
Audit and Standards Committee – 20th April 2023

Report of the Director of Finance and Legal Services

Risk Management Report

Purpose

1. To discuss the risks reported to Strategic Executive Board (SEB) and the status allocated by the Risk Owner.
2. To discuss other risks for possible inclusion on the SEB risk report.
3. To provide an update on the embedding of the Risk Management Framework.

Recommendations

4. It is recommended that Audit and Standards Committee:
 - Notes and comments on the risks detailed in paragraphs 11 and 13.
 - Identifies any additional risks that it considers should form part of the SEB risk report.
 - Identifies a risk for detailed scrutiny at the December 2023 meeting of this Committee.
 - Approves the changes to the Risk Management Framework as detailed in paragraph 6.

Background

Risk Management Framework

5. The Director of Finance and Legal Services has discussed some proposed changes to the Risk Management Framework with Strategic Executive Board. However, these changes need to be ratified by Audit and Standards Committee before they can take effect.
6. It is proposed for the risk thresholds to change as detailed in the table below. It is also proposed for the “red” description to change from Extreme to Very High and for the Council’s risk appetite to change from 16 to 20.

Proposed		Current	
Risk Score	Overall Rating	Risk Score	Overall Rating
20 - 25	Very High	16 - 25	Extreme
12 - 19	High	10 - 15	High
5 - 11	Medium	6 - 9	Medium
1 - 4	Low	1 - 5	Low

7. The Head of Audit and Risk Management has decided to delay the introduction of the completion of the Risk Assurance Protocol (RAP) by Directors and those Heads of Service who report directly to the Chief Executive. It is now proposed to send the RAP out in April 2023 and it will be in relation to the 2022-23 financial year. The RAP will form a key part of the Council’s assurance framework and will be discussed within the Annual Governance Statement.
8. The Head of Audit and Risk Management has delayed requesting assurance information for the Strategic Executive Board risks and directorate risks rated Very High. Assurance information helps to answer the question “How do we know ?” and detailed guidance is included within the Risk Management Framework. Assurance information needs to be obtained in order for Audit and Standards Committee to fulfil their responsibilities, particularly in relation to reviewing the Annual Governance Statement. The Head of Audit and Risk Management would now like to implement the obtaining of assurance from quarter 1 of the new financial year.

9. Another area where progress needs to be made during 2023-24 is linking key performance indicators to risks. This would provide greater insight on how risks are being managed.
10. The Council is looking to replace its online training platform. Once a system has been implemented, Audit Services will look to develop an online training course.

Current SEB Risks

11. The risk ratings listed below have been scored by the Risk Owner in accordance with the Likelihood and Impact definitions in the Risk Management Framework (including changes proposed in paragraph 6). Full details of the Very High Net risks included on the SEB risk report are included at **Appendix A**.

■ Very High (20-25)
 ■ High (12-19)
 ■ Medium (5-11)
 ■ Low (1-4)

#	Risk Event / Responsible Org Unit	Gross	Net	Target
1	R.398 "SEB: Failure to comply with HR related legislative requirements." Chief Executive's	20	8	8
Reviewed: 09/02/2017				
2	R.399 "SEB: The inability to recruit and retain staff particularly in professional areas where there is a national shortage of skills and expertise." Chief Executive's	25	20	8
Reviewed: 05/12/2022				
3	R.401 "SEB: Failure to adhere to the Equality Act 2010 and Public Sector Equality Duty." Chief Executive's	20	9	4
Reviewed:				
4	R.410 "SEB: Failure to identify and protect adults in positions of vulnerability from harm and serious abuse as required by the Care Act 2014." Directorate of Adult Social Care	25	15	15
Reviewed: 07/12/2020				

5	R.411 "SEB: Failure to identify and protect children in positions of vulnerability as required under legislation." Directorate of Children's Services	25	15	15
Reviewed: 23/05/2021				
6	R.402 "SEB: A major external information security breach takes place resulting in the loss/disclosure of a substantial amount of personal information or a ransomware attack." Directorate of Digital, Customer & Commercial Services	25	15	8
Reviewed: 15/04/2022				
7	R.404 "SEB: Failure to demonstrate compliance with Contract Standing Orders/Procurement legislation affects the council's ability to deliver effective procurement/value for money." Directorate of Digital, Customer & Commercial Services	20	16	6
Reviewed: 20/04/2023				
8	R.405 "SEB: Contracts are not managed effectively." Directorate of Digital, Customer & Commercial Services	20	20	3
Reviewed:				
9	R.414 "SEB: Failure to meet the targets for carbon reduction in all aspects of the Council's operation is seen not to be in accordance with the Council's commitment to the environment." Directorate of Environment	25	15	5
Reviewed:				
10	R.392 "SEB: The Council is unable to meet its commitments to deliver services as they fall due because annual income is insufficient and reserves have been fully depleted." Directorate of Finance & Legal Services	25	20	10
Reviewed: 26/07/2017				
11	R.393 "SEB: Do not deliver the appropriate and timely support to our residents in cases where they are experiencing increased hardship." Directorate of Finance & Legal Services	20	12	12
Reviewed: 21/04/2021				
12	R.394 "SEB: Major fraud against the Council." Directorate of Finance & Legal Services	15	10	5
Reviewed: 15/04/2015				

