PERFORMANCE

Key: Likelihood: **A** Very likely **B** Likely **C** Unlikely **D** Rare Impact: **I** Catastrophic **II** Major **III** Moderate **IV** Minor.

Live or Managed risk	Risk Ref	Risk	Inherent Risk Score	Q4 22/23 Current Risk Score	Q1 23/24 Current Risk Score	Q2 23/24 Current Risk Score	Q3 23/24 Current Risk Score	Q4 23/24 Current Risk Score	Move ment	Definition (Current score) (L-likelihood) (I-impact)	Owner	Portfolio	Link to Council Plan
L	SR03B	Finances	<b>AI</b>	<b>AI</b>	<b>AI</b>	<b>AI</b>	<b>AI</b>	<b>AI</b>	→	L – very likely I – catastrophic	Chief Finance Officer	Leader	All Values
L	SR56	Children's Social Care Budget Pressure	<b>AI</b>	<b>NA</b>	<b>AI</b>	<b>AII</b>	<b>AII</b>	<b>AII</b>	→	L – very likely I – major	Director of People and Deputy Chief Executive	Children's Services	People
L	SR46	Medway's Economic Recovery	<b>BII</b>	<b>BII</b>	<b>BII</b>	<b>BII</b>	<b>BII</b>	<b>BII</b>	→	L – likely I – major	Assistant Director Regeneration	Economic and Social Regeneration and Inward Investment	Growth
L	SR53	MedPay review	<b>AI</b>	<b>BII</b>	<b>BII</b>	<b>BII</b>	<b>BII</b>	<b>BII</b>	→	L – likely I – major	Chief Organisational Culture Officer	Business Management	All Values
L	SR55	Lack of national funding to remedy problems following school condition surveys	<b>BII</b>	<b>NA</b>	<b>BII</b>	<b>BII</b>	<b>BII</b>	<b>BII</b>	→	L – likely I – major	Director of People and Deputy Chief Executive	Children's Services	People
L	SR09B	Failure to meet the needs of children and young people	<b>BII</b>	<b>BII</b>	<b>BII</b>	<b>BII</b>	<b>BIII</b>	<b>BIII</b>	→	L – likely I – moderate	Director of People and Deputy Chief Executive	Children's Services	People
M	SR37	Cyber Security	<b>AI</b>	<b>CI</b>	<b>CI</b>	<b>CI</b>	<b>CI</b>	<b>CI</b>	→	L – unlikely I – catastrophic	Chief Information Officer	Business Management	All Values
L	SR39	Failure to Deliver the High Needs Budget Recovery Plan	<b>BII</b>	<b>BII</b>	<b>CII</b>	<b>CII</b>	<b>CII</b>	<b>CII</b>	→	L – unlikely I – major	Assistant Director Education and SEND	Children's Services	People
L	SR54	Recruitment and Retention	<b>BII</b>	<b>CII</b>	<b>CII</b>	<b>CII</b>	<b>CII</b>	<b>CII</b>	→	L – unlikely I – major	Chief Organisational Culture Officer	Business Management	All Values
M	SR32	Data and information	<b>BII</b>	<b>CII</b>	<b>CII</b>	<b>CII</b>	<b>CII</b>	<b>CII</b>	→	L – unlikely I – major	Director of People and Deputy Chief Executive, Assistant Director Legal & Governance, Chief Information Officer	Business Management	All Values

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SR03B	Finances	AI	<p>There has long been an inherent risk around the council's ability to deliver a balanced budget, however this becomes more challenging every year. The government has failed to address the under-funding of statutory services and it has still not delivered the long-awaited fair funding review, which would see a redistribution of the overall resources in favour of local authorities such as Medway. The government's continued reliance on one-year settlements has increased uncertainty and made medium term planning almost impossible. Demographic pressures in adult social care (ASC), children's care, and Special Educational Needs and Disabilities (SEND) remain the biggest issue, but this has been further exacerbated by the impact and aftermath of Covid19, the 'cost of living crisis' precipitated by the war in Ukraine and rising inflation and interest rates.</p> <p>The Round 2 2023/24 monitoring forecast an overspend of around £12m in the current year, whilst the council's non-earmarked reserves have been reduced to just over £10m. The Draft Budget identified a potential budget gap of c£36m for next year, which was worsened by £1.7m by the Provisional Settlement. If robust and immediate management action is not taken, the current financial position could precipitate a Section 114 report, which could result in intervention by the government.</p>	<p><b>SR03B.01: Need to ensure effective response to the spending review, but also lobbying for greater local powers to raise revenues</b></p> <p>Q4 23/24 UPDATE: In light of the council's financial position, in November 2023 The Chartered Institute of Public Finance and Accountancy (CIPFA) was invited to conduct a Resilience Review. As advised by CIPFA's report, the council wrote to the government in January 2024 requesting Exceptional Financial Support seeking flexibility to increase the council tax above the referendum limit, a capitalisation direction and flexibility to use existing grants to support our improvement programme. On 24 January 2024 officials from the Department for Levelling Up, Housing and Communities (DLUHC) wrote to assure the council that the government would support us to balance the budget, and on 29 February 2024 confirmed that the Minister had agreed in principle to a Capitalisation Direction enabling the council to agree a balanced budget for 2024/25.</p> <p>The council submitted a response to the government consultation on the Local Government Finance Settlement. The Final Settlement was announced on 5 February 2024, and though it confirmed that Medway Council had not been granted flexibility around council tax increases, it did provide a further c£2m of funding for Medway Council, meaning the amount sought through the Capitalisation Direction was reduced to £14.742m.</p> <p>In January 2023 the Council responded in support of a government consultation that proposes to enable councils to use flexibilities around capitalisation such as those granted to Medway through the EFS scheme without the need to approach government in future.</p> <p>Q3 23/24 UPDATE: The Provisional Settlement announced in December 2023 represented a reduction in grant of £1.7m for Medway compared to the Draft Budget projections. The council will respond to the Settlement Consultation advocating for increased funding ahead of the January deadline. The council continues to engage in joint lobbying through peer groups where opportunities arise.</p>	AI	<p>The key to improving the effectiveness of the council's financial planning and management is to address the uncertainty around future funding and improve the forecasting of cost pressures. The failure of central government to articulate how it intends to ensure the sustainability of local government has made this task virtually impossible.</p> <p>The Finance team continues to enhance monitoring around council tax and business rates to enhance the accuracy of budget projections. As we progress towards the 11 March deadline to set the Council Tax and deliver a balanced budget, it will be necessary for Members and Officers to make difficult decisions to prioritise the limited resources available to the delivery of statutory responsibilities and key priorities, and it will be necessary to deliver a robust savings and improvement programme in order to deliver balanced budgets over the medium term.</p>	CIII

