

## **Strategic/Corporate Risk & Opportunity Register April 2018**

### **In Focus Report**

*The Items are Split Between Risk & Opportunity and Listed in Priority (Rating) and then Reference Number Order.*

## **Risks In Focus**

## UNMANAGED / INHERENT RISK

Risk Description								Risk Owner	
<p>Adult Social Care and the NHS are finding it increasingly difficult to meet demand for services, particularly when resource continues to decrease. With the expected ageing and growth of the population, we can expect age-related disease to continue to rise. Dementia for example is predicted to rise steeply in Thurrock, and by 2033 the population aged 85+ is projected to double. Two thirds of the resource spent on social care nationally is already spent on individuals with at least one-term condition. Lifestyle factors too will continue to compound the problem with Thurrock levels for smoking and obesity being significantly higher than the national average. Alongside a system that was designed in the 1940s and is no longer fit for purpose and a change in the way that local government is funded in the future, major transformation is required.</p> <p>The Council, working in partnership with NHS Thurrock Clinical Commissioning Group (CCG) has developed a joint transformation programme which is overseen via an Integrated Commissioning Executive (which is also responsible for the Better Care Fund). Integration though continues to be a significant challenge. As such, the Directorate has also established its own Adults Transformation Programme (For Thurrock in Thurrock) jointly with Thurrock CCG and Stronger Together Thurrock. Failure of the programmes to achieve their objectives will lead to the inability of social care and health to be able to meet demand within existing resources. For adult social care, this would mean either not providing services to those people who were eligible to receive them – which would leave the Council open to challenge and also result in a failure to meet statutory duties – or continue to provide services to those who qualify but exceeding the available budget.</p>								Roger Harris	
Link to Corporate Priority									
People - A borough where people of all ages are proud to work and play, live and stay - Build on our partnerships with statutory, community, voluntary and faith groups to work together to improve health and wellbeing									
Inherent Risk Rating		Date:	01/04/2018	Impact:	Critical (4)	Likelihood:	Very Likely (4)	Rating:	16

## DASHBOARD

Inherent Risk Rating & Date: 01/04/2018	Residual Risk Rating as at: 01/04/2018	Residual Risk Rating as at:	Residual Risk Rating as at:	Residual Risk Rating as at:	Forecast Risk Rating & Date: 31/03/2019
<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>

Comments
Significant programme management capacity and expertise is required to deliver both the Adult Social Care Transformation Programme and the Health and Social Care Integration Programme (including the Better Care Fund). There are also challenges to overcome to progress integration with health. This includes current pressures on the Essex-wide health economy, a 'local' health agenda which is geographically broader than Thurrock, and how decisions made by non-Thurrock parts of the Essex-wide system will impact upon what Thurrock wants and needs to achieve. Thurrock is a very low spending authority per capita on Adult Social Care (ASC) and also faces significant on-going reductions to funding – although the department has received additional funding for ASC from which it needs to use to help provide stability and capacity, including within the ASC transformation programme. The pressures identified remain and will not be alleviated in the short term and therefore the residual and forecast ratings have been evaluated as 12 (Critical/Likely). The risk level will be reviewed and revised as the transformation programme develops.

#### EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place								Date Implemented
1. Programme Management arrangements in place								2014/15
2. Programme Initiation Document including separate risk register developed, established and agreed								"
3. Close partnership working with Thurrock CCG via Integrated Commissioning Executive to oversee the integration of health and ASC								"
4. Joint Health and Social Care Transformation Programme agreed – For Thurrock in Thurrock								2016/17
5. Re-tender of Domiciliary Care								2018
Residual Risk Rating	Date:	01/04/2018	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

