

Corporate Risk Register
Updated August 2022

Risk	Inherent Risk	Current Risk	Target Risk	Direction of Travel
Risk 1: Safety of Children and Young People	24	20	9	↓
Risk 2: Delivery of the Adult Social Care (ASC) Transformation Programme	18	15	8	↔
Risk 3: Special Educational Needs and Disability (SEND) Local Area Inspection	24	20	4	↓
Risk 4: Impact of the cost of living crisis on Slough's residents	24	18	6	↔
Risk 5: Risk of the failure of statutory duty for provision of temporary accommodation	18	12	6	↔
Risk 6: Service delivery risk due to workforce recruitment and retention issues	24	20	6	↓
Risk 7: The Council does not take adequate mitigation to reduce the risk of injury or death from incidents within the Council	20	12	6	↔
Risk 8: Business Continuity and Emergency Planning	24	8	6	↔
Risk 9: Cyber Security	15	9	6	↑
Risk 10: Financial sustainability	24	20	4	↔
Risk 11: Pace and evaluation of the disposal of assets	24	12	8	↑
Risk 12: Governance and financial implications of the council companies	20	9	2	↑
Risk 13: Recovery and Renewal Plan	24	15	6	↔
Risk 14: Risk that the lack of an agreed council-wide vision, principles and governance for building digital access for residents continues to lead to incoherent and poor quality digital services	16	12	8	↔

Risk 1: Safety of Children and Young People
Risk Owner: Chief Executive/ Executive Director Children
Direction of Travel: ↓

Description:

Children and Young people are not kept safe through failure to meet our statutory and regulatory obligations

Context

If Slough Children First becomes financially unviable then the Council will need to divert resources to continue essential services for children and their families

- Slough Children First (SCF) are a wholly owned council company that provide children's safeguarding through a service contract. A business plan and budget is agreed by cabinet each year and managed via a strategic commissioning board. There is risk that the company fails to deliver safeguarding services to children within the approved budget due to additional demands.
- The company is reporting an in year overspend of £4m and has requested a further £1.3m to invest in Early Help to reduce costs in future years. There is a risk that the company could go into liquidation if it does not mitigate the loss or receive financial support from the council.
- The Department for Education (DfE) have notified the company that it will be substantially reducing the grant it provides for annual running costs of £2.2m pa to in the region of £0.8m in 2023/24 and potentially less in future years. This loss of grant will either need to be filled from additional savings or support from the council.

Consequence:

The risk that children’s lives are being placed at greater risk due to the rising demands and not having sufficient resources to meet that demand, which could lead to risk of harm being missed.

- Inability to spend within budget
- Reputational damage to the council and the company if unable to meet its statutory duties
- If improvements to service delivery are not made in line with the Directions issued by the Department for Education there is a risk of further intervention

Current Controls:

- The performance and financial position of the company is monitored on a monthly basis through the contract monitoring process and strategic commissioning board chaired by the Chief Executive.
- The financial position is reported to cabinet through the council’s budget monitoring process.
- The business plan is reviewed by scrutiny and approved by strategic commission group who monitor the plan.
- The DfE have commissioned Mutual Ventures to review the SCF business plan to assess its effectiveness as a model for invest to save.

Actions Required:

- Resolve the in-year financial position and establish medium term position
 - Actionee: Andrew Fraser/Matt Marsden
 - Target date: 31st October 2022
 - Latest update: Report to October Cabinet

	Inherent Risk	Current Risk	Target Risk
Likelihood	6	5	3
Impact	4	4	3
Score	24	20	9

Date last updated: 15th September 2022

Risk 2: Delivery of the Adult Social Care (ASC) Transformation Programme

Risk Owner: Executive Director of People (Adults)

Direction of Travel: ⇄

Description:

- **If the adult social care transformation programme does not deliver changes in a timely and effective way there will be a negative impact on quality of service with residents directly affected, savings will not be achieved and a balanced budget will not be delivered.**

Context

There are pressures across the adult social care service with regard to provider stability, increasing demand, partnership working and provider costs.

Consequence:

- Increasing number of people waiting for assessment, service or review.
- Increasing number of safeguarding cases.
- Provider failures and reduced quality.
- Demand increasing.
- Use of agency staffing increasing.
- Budget not balanced, savings not delivered, cost and price increasing.
- Health funding to support the changes may be withdrawn

Current Controls:

- Adult Social Care business case and implementation plans
- Adult Social Care Transformation Board – reporting into Recovery and Renewal board
- Tracking of actions and savings
- Support and challenge from People Too consultant partners
- 22/23 Funding for Transformation partner agreed at 21/03/22 Cabinet

Actions Required:

- Manage additional income from client contributions. Based on the Financial Assessment and Charging Workstream,:
 - Backdated invoices raised to the value of **£889k last financial year**
 - Target for this year £560k - £130k already achieved
 - This is considered additional income over and above that budgeted
 - Actionee: Marc Gadsby
 - Target Date: 31/03/2023
 - Latest Update: Progress continues to be made – Provider Services now closed - monthly reporting of progress to ASC transformation programme board, monthly project report to Exec Board and weekly financial tracking progress to lead members and directors.

- Deliver the workstream actions in the adult social care transformation programme. Good progress is being made – monthly reporting of progress to ASC transformation programme board, monthly project report to Exec Board and weekly financial tracking progress to lead members and directors. Cashable savings delivered for provider services, client contributions and virtual review team in 2022/23 of £1.5m.
 - Actionee: Marc Gadsby / Jane Senior
 - Target date: 31/03/2023
 - Latest update: Progress continues to be made – Provider Services now closed - monthly reporting of progress to ASC transformation programme board, monthly project report to Exec Board and weekly financial tracking progress to lead members and directors.

	Inherent Risk	Current Risk	Target Risk
Likelihood	6	5	4
Impact	3	3	2
Score	18	15	8

Date last updated: 11th August 2022

Risk 3: Special Educational Needs and Disability (SEND) Local Area Inspection

Risk Owner: Executive Director People (Children)

Direction of Travel: ⇔

Description:

If we fail to provide a fit for purpose SEND service then it puts service users at risk and provides poor value for money.

Context

- The SEND Local Area Inspection took place in September/October 2021. The report highlighted significant areas of weakness.
- The local area includes the local authority SEND services, Children's Social Care and Health partners.
- The area was required to produce a Written Statement of Action (WSOA), which highlights how we will address the areas of concern. This was produced and sent to Ofsted/CQC on 18th February. It was approved by Ofsted and CQC as fit for purpose but with a letter of recommendations to add to the WSOA.
- There is an approximate timeline of 12-18 months for improvements to be demonstrated in which Ofsted are likely to be back for inspection again.
- Staff turnover and absence is impacting significantly on delivery of SEND services
- Current SEND service is not fit for purpose and additional resources are required.
- The High Needs Block is significantly overspent with a deficit of approximately £26 million.
- The LA is required to have a DSG (Dedicated School Grant) management programme to address this and reduce in-year spend to 0 within 4-5 years.

Consequence:

- Reputational risk
- Failure to carry out statutory duties
- Vulnerable children not getting the full support they are entitled.
- Failure to reduce High Needs Block overspend
- Potential DfE intervention

- Negative Ofsted re-inspection outcome
- Deterioration of relationship with stakeholders/resident and partners
- Financial risk

Current Controls:

- Current controls are limited as the LA team lacks capacity. Update: Extra funding has been agreed to increase the SEND team by up to 6 FTE which will enable a redesign of the service.
- Monthly SEND strategic board meetings
- DSG recovery plan is in place to reduce costs over 4-5 years.
- Interim Project Manager to coordinate the WSOA is in place
- Monthly SEND strategic board meetings
- Monthly DSG management plan meetings
- Slough Children First and the Clinical Commissioning Group have put in additional resources to address the areas highlighted in the Ofsted inspection
- Regular meetings are being held with the DfE – there are Slough specific advisors – monitoring and challenge the implementation of the WSOA

Actions Required:

- Exploring specific resources to implement the WSOA. Additional SEND staffing resources are needed to improve functioning of the team and secure improvement. Update: The new roles have been graded and will be going out to advert to recruit in September 2022
 - Actionee: Johnny Kyriacou
 - Target date: 30th November 2022
 - Latest update: Business case has been developed for the recruitment of SEND officers and to expand resources in the SEND team to implement the improvement plan and get the service to good. Chief Executive has agreed additional resources for the service

- Implement the WSOA with all relevant partners, the WSOA
 - Actionee: Johnny Kyriacou
 - Target date: 31st October 2023
 - Latest Update: Implementation of the WSAO is predicated on securing resources as described above

- Implement Dedicated Schools Grant (DSG) recovery plan in partnership with the Department for Education (DfE). This is also known as the Safety Valve programme. Meetings are taking place with the DfE with two workshops in August 2022
 - Actionee: Johnny Kyriacou
 - Target date: 31st October 2023
 - Latest Update: Progress is being made with regular meetings with the DfE

	Inherent Risk	Current Risk	Target Risk
Likelihood	5	4	3
Impact	4	4	3
Score	20	16	9

Date last updated: 11th August 2022

Risk 4: Impact of the cost-of-living crisis on Slough's residents

Risk Owner: Corporate Leadership Team

Direction of Travel: ⇔

Description:

Rising inflation will impact the Council and residents ability to meet day to day essential needs.