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				<p><b>SR03B.02: Align priorities and activity of the council to resource availability through the MTFS process</b></p> <p>Q4 23/24 UPDATE: Alongside the budget for 2024/25 considered on 29 February 2024, Full Council approved the Medium Term Financial Projections for the council to 2028/29. Though these indicate it will be necessary to seek a further capitalisation direction from the government to balance the 2025/26 budget, they demonstrate that the council could return to financial sustainability and balance the budget without external support from 2026/27.</p> <p>Q3 23/24 UPDATE: Work to refine the projections in the Draft Budget, and to identify savings and income generation opportunities has continued throughout Q3, with the aim of reducing the pressures in Regeneration, Culture and Environment (RCE) directorate and Business Support Directorate (BSD) to deliver within the 2023/24 budget (except for staff pay) to enable all available resources to be directed to Children and Adults (C&amp;A) directorate.</p> <p><b>SR03B.03: Create resources for investment priorities</b></p> <p>Q4 23/24 UPDATE: The final budget agreed by Full Council for 2024/25 includes significant additional investment to support the council's financial improvement and transformation. This includes almost £5m to increase capacity and skills in ASC, £3m over three years to deliver Medway 2.0 and transformational change and a £1m boost to strategic support services.</p> <p>Q3 23/24 UPDATE: The Capital Strategy 2024/25 published in October 2023 noted that beyond those committed in the existing capital programme, the council is not currently projecting to have any more capital receipts available to fund additional capital investment. However, as part of our programme to address the revenue budget funding gap projected, we are exploring all opportunities to generate additional capital receipts from the disposal of any assets no longer required to deliver the council's services.</p> <p><b>SR03B.04: Delivery of digital transformation programme</b></p> <p>Q4 23/24 UPDATE:</p>			

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				<p>The budget assumes the delivery of significant savings across the directorates, including £3m investment over three years to deliver £7m of savings through transformation. The Transformation Roadmap will now form an integral part of the wider One Medway Financial Improvement and Transformation Plan. The final plan will be agreed by Corporate Management Team on 3 April 2024 and will be presented to Cabinet on 30 April 2024.</p> <p>Q3 23/24 UPDATE: An approach to the delivery of Medway 2.0 and a Transformation Roadmap have been developed, and were endorsed by the Corporate Management Team (CMT) in October 2023. Once the savings requirement for the budget for 2024/25 is finalised, the final Roadmap will be presented to Cabinet and delivery will be monitored by Business Support and Digital Overview and Scrutiny (O&amp;S) Committee in the year ahead.</p>			
SR56	Children's Social Care Budget Pressure	<b>AI</b>	Financial impact, not manageable within existing funds.	<p>Q4 23/24 UPDATE:</p> <ul style="list-style-type: none"> <li>Financial pressures for 2023/24 reduced from £1.8m to £662k at Round 3. But we are seeking further efficiencies.</li> </ul> <p>Q3 23/24 UPDATE:</p> <ul style="list-style-type: none"> <li>Financial pressures for 2023/24 reduced from £3.5m to £1.8m at Round 2.</li> </ul> <p>Q4 23/24 UPDATE:</p> <ul style="list-style-type: none"> <li>Financial information reporting development has been completed on Mosaic. This better supports financial analysis, effective forecasting and provider and partner agencies funding challenge.</li> </ul> <p>Q3 23/24 UPDATE:</p> <ul style="list-style-type: none"> <li>Development work continues to breakdown cost elements to child level.</li> <li>A Finance Data Power BI Dashboard for Childrens has been developed, with a particular focus on weekly placement costs for children.</li> </ul> <p>Q4 23/24 UPDATE:</p> <ul style="list-style-type: none"> <li>The total claims submitted for 2023/24 are of £448k, which includes an estimate for Q4.</li> </ul> <p>Q3 23/24 UPDATE:</p> <ul style="list-style-type: none"> <li>Department for Education (DFE) funding of £478k secured for 2023/24 against improvement activities.</li> </ul>	<b>All</b>	<ul style="list-style-type: none"> <li>Continue to improve timing and forecasting of placements' expenditure by closer work between Children's Social Care (CSC), the Finance team and the Access to Resources Team (ART).</li> <li>Development work to take place in Mosaic to support financial recording at child level - to include breakdown of all elements of the child's care package - to support effective forecasting.</li> <li><del>Development of financial information reporting on Mosaic to better support financial analysis, effective forecasting and provider and partner agencies funding challenge.</del></li> <li>Ensure action is taken to secure further Department for Education (DfE) funding in 2023/24 if the opportunity arises.</li> </ul>	<b>BIII</b>