#### FURTHER ACTION / FORECAST RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action			Implementation Date	Progress				
6. Delivery of 2018-19 work programme for ASC: 6.1 Better Care Fund 2017-19; 6.2 Assistive Technology Strategy; 6.3 Developing a 21 <sup>st</sup> Century Residential Care Facility; 6.4 Specialised Housing: Medina Road; Chichester Close; Calcutta Road; 6.5 Communication and Engagement Plan and Delivery 6.6 Well-Being Teams Pilot 6.7 Improvement Programme 6.8 Community Led Support Social Work Pilot 6.9 Outcome-based commissioning 6.10 Health and Care System Redesign (New Model of Care) 6.11 Micro Enterprises 6.12 Shared Lives			Throughout 2018-19 and beyond					
Forecast Risk Rating	Forecast Date:	Refresh 31/03/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12
Revised Residual Risk Rating	Date:		Impact:		Likelihood:		Rating:	

## UNMANAGED / INHERENT RISK

Risk Description								Risk Owner	
The risk is that a combination of on-going pressures will result in lack of stability in the care market place resulting ultimately in market failure. Whilst the Council has given an uplift to residential care providers for older age adults and adults with dementia and has also reviewed the costs of individual placements for adults of working age, the uplifts provided fall short of what is requested. The domiciliary care rate has been increased with a tender process recently being completed – this has resulted in greater stability, but difficulties remain. For example, issues concerning recruitment. Hospital capacity is still an issue, but our ability to move people on more quickly has increased as a result of increased investment arising from additional adult social care monies – e.g. improved better care fund and social care precept. For providers, fees and rates are still an issue and as a result – compounded by the National Living Wage, and despite activity over the last 18 months, the risk of failure is still very real.								Les Billingham	
Link to Corporate Priority									
People - A borough where people of all ages are proud to work and play, live and stay - Build on our partnerships with statutory, community, voluntary and faith groups to work together to improve health and wellbeing.									
Inherent Risk Rating		Date:	01/04/2018	Impact:	Critical (4)	Likelihood:	Very Likely (4)	Rating:	16

## DASHBOARD

Inherent Risk Rating & Date: 01/04/2018	Residual Risk Rating as at: 01/04/2018	Residual Risk Rating as at:	Residual Risk Rating as at:	Residual Risk Rating as at:	Forecast Risk Rating & Date: 31/03/2019
<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>

## Comments

Adult Social Care has received additional funding during the last two years – through a precept as part of the Council Tax and also through the Improved Better Care Fund. A significant proportion of this money has been used to stabilise the market place and deliver sustainability for care providers. This has included increasing the capacity of the contract and brokerage team to ensure contract compliance visits and monitoring to take place in a timely manner – reducing or aiding early identification of risks. The introduction of a Brokerage function has also meant that more realistic costs and fees are negotiated. In addition uplifts have been provided (as described in the risk description) to improve stability and domiciliary care has been retendered. Further work will continue during 18-19 that will contribute towards the stability and sustainability of the market place – including diversification. Despite this, the risk is very real but will be reviewed once the new domiciliary care tender has had sufficient time to embed.

EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place								Date Implemented
1. Process for compliance monitoring and audit in place 2. Quarterly information sharing meetings with the CQC to identify and share concerns/risks 3. Uplift for older people's residential care, dementia care, and review of individual placements for adults of working age 4. Retender of domiciliary care contract 5. Increased capacity in contracts and brokerage team 6. Implementation of brokerage function								In Place or ongoing
Residual Risk Rating	Date:	01/04/2018	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

FURTHER ACTION / FORECAST RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action			Implementation Date	Progress				
7. Application of ongoing actions in 1 - above 8. Refresh of Market Development Plan 9. Diversification of market place – e.g. direct payments, shared lives scheme, micro enterprises 10. Market Place transformation – e.g. via implementation of Wellbeing Teams pilot			Throughout 2018-19					
Forecast Risk Rating	Forecast Date:	31/03/2019	Impact:	Critical (4)	Likelihood:	Unlikely (2)	Rating:	8
Revised Residual Risk Rating	Date:		Impact:		Likelihood:		Rating:	

## UNMANAGED / INHERENT RISK

Risk Description								Risk Owner
Failure to manage the increases in demand and budget/ resource pressures for Children's Social Care could lead to a breakdown in the quality or performance of the service provided to vulnerable children and results in less favourable outcomes from inspection and damage to reputation of the service does meet the required standards								Rory Patterson
Link to Corporate Priority								
People – A borough where people of all ages are proud to work and play, live and stay – Build on our partnerships with statutory, community, voluntary and faith groups to work together to improve health and wellbeing.								
Inherent Risk Rating	Date:	01/04/2018	Impact:	Critical (4)	Likelihood:	Very Likely (4)	Rating:	16

