





Improvement and Recovery Plan Report to Improvement and Recovery Board

18 December 2023

Improving Leadership to Accelerate Change Priority Theme

Initiative	Start & End Dates	Current Phase	RAG Status		Overall Status Commentary
			Overall	Plan	
Building Corporate Capability	Nov-23 Apr-26	01. Concept			<p>The overall project is in concept phase following publishing of the Council's enhanced Improvement and Recovery Plan (IRP) at Council on 25 October 2023. The IRB report articulated the objectives of this project and how its expected outcomes will contribute to the achievement of the Council's strategic priority of Improving Leadership to Accelerate Change.</p> <p>This is the first status report for the Building Corporate Capability project which incorporates a new project to stand up a Programme and Project Management Office (PPMO) along with relevant previous Improvement and Recovery Plan (IRP) projects, namely Organisational Design, Leadership and Operating Model, which have been mapped to Implementing a New Operating Model and Redesign and Restructure of the Council.</p> <p>Standing up a Programme and Project Management Office is progressing the recruitment of project officers and resourcing. It is the more straightforward workstream of this project, which when established and embedded will support improved delivery of the Council's change programme and contribute to mitigation of change management issues and risks. Redesign and Restructure of the Council is in concept with senior leadership recruitment progressing and the wider organisational design will be informed and shaped by the new Operating Model design and as such will only be progressed once the Operating Model solution design has been progressed further. The New Operating Model is wide in scope and complex and will require scoping work to be undertaken and resourcing to support stakeholder analysis and project management.</p>
Leading vision and direction	Nov-23 Apr-25	03. Design			<p>This is the first status report for the Leading a new vision and direction project which incorporates relevant projects from the previous IRP. The project is in design phase. The IRP clearly articulated the objectives of this project and how its expected outcomes will contribute to the achievement of the Council's strategic priority of Improving leadership to accelerate change.</p> <p>A delivery plan has been drafted incorporating key milestones for the development of a long-term purpose and direction for the Council, the Council's Corporate Plan and its Performance Management and Assurance Framework (PMAF) and strategy led business planning approach. Milestones for the projects are aligned to Council and senior leadership meetings to ensure necessary approvals are obtained and effective engagement is undertaken throughout. The project will take a phased delivery approach due to the interdependency of work packages in each workstream and timescales involved in recruiting to the remaining vacancies within the new senior management structure.</p>

Milestones

Priority / Programme	Workstream / Project	Objective / Service Business Case	Milestone	2023/24					2024/25												
				Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
Improving Leadership to Accelerate Change	Leading with purpose and direction	A long-term purpose and direction for the Council	See "Corp Plan" milestones below																		
		Develop a medium-term Corporate Plan that continues the change and improvement programme of the Council.	Set up Core Project Team and agree scope with CEX/MDC 13/11/23	Completed																	
			Corp Plan: Initiation and Early Discovery 25/11/23	Completed																	
			Corp Plan: Detailed Investigation and Draft Plan Phase 12/01/24			On-track															
			Corp Plan: Presentation of initial draft (pre-engagement) 27/01/24			On-track															
			Corp Plan amendments reflecting on engagement feedback 02/02/24				On-track														
			Corp Plan: Operating Model - (eg centralisation of PMAF related disciplines) 30/04/24						On-track												
			Corp Plan agreed at Council								On-track										
			PMAF: Deep dive presentation to IRB - Agree Phases 27/11/23	Completed																	
			PMAF: Present proposed interim scorecard to IRB for agreement 27/11/23	Completed																	
			PMAF: First report of indicators including data and narrative to IRB (Q2) 18/12/23		On-track																
			PMAF: IRB receive Q3 corporate performance scorecard report 19/02/24				On-track														
			PMAF: Consider for agreement draft PMAF Core Document by SLT / IRB 31/03/24					On-track													
			PMAF: IRB receive Q4 corporate performance scorecard report 18/06/24										On-track								
			PMAF: Corp O&S receive Q4EoY corporate performance scorecard report 31/07/24											On-track							
	PMAF: Sign off PMAF at Corporate O&S / Cabinet 31/07/24												On-track								
	PMAF: Phase 2: Stakeholder Engagement 31/01/24			On-track																	
	PMAF: Phase 2: Development of Annual Business Planning Cycle 30/06/24											On-track									
	PMAF: Phase 3: First Corporate Performance Report using PMAF for Q1 reporting to members 30/09/24												On-track								
	Strategy-led business planning	PMAF: Phase 2: Development of Annual Business Planning Cycle 30/06/24										On-track									
	Building our corporate capability	Develop, consult and approve a new operating model for the Council	Workstream Lead resource requirements identified	Completed																	
			Workstreams leads kick off meeting		Completed	On-track															
			Roadmap for implementation drafted				On-track														
			Directorate locality Operating Models developed						On-track												
			Policy approval through Corporate Plan								On-track										
		Redesign and restructure the Council	Council Structure: Leadership & Management Behaviour Sets 01/12/23	Missed																	
			Council Structure: Leadership diagnostics		On-track																
			Senior Leadership Recruitment in post 28/02/24				On-track														
			Leadership & Management Framework Refreshed 30/04/24						On-track												
			Leadership & Management Framework socialised 01/07/24								On-track										
		Stand-up a Programme and Project Management Office (PPMO)	Council Structure: Leadership & Management Skills Analysis – Revised L&D Offering - 30/11/24														On-track				
			Governance Handbook including PPMO design documented and socialised (ongoing)	Completed	On-track																
			Power BI launched as reporting tool to Change Board 06/12/23		On-track	On-track															
			Recruitment & Resourcing PPMO Completed 29/02/23				On-track														
			Project Officers assigned to Theme Boards 01/03/24					On-track													
	PPMO resources. Including: MS 365, Governance Handbook, Project book, Power BI reporting etc					On-track															
	Project Close PPMO Established 31/03/24					On-track															