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				Q4 23/24 UPDATE: <ul style="list-style-type: none"> <li>We continue to recruit staff for Eden House.</li> </ul> Q3 23/24 UPDATE: <ul style="list-style-type: none"> <li>Full management team is now in place for Eden House – partially mobilised awaiting Ofsted registration.</li> </ul>		<ul style="list-style-type: none"> <li>Effective forecasting of unaccompanied asylum-seeking children (UASC) placement expenditure and careful management of pressures related to additional staffing and associated running costs.</li> <li>The first of the extended in-house residential provision (Eden House) is being mobilised and we are working towards Ofsted registration.</li> </ul>	
SR46	Medway's Economic Recovery	<b>BII</b>	The Economy and Infrastructure Recovery Cell has produced an impact assessment outlining the main consequences of Covid19. 24 impact areas have been identified and some of the most acute include: <ul style="list-style-type: none"> <li>A significant rise in unemployment with a disproportionate effect on young people, part-time and entry level roles, and those with insecure contracts, women, and people from ethnic minorities.</li> <li>Decreased apprenticeship vacancies and industrial placements.</li> <li>Reduced strength of Medway's business base.</li> <li>Accelerated decline of town centres and street markets.</li> <li>Impact on supply chains.</li> <li>Decreased relevance of Medway Council's strategic bases.</li> <li>Digital inclusion/exclusion.</li> <li>Sustainability of higher and further education, and its impact on place.</li> </ul>	<b>SR46.01: Multi-agency Economy Cell and Infrastructure for Recovery established including liaison with the Kent Resilience Forum Economic Recovery Cell</b> (Lead Officer: Assistant Director Regeneration) Q4 23/24 UPDATE: Reviewed but no update required this quarter. Q3 23/24 UPDATE: Reviewed but no update required this quarter. Q2 23/24 UPDATE: The Kent Economic Development Officers Group continues to meet at least monthly. Covid19 is no longer a topic of discussion. <b>SR46.02: Delivery of government-directed financial support to businesses and individuals</b> (Lead Officer: Chief Finance Officer) Q4 23/24 UPDATE: Both Partners for Growth and Partners for Green Growth available for application and extended into 2024/25. The Shared Prosperity Fund (SPF) Year 3 launch is due in May. Q3 23/24 UPDATE: Partners for Green Growth Grants are now available for application. <b>SR46.04: Supporting Medway's businesses</b> (Lead Officer: Assistant Director Regeneration) Q4 23/24 UPDATE: Locate in Kent (LIK) have been issued a three month extension to support businesses before moving to a combined 'Brand Kent' initiative to support inward investment and tourism.	<b>BII</b>	<ul style="list-style-type: none"> <li>Commercial moves out of London – Medway as an attractive place to locate and do business.</li> <li>Rise in working from home / associated decline in commuting means residents spend more leisure and social time and money locally.</li> <li>Innovation Park Medway (IPM) plans reshaped to support the post-Covid19 economy.</li> <li>Opportunity to significantly advance digital inclusion for workers, learners and service users across Medway.</li> </ul>	<b>CII</b>

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				<p>The Scale Up Programmes have been extended into early 2024/25 before moving to on-site provision at the Innovation Hub.</p> <p>A design and build contractor, Form Fit Out, have been appointed to complete the Innovation Hub by September 2024 with its operation undertaken by Edgility.</p> <p>Q3 23/24 UPDATE: Locate in Kent (LIK) continues to support businesses to expand within or move to Medway. The second round of businesses on the Scale Up Programme are underway and fully funded green audits have been launched.</p> <p>Strip out works have commenced at the Innovation Hub and are due to finish February 2024. Design has been locked at RIBA 3 and a tender exercise has been carried out to appoint a works contractor – the contractor is expected to be appointed by the end of January 2024. Completion is expected July 2024.</p> <p><b>SR46.05: Supporting residents’ skills and employability</b> (Lead Officer: Head of Skills Employment and Skills Education)</p> <p>Q4 23/24 UPDATE: The Supported Internship Forum has successfully delivered a business engagement event with over 60 attendees, and a parent and carer event with over 90 attendees. A significant piece of work with a large Medway employer to build a skills approach to recruitment is taking place. Work is beginning to prepare to deliver a large new government programme, Universal Support. A new SI06 programme for Luton and Wayfield is also being developed.</p> <p>Q3 23/24 UPDATE: The 50+ programme has finished with 23 positive employment outcomes out of 67 referrals. Also, there were 197 course starts for those 67 referrals. Focused work is beginning on developing business skills plans as part of our employer engagement work. The Supported Internship forum is working well with four key streams of work.</p> <p><b>SR46.06: Review Medway Council’s strategy base, and resultant regeneration and other programmes to ensure clarity of focus on delivery of economic growth</b> (Lead Officers: Corporate Management Team Strategy and Investment Programme Manager)</p> <p>Q4 23/24 UPDATE:</p>			

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				<p>Reviewed but no update required. Q3 23/24 UPDATE: Reviewed but no update required. Q2 23/24 UPDATE: Medway's overarching Regeneration Place Strategy Medway 2037 is due to be refreshed in line with the Local Plan, Medway 2040. The draft previously approved by Cabinet in October 2022 is to be reviewed by the new administration. An initial strategy workshop with members took place in August. The document will drive Regeneration and Economic Development objectives going forward. This will be aided by grant funding from the Shared Prosperity Fund 2022-2025, retaining a level of flexibility to respond to a changing economic environment. Year 2 of the Shared Prosperity Fund (SPF) programme is underway to deliver on the Investment Plan, as approved by the Department for Levelling Up, Housing and Communities (DLUHC).</p> <hr/> <p><b>SR46.07: Continue to lobby government to maximise support and opportunities for Medway</b> (Lead Officer: Strategy and Investment Programme Manager)</p> <p>Q4 23/24 UPDATE: The council regularly meets with the Department for Levelling Up, Housing and Communities (DLUHC) officers to keep up-to-date with opportunities for Medway. Medway works closely with DLUHC as part of the Levelling Up Fund (LUF) Discovery Programme and more recently the Levelling Up Places Service (LUPS). DLUHC officers have visited our regeneration sites on various occasions this year. The Investment Plan to access £1.8m Shared Prosperity Fund (SPF) was approved by DLUHC; year 2 of the SPF programme is underway. DLUHC specifically chose Medway to take part in a survey of select areas, praising our use of SPF funds.</p> <p>Q3 23/24 UPDATE: Reviewed but no update required. Q2 23/24 UPDATE: The council regularly meets with the Department for Levelling Up, Housing and Communities (DLUHC) officers to keep up-to-date with opportunities for Medway. Medway has been selected by DLUHC to take part in the Levelling Up Fund (LUF) Discovery Programme to work collaboratively with DLUHC and</p>			