## DASHBOARD

Inherent Risk Rating & Date: 01/04/2018	Residual Risk Rating as at: 01/04/2018	Residual Risk Rating as at:	Residual Risk Rating as at:	Residual Risk Rating as at:	Forecast Risk Rating & Date: 31/03/2019

## Comments

This risk evaluates the impact of increased demand and resource pressures on children's social care quality of service and provision. The pressures outlined throughout previous years remain acute. They include increased volumes, increased complexity and ongoing activity to review high cost placements. The implementation of the early help service model and the Thurrock multi-agency safeguarding hub (MASH) has been successful although as anticipated it has led to an increase in the volume of work to children's social care, this is ongoing. The service continues to maximize the external investment and opportunities presented through the Troubled Families Programme and continuously measures impact of the MASH. Ongoing savings to be made across Children's Services including from the Children's Social care budget will be risk assessed to mitigate the impact on front line services.

The service has to be demand led and cannot fail to respond to the needs of a child due to budget or resource constraints. Changes on a local, regional and national level can have a significant impact on the demand for services. War and international factors can result in an unplanned increase in the number of unaccompanied asylum seeking children or families with no recourse to public funds. Geographical movement of families across the Eastern Region and London can see a rise in families needing services, including large sibling groups. An incident of civil disorder could result in more young people being placed in custody and a resulting increase in remand costs to the local authority.

Caseloads are too high in some teams and this represents a pressing safeguarding concern. Areas for improvement have been identified within the recent Ofsted (SIF).

The level and complexity of some children and young people's needs and the lack of available national resources (specialist placements) to meet those needs is driving up cost pressures. As the Council continues to improve practice regarding the identification and tackling of Child Sexual Exploitation there is an increase in demand for service provision in terms of intervention; prevention and victim support. Current and new duties in terms of radicalization also place pressures on the service in terms of workforce capacity. Trends can be predicted based on previous levels of demand but these are subject to variance.

The pressures outlined above will not be alleviated in the short term and the risk rating will remain at the higher (red) level for the period covered.

#### EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place								Date Implemented
1. Quality Assurance and Safeguarding functions are in place and robustly applied. Functions extended to include the establishment of an Improvements Board.								Ongoing
2. Trix Policies and Procedures have been introduced across Children's Social care. All procedures to be subject to review and updating.								Completed / ongoing
3. Joint delivery of the 'Early Offer of Help Strategy' and associated services are now embedded to meet the new the duty placed on Council's to coordinate an early offer of help to families who do not meet the criteria for social care services and ensure that the 'step down and step up' processes are robustly managed. Further improvements in these services have been identified within the Ofsted SIF. A service redesign is planned based on the SIF findings and work by iMPower.								Ongoing
4. Internal quality assurance audits to evidence appropriate application of thresholds.								Ongoing
5. Ongoing data analysis to enable us to benchmark and target areas for improvement; complete redesign of PKI and trends analysis.								From Apr 2016
6. Placement Review – an external reviews of high cost placements.								Ongoing
7. Ofsted inspection and action plan to address recommendations included in report								From Feb 2016
8. Review of key strategic, operational, technological, partnership and practice developments relating to Child Sexual Exploitation (CSE)								From May 2015
<b>Residual Risk Rating</b>	Date:	01/04/2018	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

#### FURTHER ACTION / FORECAST RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action			Implementation Date	Progress				
9. Ongoing implementation and/or application of actions 1 - 8 above.			From Apr 2018					
<b>Forecast Risk Rating</b>	Forecast Date:	Refresh 31/03/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12
<b>Revised Residual Risk Rating</b>	Date:		Impact:		Likelihood:		Rating:	