■ Completed
 ■ On-track
 ■ Missed

Aggregated Risk Matrix (open items only)

Impact

4 - Catastrophic
 3 - Significant
 2 - Minor
 1 - Insignificant

<ul style="list-style-type: none"> (LFC 002) - IR-003 Availability of project resource (LFC 002) - IR-006 Corporate Plan signoff delay (LFC 002) - IR-011 Not achieving cross-party consensus impacting CP sign off (LFC 003) - IR-011 Budget constraints 	<ul style="list-style-type: none"> (LFC 003) - IR-001 Resourcing
<ul style="list-style-type: none"> (LFC 002) - IR-008 Tight timeline for Corporate Plan (LFC 003) - IR-003 Optimising productivity of the PPMO (LFC 003) - IR-005 Enough service based resource to support delivery of the change programme (LFC 003) - IR-012 HR Policy 	<ul style="list-style-type: none"> (LFC 003) - IR-002 Noncompliance to Governance Handbook (LFC 003) - IR-007 Leadership capability gaps (LFC 003) - IR-008 Lack of available specialist technical skill/experience within the organisation (LFC 003) - IR-009 Change legacy - failure to recognise impact (LFC 003) - IR-013 Capacity and capability deficit due to staff attrition (LFC 003) - IR-014 Org. ill equipped to successfully deliver change
	<ul style="list-style-type: none"> (LFC 002) - IR-005 Personnel and process changes due to restructures (eg Finance restructure)

KEY:
 Projects
 LFC 002 – Leading a New Vision and Direction
 LFC 003 – Building Corporate Capability

1 - Unlikely

2 - Possible

3 - Probable

4 - Extremely Likely or Definite

Probability

Project	Ref	Workstream	Title & Description	Owner (person)	Risk Rating	Control Strategy & Approach	Actions incl. Mitigations	Requires Action from	Target Date	RAG
Building Corporate Capability	IR-001	Standing Up a PPMO	Resourcing: Unable to attract suitable project officer/manager candidates, then there is a risk of shortfall in available skilled resource to meet the demands of the Change Programme. The potential result is the Council will fail to meet its priority improvement objectives as planned	Gary Staples	12	Treat: Revisit the job description, readvertise the role and expand advertising channels to include social media	29/11/23 Post to be readvertised by 01/12/23 Snr PO role JD being developed	Gary Staples	29-Feb-24	
Building Corporate Capability	IR-002	Standing Up a PPMO	Noncompliance to Governance Handbook: Lack of awareness & engagement of the Governance Handbook, then there is a risk of noncompliance with agreed governance protocols. The potential result is lack of improvement in corporate capability to apply programme and project management governance principles	CPT	9	Treat: Communication strategy	29/11/23 Meeting set up to plan PMO launch	Gary Staples	31-Mar-24	