13	R.395 "SEB: Death, injury or ill health of Council staff, Members, service users and visitors when attending Council premise and/or Council staff undertaking their normal role." Directorate of Finance & Legal Services	25	15	10
Reviewed: 20/09/2021				
14	R.396 "SEB: Failure to comply with the requirements of the UK General Data Protection Regulation tailored by the Data Protection Act 2018 and associated legislation." Directorate of Finance & Legal Services	15	6	6
Reviewed: 09/12/2014				
15	R.413 "SEB: Failure to meet and evidence statutory building safety and compliance responsibilities " Directorate of Housing & Communities	25	25	5
Reviewed:				
16	R.406 "SEB: The Council does not respond effectively and recover quickly from major incidents." Directorate of Public Health & Wellbeing	20	15	9
Reviewed: 21/12/2017				
17	R.408 "SEB: Failure to seize the opportunities and exploit the benefits that are envisaged from the huge regeneration programme investment that impacts on the council's vision for 2030." Directorate of Regeneration & Enterprise	25	20	10
Reviewed:				
18	R.580 "SEB: Withdrawal of the proposed METRO route between Dudley Town Centre and Brierley Hill." Directorate of Regeneration & Enterprise	25	16	10
Reviewed:				
19	R.419 "CE's Office: Lack of oversight of programmes and projects across the Council, with no assurance and monitoring of progress against time, cost and quality." Chief Executive's	25	16	10
Reviewed:				

12. The table above shows the following:

- There are 16 risks rated Very High at the Gross level.
- There are 6 risks rated Very High at the Net level. The 6 risks are:
 - R.399 (recruitment and retention of staff)
 - R.405 (contract management)
 - R.392 (budget)
 - R.413 (statutory building safety and compliance responsibilities)
 - R.408 (regeneration benefits)
 - R.419 (programme management)

Directorate Risks

13. The Risk Management Framework also requires that all directorate Net risks rated Very High are also notified to Strategic Executive Board and Audit and Standards Committee. Full details of the Very High Net risks included on Directorate reports are included at **Appendix B.**

■ Very High (20-25)
 ■ High (12-19)
 ■ Medium (5-11)
 ■ Low (1-4)

#	Risk Event / Responsible Org Unit	Gross	Net	Target
1	R.553 "Planning: The Building Control service is unable to comply with the requirements of the new Building Safety Bill." Directorate of Regeneration & Enterprise	20	20	9
2	R.535 "Regen & Ent: Unable to recruit professional staff to deliver Corporate Landlord, Planning and Regeneration needs." Directorate of Regeneration & Enterprise	25	25	9

Risk Reporting

14. All risks that are rated Very High (Net) are above the Council's risk appetite, are generally unacceptable and where it is possible to manage the risk down to acceptable levels, immediate action should be taken.
15. Audit and Standards Committee at its meeting of the 5th December 2022 selected risk R.404 "Failure to demonstrate compliance with Contract Standing Orders/Procurement legislation" for detailed scrutiny at this meeting.

16. The Committee is required to select another risk for review at its December 2023 meeting. The table at paragraph 11 shows the date when risks were last reviewed by this Committee.

Finance

17. The Director of Finance and Legal Services is currently undertaking a review of the resources allocated to Audit Services.

Law

18. The Accounts and Audit Regulations 2015 require each relevant authority to have a sound system of internal control which includes effective arrangements for the management of risk.

Risk Management

19. This report does not create any new risks. Although, new risks are put forward for consideration for inclusion on the SEB risk report.

Equality Impact

20. This report does not raise any equality issues.
21. An effective risk management framework will help protect the interests of children and young people, albeit they were not consulted on, or involved, with the development of this report.

Human Resources/Organisational Development

22. The lack of appropriate resources within Audit Services is affecting its ability to support the embedding of the Risk Management Framework.

Commercial/Procurement

23. There are no commercial/procurement considerations relating to this report.

Environment/Climate Change

24. There are no environmental/climate change considerations associated with this report. However, a risk has been identified in relation to climate change.

Council Priorities and Projects

25. An effective risk management framework will help to ensure that Council priorities are met.



Iain Newman

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Background Documents

Appendix A – Risks included on the SEB risk report that are rated Very High (Net)