## UNMANAGED / INHERENT RISK

Risk Description								Risk Owner	
Failure to ensure that all children and young people in need of help or protection are safeguarded and supported could result in them not achieving their full potential and increasing the risk of a child death or serious injury.								Rory Patterson	
Link to Corporate Priority									
People – A borough where people of all ages are proud to work and play, live and stay – Build on our partnerships with statutory, community, voluntary and faith groups to work together to improve health and wellbeing.									
Inherent Risk Rating	Date:	01/04/2018	Impact:	Critical (4)	Likelihood:	Very Likely (4)	Rating:	16	

## DASHBOARD

Inherent Risk Rating & Date: 01/04/2018	Residual Risk Rating as at: 01/04/2018	Residual Risk Rating as at:	Residual Risk Rating as at:	Residual Risk Rating as at:	Forecast Risk Rating & Date: 31/03/2019

## Comments

The nature of the work in terms of safeguarding and supporting children at risk of harm means that this will always be a high risk area although through the application of the S.E.T (Southend, Essex & Thurrock) Child Protection procedures the department actively works to mitigate this risk and reduce the likelihood.

The risk of children and young people coming to harm cannot be completely eliminated and the risk level needs to remain high and ensure clear vigilance across the council and partner agencies. New and emerging risk factors will arise and there is always a potential for agencies 'not knowing, what they don't know' that needs to be guarded against.

Embedding the Multi Agency Safeguarding Hub and Early Offer of Help has supported earlier identification of risk through a multi-agency approach enabling the department to work to intervene at an earlier stage and reduce the risk of harm in some cases.

The impact for individual children and families, particularly in cases of child death is significant and whilst actions to reduce the likelihood are implemented the impact will remain as critical. There is also a critical impact score in terms of reputational damage should a child death or serious injury occur.

The ongoing nature of risk in child protection and safeguarding is such that despite effective mitigation the acknowledgement of the risk needs to remain high and will not reduce. This is not to say that the risks are unmanageable but for effective management the gravity and complexity of the risk needs to be acknowledged.

Within the context of this work we have a high level and critical risk that is being proactively managed. The management of the risk across partner agencies is reducing the likelihood of such risk, where the potential for such risks are known but cannot reduce the potential magnitude for the child in incidents such as child death or permanent disability. The unknown element of risk for families not known to the service means that overall the likelihood remains high. Families are also not static and risk is a constant changing variable within known families.

Managing this risk places inherent pressures on the Children's Social Care budget as a demand led budget. The current trend has seen increasing numbers of children requiring child protection plans, children in need plans and children who the council is required to look after (children in care). Effective demand and resource management remain a priority for the service within an overriding context of keeping children safe.

Risk will remain constant throughout the period covered.

#### EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place								Date Implemented
1. Application of the Southend, Essex & Thurrock Child Protection procedures								Ongoing
2. Local Safeguarding Children's Board established, progress reported annually and guidance reviewed								Ongoing
3. Quality assurance and safeguarding function of Children's Social Care.								Ongoing
4. Legal framework and court action								Ongoing
5. Continue to strengthen the Thurrock Multi Agency Safeguarding Hub introduced Sept 2014 and services commissioned as part of the Early Offer of Help Strategy								Ongoing
6. Case Audits								Ongoing
7. Quality assurance framework								Ongoing
8. Improvement plan in line with Ofsted inspection and iMPower consultation								From Feb 2016
<b>Residual Risk Rating</b>	Date:	01/04/2018	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

#### FURTHER ACTION / FORECAST RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action			Implementation Date	Progress				
9. Ongoing implementation and/or application of actions 1-8 above			From Apr 2018					
<b>Forecast Risk Rating</b>	Forecast Date:	Refresh 31/03/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12
<b>Revised Residual Risk Rating</b>	Date:		Impact:		Likelihood:		Rating:	

## UNMANAGED / INHERENT RISK

Risk Description								Risk Owner	
Failure of the council and /or service managers to coordinate and maintain business continuity plans would lead to service delivery arrangements across the council being ineffective in times of a disruption affecting the council and Thurrock.								Performance Board	
Link to Corporate Priority									
People – A borough where people of all ages are proud to work and play, live and stay – High quality, consistent and accessible public services which are right first time.									
Inherent Risk Rating	Date:	01/04/2018	Impact:	Critical (4)	Likelihood:	Very Likely (4)	Rating:	16	