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				guide improvements to the funding process. Senior officers at Homes England recently visited to view key opportunity sites at Medway. The Investment Plan to access £1.8m Shared Prosperity Fund (SPF) has been approved by the government; year 2 of the SPF programme is underway.			
SR53	<p>MedPay review</p> <p><b>SR53.01</b> <b>Funding:</b> when undertaking market pay comparisons it could identify significant drift in current salaries that Medway pay versus the external market. Existing salary budgets will be insufficient and the scheme unaffordable. And market premia is pensionable, meaning employer contributions are higher.</p>	<p><b>AI</b></p> <p><b>AI</b></p>	Financial	<p>Q4 23/24 UPDATE: The project team continued to work with colleagues in Finance to ensure that any costs associated with the review were considered at Corporate Management Team (CMT) level. A new Skills Shortage and Retention Allowance Policy was agreed at Employment Matters Committee in June 2023 and CMT receive regular reports to enable the monitoring of these.</p> <p>Q3 23/24 UPDATE: There have been increased salaries in priority areas (hard to recruit/high turnover) in the first phase. The Medium-Term Financial Outlook (MTFO) process identifies and manages budget pressures. Benchmarked against comparators, not the whole market, and identified the pay quartile (median) we are positioning ourselves at.</p>	<p><b>BII</b></p> <p><b>CII</b></p>	<ul style="list-style-type: none"> <li>Financial appraisal presented to Corporate Management Team (CMT) for approval before implementation.</li> </ul>	<p><b>CII</b></p> <p><b>CIII</b></p>
	<p><b>SR53.01A</b> <b>Funding:</b> and/or on assessment, majority of role holders are deemed accomplished (C) making the pay model unaffordable.</p>	<b>BI</b>	Financial	<p>Q4 23/24 UPDATE: Early indications of phase 2 cohort 1 have revealed that assessments are spread across the three bands with the first three teams showing a higher proportion of staff at level A.</p> <p>Q3 23/24 UPDATE: Written guidance for managers is available in phase 2 to enable them to design career progression frameworks that provide clarity on the expectations at each of the levels. Budgets to be built at the midpoint of the salary range.</p>	<b>CII</b>	<ul style="list-style-type: none"> <li>Train managers, ensure understanding of the three levels and definitions are clear for both managers and employees.</li> </ul>	<b>CIII</b>
	<p><b>SR53.02</b> <b>Engagement:</b> this change programme</p>	<b>BI</b>	People	<p>Q4 23/24 UPDATE: The Communications team produced a video about the review and the new changes to MedPay Performance, Progression and Pay for launch in April 2024.</p>	<b>BII</b>	<ul style="list-style-type: none"> <li>Need to test that the communication is reaching all levels of the organisation, obtain</li> </ul>	<b>CII</b>



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	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, and the change is perceived as fair and transparent now and in the future.			<p>Managers in the phase 1 pilot were trained on the new appraisal and career conversation process on 10, and 11, January 2024.</p> <p>The Learning and Development team are rolling out new appraisal training from April 2024 to replace the Performance Development Review (PDR) training they previously delivered and this coincides with a YouTube video to reach staff who are unable to attend the training.</p> <p>A survey was undertaken of all phase 1 staff to monitor the impact the review has had on individuals and teams.</p> <p>Q3 23/24 UPDATE: Phase 2 training commenced in September 2023 for cohort 1 managers. Staff briefings were well attended throughout October to December, 2023, and further are planned to take place in 2024.</p> <p>The MedPay Newsletter was launched in October 2023.</p> <p>A pulse survey was sent out to all staff in phase 1. MedPay Champions continue to meet regularly, and the project team provide regular updates to Medway Makers.</p>		<p>feedback and respond to questions and concerns.</p> <ul style="list-style-type: none"> <li>• Be open and transparent.</li> <li>• 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 in April 2024.</li> <li>• Undertake pulse surveys.</li> </ul>	
	<b>SR53.06 Capacity of project team:</b> project group members are not solely assigned to this project and are from across the council not just within Human Resources (HR). Demands from service areas to support with Business as Usual (BAU).	<b>All</b>	Project delivery	<p>Q4 23/24 UPDATE: There was significant slippage with phase 2 cohorts 1 and 2, with managers unable to meet the challenging timelines that they had hoped to work to. The project team also encountered a high percentage of staff absences with sickness, maternity and end of year annual leave absences. The team intend recruiting to vacant posts for the duration of the project.</p> <p>Q3 23/24 UPDATE: This is linked in with other HR recruitment campaigns to recruit an additional Organisational Change Consultant, however the campaigns to recruit were unsuccessful.</p>	<b>BII</b>	<ul style="list-style-type: none"> <li>• Review resource needs for phase 2 and phase 3 in a timely manner and ensure these are built into the budget setting process.</li> <li>• Plan, monitor and manage implementation in line with resources.</li> <li>• Move teams out of their cohort if the agreed timelines slip.</li> </ul>	<b>CIII</b>
	<b>SR53.09 Local Economy:</b> downturn in the local economy could affect	<b>All</b>	Environmental	<p>Q4 23/24 UPDATE: The decision by Full Council in February 2024 to award a 5% pay increase to employees on MedPay from 1 April 2024 should assist with retention.</p> <p>Q3 23/24 UPDATE:</p>	<b>BIII</b>	<ul style="list-style-type: none"> <li>• None.</li> </ul>	<b>CIII</b>