Context

- UK inflation has increased to 9.1% - the highest since 1992, the bank of England is predicting further rises
- Energy price cap has increased by 54%, and is expected to increase further when it is revised in October 2022
- Increase in food and energy prices has led to a rise in food and fuel poverty
- This has led to an increase in residents and local businesses needing council support and services
- Need is likely to continue increasing
- Further price increases expected in the autumn
- Benefits increased in April 2022 by less than the current level – or expected level – of inflation, which will put pressure on households relying on these payments.
- Failure to obtain energy at competitive prices will significantly impact savings targets and ability to provide services to residents.
- The estimate cost of energy supply contracts is £5.13m in 22/23 against the (21/22 outturn of £2.1m). The budget for energy was set at £3.1m for 22/23. There is now an estimated £2million revenue pressure overall on energy costs across the Council corporate assets, street lighting, PFI school and housing.

Consequence:

- Financial difficulties impact on other areas of residents' lives (e.g., health) which could further increase pressure on services including social care services due to increase stress/mental health issues
- The council and its services will also be directly affected by an increase in its own costs, including contractors increasing prices for services provided to the council

- This will further increase pressure on SBC's limited finance and resources and affect the council's recovery process and response to policy changes
- Delivery of budget at greater risk due to costs rising faster than commercial income, grant income, council tax and business rates
- Capital budget estimates may prove to be understated, SBC cannot afford to put more money in and so there may need to be decisions about the quality/quantity/scale of what is being built/acquired
- Interest rates, impacting on borrowing costs, could rise beyond the level assumed in the budget
- Residents are forced out of the private rented sector due to rent increases and into homelessness
- Inability of residents to pay council tax
- Instability of business effects collection of business rates
- Residents fall into absolute poverty and have to make difficult decisions related to personal finances and may affect their ability to pay priority debt e.g. council tax
- Greater demand on welfare teams
- Schools, already facing constrained budgets and rising deficits, will also be hit with rising energy costs and have to make decisions around energy usage and how to prioritise spend
- Unions arguing for higher pay increases for staff, increase in cost of filling essential temporary posts
- Consequences for energy price rises include:
 - Cost of street lighting has more than doubled
 - Cost of corporate assets have nearly tripled
 - Cost to tenants and leaseholder energy cost has tripled
 - Cost of PFI school energy costs has tripled
 - Overall revenue pressure of energy costs is £2m+

Current Controls:

- Government support:
 - £500m new funding for the Household Support Fund (HSF), with £421 million to be distributed by local authorities in England
 - Tranche 2 of the HSF the Council received £1,177m in funding and spent £40k on administration of schemes
 - To date we have paid the following:

- Support for food for families in receipt of Free School Meals - £681k for 6,488 children over May half term and Summer holidays
 - Support for residents have requested support - £49.3k for 251 claims
- The guidance for latest batch of HSF funding for Oct 2022 – March 23 has been announced but not the value , once this is known we will make recommendations for the best utilisation of this funding.
- A £150 non-repayable rebate for households in England in council tax bands A to D. The Core scheme has been completed, the final 13.7k rebates were paid onto council tax accounts on 2nd September
- Rise in the National Insurance threshold and changes in personal taxation will help those at the bottom end of the earnings scale – those under £25k will pay less in direct taxes on income
- Monitoring of monthly trends/indicators of social poverty to demonstrate the extent to which Slough residents are affected e.g. households in receipt of council tax relief, free school meals, temporary accommodation etc. This is done through the Local Insight tool to monitor trends and reporting monthly to CLT, which includes service demand indicators such as temporary accommodation.
- Council website updated to help people understand what benefits they are entitled to
- Internal Energy group set up to monitor energy spend and consumption. Beond provide billing and metering services to ensure accurate billing. Claw back overpayments. Remove unused meters, add new/existing meters under corporate contract.
- Risk management strategy developed to determine when purchase energy volume under new flexi Gas and Energy (HH) contracts. Energy brokers Beond will advise on opportunistic purchasing (markets retrace). Assume future gas and energy volume at lower market rate during Q2, Q3 and Q4 – provisional estimate **£100k** saving but entirely dependent on market rates at time of purchase
- Housing recharge energy costs for communal heating and lighting to residents – needs a paper to determine the level of recharge and whether HRA reserve picks up some of this cost. **(currently estimated at £1.1m)**
- PFI School recharge energy costs to be negotiated and agreed **(currently estimated at £1.2m)**.

Actions Required:

- Implement government relief e.g., Household Support Fund, maximise use of the fund
 - Actionee: Group manager – revenues, benefits and charges

- Target date: September 2022
 - Latest update: Approach agreed for current tranche
- Implement an inflation policy for procuring new contracts and use a maximum of the Consumer Price Index to track inflation (rather an RPI which is higher)
- Actionee: Group manager – Commercial
 - Target date: October 2022
 - Latest update: Policy has been agreed and will be communicated through staff training and communications in September/October 2022
- Review of contracts to challenge and seek to verify if procurement is necessary and to identify opportunities to maximise value for money through contract rationalisation and consolidation, identification of contracts which fulfil statutory responsibilities
- Actionee: Group Manager Commercial
 - Target date: 31st October 2022
 - Latest update: Review meetings with finance commissioner, executive directors and management team throughout May, June, July and August 2022. Data is now being validated with finance.
- Change/amend heating/lighting/ventilation controls – for each 1% reduction in consumption across the portfolio of Corporate/community Buildings we would save approximately **est. £25k saving**
- Actionee: Jonathan Tewson
 - Target date: 31st March 2023
 - Latest update: Working with the building management as well the FM service provider with an agreed action plan to deliver reductions in power usage (Electricity, Gas & Water), this includes removing unnecessary lighting, fine tuning programmable lighting (OH) using PIR switching systems, updating lighting LED (as & when required), constantly lowering power consumption by the way of regularly checking timeclocks on boilers & other time monitored plant, also checking correct functionality & consumption during in regular PPMs across the SBC estate.

- Asset disposal program will see a reducing number of buildings provided with SBC funded heat, light and power – provisionally **est. £100k saving** in 2022/23 but entirely dependent on sales programme yet to be determined
 - Actionee: Fin Garvey
 - Target date: 31st March 2023
 - Latest Update: Corporate assets are not yet included in the assets identified for disposal, within the 22/23 financial year

- Temporary or part closure of existing assets to reduced consumption (changing rooms, other community buildings, SMP, Priors Close) **est. £50k saving**
 - Actionee: Jason Newman
 - Target date: 31st March 2023
 - Latest Update: Pending a cabinet report to approve closure, in autumn 2022
- Re-Fit Programme Energy efficiency measures for remaining buildings will prove effective in reducing energy costs but requires capital investment and a longer return on investment. A business case will be developed.
 - Actionee: Jason Newman
 - Target date: 30th September 2022
 - Latest Update: In progress, future savings to be identified, contingent on assets disposal programme
- Paper on HRA recharge costs will be required on agreed rates to recharge tenants for energy costs for communal heating and lighting.
 - Actionee: Jason Newman/Trevor Costello
 - Target date: 30th September 2022
 - Latest Update: Being scoped
- Street Lighting timer controls to reduce lux levels require investigating to determine the consumption reduction and potential reduction of costs
 - Actionee: Jason Newman

- Target date: 1st April 2024
- Latest Update: Feasibility study being undertaken, included in 22/23 savings tracker

	Inherent Risk	Current Risk	Target Risk
Likelihood	6	6	3
Impact	4	3	2
Score	24	18	6

Date last updated: 1st September 2022

Risk 5: Risk of the failure of statutory duty for provision of temporary accommodation

Risk Owner: Executive Director - Housing and Property

Direction of Travel: ⇔

Description:

- **If we fail to manage the increasing demand for temporary accommodation it will cost us financially and damage our reputation.**

Context

- There are financial and reputational risks arising from the increasing demand for temporary accommodation. We have increasing numbers of UK nationals presenting as homeless now that evictions are being allowed. We have pressure to receive asylum seekers – currently 300 asylum seekers are in the borough awaiting immigration status and further to this the UK has specific commitments to Hong Kong and to Afghanistan and has “bridge head” infrastructure in place in Slough as a result of our existing cohort of asylum seekers
- The conflict in Ukraine is also likely to impact the demand for housing, particularly after scheme to host families ends after 6 months