## DASHBOARD

Inherent Risk Rating & Date: 01/04/2018	Residual Risk Rating as at: 01/04/2018	Residual Risk Rating as at:	Residual Risk Rating as at:	Residual Risk Rating as at:	Forecast Risk Rating & Date: 31/03/2019
<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>	<p>Likelihood</p> <p>Impact</p>

## Comments

The risk evaluates the position if business continuity plans are not coordinated and maintained, which would lead to service delivery arrangements across the council being ineffective in times of a disruption affecting the council and Thurrock e.g. loss of ICT, loss of use of the Civic Offices.

Oversight of Business Continuity Management is now being provided by Performance Board. The list of current BCPs and critical functions has been updated and will form the basis of ongoing review process by Performance Board and service areas. BCPs are the responsibility of individual service areas.

A recent internal audit report on emergency planning, separately recommended a review of BCP arrangements at service level. The Strategic Business Continuity Plan is in the process of being updated and links as appropriate have been made with the emergency planning team.

EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place								Date Implemented
1. BC Review of Team function – Review of BC team undertaken. Decision taken to transfer the BC function from the Emergency Planning Team to Service managers with effect from 1 April, 2015.								April 2015
2. Business Impact Analysis undertaken by Service Areas to identify (i) Priority functions and the time frames for reinstatement (ii) Priority IT applications and order/speed of restoration and Service Business Continuity Plans updated.								Oct 2015 - Feb 2016
3. Analysis of priority functions/IT applications undertaken by ICT Service and report on the interim solution for ICT DR arrangements presented to Directors Board, via Digital Board								Feb – March 2016
4. Outcome of review along with proposals to strengthen BCM arrangements across the Council submitted to Directors Board in April 2016. Performance Board to provide oversight role for Business Continuity Planning from July 2016								April 2016
5. Quality assurance process for Business Continuity Plans for critical functions considered by PB Aug 2016. List of current BCPs and critical functions to be established and to form the basis of ongoing review process by PB and service areas.								August 2016 – March 2017
6. Quality assurance of all BCPs undertaken by services								Apr 2017
<b>Residual Risk Rating</b>	Date:	01/04/2018	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12

FURTHER ACTION / FORECAST RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action			Implementation Date	Progress				
7. Ongoing review of BCP list by Performance Board			Quarterly throughout 2018/19					
8. Strategic Business Continuity Plan updated			June 2018					
<b>Forecast Risk Rating</b>	Forecast Date:	Refresh 31/03/2019	Impact:	Critical (4)	Likelihood:	Unlikely (2)	Rating:	8
<b>Revised Residual Risk Rating</b>	Date:		Impact:		Likelihood:		Rating:	

## UNMANAGED / INHERENT RISK

Risk Description								Risk Owner	
The Council is responsible for and provides a wide range of functions and services.  There is a risk that the Authority experiences significant incidents of fraud, bribery, corruption or other economic crime as well as cases of money laundering. This can subsequently result in losses from the delivery of Council functions and services.								David Kleinberg	
Link to Corporate Priority									
People – a borough where people of all ages are proud to work and play, live and stay. High quality, consistent and accessible public services which are right first time.									
Inherent Risk Rating	Date:	04/05/2018	Impact:	Critical (4)	Likelihood:	Very Likely (4)	Rating:	16	

## DASHBOARD

Inherent Risk Rating & Date: 04/05/2018	Residual Risk Rating as at: 04/05/2018	Residual Risk Rating as at:	Residual Risk Rating as at:	Residual Risk Rating as at:	Forecast Risk Rating & Date: 31/03/2019

## Comments

The Counter Fraud & Investigation service has an organisational-wide strategy and proactive work plan to monitor and manage the identified risks. In the 2016/17 year the service detected £4.5m of fraud and recovered £3.2m back in to the council.