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	affordability and alter external market forces dramatically.			Managers are utilising the new Skills Shortage and Retention Allowance policy. Ensured targets for financial resilience are in place in the Finance & Business Intelligence (FBI) Divisional plan. Procured a salary benchmarking system for two years (+1 +1 if required) to enable comparison with the external market.			
SR55	Lack of national funding to remedy problems following school condition surveys	<b>BII</b>	<ul style="list-style-type: none"> <li>There is a risk that maintained schools are not kept in the appropriate condition to provide safe, good quality learning environments.</li> <li>Buildings deteriorate more quickly leading to the need for larger more costly projects in the future.</li> </ul>	<p><b>SR55.01: Prioritisation of projects throughout the year to ensure that school buildings are warm, safe, compliant and provide hot water</b></p> <p>Q4 23/24 UPDATE: The reduction in government allocation for 24/25 to £608k means that further pressure will be placed upon ensuring maintained school buildings can operate in a fit-for-purpose condition. With projects already delayed over the past two years increasingly becoming priorities, the 24/25 programme has already been allocated, therefore it does mean that any additional emergency work throughout the year will not be affordable.</p> <p>Q3 23/24 UPDATE: Projects continue to be prioritised by urgency and need to ensure schools remain compliant and safe.</p> <p><b>SR55.02: Working with schools to make temporary repairs where possible and appropriate to enable the focus to be on the urgent work</b></p> <p>Q4 23/24 UPDATE: Schools are already approaching the council regarding work they consider is needed. We will need to work with schools to assess the need in the broader arena, and look at how we can explore alternative ways of working through this situation. We will be undertaking the next 3 year round of surveys on schools later this year to reassess where funding should be prioritised.</p> <p>Q3 23/24 UPDATE: We continue to work with maintained schools to patch and repair where possible, whilst maintaining a list of future work as funding becomes available.</p>	<b>BII</b>	<ul style="list-style-type: none"> <li>Continue to prioritise projects on the basis of need and for the continuity of health and safety.</li> <li>Continue to lobby through various bodies such as the South East Education Development Officers Group (SEEDOG) and the Educational Building and Development Officers Group (EBDOG) through to the Department for Education (DfE) and the Education and Skills Funding Agency (ESFA). (Other local authorities (LAs) are in the same position and this matter is regularly discussed at meetings and fed through to the DfE).</li> <li>As schools convert to academies, they are removed from the LAs programme as they will be funded by the DfE through their respective trust.</li> <li>Continue with 3-yearly condition surveys to maintain oversight of the issue and keep an accurate projects required log which can be programmed over a number of years as funding is available.</li> </ul>	<b>BII</b>
SR09B	Failure to meet the needs of children and young people	<b>BII</b>	<ul style="list-style-type: none"> <li>Failure to meet statutory responsibilities to safeguard children from harm.</li> <li>Failure to meet the needs of the children in our care.</li> </ul>	<p><b>SR09B.18: Ensure a stable and competent workforce</b></p> <p>Q4 23/24 UPDATE: The refreshed Workforce action plan and recruitment plan have been developed for 2024/25.</p> <p>Q3 23/24 UPDATE:  <ul style="list-style-type: none"> <li>A recruitment video has gone live on social media.</li> </ul> </p>	<b>BIII</b>	<ul style="list-style-type: none"> <li>Continue to focus on recruitment, retention and career development of our staff.</li> <li>Continue to further develop opportunities for career development across the whole</li> </ul>	<b>CII</b>

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			<ul style="list-style-type: none"> <li>Escalating financial costs of placements and wrap-around support packages.</li> <li>Sustained negative local publicity and reputational risk.</li> </ul>	<p>Interviews for the community care recruitment campaign have been completed and ready to go live.</p> <ul style="list-style-type: none"> <li>The MedPay review continues.</li> <li>Workforce analysis is underway to establish glidepath for reducing agency project teams to reduce budget pressures.</li> <li>The Human Resources (HR) business partner is in post dedicated to supporting and coaching managers in respect of managing performance, sickness, and capability.</li> <li>The initial scoping of cost and viability of a European recruitment campaign was undertaken. Enquiries with agencies evidenced that no agencies are currently recruiting in Europe, and costs were likely to outweigh benefits. It has therefore been decided that recruitment efforts for this financial year are focused on our grow your own scheme and also trying to convert staff from project posts to agency or permanent roles. Overseas recruitment will be re-considered next year.</li> <li>Increased Family Support Worker capacity in the short term is funded by the Department for Education (DfE).</li> </ul> <p><b>SR09B.19: Delivery of the Improvement Plan</b></p> <p>Q4 23/24 UPDATE:</p> <ul style="list-style-type: none"> <li>Heads of Service are now developing service plans for 2024/25 which reflect the key priority areas of the Improvement Plan.</li> <li>A governance structure for overseeing and supporting implementation is now in place, with delivery groups chaired at a senior level, meeting regularly.</li> <li>The first meeting of the Continuous Improvement Board has taken place and will now meet three times a year.</li> </ul> <p>Q3 23/24 UPDATE:</p> <ul style="list-style-type: none"> <li>The Ofsted inspection in July 2023 resulted in an overall grading of 'Good' and a lifting of the Statutory Direction requiring Medway to have an externally chaired Improvement Board, to support and challenge the delivery of an improvement plan.</li> <li>The 2022-23 Improvement Plan has been signed off by the Improvement Board and the work of the</li> </ul>		<p>workforce.</p> <ul style="list-style-type: none"> <li>Additional capacity invested in Strategic Workforce Development Lead and Workforce officer posts to drive actions in the plan.</li> <li>Recruitment campaign to attract new social worker (SW) candidates to Medway.</li> <li>Refreshed governance workforce board and subgroups.</li> <li>Additional Human Resources (HR) resource to proactively target sickness absence and performance management.</li> <li>Increased focus on retention including stay and exit interviews.</li> </ul> <ul style="list-style-type: none"> <li>Simplify practice expectations – focus on children's lived experiences and on promoting quality and consistency of recording to evidence purposeful planning and intervention.</li> <li>Continue our evaluation work in respect of the application of thresholds so that we can be confident that children are supported at the right level.</li> <li>Continue the work already underway to strengthen the effectiveness of our intervention with children in need.</li> <li>Implement our plans to improve our response to neglect, ensure robust implementation of the use of the graded care profile, and evaluate the difference this</li> </ul>	