Consequence:

- Budget pressure
- People do not have a safe and secure home

Current Controls:

- Housing Needs officers are being supported in taking an appropriate approach when assessing eligibility for temporary accommodation (number of units)
- Temporary Accommodation officers are being supported in negotiating better rates (cost/unit) with landlords and other housing providers
- DLUHC review being undertaken

Actions Required:

- Address staffing shortages in the Temporary Accommodation team – temporary staffing
 - Actionee: Ian Blake
 - Target date: 31st July 2022
 - Latest update: Temporary staff are starting in mid July
- Address staffing shortages in the Temporary Accommodation team – permanent staffing
 - Actionee: Ian Blake
 - Target date: 31st October 2022
 - Latest Update: Advertising for permanent staff from September 2022 with a view to having permanent resources in place by end of October

	Inherent Risk	Current Risk	Target Risk
Likelihood	6	4	3
Impact	3	3	2
Score	18	12	6

Date last updated: 11th August 2022

Risk 6: Service delivery risk due to workforce recruitment and retention issues

Risk Owner: Chief Operating Officer

Direction of Travel: ↓

Description:

The Council is challenged in delivering high quality services in all areas for residents because of the inability to recruit and retain staff, including the right calibre of staff in specialist roles. This is also applicable to Slough Children First.

Context

- The Council does not have appropriately qualified, skilled and experienced people to deliver necessary service levels and identify budget savings to allow the Council to live within its means.
- There are currently significant numbers of vacancies within the Council in key support professions such as Finance, IT, HR and Legal services. This is exacerbated by significant vacancies in key service areas such as Social Workers, planners and engineers.
- The Council has massive competition for employees within Berkshire and the Greater London area. It is located on the M25 and has excellent links into London offering greater choice of employer for its own and residents within its travel to work area.
- The reputational damage caused by the section 114 notice and the appointment of Commissioners will potentially impact recruitment and retention.
- The Directions include the requirement to implement a suitable officer structure and scheme of delegation for the Authority which provides sufficient resources to deliver the Authority's functions in an effective way, including the Improvement Plan and its monitoring and reporting, prioritising permanent recruitment and/or longer-term contract status of interim positions.
- Recruitment into posts to assist with the council's recovery has not happened quickly enough and as a result, an additional Direction came into effect on 1 September 2022. The Direction permits the Commissioners to define the structure for and to recruit staff to senior positions for the period of the Directions.

Consequence:

- A higher reliance on agency staff has a direct impact on budgetary pressures
- Significant numbers of interims in leadership roles leads to staff uncertainty about future sustainability and continuity of management
- Higher costs due to cost of recruitment to replace staff who have left
- Loss of corporate memory leads to inefficiencies and additional costs
- Staff turnover includes hard to fill posts which has an impact on workloads in teams and increases staff absences, wellbeing and resilience
- Employee disengagement leading to reduced productivity
- Failure to maintain required levels of service delivery affecting our residents, especially statutory obligations
- Reduced staffing levels will impact the quality of service being provided
- Statutory roles are not permanently filled e.g. Returning Officer, Monitoring Officer
- Council is unable to delivery key improvement projects
- Fines for non-delivery of statutory services
- Judicial review and associated financial and reputational costs.
- Civil unrest due to inadequate / inappropriate response.
- Local and national media interest
- Reduced quality of service delivery
- Increase in safeguarding issues, impact on quality of life
- Securing qualified staff in the national context where resources are hard to recruit and retain

Current Controls:

- Engagement with the workforce through regular communications and briefings to provide reassurance to staff of the development and then progress of the recovery process, including trade union colleagues.
- Process in place to fill vacancies in transitional structure where risk areas have been identified
- Slough Children First continue to invest to recruit a permanent workforce including overseas recruitment and apprenticeships
- Functional capability assessments to identify Workforce profile gap analysis to understand where gaps exist, and consider the affordability of the future operating model.

- Development of functional capability action plans
- Development of communications plan for staff briefings
- Implementation of Adults social care transformation programme to drive service improvements and efficiencies
- Appointment of chief information officer to drive forward digitisation of services
- Review of Performance Indicators to identify areas of concern
- Business plans for all services to identify service issues and drive services forward

Actions Required:

- Development of a recruitment and retention strategy, to align with the future operating model
 - Actionee: Surjit Nagra
 - Target date: 30th November 2022
 - Latest Update: Data is being collated to support the introduction of a strategy i.e. analysing current recruitment episodes to ascertain the response rates, reviewing recruitment documentation; assessing the social media platforms to analysing the leaver information. HRBP Team reviewing monthly agency spend with Directorates; Request for DLT's to review monthly agency spend. Discussions with departments delayed due to restructures and HR capacity
- Tracking of staff turnover rates to Corporate Leadership Team and to workforce committee and Board within Slough Children First - monthly
 - Actionee: Surjit Nagra
 - Target date: July 2022
 - Latest Update: Working on producing this data on a regular basis and review existing process from the Agresso system to ensure data accuracy. Staff turnover rates are being published monthly via the performance team
- Appraisals and performance management of staff – put in place revised processes and procedures
 - Actionee: Surjit Nagra
 - Target date: 1st October 2022
 - Latest Update: A new performance management framework has been drafted and is scheduled to go to CLT for sign off at the end of September
- Review of current pay and reward structure of the council

- Actionee: Surjit Nagra
- Target date: Ongoing from June 2022
- Latest Update: Council has legal requirement to comply, on equal pay and the National Minimum Wage, as well as reporting on the organisation's gender pay gap and including chief executive pay ratio. The pay policy statement for 22/23 has been approved and updated on the website which includes an update on the annual pay increase – this included the CX Pay ratio. The Gender Pay Gap 2021 reporting has also been approved and uploaded onto our external website with an action plan. Currently working on the 2022 figures. Payroll compliance deadlines with HMRC have all been met. The council has recently reported on gender pay gap and senior officer pay for 2021 – 2022, currently preparing a report on 2022 to 2023. The Council has begun review of pay as part of recent structure reviews.
- Tracking of specific issues through analysis of exit interviews
 - Actionee: Surjit Nagra
 - Target date: 31st October 2022
 - Latest Update: Putting in place a system to capture this information. Working with Agresso HR reports are being updated to review analysis of exit interviews, reported to EAC committee on an annual basis
- Slough Children First are implementing a recruitment and retention measures as per the business plan
 - Actionee: Kate McCorrison
 - Target date: TBC – dependent on business plan sign off
 - Latest Update: In the process of writing the business plan and all supporting business cases for approval. Once these have been submitted and approved then SCF will be able to move forward with the recruitment and retention initiatives.
- Review of contracts to challenge and seek to verify if procurement is necessary and to identify opportunities to maximise value for money through contract rationalisation and consolidation, identification of contracts which fulfil statutory responsibilities
 - Actionee: Group Manager Commercial
 - Target date: 30 September 2022
 - Latest update: Review meetings with finance commissioner, executive directors and management team throughout May, June July and August 2022

	Inherent Risk	Current Risk	Target Risk
Likelihood	6	5	2
Impact	4	4	3
Score	24	20	6

Date last updated: 15th September 2022

Risk 7: The Council does not take adequate mitigation to reduce the risk of injury or death from incidents within the Council

Risk Owner: Chief Operating Officer

Direction of Travel: ⇄

Description:

If the Council does not meet its wide range of Health & Safety requirements, then there could be a risk to the safety of **staff and citizens**

Context

The profile of health and safety matters has not been given sufficient prominence in recent years.