Appendix B – Directorate risks rated Very High

APPENDIX A

SEB Very High Net Risks

<p>[1] R.399 “SEB: The inability to recruit and retain staff particularly in professional areas where there is a national shortage of skills and expertise.” Risk Owner: Assistant Director People & Inclusion</p>				
<p>Cause(s) of Risk</p> <p>Market supply difficulties as a result of a shortage of skills nationally . Potential employees choosing other Local government employers over Dudley due to perceptions about Dudley’s employment offer and the Council not being seen as a desirable place to work. Increasingly fluid market.</p>				
<p>Consequence(s) of Risk</p> <p>Services supporting vulnerable people at risk of failing to meet statutory requirements . A loss of potential regeneration investment into the borough. Increase in workforce stress, customer dissatisfaction and diminishing political support. Increased costs due to usage of agency workers. Reduction in quality of service.</p>				
<p>Inherent Score (Gross)</p> <p>25: Very High Likelihood: (5) Extremely Likely × Impact: (5) Severe</p>	<p>Target Score</p> <p>8: Medium Likelihood: (2) Unlikely × Impact: (4) Significant</p>	<p>Previous Score (Net)</p> <p>16: High Likelihood: (4) Very Likely × Impact: (4) Significant</p>	<p>Current Score (Net)</p> <p>20: Very High Likelihood: (5) Extremely Likely × Impact: (4) Significant</p>	<p>Direction</p> <p>WORSE ↓</p>
<ul style="list-style-type: none"> Impact Category: Implications for Service and/or Achievement of Key Targets and Objectives. Corporate Priority: A sustainable, well-governed and forward-looking organisation. Very High: Not normally acceptable as this is above the risk appetite of the Council. Immediate action must be taken to manage the risk or specific approval gained to allow the risk to remain at this level. If the risk cannot be reduced further e.g. by the identification of additional controls or other treatment, then robust contingency plans must be prepared. Close monitoring must be undertaken. 				
<p>Latest Risk Status Update (01/10/2022 to 31/12/2022)</p> <ul style="list-style-type: none"> Status: Appointment of a new Talent & Future Workforce manager who will lead the work on career development and succession planning which will support our ability to retain staff. Work ongoing as per Q1 commentary. Net Likelihood increased to 5 following SEB Workshop. Entered by: Graham Harrison, 22/03/2023 				
<p>Mitigating Actions to be Progressed to Work Towards Target Score</p>				
<p>A.3818 Exploration of options for new application and candidate tracking systems for permanent recruitment via joint venture opportunity /partnership, with option appraisal presented to SEB for decisions. Responsible Officer: Assistant Director People & Inclusion. Start Date: 01/01/2022. End Date: 30/09/2022.</p> <ul style="list-style-type: none"> Status: ONTARGET (01/10/2022 to 31/12/2022) Progress: Work to scope the requirement for a new Applicant Tracking system has commenced. Entered by: Kelly Everett, 16/02/2023 				
<p>A.3816 Publish the Council’s People Plan</p>				

Responsible Officer: Assistant Director People & Inclusion. Start Date: 01/01/2022. End Date: 01/04/2022.

- Status: COMPLETED (01/10/2022 to 31/12/2022)
- Progress: Completed in a previous quarter.
- Entered by: Audit Batch Process, 27/10/2022

A.3817 The benefits and lessons learned from the covid experience about smarter working

Responsible Officer: Assistant Director People & Inclusion. Start Date: 01/01/2022. End Date: 01/04/2022.

- Status: ONTARGET (01/10/2022 to 31/12/2022)
- Progress: As per Q1 commentary, Work has continued under the direction of the Deputy CE.
- Entered by: Kelly Everett, 16/02/2023

Summary of Mitigating Actions (Already in Place)

- 1) The Council promotes the use of apprenticeships (“growing your own”).
- 2) The benefits of working for Dudley are promoted as part of the recruitment campaign.
- 3) Interim consultants are procured where appropriate to support the delivery of key services.
- 4) Managers are encouraged to review job specifications to ensure all requirements are needed.
- 5) Introduction of new workstyles and promotion of agile/flexible working to ensure we attract the best talent for roles who can work remotely
- 6) Implement grow our own initiatives e.g. senior practitioners progression pathway, training pathways for social workers, graduate trainees
- 7) Workforce planning at directorate level on an annual basis has enabled the identification of the roles that are difficult to recruit to and plans are developed to address/mitigate impact e.g. targeted MFS for key children social worker posts.
- 8) Regular Horizon scanning to anticipate changes and trends to professional areas across the council together with keeping up to date on national trends for hard to recruit professions.

PIs for Risk

No performance indicators linked.

Assurances for Risk

No sources of assurance identified.

[2] R.405 “SEB: Contracts are not managed effectively.”

Risk Owner: Deputy Chief Executive

Cause(s) of Risk

Lack of guidance and training for staff responsible for managing contracts.

Consequence(s) of Risk

Contracts are not delivered as expected and statutory obligations may not be met.

Inherent Score (Gross)	Target Score	Previous Score (Net)	Current Score (Net)	Direction
20: Very High Likelihood: (5) Extremely Likely × Impact: (4) Significant	3: Low Likelihood: (1) Extremely Unlikely × Impact: (3) Moderate	15: High Likelihood: (5) Extremely Likely × Impact: (3) Moderate	20: Very High Likelihood: (5) Extremely Likely × Impact: (4) Significant	WORSE ↓

- Impact Category: Implications for Service and/or Achievement of Key Targets and Objectives.
- Corporate Priority: A sustainable, well-governed and forward-looking organisation.
- Very High: Not normally acceptable as this is above the risk appetite of the Council. Immediate action must be taken to manage the risk or specific approval gained to allow the risk to remain at this level. If the risk cannot be reduced further e.g. by the identification of additional controls or other treatment, then robust contingency plans must be prepared. Close monitoring must be undertaken.