Risk Ref	Risk	Inherent risk (before controls)	Impact	Current Controls	Current risk (after controls)	Proposed / Further Controls / Treatment Action	Target risk (after further action)
				<p>externally chaired improvement board has been formally concluded.</p> <ul style="list-style-type: none"> <li>A new internally chaired Improvement Board will be established to support sustained improvement and will meet three times a year from 2024, overseeing a new continuous Improvement Plan, developed collaboratively with the service and partners.</li> </ul> <hr/> <p><b>SR09B.20: Ensure sufficiency of provision</b>  Q4 23/24 UPDATE:  Reviewed but no update required this quarter.  Q3 23/24 UPDATE:</p> <ul style="list-style-type: none"> <li>Work continues to build improved relationships with the provider market, through increased commissioning capacity.</li> <li>Work underway to engage in the South East Local Authority (LA) bid for a shared recruitment hub for foster carers. Work is underway to develop this bid, which will also include securing an application for further funding for in house fostering provision.</li> <li>Extensive work has taken place to manage demand of unaccompanied asylum-seeking children (UASC) through the National Transfer Scheme (NTS) and ensure a proactive approach to procuring placements for UASC to ensure value for money and provision that meets needs.</li> <li>Rethink services and ways of working with families.</li> </ul>		<p>makes to children's lives.</p> <ul style="list-style-type: none"> <li>Continue the work to improve the quality of plans for children in need of protection. Fully implement the strategy in relation to contextual safeguarding for adolescents who are at risk outside the home/family and take time to reflect on themes from Return Home Interviews (RHIs), to create effective safety plans.</li> <li>Support frontline managers to oversee and reflect on practice to improve quality of plans and interventions.</li> <li>Focus on areas for improvement identified in the recent inspecting local authority children's services (ILACS) inspection report.</li> <li>Continue to focus on recruitment and retention of staff to avoid unfilled vacancies and therefore unmanageable caseloads.</li> <li>Implementing the project to re-open Eden House residential provision. The project is progressing, with opening estimated April 2024.</li> </ul>	

Risk Ref	Risk	Inherent risk (before controls)	Impact	Current Controls	Current risk (after controls)	Proposed / Further Controls / Treatment Action	Target risk (after further action)	
				<ul style="list-style-type: none"> <li>Managing demand for services.</li> <li>Medium term financial sustainability.</li> <li>Analysis of need, to include projections over the next three years.</li> <li>Continuing work by commissioning to manage the market and drive down costs. The maintenance of the dynamic purchasing framework will help to support competition in the market to enable fairer costings.</li> <li>Continuing the drive to reduce spot purchasing in the Children with Disabilities team through robust application of panel process and move to the Direct Purchasing System framework.</li> <li>Implementing the project to re-open Eden House residential provision. The project is progressing, with opening estimated April 2024.</li> </ul>				
SR37	Cyber Security	AI	<ul style="list-style-type: none"> <li>Unauthorised access to council systems and data.</li> <li>Potential for data breaches.</li> <li>Loss of access to council systems and data for staff.</li> <li>Cyber security/ransomware attack may mean data is permanently lost.</li> <li>Potential damage to the council's reputation.</li> <li>Potential increase in costs to repair damage and restore systems.</li> </ul>		CI	This risk has been managed to a target level of acceptable risk and all mitigating actions have been implemented and so it is proposed that this risk be classified as a 'managed risk'. Due to the ever-present threat of cyber-attacks, and a rapidly changing environment, it is proposed that this risk remains on the council's strategic risk summary.	CI	
		AI		<p><b>SR37.01: Secure configuration:</b> Unnecessary functionality has been removed from systems or disabled</p> <p>Q4 23/24 UPDATE: Reviewed but no update required this quarter.</p> <p>Q3 23/24 UPDATE: Remediations on the critical findings in the July Public Service Network (PSN) report are in progress. Completion is targeted for March 2024 when the PSN submission is due to take place.</p>			CH	CH
		AI		<p><b>SR37.02: Network security:</b> Appropriate architecture and policies are in place</p> <p>Q4 23/24 UPDATE: Reviewed but no update required this quarter.</p> <p>Q3 23/24 UPDATE: Improvements are being made in controlling access to Medway Council data outside of the UK. This will further reduce the exposure footprint.</p>			CI	CI
		AI		<p><b>SR37.03: Managing user privileges:</b> System privileges are being carefully controlled and managed</p> <p>Q4 23/24 UPDATE: Reviewed but no update required this quarter.</p> <p>Q3 23/24 UPDATE: Reviewed but no update required this quarter.</p> <p>Q2 23/24 UPDATE: Reviewed but no update required this quarter.</p>	CI		CI	

Risk Ref	Risk	Inherent risk (before controls)	Impact	Current Controls	Current risk (after controls)	Proposed / Further Controls / Treatment Action	Target risk (after further action)
		AI		<b>SR37.04: User education and awareness:</b> Measures have been taken to establish a security-conscious culture Q4 23/24 UPDATE: Reviewed but no update required this quarter. Q3 23/24 UPDATE: The Metacompliance team has composed a 12-month programme for 2024. This will be rolled out to all Medway Council users from January 2024.	CI		CI
		AI		<b>SR37.05: Incident management:</b> Effective incident management policies and processes are in place Q4 23/24 UPDATE: Reviewed but no update required this quarter. Q3 23/24 UPDATE: Reviewed but no update required this quarter. Q2 23/24 UPDATE: Reviewed but no update required this quarter.	CI		CI
		AI		<b>SR37.06: Malware prevention:</b> Malicious software, or malware, is an umbrella term to cover any code or content that could have a malicious, undesirable impact on systems. Any exchange of information carries with it a degree of risk that malware might be exchanged, which could seriously impact our systems and services. Anti-malware policies and procedures have been implemented Q4 23/24 UPDATE: Reviewed but no update required this quarter. Q3 23/24 UPDATE: Reviewed but no update required this quarter. Q2 23/24 UPDATE: Reviewed but no update required this quarter.	CI		CI
		AI		<b>SR37.07: Monitoring: Robust system monitoring takes place</b> Q4 23/24 UPDATE: Reviewed but no update required this quarter. Q3 23/24 UPDATE: Reviewed but no update required this quarter. Q2 23/24 UPDATE: The latest annual security scan (July 2023) report performed by a third party has shown an improvement in the potential vulnerabilities on the council network. Remediation on identified risks are being carried out.	GH CI		GH CI
		AI		<b>SR37.08: Removable media controls:</b> Appropriate security controls are in place around removable media Q4 23/24 UPDATE:	CI		CI