Key potential causes are:

- Lack of understanding of roles and responsibilities
- Insufficient staff numbers to carry out work plans in a safe way.
- Budget pressures resulting in inability to provide correct equipment
- Lack of appropriate training.
- Lack of oversight and control by local management.
- Lack of information on the potential or known risks i.e. through lack of reporting
- Lack of learning from previous lessons
- Inadequate contract management arrangements. H&S legislation states you are still liable even if contractors undertake work.
- Lack of effective processes and systems consistently being applied.
- Health and Safety Policies are not kept up to date.
- Lack of accountability and governance arrangements

The risk of injury or death is from high-risk activities:

- lone working and violence
- use of machinery
- inadequately managed buildings
- inadequate contract management

Consequence:

- Death/injury to individuals and/or non-compliance with relevant legislation resulting in prosecution and civil claims.
- Staff sickness through stress

Current Controls:

- Health & Safety (H&S) professional and advisers in post
- A health and safety management system (policy and codes of practice) in place. These are regularly reviewed and updated, clearly communicated and placed on SBC insite
- Corporate health & safety strategy (2018-2021) in place with directorate plans dovetailing
- Accident reporting system and procedure in place and communicated. Investigations occur and are reported.
- Health & safety training programs in place, available face to face and online. Mandatory training identified and in place.
- Lone worker In-check and personal safety devices in place
- Monitoring of health & safety indicators at Health & Safety Committees (bi-monthly) and Health & Safety Board (bi-monthly).
- Trade Union consultation with health and safety trained representatives present (Corporate Consultative Forum)
- Compliance monitoring 'Building Compliance Group' (monthly)
- Audit program for 2022-2023

Actions Required:

- Online accident reporting for accurate monitoring and tracking.
 - Actionee: Surjit Nagra
 - Target date: 31st March 2023

- Latest update: Options appraisal underway to determine if an existing in-house system can be used.
- Monitoring of actions from accidents and audits to ensure lessons are learnt and actions are implemented through an online system.
 - Actionee: Surjit Nagra
 - Target date: 31st March 2023
 - Latest Update: Options appraisal underway to determine if an in-house system can be used which will include monitoring of actions
- Health & safety team will be auditing high risk areas of the council: asset management, environmental services, strategy and infrastructure and lone workers. Lower risk areas to conduct self-audits. Responsibility of AD/GM's. Corporate Leadership Team approved new audit format in November 21 following report from Health & Safety Board. Self-audits approved by Corporate Consultative Forum meeting on March 7th 2022.
 - Actionee: Surjit Nagra
 - Target date: 31st March 2023
 - Latest Update: Health & safety team auditing high risk areas of the council. Lower risk areas to self-audit post Transformation. Executive Board approved new audit format in November 2021 following report from Health & Safety Board. Self-audits were issued in January 2022 –and are being undertaken by service areas in conjunction with Health & Safety. CLT have been requested to issue the self-audit to their relevant areas. Deadline for submission of self-audits to Health and Safety is end of September 2022. H&S will monitor and chase remaining services. A high-risk audit has been scheduled for July and August to be undertaken at the DSO over 2 days. A draft high risk audit schedule is being devised for 2022-2023 and once live, will be communicated via H&S Board and Directorate Committee Meetings. **Note:** There is an extensive list of high-risk areas as identified by Directorates therefore the schedule will be devised on a risk-based approach. Services that are not audited this financial year will form part of the schedule for next year. There has been a delay to finalise the schedule due to workload pressures.

- Gap analysis of training needs, provision and uptake. Work commenced with Workforce Development in identifying risk assessment and accident investigation training. All managers and staff encouraged to complete mandatory H&S online training via communications issued to all staff and managers. All managers have been provided with instructions on how to determine the compliance status of staff.
 - Actionee: Surjit Nagra
 - Target date: 31st March 2023
 - Latest Update: Training: Training sessions took place throughout 2021/22 and a draft Training schedule is being devised for 2022-2023. Risk Assessment and Accident Investigation Training sessions will form part of the schedule. Training take up is being monitored by managers to ensure staff complete mandatory courses.
- New corporate strategy to be developed for 2023 onwards and directorate plans to be developed H & S Board has requested a new strategy and this will be presented to Corporate Leadership Team (CLT) in March 2023
 - Actionee: Surjit Nagra
 - Target date: 31st March 2023
 - Latest Update: New corporate strategy to be developed for 2023, to be approved by Corporate Leadership Team.

	Inherent Risk	Current Risk	Target Risk
Likelihood	5	3	3
Impact	4	4	2
Score	20	12	6

Date last updated: 1st September 2022

Risk 8: Business Continuity and Emergency Planning

Risk Owner: Chief Operating Officer

Direction of Travel: ↑

Description:

Failure to deliver and maintain emergency planning and business continuity response arrangements will lead to the Council at risk of being unable to continue its business should a serious event cause disruption or an emergency occurs.

Context

The Council has not had in place a permanent qualified and experienced Emergency Planning Team in order to enable it to respond to incidents and disruption, as a result the Council is losing some of its resilience to respond to these situations. Some of the current challenges include:

- Failure to have an adequate response and co-ordination during an incident or disruption
- No link to the Thames Valley Local Resilience Forum, failure for the council to respond to regional incidents or disruption
- Failure to have a Major Incident Plan (MIP) in place
- Failure to have a Business Continuity Plan in place
- Lack of Exercising Emergency Response Arrangements & Plans -the lack of Exercising (Testing) the Arrangements (Actions, Process and Protocols) and the Plans (MIP) means we do not reveal gaps, or points of failure.
- Lack of Exercising Business Continuity Plan the lack of Exercising (Testing) the Arrangements (Actions, Process and Protocols) and the Plans (MIP) means we do not reveal gaps, or points of failure.

Consequence:

- No response to operational emergencies due to severe weather conditions, fire, or any other major incident.
- Council not be prepared to respond as directorate and service areas do not have an adequate or co-ordinated response in place

- Availability of staff to deliver key services if trained volunteers are taken away to deal with a major incident (the Council is a Category 1 responder under the Civil Contingencies Act).

Current Controls:

- Developing Business Continuity (BC) Plans
- Developing Emergency Planning procedures
- Emergency planning and business continuity lead in place on an acting up arrangement
- A secondee in place to backfill the above acting up arrangement
- Sufficient Response Officers (Local Authority Liaison Officer (LALO) & Rest Centre Managers (RCM)) who can be utilised in the event of an emergency.
- Officers on duty silver supplement the LALO duty roster
- Arrangements and links in place with TVLRF & Partner Organisations
- Utilising lessons learnt from Covid.
- Local and regional response arrangements in place

Actions Required:

- Currently reviewing the Major Incident Plan & Emergency Arrangements
 - Actionee: Anthony-Mario Montana
 - Target date: 31st December 2022
 - Update:
 - The Major Incident Plan & Emergency Response Arrangements have been reviewed and rewritten. This Action is now complete.
 - The Major Incident Plan has been submitted to CLT for approval and sign off.

- Once the sign off process is complete implementation of the plans will commence.
- Both the Emergency Planning Policy and the Business Continuity Policy have been completed
- Policies are being reviewed and are awaiting approval and sign off from CLT
- Currently reviewing the Business Continuity Plans & Business Continuity Management in response to the organisation restructure and the availability of the IT disaster Recovery will assist and support this process.
 - Actionee: Anthony-Mario Montana
 - Target date: 31st December 2022
 - Latest Update:
 - The review of the Business Continuity Plans & Business Continuity Management have been completed and the Business Continuity Plan has been rewritten. This action has been completed
 - The Business Continuity Plan has been sent for CLT's approval and sign off
- Exercising of Emergency Response Arrangements & Plans
 - Actionee: Anthony-Mario Montana
 - Target date: 31st October 2022
 - Latest Update:
 - The Exercising of the Major Incident Plan and Emergency Response Arrangements will be undertaken after the approval and sign off the plans.
 - Once the Major Incident Plan is approved and signed as part of the implementation, the design of the exercise will be drafted.
- Exercising of Business Continuity management & Plan
 - Actionee: Anthony-Mario Montana
 - Target date: 31st December 2022
 - Latest Update:
 - The Exercising of the Business Continuity Plan and Business Continuity Response will be undertaken after the approval and sign off the plans

- Once the Business Continuity Plan is approved and as part of the implementation, the design of the exercise will be drafted..

- In person, one to one and online training to be completed for Gold, Duty Gold Officers, Duty Sliver Officer/EOC Managers, LALOs & RCMs
 - Actionee: Anthony-Mario Montana
 - Target date: 31st December 2022
 - Latest Update:
 - Directors have all been scheduled to take the Strategic Coordination Group (Gold) Training
 - The LALOs & RCMs have taken the JESIP Bronze Commander Training, only two Officers left to undertake the training which is scheduled for the 22 of October 2022
 - The LALOs & RCMs has commenced the Risk Management Training on Cornerstone
 - Other training course will be arranged, scheduled and/or designed at later stage.

- Securing more RCMs from Adults and Children's services
 - Actionee: Anthony-Mario Montana
 - Target date: 31st December 2022
 - Latest Update: Work on this will not start until after both plans are completed and embedded – individuals are being identified

- A crucial necessity recruit Volunteer Response Support Staff to staff and run the Emergency Rest Centres and the Emergency Operation Centre.
 - Actionee: Anthony-Mario Montana
 - Target date: 31st December 2022
 - Latest Update: Work on this will not start until after both plans are completed and embedded

- A robust prevention programme within the council supported by emergency planning
 - Actionee: Anthony-Mario Montana
 - Target date: 31st March 2023
 - Latest Update: Working with service areas to understand what prevention plans are in place, to reduce impact of risks identified

Note:

Emergency Planning (The Council) has a dynamic framework that can be utilised by the emergency planning team to respond to both a major incidents and business continuity interruption while the Major Incident Plan (MIP) & BC plans undergo the current review.