Latest Risk Status Update (01/10/2022 to 31/12/2022)

- Status: Guidance is being produced around contract management that has included a segmentation tool. However this requires changes to the procurement process from ATP to ATA which need to be reviewed at the same time. The team are also beginning to look at training options and a wider programme of contract management training. It should be noted that the procurement team does not contain the required capacity to move at pace with contract management work. Impact increased to 4 following SEB Risk Workshop.
- Entered by: Graham Harrison, 22/03/2023

Mitigating Actions to be Progressed to Work Towards Target Score**A.3834 Deliver training on procurement to all relevant stakeholders**

Responsible Officer: Head of Procurement. Start Date: 01/01/2022. End Date: 01/07/2022.

- Status: COMPLETED (01/10/2022 to 31/12/2022)
- Progress: Training complete and recording available.
- Entered by: Tim Robbins, 18/01/2023

A.3831 Delivery of the Procurement Action Plan.

Responsible Officer: Head of Procurement. Start Date: 01/01/2022. End Date: 31/03/2022.

- Status: BEHIND (01/10/2022 to 31/12/2022)
- Progress: The procurement action plan is in progress and the team are working through the actions. However, some actions will not be completed until 2023/24.
- Entered by: Tim Robbins, 18/01/2023

A.3832 Draft, consult on and implement revised Contract Standing Orders. Including revised procurement authorisation and delegation matrix

Responsible Officer: Head of Procurement. Start Date: 01/01/2022. End Date: 01/04/2022.

- Status: COMPLETED (01/10/2022 to 31/12/2022)
- Progress: Completed in a previous quarter.
- Entered by: Audit Batch Process, 27/10/2022

A.3833 Revise Terms of Reference for Procurement Management Group – publish to all DMTs and SEB

Responsible Officer: Head of Procurement. Start Date: 01/01/2022. End Date: 01/04/2022.

- Status: ONTARGET (01/10/2022 to 31/12/2022)
- Progress: This is in progress to be completed in Q4.
- Entered by: Tim Robbins, 18/01/2023

Summary of Mitigating Actions (Already in Place)

- 1) An experienced Head of Procurement is supporting the Council.
- 2) A Procurement Action Plan has been produced, which is overseen by the Procurement Management Group.

PIs for Risk

No performance indicators linked.

Assurances for Risk

No sources of assurance identified.

[3] R.392 “SEB: The Council is unable to meet its commitments to deliver services as they fall due because annual income is insufficient and reserves have been fully depleted.”

Risk Owner: Director of Finance & Legal Services

Cause(s) of Risk

Demand for certain statutory services continues to increase e.g. Adult Social Care and Looked after Children which is not met by increased government funding and/or the inability to raise council tax above a certain level.

Consequence(s) of Risk

Services are not delivered as required and possible government intervention.

Inherent Score (Gross)	Target Score	Previous Score (Net)	Current Score (Net)	Direction
25: Very High Likelihood: (5) Extremely Likely × Impact: (5) Severe	10: Medium Likelihood: (2) Unlikely × Impact: (5) Severe	25: Very High Likelihood: (5) Extremely Likely × Impact: (5) Severe	20: Very High Likelihood: (4) Very Likely × Impact: (5) Severe	BETTER ↗

- Impact Category: Implications for Service and/or Achievement of Key Targets and Objectives.
- Corporate Priority: A sustainable, well-governed and forward-looking organisation.
- Very High: Not normally acceptable as this is above the risk appetite of the Council. Immediate action must be taken to manage the risk or specific approval gained to allow the risk to remain at this level. If the risk cannot be reduced further e.g. by the identification of additional controls or other treatment, then robust contingency plans must be prepared. Close monitoring must be undertaken.

Latest Risk Status Update (01/10/2022 to 31/12/2022)

- Status: The Local Government Finance Settlement 2023/24 and indications for funding in 2024/25 are better than expected. However, there is still significant economic uncertainty, a challenging pay and recruitment environment and risk on the delivery of savings proposals.
- Entered by: Iain Newman, 03/02/2023

Mitigating Actions to be Progressed to Work Towards Target Score

A.4304 Directorates targeted to identify options to deliver £24m of additional savings over the next three years.

Responsible Officer: Director of Finance & Legal Services. Start Date: 18/07/2022. End Date: 30/11/2022.

- Status: COMPLETED (01/10/2022 to 31/12/2022)
- Progress: Sufficient savings were identified to set a balanced MTFS.
- Entered by: Iain Newman, 03/02/2023

Summary of Mitigating Actions (Already in Place)

- 1) Regular reviews are undertaken to ensure statutory services/all services are delivered as efficiently and effectively as possible.
- 2) The Council has made representations to the government on how funding is allocated.
- 3) Council Tax is raised by the maximum percentage possible.
- 4) Regular reports to Council, Cabinet, Scrutiny Committee, Audit & Standards on budget management.
- 5) All directorates are required to identify savings.

PIs for Risk

No performance indicators linked.

Assurances for Risk

- Annual Auditors' Report to Cabinet and Audit and Standards 2022/23

[4] R.413 “SEB: Failure to meet and evidence statutory building safety and compliance responsibilities ”

Risk Owner: Director for Housing & Communities

Cause(s) of Risk

Inadequate building safety framework, associated policies and procedures, and data quality and monitoring arrangements in place.