A persistent training and education regime is in place, where experts from the service work with staff, contractors, members and in the council's supply chain to identify and mitigate the risks, and increase awareness.

The council has current and effective policies on Counter Fraud, Bribery & Corruption and Money Laundering which are kept under constant review. These policies acknowledge the threats and install an action plan in identified incidents including, civil & criminal litigation and redress to recover any identified losses. Any control weaknesses identified in investigations are rectified in collaboration with the affected services and Internal Audit through SMART Action Plans.

EXISTING ACTION / RESIDUAL RISK

Management Action or Mitigation Already in Place							Date Implemented
1. Establishment & proactive enhancement of CFID							Nov 2014
2. Fraud and Corruption Policy established from 2014, updated in December 2017							Nov 2014
3. Development and implementation of annual work plan and strategy, to be revised in July 2018							July 2015
4. Regular review of policies and procedures from within the council to ensure that it can prevent, detect and deter fraud and other economic crime.							Nov 2014
5. Counter Fraud and Money Laundering Policies reviewed							Jun - Nov 2017
Residual Risk Rating	Date:	04/05/2018	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating: 12

FURTHER ACTION / FORECAST RISK / REVISED RESIDUAL RISK

Further Management or Mitigating Action			Implementation Date	Progress				
6. Ongoing application of actions 3-5 above 7. Corporate-wide Money Laundering Risk Review 8. Corporate-wide Bribery & Corruption Risk Review 9. Corporate-wide Cyber Crime Risk Review 10. Know-Your-Customer System Testing to Identify Fraud Flags 11. Review of supply chain against identified national crime risks.			From Apr 2018 August 2018 August 2018 August 2018 September 2018 October 2018					
Forecast Risk Rating	Forecast Date:	Refresh 31/03/2019	Impact:	Critical (4)	Likelihood:	Likely (3)	Rating:	12
Revised Residual Risk Rating	Date:		Impact:		Likelihood:		Rating:	

## **Opportunities In Focus**

## UNMANAGED / INHERENT OPPORTUNITY

Opportunity Description								Opportunity Owner	
<p>A mix of approaches (e.g. service reviews, expenditure efficiencies, general income increases, managing demand, transformation, investment, etc.) have been adopted to deliver future balanced budgets and enable services to continue to be provided to meet the needs of residents.</p> <p>All the approaches are important to maintain balanced budgets for the life of the Medium Term Financial Strategy (MTFS) and it is recognised that investments have the greater ability to make significant income with the minimum of impact on service provision (e.g. in recent years the treasury function and activities have contributed approx. £11.7M per annum towards savings/income, with the long term investments area now contributing in excess of a further £3M per annum).</p> <p>The development and implementation of the Treasury Management Strategy and Investment Programme could lead to the Council achieving further significant income and contributions towards the delivery of Council services</p>								Sean Clark	
Link to Corporate Priority									
<p>Prosperity – a borough which enables everyone to achieve their aspirations. Commercial, entrepreneurial and connected public services.</p> <p>People – a borough where people of all ages are proud to work and play, live and stay. High quality, consistent and accessible public services which are right first time.</p>									
Inherent Opportunity Rating	Date:	10/05/2018	Impact:	Exceptional (4)	Likelihood:	Unlikely (2)	Rating:	8	

## DASHBOARD

DASHBOARD

Inherent Opp. Rating & Date: 10/05/2018	Residual Opp. Rating as at: 10/05/2018	Residual Opp. Rating as at:	Residual Opp. Rating as at:	Residual Opp. Rating as at:	Forecast Opp. Rating & Date: 28/02/2019																																																																																																
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## Comments

Investments identified as having the greater ability to make significant income with the minimum of impact on service provision. Treasury Management and Investment Strategy established and presented to Council 28<sup>th</sup> February, via Cabinet 7<sup>th</sup> February 2018 and Corporate Overview & Scrutiny Committee 23<sup>rd</sup> January 2018.