	Inherent Risk	Current Risk	Target Risk
Likelihood	6	4	3
Impact	4	2	2
Score	24	8	6

Date last updated: 5th September 2022

Risk 9: Cyber Security
Risk Owner: Chief Operating Officer
Direction of Travel: ↑

Description:

- **Failure to adequately protect our information and technology assets against an attack specifically and deliberately (targeted), collectively as part of a wider attack or inadvertently by an internal actor breaching policy and procedures.**

Context

- There is a continual risk of cyber-attack from a wide range of sources which if enacted could cause significant financial, service delivery and reputational damage to the Council and its partners – recent attacks on local authorities and NHS bodies have caused significant disruption and expense in rectifying the impact.
- Heightened risk of cyber-attacks in relation to the Ukraine conflict.
- The Council has continued to invest resources in strengthening its controls in this area.
- An action plan to achieve improvements in relation to the proper functioning of the Authority's IT is in the Directions from DLUHC.

Consequence:

- *Worst case:* Temporary or permanent loss of access to some or all of SBC data and / or IT systems leading to not being able to deliver business critical or statutory functions e.g. elections
- *Likely case:* (some of) loss of reputation in handling personal data, removal of access to PSN and DWP direct data connections, removal or penalties for bank payment handling and processing. Short term loss of access to data or systems.
- *Best case:* Isolated incident with minimal or no data loss and no loss of access to IT systems.

Current Controls:

- Procured membership of SEGWARP and other government alert agencies. This provides regional alerting on vulnerabilities that SBC needs to be aware of intelligence sharing / threats / policy development . SBC have also registered with the Cyber Resilience Service for the southeast to enable a regional approach to cyber alerting.
- Ensure security patching is up to date and continues regularly. An interim resource has been engaged to check and apply security patching.
- Periodic and regular 3rd party penetration testing. ICT are commissioning a test to be undertaken in summer 2022
- Cyber Security support from market leading 3rd party.
Softcat are contracted to provide additional cyber security support. This covers the following
 - Quarterly Security Controls Assessment
 - Breach Assessment annually
 - Security Improvement Programme Leadership

Organisation and Execution of cyber essentials audit action plan. Actions to complete before the end of 2022

- Communications to staff has been increased through councils Newsround and subject specific emails in particular awareness on cyber security issues, including phishing emails, scam calls & data protection responsibilities.
- Documented and detailed security procedures have now been put in place for patching, testing and incident handling & testing of these is in progress
- DLUCH Funding obtained following application and workshops - £200k
- Cabinet approval for a continuous improvement programme for IT security hardware and software, for 3 years.
- Remedial / Modernisation programme has targeted security improvements under emergency funding and agreed

Actions Required:

- Compliance - fortnightly monitoring audit actions
 - Actionee: Alex Cowen
 - Target date: 31st March 2023
 - Latest update: Newly appointed infrastructure manager and Data Protection officer are supporting on finalising Cyber 2022 audit and monitoring of actions
- Implement security solutions as per the IT modernisation programme
 - Actionee: Alex Cowen

- Target date: 30th June 2023
- Latest Update: Programme established and recruitment to programme manager, two project managers and three business analysts. Programme board established and highlight reporting being finalised

	Inherent Risk	Current Risk	Target Risk
Likelihood	5	3	2
Impact	3	3	3
Score	15	9	6

Date last updated: 15th September 2022

Risk 10: Financial management and sustainability
Risk Owner: Executive Director – Finance and Commercial (S151)
Direction of Travel: ⇔

Description:

If the Council fails to significantly improve its financial planning and management, its internal control and financial reporting in the medium to longer-term the Council will not become a financially self-sustaining council.

Context

- **Financial Management, Planning and control** - The S151 officer issued a statutory S114 notice in July 2021. Expenditure controls have been in place since in order to limit the Councils spend to the minimum. Following reports by CIPFA and DLUHC in October 2021 and further investigation of historical accounting issues it was determined that the Council will need an unprecedented level of support through a capitalisation direction of a base case of circa £223m to 31 March 2022, with a further £84m for 2022/23. A capitalisation direction was approved in principle by DLUHC in March 2022 in order to enable the Council to set a balanced budget for 2022/23. Cabinet approved the budget on 9 March 2022. Initial forward planning indicates that a further £172m will be needed for the period to 2028/29. These figures assume that the Council can deliver circa £20m per annum of recurrent incremental savings and significant assets sales.
- The DLUHC Directions include the requirement to put in place an outline action plan to achieve financial sustainability and to close the long term budget gap identified by the Authority across the period of its Medium Term Financial Strategy (MTFS).

The seriousness of the financial situation and how the Council found itself in this position remain of significant concern. This has been acknowledged and a financial recovery plan agreed. The availability of significant future support is a key assumption underpinning the 2022/23 budget and will be for several future years.

- **Financial Control** - Many of the Councils financial processes are not fit for purpose. These include by way of example:
 - financial systems – the Agresso system is not fully used or documented

- financial capacity and skills – the number and skills of permanent staff in the team have in some cases considerable room for improvement
- financial processes – basic processes such as reconciliations are not documented or up to date
- insurance and other provisions were inadequate
- **Financial Reporting** - The accounts originally provided for audit in 2019 were inadequate and contained significant errors. The 2018/19 were finally completed in June 2022. Those for 2019/20, 2020/21 and 2021/22 accounts will be completed during 2022/23 in order to meet statutory responsibilities. The audit may identify further issues that the Council needs to consider.

The key actions for 2022/23 are the delivery of each of the outstanding sets of accounts following the completion of the audit of the 2018/19 accounts. The Council has now completed its 2018/19 accounts and submitted them to the auditors for them to complete their audit. As a result of the investigations by the new Finance team there have been significant amendments made to the 2018/19 accounts plus many working papers, figures and narrative statements have had to be fundamentally corrected. In total there have been 24 material errors made that have affected over 60 per cent of the figures in the core statements and 80 per cent of the disclosure notes. The changes made have impacted the General Fund balances available to the Council and the Balance Sheet. The changes have decreased the net value of the balance sheet by nearly 40 per cent.

Consequence:

- The Council will be unable to set a legal budget with a consequential impact on the Council's ability to provide services to residents.
- The Section 151 officer will be required to consider issuing further s 114 notices
- If the Council continues to fail to produce its annual accounts then the Council and s151 will be in breach of their responsibilities to provide proper financial stewardship and control.
- The Council has no properly prepared or audited financial base line since 1 April 2018 and thus has challenges preparing its budgets and financial planning going forward.
- It has also not fulfilled its requirements to properly account for its stewardship of public monies.
- It will face increased external audit fees and is having to have its staff spend a great deal of time "looking backwards" rather than planning forwards.

- The Council faces significant reputational damage which may impact its ability to borrow money and secure adequate insurance
- The Directions include the potential for Commissioners to impose their own budget in total or detail if they consider it necessary

Current Controls:

➤ **Financial Management and Planning**

The Council approved a series of budget reports at its meeting on the 10th March including:

- Revenue budget
- Capital programme
- Treasury management
- S25
- DSG
- Council Tax Support

These reports included a wide range of proposals that will set a new start for the Council moving forward on its ambition for financial sustainability.

Expenditure controls in place throughout 2022/23 financial year.

Commissioners' approval for all budget changes.

➤ **Financial Control**

- Specialist resources have been brought in to understand the nature and scale of the problems and to address them
- Finance action plan reported to full Council for each meeting (with the exception of March when the budget papers will be tabled)
- Finance and Commercial service business plan has been developed to ensure future sustainability of the service.