Project Ref	Ref	Workstream	Title & Description	Owner (person)	Risk Rating	Control Strategy & Approach	Actions incl. Mitigations	Requires Action from	Target Date	RAG
Building Corporate Capability	IR-007	Redesign and restructure the Council	<p>Leadership capability gaps: A lack of leadership/management change skill and experience to a requisite standard to support and lead delivery of the IRP actions and their service/teams through the transformation</p> <p>Impact: uncoordinated and inconsistent standard in the delivery of change/IRP activities, Leaders /Managers fail to recognise the impacts of change on their teams, staff feel unsupported and disengaged leading to a lack of understanding and desire to support the change (increased resistance)</p>	Tina Dempsey	9	<p>Treat: Leadership and Mangement Development Modules delivered as a priority, specific focus on change management and critical skills. Development sessions also incorporated into Leadership Group and Mangers Conference</p>	<p>29/11 Additional Technical Change Mgt training sessions held Oct/Nov/Dec; twice monthly sessions scheduled for 2024 to support leaders technical change management capability.</p> <p>25/09 good attendance at change training sessions. Change Community resource developed and socialised</p> <p>22/08 Additional Change Mgt sessions scheduled Aug - Nov, awaiting outcomes of PwC skills gaps. Leadership Group development session 12th Sept</p> <p>28/07 SLT development programme work progressing ready for delivery Autumn 2023. Change Management sessions delivered July, excellent feedback and additional sessions scheduled Aug/Sept/Oct. Behaviours diagnostic carried out 3 x Managers Conference to inform L&M framework, further workshops scheduled Aug/Sept/Oct to progress the L&M Framework indicators.</p> <p>28/06/23 SLT development programme in development. Leading Change training scheduled early July for managers/leaders. Managers Conference x 3 scheduled for mid-July - development session. Leadership Group development sessions scheduled Sept 2023</p> <p>Change Team creation to support the consistent delivery of intervention projects and activities. Change Team will ensure change impacts are recognised and action taken to mitigate.</p> <p>05/05 "Change Management for Leaders" content under development (May), & date to be scheduled for Leadership Group development session.</p> <p>05/05 Schedule for development sessions for wider audience under development (May), dates to be released once content is fully developed.</p>	Tina Dempsey	01-Apr-24	A





Project Ref	Ref	Workstream	Title & Description	Owner (person)	Risk Rating	Control Strategy & Approach	Actions incl. Mitigations	Requires Action from	Target Date	RAG
Building Corporate Capability	IR-008	Redesign and restructure the Council	<p>Lack of available specialist technical skill/experience within the organisation: Significant critical skills deficit within Culture and Leadership Workstream. A lack of available specialist technical skill/experience within the organisation (Org Development/Design and Change SMEs or practitioners, trained facilitators etc) required to inform and support delivery of the workstream activities. Impact: lack of critical specialist skills required to support successful design and development of Theme activities will constrain and delay progress of theme activities development and delivery, theme success outcomes and performance standards are not achieved</p>	Tina Dempsey	9	<p>Treat: Implementation of the resourcing and capacity plan. Proactive recruitment of additional skills/capacity. Identification of internal talent who can be developed swiftly to fulfil skills gaps</p>	<p>28/06/23 3 x OD/Change leads now recruited and progressing work within the L&C Theme. OD Manager working with OD/Change Leads to direct and deliver. Creation of The Change Team will allow for additional resources to be directed to specific L&C Theme activities The Programme Director for change is starting Monday 5 December Specialist OD resources aligned to the project in place.</p>	Tina Dempsey	01-Apr-24	A

Project Ref	Ref	Workstream	Title & Description	Owner (person)	Risk Rating	Control Strategy & Approach	Actions incl. Mitigations	Requires Action from	Target Date	RAG
Building Corporate Capability	IR-009	Redesign and restructure the Council	<p>Change legacy - failure to recognise impact: Historically Thurrock does not implement projects and adopt change successfully Impact: the legacy of this will engender attitudes of apathy and lack of trust and motivation to engage with and support the transformation. Uncoordinated and inconsistent standard in the delivery of change/IRP activities, Leaders /Managers fail to recognise the impacts of change on their teams, staff feel unsupported and disengaged leading to a lack of understanding and desire to support the change (increased resistance)</p>	Tina Dempsey	9	<p>Treat: Technical Change Management Training developed and delivered to the Change Team members and HR BPS, to build awareness and understanding using a structured process to deliver change activities. A Change Toolkit designed a Leaders and Managers support to guide through key change activities aligned with the PM methodology. Sessions to support staff going through change delivered through to March 2024 to build capability to deal with the change at Thurrock.</p>	<p>29/11 Technical Change Mgt sessions scheduled twice monthly. for 2024. Practical application of change management activities for live projects sessions scheduled for 2024. Continued managing change sessions delivered by L&D for 2024. Change Leads assigned to specific projects for IRP to support managers delivering change and to support identification & management of staff impacts of change. 25/09 As below training sessions, Change Community support resources now available through Oracle 22/08 Additional Change Mgt sessions running Aug - Nov to build leadership & management capability 28/07 Change Management sessions delivered July, excellent feedback and additional sessions scheduled Aug/Sept/Oct. 05/07 Technical Change Management Training developed and delivered to the Change Team members and HR BPS, to build awareness and understanding using a structured process to deliver change activities (July/Aug 2023). The Change Toolkit designed a Leaders and Managers support to guide through key change activities aligned with the PM methodology live July 2023. Sessions to support staff going through change delivered from July 2023 through to March 2024 to build capability to deal with the change at Thurrock.</p>	Tina Dempsey	01-Apr-24	A