Risk Ref	Risk	Inherent risk (before controls)	Impact	Current Controls	Current risk (after controls)	Proposed / Further Controls / Treatment Action	Target risk (after further action)
				Reviewed but no update required this quarter. Q3 23/24 UPDATE: Reviewed but no update required this quarter. Q2 23/24 UPDATE: Reviewed but no update required this quarter.			
		AI		<b>SR37.09: Home and mobile working:</b> Under hybrid working, officers are made aware of device security measures Q4 23/24 UPDATE: Reviewed but no update required this quarter. Q3 23/24 UPDATE: Reviewed but no update required this quarter. Q2 23/24 UPDATE: Reviewed but no update required this quarter.	CI		CI
		AI		<b>SR37.10: Robust policies and procedures in place:</b> The council is accredited against the Public Service Network (PSN) code of connection criteria Q4 23/24 UPDATE: Reviewed but no update required this quarter. Q3 23/24 UPDATE: Reviewed but no update required this quarter. Q2 23/24 UPDATE: The latest annual security scan (July 2023) report performed by a third party has shown an improvement in the potential vulnerabilities on the council network. Remediation on identified risks are being carried out. The team is preparing for Public Services Network (PSN) certification in April 2024.	CI		CI
		AI		<b>SR37.11: Overall Backup Design &amp; Backup Security:</b> In the event of a cyber incident (e.g., ransomware) the council must have the ability to recover data from backups. It is important that the backups are protected from being encrypted in the event of a ransomware attack Q4 23/24 UPDATE: Reviewed but no update required this quarter. Q3 23/24 UPDATE: Reviewed but no update required this quarter. Q2 23/24 UPDATE: Reviewed but no update required this quarter.	CI		CI
		AI		<b>SR37.12: Server Operating Systems and Hypervisors:</b> The operating systems (e.g., Server 2012 R2) should be on a version that is supported by Microsoft Q4 23/24 UPDATE:	CI		CI

Risk Ref	Risk	Inherent risk (before controls)	Impact	Current Controls	Current risk (after controls)	Proposed / Further Controls / Treatment Action	Target risk (after further action)
				<p>Reviewed but no update required this quarter. Q3 23/24 UPDATE: Reviewed but no update required this quarter. Q2 23/24 UPDATE: Reviewed but no update required this quarter.</p>			
SR39	Failure to Deliver the High Needs Budget Recovery Plan	<b>BII</b>	<p>Failure to meet the Safety Valve Agreement conditions will result in further deficit accumulation against the High Needs Block. This will require the council to use the £3m contingency identified as part of the conditions of the Safety Valve Agreement. If the deficit is not cleared by 2026, the remaining deficit will transfer to the general fund.</p>	<p><b>SR39.01: Activity as part of the Safety Valve Programme</b> Q4 23/24 UPDATE:</p> <ul style="list-style-type: none"> <li>The council continues to work with the Department for Education (DfE) on our programme. Our dedicated schools grant (DSG) outturn is forecasting to underspend by £1.928m – this will be transferred to the reserve. This is an improvement from Q3.</li> <li>The restructure to our service has experienced some delays due to the Disclosure and Barring Service (DBS) check processing. Some posts continue to be vacant and filled by agency.</li> <li>The central service part of the team has returned to Gun Wharf's safe zones, whilst Reinforced Autoclaved Aerated Concrete (RAAC) issues continue.</li> </ul> <p>Q3 23/24 UPDATE:</p> <ul style="list-style-type: none"> <li>As of this report, a further monitoring report has been submitted to the Department for Education (DfE) (December 2023). Our dedicated schools grant (DSG) outturn is forecasting an in-year surplus of £1.457m against the planned in year surplus target of £2.1m by March 2024. This is an improvement from Q2.</li> <li>The restructure to our hub service delivery model is progressing rapidly and has been in place since 1 October 2023. While most posts are filled, some are filled by agency staff.</li> <li>The transition caused some temporary disruption to case management including issuing and closing of Education, Health and Care Plans (EHCPs), which reduced the confidence level of the actual EHCP number contained in the previous report. We have seen a reduction in this reporting period of the total number of EHCPs and consequently an improvement in budget position that we were presenting in July.</li> <li>The council is dealing with Reinforced Autoclaved Aerated Concrete (RAAC) in a number of its</li> </ul>	<b>CII</b>	<p><del>No proposed further controls.</del> Risk managed appropriately.</p>	<p><del>DIII</del> <b>CII</b></p>