Consequence(s) of Risk

Inability to evidence and provide assurance of compliance with legal and regulatory standards. . Likelihood that significant opportunities to ensure our homes are warm and efficient have been missed.

Inherent Score (Gross)	Target Score	Previous Score (Net)	Current Score (Net)	Direction
25: Very High Likelihood: (5) Extremely Likely × Impact: (5) Severe	5: Medium Likelihood: (1) Extremely Unlikely × Impact: (5) Severe	15: High Likelihood: (3) Possible × Impact: (5) Severe	25: Very High Likelihood: (5) Extremely Likely × Impact: (5) Severe	WORSE ↓

- Impact Category: Major Programmes and Projects.
- Corporate Priority: Dudley Borough the destination of choice.
- Very High: Not normally acceptable as this is above the risk appetite of the Council. Immediate action must be taken to manage the risk or specific approval gained to allow the risk to remain at this level. If the risk cannot be reduced further e.g. by the identification of additional controls or other treatment, then robust contingency plans must be prepared. Close monitoring must be undertaken.

Latest Risk Status Update (01/10/2022 to 31/12/2022)

- Status: Ongoing work underway to mitigate risk Net Likelihood increased to 5 following SEB Risk Workshop.
- Entered by: Graham Harrison, 22/03/2023

Mitigating Actions to be Progressed to Work Towards Target Score

A.3846 Complete Compliance Action Plan [R]

Responsible Officer: To be confirmed. Start Date: 01/01/2022. End Date: 30/09/2022.

- Status: ONTARGET (01/10/2022 to 31/12/2022)
- Progress: Interim Compliance Lead in post and driving forward compliance review and associated action plan
- Entered by: Kathy Jones, 06/02/2023

A.3847 Corporate / Service lead training [R]

Responsible Officer: To be confirmed. Start Date: 01/01/2022. End Date: 30/09/2022.

- Status: ONTARGET (01/10/2022 to 31/12/2022)
- Progress: Being progressed through compliance action plan
- Entered by: Kathy Jones, 06/02/2023

Summary of Mitigating Actions (Already in Place)

- 1) Property Compliance Roadmap
- 2) Compliance re-structured to new team
- 3) Compliance lead appointed
- 4) FLEGAL Duty Holders appointed
- 5) Compliance Scorecard in place, and monitored monthly
- 6) Monthly Compliance Meeting reviews position and determines Actions

PIs for Risk

No performance indicators linked.

Assurances for Risk

No sources of assurance identified.

[5] R.408 “SEB: Failure to seize the opportunities and exploit the benefits that are envisaged from the huge regeneration programme investment that impacts on the council’s vision for 2030.”


Risk Owner: Director of Regeneration & Enterprise

Cause(s) of Risk

Due to a lack of a strategic approach, ineffective governance and insufficient resources.

Consequence(s) of Risk

Unfulfilled economic prosperity and social benefits.

Inherent Score (Gross)	Target Score	Previous Score (Net)	Current Score (Net)	Direction
25: Very High Likelihood: (5) Extremely Likely × Impact: (5) Severe	10: Medium Likelihood: (2) Unlikely × Impact: (5) Severe	20: Very High Likelihood: (5) Extremely Likely × Impact: (4) Significant	20: Very High Likelihood: (5) Extremely Likely × Impact: (4) Significant	SAME 

- Impact Category: Implications for Service and/or Achievement of Key Targets and Objectives.
- Corporate Priority: Dudley the borough of ambition and enterprise.
- Very High: Not normally acceptable as this is above the risk appetite of the Council. Immediate action must be taken to manage the risk or specific approval gained to allow the risk to remain at this level. If the risk cannot be reduced further e.g. by the identification of additional controls or other treatment, then robust contingency plans must be prepared. Close monitoring must be undertaken.

Latest Risk Status Update (01/10/2022 to 31/12/2022)

- Status: Programme Portfolio lead has concluded the process review on the scope of projects and governance. They will report and recommend on portfolio optimization and planning, risk management and on resourcing. Regeneration audit has recently been completed which considered if the benefits of a number of schemes/bids were maximised.
- Entered by: Helen Martin, 10/01/2023

Mitigating Actions to be Progressed to Work Towards Target Score

A.3838 A bid has been made for additional resources to support the regeneration programme.

Responsible Officer: Director of Regeneration & Enterprise. Start Date: 01/01/2022. End Date: 31/03/2022.

- Status: BEHIND (01/10/2022 to 31/12/2022)
- Progress: Due to the level of financial pressures in addition to the savings to be found growth for additional resource does not form part of the current MTFS proposals. Any new successful bids will allow the recruitment of temporary resource.
- Entered by: Helen Martin, 10/01/2023

A.3840 A review of resources is to be undertaken to align where possible to the needs of the regeneration programme.

Responsible Officer: Director of Regeneration & Enterprise. Start Date: 01/01/2022. End Date: 31/03/2022.