➤ **Financial Reporting**

- The Council has implemented a structured and well tested method for preparing its accounts using a whole team approach involving as many of the existing finance team as possible in order to upskill permanent members of staff and to spread the workload. This reflects that a number of key finance staff are likely to be heavily involved in other tasks such as the expenditure control panels. The 2018/19 accounts have now been completed and are in the process of being presented to the auditors for completion of the audit during June and July 2022. The remaining accounts for 2019/20,2020/21 and 2021/22 will be completed during 2022 with the audits following thereafter.
- The standard approach is that individual officers have been assigned a disclosure note to prepare (the preparer) and that each disclosure note will be subject to first line QA review by a reviewer.
- For the 2019/20 and 2020/21 accounts standard closing folders for both years have been set up with folders for each core statement and disclosure note
- All working papers are being filed on these folders so that there is a clear trail back from the accounts to centrally filed working papers rather than information filed on personal folders which seems to have been the experience in the past
- For each core statement and disclosure note standard template workbooks are being used to collate information and produce the relevant disclosure. The purpose of using the standard template workbooks is to ensure there is a clear audit trail between the information reported in the accounts back to source documentation, and to provide clear evidence of quality assurance in the accounts preparation process

Actions Required: The immediate actions include:

- Continue to manage 21/22 budget and outturn position
 - Actionees: Steve Mair, Liton Rahman, Steve Muldoon
 - Target date: 31st March 2023
 - Latest update: Indicative outturn not yet estimated, year-end closedown process is currently ongoing. Accounts will not be produced until March 2023
- Ensure 22/23 budget savings can be delivered – a detailed review of all savings options is being undertaken
 - Actionee: Steve Mair, Steve Muldoon, Liton Rahman
 - Target date: 30th September 2022
 - Latest update: A list of potential savings risks and budget pressures (energy costs, lack of rent income re OH, scf placements) relating to the delivery of the 22/23 budget has been drafted and regularly reported to Lead Members and Executive Directors. This will subsequently form part of the monthly monitoring pack from July 2022 onwards

- Work up options for 23/24 savings – a schedule of savings options has been identified and further work is required to meet the overall target. Ensuring that budget savings can be delivered for each Directorate
 - Actionee: Exec Directors, Steve Mair, Steve Muldoon
 - Target date: 30th September 2022
 - Latest update: 22/23 savings shortfall £8.257m 23/24 £8.036m shortfall - overspend £4.4m and savings target not achieved £3.6m

Training:

- Programme of officer training has commenced
 - Actionee: Peter Worth
 - Target date: 31st March 2022 and on-going per schedule of matters
 - Latest update: First session took place in mid April and two further sessions to be arranged including one for the role of the audit committee by 28th July facilitated by SBC or LGA
- Development of member training programme and support on financial matters – first training session is scheduled for 14th April
 - Actionee: Peter Worth
 - Target date: 31 March 2022 and on-going per needs identified
 - Latest update: Finance training delivered in late March 2022, other sessions timetabled during 2022
- Regular communications to officers and members continue on the financial situation
 - Actionee: Steve Mair
 - Target date: ongoing
 - Latest update: Weekly reports have been provided during 2021/22, moving to monthly from July 2023. Links to Culture change needed for the organisation to live within budgets.
- The 2018/19 accounts have been completed and made available for audit as at the end of June 2022, Further sets of accounts for the following years will then become available on a quarterly basis during the rest of the year.
 - Actionee: Liton Rahman

- Target date: 31st March 2023
 - Latest update: 2018/19 accounts completed and available for audit from June 2022. Others to follow
- To feed the outcome of these accounts into the Council's forward financial planning
 - Actionee: Liton Rahman
 - Target date: Post audit completion estimated as December 2022
 - Latest Update: Awaiting audit completion
 - To design a structure for the permanent Slough finance team. A restructure proposal has been developed which includes a core financial reporting team reporting to a Chief Accountant.
 - Actionee: Steve Mair, Mike Thomas
 - Target date: Restructure to be completed by November 2022
 - Latest update: A new staffing structure has been designed and agreed by 8 August 2022. This was subject to consultation with staff and the Trade Unions from the 28 June 2022. An internal and external recruitment campaign will take place during August and September to recruit to all vacant posts. The team are currently securing external support to assist with the recruitment and assessment process.
 - The finance action plan which is reported to Council as noted above sets out in detail the current position at each meeting on these issues and the actions being taken. This has been updated on a monthly basis and reported to Cabinet. The report shows the significant progress that has been made in all areas during 2021/22.
 - Actionee: Steve Mair, Mike Thomas
 - Target date: Bi-monthly update
 - Latest update: Last update provided in revised format for May Council
 - A business plan has been developed for the service for 2022-23 which includes a range of key performance indicators and targets for delivery of key change initiatives.
 - Actionee: Steve Mair, Mike Thomas
 - Target date: Business Plan completed and now being implemented
 - Latest update: Formal launch needed once departmental restructure has taken place in November 2022

	Inherent Risk	Current Risk	Target Risk
Likelihood	6	5	1
Impact	4	4	4
Score	24	20	4

Date last updated: 15th September 2022

Risk 11: Pace and valuation of the disposal of assets

Risk Owner: Executive Director - Housing and Property and Executive Director – Finance and Commercial (S151)

Direction of Travel: ↑

Description:

If the Council does not dispose of sufficient assets to realise capital receipts we will be unable to set a balanced budget or deliver long-term financial sustainability.

Context

- The council's long-term sustainability is dependent on the sale of between £400 and £600m of assets. In September 2021 the Cabinet agreed to assess the options during 2022/23 and to begin asset disposals as soon as prudently possible, given the Council's responsibility to obtain best value.
- Consultants have been working alongside the Place Directorate and Finance colleagues to determine a strategy to enable the disposal to take place.

Consequence:

- Without a programme of asset disposals to finance reduction of external debt, the Council's external borrowing per head of population will remain one of the highest in the UK and debt charges will increase to a significant proportion of the net revenue budget.
- If Cabinet either delay or do not accept the disposal programme this will lead to failure to meet the budget targets and risk more intervention
- Without significant asset disposals the Council's long-term financial position is not sustainable and will compromise the Council's ability to:
 - finance the anticipated capitalisation direction and
 - to allow the Council's external borrowings and debt charges to be reduced
 - provide existing levels of services in the future.

Current Controls:

- Appointment of external support to advise and manage the programme of asset disposals as approved by the Cabinet report on 20 September 2021.
- Cabinet report 20 September 2021 sought permission to (1) progress with an orderly asset disposal programme (2) use receipts generated from these disposals to minimise new external borrowing and where possible repay existing short-term loans (3) obtain external support in terms of capacity and expertise to manage the programme of asset disposals.
- Avison Young have been selected as the preferred supplier and being appointed for the Phase I (Development of Asset Disposals Strategy) to be completed by early July.
- Further cleansing of the asset management data is continuing and unregistered properties are being processed by HB Law.
- Report to Cabinet on 18th July recommending disposal of three SUR opted sites which will bring in capital receipts
- An Asset Disposals Sub-Committee has been established and are scheduled to meet on a regular basis to review asset disposal proposals and updates
- A strategic overview of the council's asset portfolio to identify assets suitable for disposal, whilst maintaining the council's ability to deliver services. This report has been completed and recommends packaging of assets into disposal lots so the council can obtain best consideration and will be brought to Sub-Committee as soon as possible
- A total of seven assets are being marketed for sale.

Actions Required:

- A report recommending disposal of the Wickes in Wolverhampton and Euroway in Bradford is being brought to Cabinet on 19th September.
 - Actionee: Report by officers with supporting reports from Avison Young
 - Target date: 19th September 2022
- Asset Management Strategy with supporting strategic overview from Avison Young to be brought to Sub-Committee

- Actionee: Report by officers with presentation from Avison Young
- Target date: 4th October 2022
- Latest update: Project Work on track. Expected capital receipts for 22/23 are on target.

	Inherent Risk	Current Risk	Target Risk
Likelihood	6	3	2
Impact	4	4	4
Score	24	12	8

Date last updated: 15th September 2022

Risk 12: Governance and financial implications of the council companies

Risk Owner: Executive Director – Finance and Commercial (S151)

Direction of Travel: ↑

Description:

If we fail to review the relevance and rationale for each of the Council's Companies, we open the Council up to potential financial losses, reputational damage and legal challenge.

Context

- The Council has a number of subsidiaries and a joint venture that deliver a range of services or address specific issues. Given the Council's current financial and operational circumstances, and issues that have been identified to date, the rationale for continuing to have these companies needs to be reviewed. This was highlighted by both CIPFA and DLUHC in their reports in October 2021 and the Council started to consider this in summer 2021.
- In addition, a wide range of governance, management, operational and financial issues have been identified over a number of years and had not been addressed. These need to be (a) reassessed to reflect the latest available information relevant to the companies and (b) revised actions implemented. There is a risk of poor service delivery, ineffective decision making, poor oversight, poor value for money and additional reputational and financial risk for the Council (e.g. additional costs, non-repayment of loans, grant clawback)
- There is a direction in place regarding the Commercial Companies including consideration of the roles and case for continuing with each subsidiary company of the Authority (except Slough Children First).