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				<p>buildings. This may delay the new hub teams being put into localities. We are also experiencing delay to some of the delivery of the additional special school places and resourced provision, which will slightly affect our pupils with EHCPs in mainstream calculations over the coming year.</p> <ul style="list-style-type: none"> <li>We have implemented a significant amount of support for schools which is being engaged with and early reports are positive. The full impact remains to be seen as this embeds further.</li> </ul>			
SR54	<p>Recruitment and Retention</p> <p>A skilled, qualified, and experienced workforce is essential to deliver services, including statutory services. However, attracting, and retaining staff continues to be a challenge across directorates. National skills shortages in key areas, including social care, planning, legal, and building control means increased competition between employers and a contribution to difficulties in filling vacancies. Medway's proximity to London, with higher salary and</p>	<b>BII</b>	<ul style="list-style-type: none"> <li>Lack of experienced staff with specialist skills.</li> <li>Low staff morale.</li> <li>Loss of productivity through quiet quitting.</li> <li>Industrial action impacting service delivery/performance.</li> <li>Reliance on interim and agency staff.</li> <li>Budget pressures due to use of agency staff and contractors to fill roles.</li> <li>Inability to perform statutory functions.</li> <li>Inability to meet service demands.</li> <li>Inability to develop and improve service delivery.</li> <li>Impact on delivery of projects to expected timescales.</li> <li>Reputational damage.</li> </ul>	<p>Q4 23/24 UPDATE: Reviewed but no update required this quarter.</p> <p>Q3 23/24 UPDATE: The second phase of MedPay is ongoing, with more service areas included. Phase 1 services have gone live with their new structures and career progression frameworks. Leadership and management training for all existing managers and new managers commenced during this quarter. Medway Manager training is ongoing for all operational line managers Range 5 (R5) and above. The introduction of an additional pay band (R8) to ensure career opportunities and professional pay levels is now in place. The Recruitment Strategy is being drafted for launch in 2024/25. Corporate Management Team (CMT) has reviewed the 9 box grid and will undertake assessment of CMT colleagues in Q4 23/24, for onward cascade for Q1 24/25 to service managers.</p>	<b>CII</b>	<ul style="list-style-type: none"> <li>Full rollout of MedPay Review (18 months).</li> <li>Benchmarked pay for all roles aligned to profession with the ability to move to acquire new skills and increase salary.</li> <li>Career pathways to support progression within the council.</li> <li>Revised performance management approach to ensure skills assessments and career conversations take place.</li> <li>Introduction of a talent management tool to identify future talent and single points of failure within the workforce (9 box grid development diamond).</li> <li>Revised market allowance framework.</li> <li>Revised policies to manage sickness and capability.</li> <li>Review of the onboarding process to ensure speed and quality.</li> <li>Development of a recognition strategy to aid retention.</li> <li>Annual Staff engagement and annual review of the employee engagement strategy.</li> <li>New council jobs site giving the ability to creatively promote our teams and services and job/career opportunities is being looked at, as part of the Onboarding Project.</li> </ul>	<b>DIII</b>

Risk Ref	Risk	Inherent risk (before controls)	Impact	Current Controls	Current risk (after controls)	Proposed / Further Controls / Treatment Action	Target risk (after further action)
	<p>remuneration packages, challenges Medway's packages. Medway staffing establishment is lean in comparison to other unitary authorities and roles are broad. These factors are making it more difficult to attract and retain staff. Remote working offers the workforce increased flexibility and choice of workplace. Results of the September 2022 staff survey include:</p> <ul style="list-style-type: none"> <li>• 58% of colleagues want to stay for at least the next three years.</li> <li>• 29% want to stay for at least the next year.</li> <li>• 8% want to leave within the next 12 months.</li> <li>• 4% want to leave as soon as possible.</li> </ul>					<ul style="list-style-type: none"> <li>• Annual pay uplift strategy/medium term uplift plans.</li> </ul>	

Risk Ref	Risk	Inherent risk (before controls)	Impact	Current Controls	Current risk (after controls)	Proposed / Further Controls / Treatment Action	Target risk (after further action)
	<ul style="list-style-type: none"> <li>Staff turnover data 30% in last 12 months.</li> </ul>						
SR32	Data and information	<b>BII</b>	Poor management and protection of data and information can lead to financial and reputational risks for the council. There are also safeguarding concerns that would be raised by regulators.	<p><b>SR32.01: The council has accountability and governance in place for data protection and data security</b></p> <p>Q4 23/24 UPDATE: Security and Information Governance Group (SIGG) work continues.</p> <p>Q3 23/24 UPDATE: Reviewed but no update required this quarter.</p> <p>Q2 23/24 UPDATE: Further to the Q1 23/24 update, the Security and Information Governance Group (SIGG) has used the Information Commissioner's Office's (ICO) accountability framework to assess the gaps in meeting compliance to the UK general data protection regulation (GDPR) and Data Protection Act 2018. An action plan has been agreed with Assistant Directors along with a timeline to complete the actions as noted in the accountability framework. This will be an ongoing activity over 18-24 months.</p> <p><b>SR32.05: Staff are supported in understanding their obligations under the National Data Guardian's Data Security Standards</b></p> <p>Q4 23/24 UPDATE: Caldicott Guardian training took place on 23 February and was attended by the Director with Caldicott Guardian responsibility, relevant Assistant Directors who handle sensitive personal data for vulnerable adults as well as the Data Protection Officer. The training need analysis (TNA) is almost complete, and the job roles will soon be assigned to the relevant training as identified in TNA document.</p> <p>Q3 23/24 UPDATE: Reviewed but no update required this quarter.</p> <p>Q2 23/24 UPDATE: To meet the requirements of the DSP Toolkit for 2023-24, the council will be undertaking Training Needs Analysis for all staff. Based on the Training Needs Analysis document, a training programme will be delivered to all staff. The Training Needs Analysis document is a mandatory evidential item to be submitted for DSP Toolkit 2023-24.</p>	<b>CII</b>	<ul style="list-style-type: none"> <li>Review support for information governance within the organisation.</li> <li>Audit the council's Caldicott Guardian function.</li> <li>Audit the council's Data Security and Protection (DSP) Toolkit submission internally to ensure continual improvement.</li> <li>Appoint a Deputy Senior Information Risk Officer (SIRO).</li> <li><del>Seeking Public Services Network (PSN) compliance.</del></li> </ul>	<b>DIII</b>

Risk Ref	Risk	Inherent risk (before controls)	Impact	Current Controls	Current risk (after controls)	Proposed / Further Controls / Treatment Action	Target risk (after further action)
				<p><b>SR32.06: Appropriate policies and procedures are in place to support good information management and security</b></p> <p>Q4 23/24 UPDATE: Both the Data Breach policy and Records Management policy have been agreed and approved at the last Security and Information Governance Group (SIGG) meeting. These will be circulated to staff along with the Data Protection Policy in April/May 2024.</p> <p>Q3 23/24 UPDATE: Reviewed but no update required this quarter.</p> <p>Q2 23/24 UPDATE: The Data Protection Policy was revised and ratified by Security and Information Governance Group (SIGG) members in July 2023. A new Subject Access Request Policy has been introduced – this was ratified at the SIGG meeting in July 2023.</p> <p><b>SR32.07: Seek Public Services Network (PSN) compliance</b></p> <p>Q4 23/24 UPDATE: The submission document is being prepared by ICT for submission to the PSN.</p>			