- Status: ONTARGET (01/10/2022 to 31/12/2022)
- Progress: On going review as per last quarters update. Seeking to appoint an interim regeneration lead and to commission a regeneration strategy to create the

conditions for a more strategic approach and demonstrate resource requirements.

▪ Entered by: Helen Martin, 10/01/2023

A.3837 Creation of a clear regeneration statement/plan on a page on the vision for the borough, linked to the Council Plan and local plan to show that activity is aligned. The statement will clearly show the benefits expected from the regeneration programme

Responsible Officer: Director of Regeneration & Enterprise. Start Date: 01/01/2022. End Date: 31/03/2022.

- Status: ONTARGET (01/10/2022 to 31/12/2022)
- Progress: Ongoing work which needs to be aligned to the Portfolio review and awaiting appointment of regeneration lead
- Entered by: Helen Martin, 10/01/2023

A.3839 Town Fund Boards that include key external stakeholders are to be set up in each of the major towns (already set up in Dudley and Brierley Hill). These will act as a consultation and communication forum.

Responsible Officer: Director of Regeneration & Enterprise. Start Date: 01/01/2022. End Date: 31/03/2022.

- Status: ONTARGET (01/10/2022 to 31/12/2022)
- Progress: Boards are established in Dudley, Brierley Hill and Halesowen. ToR for Dudley revised January 2023 in light of revised government guidance. As and when required a board will be established for Lye/Stourbridge
- Entered by: Helen Martin, 10/01/2023

Summary of Mitigating Actions (Already in Place)

- 1) Robust governance process has been established with regular reporting on regeneration opportunities and progress on projects to SEB and Major Capital Investment Board.
- 2) Member and key stakeholder involvement in decisions to bid and bid submission. Use of scrutiny process to ensure Member oversight.
- 3) Where capacity is insufficient interims and consultants will be used.
- 4) All projects have individual Risk registers and steering groups that report into SEB/MCIB.

PIs for Risk

No performance indicators linked.

Assurances for Risk

No sources of assurance identified.

[1] R.419 “CE's Office: Lack of oversight of programmes and projects across the Council, with no assurance and monitoring of progress against time, cost and quality.”

Risk Owner: Head of Chief Executives Office

Cause(s) of Risk

• No centralised corporate PMO function for effective Programme/ Project Governance which is tailored to the Council and its specific needs when driving change. • Absence of a standardised corporate approach to Programme/Project governance and assurance. • Independent / SILO resource allocation and monitoring of programmes and projects without holistic prioritisation against the Corporate strategic needs. • Learning from change activity is not consistently undertaken and/or not shared. • Shortage of PM skillset and/or experience across the Council.

Consequence(s) of Risk

• Absence of a holistic corporate view of change activity across the Council with no transparency of major programmes/ projects / change activity. • Programmes and projects are not aligned to the Corporate Strategy and associated business plans. • Lack of objective and transparent prioritisation of programmes/ projects leading to potential duplication of effort, inability to prioritise resource and/or poor investment justification. • Objectives of programmes/projects are not delivered or monitored effectively. • Success criteria is not defined therefore, programmes/projects are not delivered to time/ budget and/ or quality. • Without shared learning, mistakes are repeated and/or best practise not shared corporately or consistently.

Inherent Score (Gross)	Target Score	Previous Score (Net)	Current Score (Net)	Direction
25: Very High Likelihood: (5) Extremely Likely × Impact: (5) Severe	8: Medium Likelihood: (2) Unlikely × Impact: (4) Significant	25: Very High Likelihood: (5) Extremely Likely × Impact: (5) Severe	20: Very High Likelihood: (4) Very Likely × Impact: (5) Severe	BETTER ↗

- Impact Category: Major Programmes and Projects.
- Corporate Priority: A sustainable, well-governed and forward-looking organisation.
- Very High: Not normally acceptable as this is above the risk appetite of the Council. Immediate action must be taken to manage the risk or specific approval gained to allow the risk to remain at this level. If the risk cannot be reduced further e.g. by the identification of additional controls or other treatment, then robust contingency plans must be prepared. Close monitoring must be undertaken.

Latest Risk Status Update (01/10/2022 to 31/12/2022)

- Status: Progress: 30 colleagues registered for internal PM Network launching early 2023. Launched CPMO SharePoint and Connect Page in September 2022. Shared CPMO key messages to all DMTS (September to November 2022) We have developed a suite of tools and templates and still in the process of developing more to support those managing projects. We are improving on these as we go along, taking into consideration user feedback. We are in the process of developing: framework, linking with existing processes – working with Procurement, Internal Audit & Risk (Project risk management links in with Corporate Risk Framework), Information Governance, People & Inclusion, EDI (EIA Project screening form), Digital, Technology and Democratic Services/ Strategic Governance Developing back to basics PM training on processes, project plans, business cases, project risk, tools and evaluation (first training session to take place with Regeneration & Enterprise in December) Managing Successful Programmes (MSP) training to take place with representation from across the council in December Project risk training has taken place with c.20 members of staff across various service areas Developing

the Dudley Project Portal (Verto 365): centralised PM system for Council-wide adoption The system has been reviewed, redesigned and reconfigured Workshops held in October and December Pilot underway in several areas across the council with wider rollout from end of January 2023 Developing a project baseline of all major and directorate projects across the council and first major projects status update reporting on some identified projects - to be presented to SEB on 31 January and Informal Cabinet in February 2023.