Consequence:

- Additional financial pressure on existing Council budgets that are not within plan
- Inefficient service delivery by the Council, especially in relation to housing, due to poor contract management and controls
- Potential grant clawback across a range of companies which may have implications for the Council. e.g. James Elliman Homes, Ground Rents Estates 5

- Reputational damage to the Council as a result of the failure of a number of high profile initiatives with a national interest. e.g. Nova House
- Key strategic sites are not developed – failure to achieve the Council’s strategic objectives and key outcomes. e.g. Slough Urban Renewal

Current Controls:

- Establishment of a new corporate oversight board for Slough Urban Renewal
- Development of role profiles for Directors and appointment of new directors and senior responsible owners with clarity on roles and reporting
- Regular Board meeting cycle to be established at all active companies
- Establishment of shareholder oversight group for GRE5
- Improved board reporting including performance reporting across all company Boards
- Establishment of monthly financial reporting from key companies into the Council
- Internal audit tracker for key issues to monitor progress through to issues getting closed down

Actions Required: A wide range of workstreams are underway with the immediate actions focused on:

- Closing down all dormant companies to simplify the corporate structure and reduce corporate administration.
 - Actionee: Carmel Booth
 - Target date: 31st August 2022
Latest update: Dormant companies closed down in compliance with Companies House requirements by 31st August 2022
- Establish appropriate governance and reporting arrangements for GRE5 and JEH
 - Actionee: Carmel Booth
 - Target date: 31st August 2022
 - Latest update: Directors have been appointed, inducted and have contractual arrangements in place based upon the specific requirements of the role (done by 31st August). Board meetings have been reintroduced on a monthly basis together with revised board and shareholder reporting, including strengthened financial, risk and performance

reporting (done by 31st August). A Companies Performance Report will be provided to Cabinet on at least an annual basis, starting in March 2022 (this was approved by Cabinet). Other ad hoc progress reporting will take place at other times as required.

- Ground Rent Estates 5 – execution of Council loan; continue to support litigation proceedings; further strengthen performance, risk and financial reporting, development of exit strategy.
 - Actionee: Carmel Booth
 - Target date: 31 December 2022
 - Latest Update:
 - Loan is now fully approved by all parties and has been fully executed (done by 31st August). Cash flow requirements continue to be monitored and an updated GRE5 progress report will be provided to Cabinet in November 22.
 - A new finance manager has been recruited with responsibility across all Companies with continued development of tailored reporting (done by 31st August).
 - Litigation proceedings continue to take place and have pushed back due to additional structural issues identified. Following scope and cost confirmation, a date will be agreed for revised POC and mitigation. Expected to be late 22 / early 23.
 - It is expected that the Council will exit from GRE5 following the completion of the works programme to Nova House (early 2024). Legal advice will be taken to consider the mechanism for achieving this and the timing for action. This work is expected to take place in Q4 2022 to enable an exit plan and timetable to be approved in early FY 23/24.

- Slough Urban Renewal – in principle agreement obtained for the restructuring of the Council’s commercial relationship with Muse. Progression with negotiations and Heads of Terms for the SUR key sites (Montem, Wexham, Haymills and Stoke Wharf). Due diligence completed re NWQ for potential disposal/partnership change – transaction negotiations and heads of terms in development. Agree changes to the Partnership Agreement including revised business plan (all FY 22/23).
 - Actionee: Carmel Booth
 - Target date: 31 December 2022
 - Latest Update:

- Cabinet agreement to phased exit from SUR and the disposals of a number of key sites that are currently opted to SUR (done by 31st July). This is initially focused on NWQ, Montem and Stoke Wharf.
 - NWQ: agreed Heads of Terms. Best consideration and disposal report to be provided to Cabinet for approval Oct/Nov 22. Legal and financial planning across Sept – Dec 22.
 - Montem: BAFO stage. Anticipating exchange /completion in Nov/Dec subject to Cabinet approval of best consideration case/disposal report. Legal planning Sept – Dec 22.
 - Other disposals: to be considered following conclusion of NWQ/Montem with target dates in early FY 23/24 and FY 24/25. Further due diligence and legal planning required throughout 2023.
 - Agreed a revised SUR operating model and cost base. Costs significantly reduced reflecting winding up following final site disposal.
 - All Directors replaced. New Directors recruited, inducted and engaged regularly in SUR governance.
 - Corporate Oversight Board continues to meet on a biweekly basis reflecting the status of key developments and required for effective oversight and decision making.
- James Elliman Homes – undertake further work/analysis as recommended in the the Options Review (led by Local Partnerships); approve revised Service Level Agreement between the Council and JEH; undertake review of rental levels/tenants across the portfolio; strengthen financial reporting and related board reports; service improvements plan to be developed by the Council (to be underpinned by the SLA), continued improvements to governance and performance reporting and oversight.
- Actionee: Carmel Booth
 - Target date: 31 December 2022
 - Latest Update:
 - SLA has been fully updated, approved and signed by all parties (done by 31st August). Arrangements to be put into place by the Council to provide regular SLA performance reporting to JEH to be done by (31st March 2023). This will inform the development of the Council’s service improvement plans for key services provided to JEH).
 - Board meeting continue to take place on a monthly basis (as reinstated from January 2022). This includes the development of new Board Packs including performance reporting. Board reporting will remain in review at each Board meeting.

- Rental level and tenant data is now available and presented to the Board on a monthly basis (done by 31st August)
 - New finance manager appointed with responsibility across all companies (done by 31st August) . They will be responsible for aligning accounting treatment across the Council companies where it is relevant. E.g. treatment of rental income and bad debt provisions (accounting treatment alignment of key areas for FY 22/23 accounts).
 - The Options Review recommended the potential phased exit from JEH however it recommended that further analysis and data should be undertaken before exit plans can be developed for (a) street properties and (b) temporary accommodation. The approach to both sets of properties is likely to be different due to landlord responsibilities and tenant rights . It is highly likely that some properties may be transferred to the Council and some may be sold (to be done by 31st March 2023 with an exit strategy agreed in early 2023).
- DISH – establish regular performance reporting to the Board, commence high level options review to explore the potential to transfer DISH properties into the HRA, commercial review of DISH lease, preparation of a service level agreement to reflect the services the Council is providing (action plan programmed for the end of FY 2022/23).
- Actionee: Carmel Booth
 - Target date: 31 March 2023
 - Latest Update: Local Partnerships were commissioned to undertake a high level assessment of governance and reporting arrangements of DISH to establish the level of risk and requirement for immediate action. This is considered to be low risk although it is recognised that further consideration should be given to the ability to transfer these properties to the Council. Given the risk profile, scale of DISH and opportunities presented by the other companies, it is proposed that DISH will not be considered further until early FY 23/24.

	Inherent Risk	Current Risk	Target Risk
Likelihood	5	3	1
Impact	4	3	2
Score	20	9	2

Date last updated: 15th September 2022

Risk 13: Recovery and Renewal Plan

Risk Owner: Corporate Leadership Team

Direction of Travel: ⇔

Description:

The Council has a wide range of recovery and renewal actions to undertake arising from the various reports it received. The council must **carefully** consider the timing and delivery of recovery and renewal actions so they are **completed** in line with **Government** directions.

Context

- The requirement was in the first three months to prepare and agree an Improvement Plan to the satisfaction of the Commissioners (which may include or draw upon improvement or action plans prepared before the date of these Directions), with resource allocated accordingly and, as a minimum, the following components:
- An outline action plan to achieve deliver financial sustainability and to close the long-term budget gap identified by the Authority across the period of its medium-term financial strategy (MTFS) – this is dealt with the capitalisation direction, the completion of the first and subsequent set of accounts and the ongoing work on the budget
- An action plan to achieve improvements in relation to the proper functioning of democratic services has been developed. A restructure of the democratic services function has been agreed and costed and staff are soon to be recruited. This will include rapid training for council officers, A revised term of reference for the Audit and Corporate Governance Committee was approved at its meeting on 19 January 2022. A template for the Annual Governance Statement for 2020-21 and earlier years has been approved by the Corporate Leadership Team and will be re-visited and finalised once the 2021/22 financial statements are ready for approval.
- An action plan to achieve improvements in relation to the proper functioning of the scrutiny function will be implemented once recruitment has taken place. In the interim and in the absence of a Corporate Scrutiny Officer the Monitoring Officer and the Executive Director Finance and Commercial are providing support and capacity to ensure the Council statutory

responsibilities are implemented. A review of the Council's strategic risk register has been undertaken to make it fit for purpose alongside the broader development and agreement of a revised risk management strategy.