Project Ref	Ref	Workstream	Title & Description	Owner (person)	Risk Rating	Control Strategy & Approach	Actions incl. Mitigations	Requires Action from	Target Date	RAG
Building Corporate Capability	IR-013	Redesign and restructure the Council	<p>Capacity and capability deficit due to staff attrition: Due to the significant changes within the organisation, there is an increase in voluntary resignation and the additional voluntary and compulsory redundancy following the outcomes of the budget saving work over the next 3 years and the Thurrock improvement plan creating a reduction in capacity and capability. This in likelihood will lead to reduced core skills and experience for the delivery of BAU activity currently and the key skills required for the future new ways of working. Inherent in any significant change is the disengagement of a percentage of staff with the process and the outcomes of the required changes to their behaviours and ways of working and therefore a reduction in staff engagement, commitment and morale.</p>	Tina Dempsey	9	<p>Treat: Robust business case validation Recruitment and resourcing of appropriately skilled expertise Extensive staff engagement and communication</p>	<p>29/11/23 Actions to date include: Technical Change Management training for leaders & managers to build internal change capability delivered Change support training (3 hrs sessions) for all staff and managers delivered Managers Conferences x 3 – engagement on required new behaviours to support change delivery Engagement with Leadership on required new behaviours to support change delivery Managers Conferences x 3 – engagement on the high-level proposals for the operating model</p>	Tina Dempsey	01-Apr-24	A

Project Ref	Ref	Workstream	Title & Description	Owner (person)	Risk Rating	Control Strategy & Approach	Actions incl. Mitigations	Requires Action from	Target Date	RAG
Building Corporate Capability	IR-014	Operating Model/ Standing up a PPMO	<p>Org. ill equipped to successfully deliver change: Organisation not equipped with capacity/capability to deliver change successfully</p> <ul style="list-style-type: none"> - Lack of forward planning and structured approach for key change projects (e.g. Operating Model) -Change legacy -Lack of change management capability & capacity -Lack of structured approach to change management delivery 	Tina Dempsey	9	<p>Treat: Operating mode workstreams formed – planned work approach beginning Dec 23. Realistic resourcing and scheduling approach to improve sustainable implementation and embedding. Leaders and managers engagement sessions ongoing to facilitate understanding and co-design.</p> <p>As a key enabler of the IRP's delivery and success a Change Team has been stood up, aligned with the new PPMO and key deliverers to influence feasibility, change readiness and adoption. The objective to build internal change capability and capacity aims to ensure that change is planned and supported successfully.</p> <p>Change management support and training is made available to all staff with the aim to build capability for managing change. Leaders and managers are offered targeted technical change management training. A change community resource is available via Oracle to support and equip staff with relevant content and tools. Additional change operating capacity will be provided through the new Programme Director who starts imminently, and ultimately the new Assistant CEX</p>	<p>29/11/23 Actions to date include: Change SMEs recruited Change Team created Technical Change Management training for leaders & managers to build internal change capability delivered Change support training (3 hrs sessions) for all staff and managers delivered Managers Conferences x 3 – engagement on required new behaviours to support change delivery Engagement with Leadership on required new behaviours to support change delivery Managers Conferences x 3 – engagement on the high-level proposals for the operating model Engagement with Leadership Group on the high-level proposals for the operating model SME resources allocated to Operating Model Programme Volunteer requests for Operating Model Workstream team members Change Community support resources for all staff to access OD SME resources allocated to the new IRP Programme</p>	Sue Church	04-Apr-24	A