EXISTING ACTION / RESIDUAL OPPORTUNITY

Management Action Already in Place							Date Implemented
1. Update on the Medium Term Financial Strategy and proposed investment approach (including principles) reported to and agreed by Cabinet 11 <sup>th</sup> Oct 2017.							Oct 2017
2. Follow up on the investment approach and the revisions required to the Treasury Management Strategy reported to and agreed by Council 25 <sup>th</sup> Oct 2017, including increases to the parameters for how much the council can borrow/invest and changes required to bolster the investment programme (e.g. capital cash investments/expenditure, acquisition or development of revenue generating assets, bringing more sites forward for development through Thurrock Regeneration Ltd).							Oct 2017
3. Treasury Management Strategy, Annual Minimum Revenue Provision Statement, proposed Prudential Indicators and Treasury Management projections reported to and agreed by Council 28th February 2018, via Cabinet 7 <sup>th</sup> February 2018 and Corporate Overview & Scrutiny Committee 23 <sup>rd</sup> January 2018.							Feb 2018.
<b>Residual Opportunity Rating</b>	Date:	26/04/2018	Impact:	Exceptional (4)	Likelihood:	Likely (3)	Rating: 12

FURTHER ACTION / FORECAST OPPORTUNITY / REVISED RESIDUAL OPPORTUNITY

Further Management Action		Implementation Date	Progress				
4. Plan & develop investment programme in line with codes of practice and guidance to Identify further investment opportunities and achieve a balanced portfolio.		From Feb 2018					
5. Manage current and explore, develop and implement new opportunities.		From Feb 2018					
6. Regularly review/monitor and report on all investments, including new items.		From Feb 2018					
7. Review and report Treasury Management Strategy, Annual Minimum Revenue Provision Statement & Prudential Indicators to Council Feb 2019.		Feb 2019					
<b>Forecast Opportunity Rating</b>	Forecast Date:	28/02/2019	Impact:	Exceptional (4)	Likelihood:	Very Likely (4)	Rating: 16
<b>Revised Residual Opportunity Rating</b>	Date:		Impact:		Likelihood:		

## UNMANAGED / INHERENT OPPORTUNITY

Opportunity Description							Opportunity Owner		
<p>TRL Thurrock Ltd is a company set up and wholly owned by Thurrock Council. The principle focus of TRL has broadened to support the Council's wider regeneration goals through the delivery of specific schemes which support the economic development of the borough as well as delivering new homes.</p> <p>The Council agreed, in February 2018, to financially commit supporting TRL's objective to deliver 1000 over 5 years (subject to governance procedures). Consideration will be given to ensure an optimum level for a functioning, compelling business plan that effectively balances the competing issues of development/financial risk, delivery capacity and commercial returns.</p> <p>To support this, the TRL Board and Shareholders agreed an updated Investment Strategy which sets out the basis on which the Company will seek to operate. TRL has a revised financial model in place, prepared by Capita, on a fairly prudent set of assumptions TRL should be able to repay its borrowings from the Council (giving rise to a small annual surplus to the General Fund) and, in addition, generate a longer term equity return to the Council.</p> <p>The Council will transfer land to TRL in exchange for shares and the Council will prudentially borrow and on- lend money (at a margin) to TRL to develop housing on that land. The first site has been completed and the second Belmont Road will be on site in October 2018. The development of a pipeline of schemes is ongoing.</p>							Steve Cox		
Link to Corporate Priority									
Place - a heritage-rich borough which is ambitious for its future. Roads, houses and public spaces that connect people and places.									
Inherent Opportunity Rating		Date:	11//05/2018	Impact:	Major (3)	Likelihood:	Very Unlikely (1)	Rating:	3

## DASHBOARD

Inherent Opp. Rating & Date: 11/05/2018	Residual Opp. Rating as at: 11/05/2018	Residual Opp. Rating as at:	Residual Opp. Rating as at:	Residual Opp. Rating as at:	Forecast Opp. Rating & Date: 31/03/2019																																																																																																
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## Comments

The opportunities flow directly from the Company's objectives which are to build high quality housing and other development projects in support of Thurrock's Vision and growth targets. If TRL can deliver these developments within the financial parameters of the business case then much needed quality housing and other premises will be provided for the Borough and a financial return will flow to the Council. Belmont Road, Grays, TRL's second scheme is out to tender. Feasibility and capacity studies are ongoing on a number of other sites. Meetings with Planning, Corporate Property, Highways etc. are ongoing to ensure feasibility of sites. A review mechanism is in place following the Council's 3 'Rs' land review.