- Entered by: Reena Gill-Dulai, 13/01/2023

Mitigating Actions to be Progressed to Work Towards Target Score

A.3857 Develop, embed and promote the PMO as of a 'centre of excellence'

Responsible Officer: Head of Chief Executives Office. Start Date: 01/01/2022. End Date: 01/04/2024.

- Status: ONTARGET (01/10/2022 to 31/12/2022)
- Progress: Supported training for Regeneration and Enterprise directorate (2/12/2022). Trained Digital and Customer Services project managers in project risk management. Building a baseline of all projects in the council. Working with support services (example being Information Governance Team) to enable the signposting to existing processes and services for PMs.

- Entered by: Reena Gill-Dulai, 27/02/2023

A.3853 Development of a centralised PMO function – stakeholder engagement.

Responsible Officer: Head of Chief Executives Office. Start Date: 01/01/2022. End Date: 01/04/2022.

- Status: ONTARGET (01/10/2022 to 31/12/2022)
- Progress: PM Survey out to wider council to capture stakeholder requirements for CPMO. Results shared with SEB on 30 November 2022. Also captured interested parties for PM Network. 30 colleagues registered for internal PM Network launching early 2023. Launched CPMO SharePoint and Connect Page in September 2022. Shared CPMO key messages to all DMTS (September to November 2022) Developed a suite of tools and templates, more to come, taking into consideration user feedback. (templates developed for business case, PID, RAID, reports etc.) Developing framework, linking with existing processes – working with Procurement, Internal Audit & Risk, Information Governance, People & Inclusion, EDI, Digital, Technology and strategic governance

- Entered by: Reena Gill-Dulai, 27/02/2023

A.3854 Development, approval and launch of the use of a tailored Programme/ project Management Framework

Responsible Officer: Head of Chief Executives Office. Start Date: 01/01/2022. End Date: 01/04/2023.

- Status: ONTARGET (01/10/2022 to 31/12/2022)
- Progress: Core PM templates in test and refine –building into Project Portal where possible Developed CPMO Share Point page with PM toolkit Shared a variety of freely available tools (in PM toolkit)

- Entered by: Reena Gill-Dulai, 27/02/2023

A.3858 PMO function sharing best practice

Responsible Officer: Head of Chief Executives Office. Start Date: 01/01/2022. End Date: 01/04/2024.

- Status: ONTARGET (01/10/2022 to 31/12/2022)
- Progress: Encouraging PMs to log lessons on projects. Exploring how to develop a centralised lessons learnt log.

- Entered by: Reena Gill-Dulai, 27/02/2023

A.3855 Review that the Programme/ project Management Framework is in place and embedded across the Council.

Responsible Officer: Head of Chief Executives Office. Start Date: 01/01/2022. End Date: 01/04/2024.

- Status: ONTARGET (01/10/2022 to 31/12/2022)
- Progress: This will be actioned following the development and launch of the framework
- Entered by: Reena Gill-Dulai, 27/02/2023

A.3856 Review the market for a PM tool to support the new approach and framework. Develop, launch and roll-out.

Responsible Officer: Head of Chief Executives Office. Start Date: 01/01/2022. End Date: 01/04/2023.

- Status: ONTARGET (01/10/2022 to 31/12/2022)
- Progress: Confirmed that the existing tool that Dudley has access to will be used: VERTO365 but rebranded to be the Dudley Project Portal. Initial configuration completed to developed (but draft) PM Documentation. Testing tool with pilot users to ensure requirements are captured and refined/ prioritised. ensure stakeholder feedback is utilised to improve user features/ functions. Booked administrator training with system provider in January 2023 for team.
- Entered by: Reena Gill-Dulai, 27/02/2023

Summary of Mitigating Actions (Already in Place)

- 1) Early engagement with Programme and Project Managers to understand current governance and assurance measures in place
- 2) Renewed licence with TMI for the VERTO project management tool.
- 3) Commenced the recruitment process for a Corporate Programme Manager

PIs for Risk


No performance indicators linked.

Assurances for Risk

No sources of assurance identified.