- An action plan to achieve improvements in relation to the proper functioning of internal audit, which addresses outstanding management actions and includes the commissioning of an independent review of the internal audit contract and a fully costed plan for establishing an internal audit function that reflects best practice – completed through the finance restructure and through a separate report to the Audit and Corporate Governance Committee
- An action plan to achieve improvements in relation to the proper functioning of the procurement and contract management function, which includes an independent review is now in place. A functional capability assessment and plan is also in place and recommended sizing of in-house team has been built into the finance and commercial restructure.
- An action plan to achieve improvements in relation to the proper functioning of the Authority's IT – initially reported to Cabinet in December, restructure at Cabinet on the 18/7/22
- A restructure of the senior management team was announced in early July. A number of departments are also in the process of restructuring most notably Finance and Commercial, IT, Libraries and Public Health. Once the various changes have been finalised this will be reflected in the scheme of delegation for the Authority and revised Financial Procedure Rules. Additional senior resource has been employed to ensure that the recently developed Improvement and Recovery Plan can be managed and monitored in an effective manner. The aim of the various restructure exercises is to move to a more permanent workforce with significantly less reliance on interim staff. Plans are being developed to stabilise the current position of the Council and then to transition to a more sustainable and cost-effective future position.
- A major focus at that time across the Council was the completion of functional assessments by all services identifying gaps in capacity and capability to inform the construction of then costed plan action plans
- Services produced costed action plans to address gaps in capacity and capability identified in the Functional Capability Assessments that were previously undertaken.

Cabinet received a report on 29th March outlining an initial structure for a Recovery Plan, to replace the Corporate Plan. Graeme McDonald, Chief Executive, Solace has been brought in to draft the plan, and the Chief Executive has established a working group to support this process. The working group has been developing new strategic priorities for the council, based on data and insight, internal and external reviews, and known political priorities. The group has also been further developing a set of seven key themes, which will provide the framework for the council's recovery

Full Council received and approved the revised Corporate Plan 2022-25 on 19 May 2022. The Plan 'Doing Right by Slough' also acts as the Councils Improvement and Recovery Plan. Systems are being set up to manage, monitor and report on progress in implementing the plan.

The senior management restructure has been implemented, with interviews for all executive posts having taken place and offers are being made. Associate Director vacant roles are currently being advertised internally and externally. This expanded leadership capacity will provide the council with greater grip and drive in the implementation of the corporate plan.

Services have now produced their first drafts of service delivery plans which will collectively outline how the council will implement the plan. These are now being finalised and the Corporate Plan Delivery group are reviewing the draft plans to ensure alignment and provide an opportunity for constructive challenge.

The Commissioners' Improvement and Recovery Board now receives monthly updates on progress in delivering the plan, alongside other reports on the council's finances and performance, which includes detail on any risks and issues that have been identified against delivery of the plan's four strategic priorities and seven recovery themes.

It is intended that board receive the finalised service delivery plans in September, with the actions identified feeding into an overall action plan for each recovery them. The new Associate Director for Transformation will ensure the necessary programme structure and governance are in place to ensure delivery.

Consequence:

The recovery plan has been reviewed and accepted subject to the under-pinning delivery plans by the lead commissioner to DHLUC to provide assurance that the council is addressing the government direction.

Preparing these plans will enable the Council to set its strategic direction and set the Council on its way to recovery.

Failure to put in place a programme management function risks being unable to deliver the plan to the satisfaction of the Commissioners as required by Directions.

Current Controls:

A master document has been produced to track all improvement actions arising from the costed action plans corporately. Services have been asked to liaise with the IT, HR and Comms teams to identify co-dependencies. This will be updated following the conclusion of service planning.

A Recovery Programme Team lead by the Associate Director for Transformation is being formed to provide programme management assurance for the Recovery Plan. The PMO was agreed as part of the review of the senior management structure approved by Cabinet in July 2022.

Actions Required:

- Finalise delivery plans
 - Actionee: All EDs
 - Target date: 14/09/22

- Latest Update: First drafts have been completed, Plans are now being reviewed to ensure alignment and provide an opportunity for constructive challenge.

	Inherent Risk	Current Risk	Target Risk
Likelihood	6	4	3
Impact	4	3	2
Score	24	12	6

Date last updated: 5th September 2022

Risk 14: Risk that the lack of an agreed council-wide vision, principles and governance for building digital access for residents continues to lead to incoherent and poor quality digital services

Risk Owner: Chief Operating Officer

Direction of Travel: ⇔

Description:

- **There is a risk that the Council is unable to meet its ambition for more efficient digital services due to insufficient resources, poor governance and engagement across services, and poor understanding of the tools in place and the work done to-date.**

Context

- The Council has not had an integrated Digital and Customer service strategy that is focused on delivery of more efficient and effective customer service.
- The Council has not transferred enough of its services to a digital platform instead it has provide on line forms as an alternative resulting in significant capacity and customer service issues in many frontline services.

Consequence:

- The Council cannot switch to lower cost transactions that are easier for residents, leading to an inability to make savings and poorer quality of interactions for the public

Current Controls:

- A paper proposing a reset to the approach to Digital Customer engagement has been written and has been shared with Cllr Ajaib (lead member for ICT & Digital), COO, and Director of Finance. This will be shared with the CEO and Members.
- The ICT & Digital Team restructure is being finalised and should help capacity for delivering digital services.

- Remaining contract resources have been extended to the end of the financial year to provide continuity.

Actions Required:

- Seek approval on approach to future Digital Customer Engagement
 - Actionee: Simon Sharkey Woods, Interim CDIO
 - Target date: 31/07/2022
 - Latest update: Paper shared with Cllr Ajaib (lead member for ICT & Digital), COO, and Director of Finance. Positive feedback so far.

- Complete ICT & Digital Team Restructure
 - Actionee: Simon Sharkey Woods, Interim CDIO
 - Target date: 31/10/2022
 - Latest Update: Consultation period has ended and roles to assigned for the 19 permanent members of the team. Recruitment for vacant roles in the Digital group to commence end Sep/early Oct.

- Agree contract extension for remaining Digital Development Analyst
 - Actionee: Simon Sharkey Woods
 - Target date: 30/06/2022
 - Latest Update: Complete – extended to the end of the financial year.

	Inherent Risk	Current Risk	Target Risk
Likelihood	4	3	2
Impact	4	4	4
Score	16	12	8

Date last updated: 2nd September 2022

6X4 Matrix Guidance

Likelihood	Negligible Impact	Marginal Impact	Critical Impact	Catastrophic Impact
Very High	6	12	18	24
High	5	10	15	20
Significant	4	8	12	16
Low	3	6	9	12
Very Low	2	4	6	8
Almost impossible	1	2	3	4

Assessing the SEVERITY/ IMPACT of a risk

Severity is assessed on a scale of Negligible to Catastrophic indicating increasing seriousness. The impact is assessed looking at credible scenarios (taking prevailing circumstances into consideration) and looking forward to the risks that arise from these scenarios.

The **examples** against each category are for your guidance and should be thought of as the consequences that would be likely to occur if things were left to go out of control.

The **examples** detailed below will help ensure a consistent approach.

	Negligible	Marginal	Critical	Catastrophic
	1	2	3	4
Economic /Financial	Financial impact up to £50,000 requiring virement or additional funds	Financial impact between £50,000 and £500,00 requiring virement or additional funds	Financial impact between £500,000 and £1,000,000 requiring virement or additional funds	Financial impact in excess of £1m requiring virement or additional funds
Political	Could have a major impact one departmental objective but no impact on a Council strategic objective	Could have a major impact on a Departments objective with some impact on a Council strategic objective	Council severely impact the delivery of a Council strategic objective	Council would not be able to meet multiple strategic objectives.
Health & Safety	Reduced safety regime which if left unresolved may result in minor injury	Minor injuries	1 death or multiple serious injuries	Multiple deaths
Environment	Minimal short-term/temporary environmental damage	Borough-wide environmental damage	Major long term environmental damage	Very severe long term environmental damage.

	Negligible	Marginal	Critical	Catastrophic
	1	2	3	4
Legal/Regulatory	Minor breach resulting in small fines and minor disruption for an short period	Regulatory breach resulting in small fines and short term disruption for an short period	Minimal CMT but major departmental management effort required	Very severe regulatory impact that threatens the strategic objectives of the Council
Management inc Contractual	Minimal contract management required	Minimal departmental but major contract management required	Minimal CMT but major departmental management effort required	Major CMT management effort would be required

Assessing the LIKELIHOOD of a risk occurring

The LIKELIHOOD of the risk occurring is estimated on the basis of historic evidence or experience that such situations have materialised or are likely to.

The table gives example details of how the likelihood is assessed.

The likelihood needs to be assessed in terms of has it happened before and is it expected to happen in the near future

Almost Impossible	Very Low	Low	Significant	High	Very High
1	2	3	4	5	6
Less than 10%	10 – 30%	30 -50%	50-70%	70 – 90%	More than 90%
Event may occur only in exceptional circumstances	Event will occur in exception circumstances	Event should occur at sometime	Event will occur at sometime	Event may occur only in most circumstances	Event will occur only in most circumstances

Risk Template

Direction of Travel: ⇄

Description:



Context



Consequence



Current Controls:



Actions Required:



- Actionee:
- Target date:
- Latest update:

	Inherent Risk	Current Risk	Target Risk
Likelihood			
Impact			
Score			

Date last updated: [Date]