The governance and scheme gateway process is established. An Investment Strategy has been agreed. A procurement policy and Service level Agreements are being drafted. These documents will continue to be developed and thus enable the effective management of opportunities and risks flowing from the company and its developments.

The Company has moved from a scheme by scheme approach to a pipeline of developments, a loan facility was agreed at Full Council in Feb 2018 this will ensure scheme delivery can be accelerated. Further investment opportunities would be analysed on a commercial basis (over time), the majority of which would be a build and sale model. Risk will be spread across a programme, establishing a TRL brand, as well as managing risk on an individual scheme by scheme basis. Future developments would look to be planning compliant with 35% affordable housing, subject to financial viability.

Opportunity managed as per management action plan.

## EXISTING ACTION / RESIDUAL OPPORTUNITY

Management Action Already in Place	Date Implemented
1. Housing development options considered and progressed by Housing Development Team and housing Development Board.	From Dec 2012
2. Development and approval of outline Business Case	Dec 2012 - May 2013
3. Working group established comprising the Director of Housing, S151 Officer, Legal Officers and external advisers.	From May 2013
4. Development and approval of final business case including: Constitution for the company; Governance, delivery, management and operational arrangements; Financial, modelling and risk analysis. A series of gateway approvals for each scheme established	May 2013 - Nov 2013
5. Preparations for and the implementation of development of St Chads, Tilbury. 1 <sup>st</sup> phase handover from March 2017	From Nov 2013 to Mar 2017
6. Preparations for the implementation of the development of Belmont Road, Grays. Scheme submitted to planning and awaiting decision.	From Nov 2013 to Mar 2017
7. General shareholders meeting and agreement to widen the vision and approach for TRL to encompass both residential and commercial developments	Dec 2015
8. Funding review to consider 2016 budgetary announcements and changes to the Planning and Housing Bill and the opportunity to undertake further housing development.	From Apr 2016
9. Review of TRL's market position and for the schemes in Tilbury & Grays, including further financial modelling of St Chads	From Apr 2016
10. Governance and gateway process reviewed.	From Apr 2016

11. Resolution to set up a subsidiary company and decision taken by the Board to separate strategic and operational activities								From Jan 2017
12. Scheme of Delegation - Decisions to be taken by Shareholder, Board and Manager identified								From Jan 2017
13. Ongoing development and completion of St Chads, Tilbury								From Apr - Aug 2017
14. Ongoing implementation and development of Belmont Road, Grays (following planning agreement).								From Apr 2017
15. Feasibility and capacity studies for a further two potential sites								From Apr 2017
16. Identification of sites for a pipeline of development.								From June 2017
17. Belmont Road scheme received planning permission								Sep 2017
18. Change of Company name to Thurrock Regeneration Ltd (TRL)								Nov 2017
19. Belmont Road scheme received Full Council support to transfer the land and provide the funding for the residential development								Feb 2018
<b>Residual Opportunity Rating</b>	Date:	11/05/2018	Impact:	Major (3)	Likelihood:	Very Likely (4)	Rating:	12

FURTHER ACTION / FORECAST OPPORTUNITY / REVISED RESIDUAL OPPORTUNITY

Further Management Action			Implementation Date		Progress				
20. Land Transfer and s.106 for Belmont Road to be signed			June 2018						
21. Service level agreements for finance , legal and housing development services drafts			May 2018						
22. Review of sites for pipeline development			May 2018						
23. Review risk register			July 2018						
24. Belmont Road on-site			Oct 2018						
Forecast Opportunity Rating		Forecast Date:	Refresh 31/03/2019	Impact:	Major (3)	Likelihood:	Very Likely (4)	Rating:	12
Revised Residual Opportunity Rating		Date:		Impact:		Likelihood:		Rating:	