APPENDIX B

Directorate Very High Net Risks

<p>[7] R.553 “Planning: The Building Control service is unable to comply with the requirements of the new Building Safety Bill.” Risk Owner: Head of Planning</p>				
<p>Cause(s) of Risk</p> <p>Training requirements cannot be satisfied and work not undertaken. Staff do not, for whatever reason, become Registered Building Inspectors and so cannot practice. Also, staff may be seconded to the BSR, thus leaving the Local Authority short staffed and, by definition, the officers seconded will be the most qualified and experienced.</p>				
<p>Consequence(s) of Risk</p> <p>The Building Safety Regulator will have powers to issue monetary fines, restriction of activities, suspension of registration or cancellation of registration against individual Registered Building Inspectors.</p>				
<p>Inherent Score (Gross)</p> <p>20: Very High Likelihood: (5) Extremely Likely × Impact: (4) Significant</p>	<p>Target Score</p> <p>9: Medium Likelihood: (3) Possible × Impact: (3) Moderate</p>	<p>Previous Score (Net)</p> <p>20: Very High Likelihood: (5) Extremely Likely × Impact: (4) Significant</p>	<p>Current Score (Net)</p> <p>20: Very High Likelihood: (5) Extremely Likely × Impact: (4) Significant</p>	<p>Direction</p> <p>SAME </p>
<ul style="list-style-type: none"> Impact Category: Failure to provide statutory duties / meet Legal Obligations. Corporate Priority: Dudley the borough of ambition and enterprise. Very High: Not normally acceptable as this is above the risk appetite of the Council. Immediate action must be taken to manage the risk or specific approval gained to allow the risk to remain at this level. If the risk cannot be reduced further e.g. by the identification of additional controls or other treatment, then robust contingency plans must be prepared. Close monitoring must be undertaken. 				
<p>Latest Risk Status Update (01/10/2022 to 31/12/2022)</p> <ul style="list-style-type: none"> Status: Major concerns with staffing resources, agencies approached for support the situation remains ongoing Entered by: Jane Lamine, 08/02/2023 				
<p>Mitigating Actions to be Progressed to Work Towards Target Score</p>				
<p>A.4070 Identifying training options and timeframe to develop training plan/programme for Dudley Building Control Team. {DISABLED} Responsible Officer: Head of Planning. Start Date: 01/01/2022. End Date: 30/09/2022.</p> <ul style="list-style-type: none"> Status: COMPLETED (01/10/2022 to 31/12/2022) Progress: Completed in a previous quarter. Entered by: Audit Batch Process, 05/11/2022 				
<p>A.4069 Programme of work to discuss options with all members of the Building Control Team. {DISABLED} Responsible Officer: Head of Planning. Start Date: 01/01/2022. End Date: 30/09/2022.</p> <ul style="list-style-type: none"> Status: COMPLETED (01/10/2022 to 31/12/2022) Progress: Completed in a previous quarter. Entered by: Audit Batch Process, 05/11/2022 				
<p>A.4071 Programme to review workforce planning and resourcing implications. Responsible Officer: Head of Planning. Start Date: 01/01/2022. End Date: 30/09/2022.</p>				

- Status: BEHIND (01/10/2022 to 31/12/2022)
- Progress: Meeting with Emma Wright scheduled for end Feb 2023
- Entered by: Jane Lamine, 10/02/2023

Summary of Mitigating Actions (Already in Place)

1) An awareness of the legislation requirements and a timeframe for resolution.

PIs for Risk

No performance indicators linked.

Assurances for Risk

No sources of assurance identified.

[9] R.535 “Regen & Ent: Unable to recruit professional staff to deliver Corporate Landlord, Planning and Regeneration needs.”

Risk Owner: Head of Corporate Landlord Services

Cause(s) of Risk

Unable to offer competitive salaries and terms to those offered within the private sector and other Local Authorities/Public Sector.

Consequence(s) of Risk

Use of agency staff where available to complete key professional roles which impacts upon the budget position and ability to complete all required work delaying regeneration and the effective management of the corporate estate.

Inherent Score (Gross)	Target Score	Previous Score (Net)	Current Score (Net)	Direction
25: Very High Likelihood: (5) Extremely Likely × Impact: (5) Severe	9: Medium Likelihood: (3) Possible × Impact: (3) Moderate	16: High Likelihood: (4) Very Likely × Impact: (4) Significant	25: Very High Likelihood: (5) Extremely Likely × Impact: (5) Severe	WORSE ↓

- Impact Category: Implications for Service and/or Achievement of Key Targets and Objectives.
- Corporate Priority: A sustainable, well-governed and forward-looking organisation.
- Very High: Not normally acceptable as this is above the risk appetite of the Council. Immediate action must be taken to manage the risk or specific approval gained to allow the risk to remain at this level. If the risk cannot be reduced further e.g. by the identification of additional controls or other treatment, then robust contingency plans must be prepared. Close monitoring must be undertaken.

Latest Risk Status Update (01/10/2022 to 31/12/2022)

- Status: Recruitment remains concerning within the service area
- Entered by: Jane Lamine, 09/02/2023

Mitigating Actions to be Progressed to Work Towards Target Score

A.4047 Working with the Commercial Team to ensure that the new recruitment agency partnership covers all service needs.

Responsible Officer: Head of Culture, Leisure & Bereavement Services. Start Date: 01/01/2022. End Date: 30/09/2022.

- Status: ONTARGET (01/10/2022 to 31/12/2022)
- Progress: Recruitment fair review took place 17/10. Agreed that Connect2Dudley will meet with managers individually to assess their service needs.
- Entered by: Stuart Connelly, 18/10/2022

Summary of Mitigating Actions (Already in Place)

- 1) Interim Consultants/Staff are procured where needed to support the delivery of key services/projects
- 2) Implementing grow our own initiatives such as supporting professional training and development for staff with senior management support
- 3) Review of professional market place to support recruitment and training offerings

PIs for Risk

No performance indicators linked.

Assurances for Risk

No sources of assurance identified.