Governance and Controls Priority Theme

Project	Start & End Dates	Current Phase	RAG Status		Overall Status Commentary
			Overall	Plan	
An Exemplary Control Environment	Jan-23 Dec-24	04. Delivery			<p>The focus has been on migrating the projects from the old IRP to the new IRP. The project workstreams are now: 'Improving RM Practice', 'Improving Audit Practice' and 'Improving Transparency & Accountability'.</p> <p>The former Information Governance project has been removed and replaced with a workstream focusing on transparency. (This requires additional work). All workstreams are in delivery. The former Chief Internal Auditor has left the Council with a part time interim CIA resource being provided by Mazars pending an appointment being made as part of the Finance Restructure. Key achievements since the last theme report include:</p> <p>Improving Risk Management Practice - 1) ROM Strategy & Framework review paper taken to Standards & Audit Committee on 30/10 and to SLT on 29/11. Report prepared for submission to Cabinet. 2) Work on the refresh of the Corporate Risk Register continues with a report to SLT scheduled in December (SAC in Feb 24) 3) RM training for SAC members on 30/10 and on 23/11 for all members. (Further sessions planned in December and January).</p> <p>Improving Audit Practice - 1) Mazars senior manager acting as Interim Chief Internal Auditor, 2) Mazars on site and undertaking audit work, 3) Discussions with the LGA to agree the scope of awareness raising training of the role of Audit and tailored development of Standards & Audit Committee members</p> <p>Improving Transparency & Accountability - 1) Mentor secured for the Deputy Conservative Leader, 2) New approach for delegated decisions embedded into Cabinet Report agenda items 3) Engagement approach agreed to develop quality assurance surveys of Members Enquiries</p>
Foundations for Governance Excellence	Jan-23 Dec-24	04. Delivery			<p>The focus has been on migrating the projects from the old IRP to the new IRP. The project workstreams are now: 'Improving Governance', 'Thames Freeport AB' and 'Company Governance'. As a result of the migration to the new IRP the project in respect of Thurrock Regeneration Ltd has been part moved to the Financial Sustainability Theme (asset disposal) with the governance aspects remaining to be included in a workstream to review all companies and partnerships. This needs to be scoped. Delivery is underway in respect of Improving Governance and Thames Freeport. Key achievements since the last theme report include:</p> <p>Improving Governance - 1) Discussions held with LGA to revisit the request for support to deliver the Constitution Review and potential suppliers investigated. Financial Procedure Rules aspects of Constitution significantly advanced with formal consultation with CWG underway 2) New arrangements for O&S agreed by GRB and work programming sessions scheduled for January to engage Members more widely 3) Agreement secured to split Standards & Audit Committee to 2 separate committees 4) New report writing guide designed and ready for consultation, 5) New approach to minute taking launched, 6) Proposed new report writing template designed ready for consultation</p> <p>Freeport Accountable Body – 1) Signed and submitted the Consolidated Full Business Case to the Freeport for onward submission to DLUHC 2) Raised concerns again about current governance arrangements 3) Begun process to develop retained Business Rates Strategy</p> <p>Company Governance - Workstream content being scoped.</p>




Milestones






Priority / Programme	Workstream / Project	Objective / Service Business Case	Milestone	2023/24					2024/25												
				Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
Improving Governance and Controls	Establishing the foundations for governance excellence	Review and refresh all of our governing policies	Report writing courses end 30/11/23	█																	
			Proposal to split SAC into 2 cttees to GRB 13/11/23	█																	
			Introduce new version control process and report tracking 31/12/23		█																
			Commence formal review of Constitution 28/02/24				█														
			Introduce new report writing template 31/03/24					█													
			Go Live for new Standards Committee and new Audit Committee 31/05/24							█											
		Conclude formal review of Constitution 30/12/24																	█		
		Build a capable and effective scrutiny function	GRB considers draft O&S Protocol and Cttee Structure 13/11/23	█																	
			Member budget Training ends 27/11/23	█																	
			O&S Officer Interviews 06/11/23	█																	
			New O&S Officers onboarding			█															
			New O&S approach socialised to officers				█														
			Go Live for new O&S arrangements 31/05/24								█										
		Undertake a governance review for all external companies or partnership bodies that the Council has an interest in	Thames Freeport: FBC signed off 06/11/23	█																	
			Thames Freeport: Freeport OP/CO submit FBC to DLUHC 10/11/23	█																	
			Thames Freeport: Funding agreement for Freeport OP/CO drafted 30/11/23	█																	
			Thames Freeport: MOU governing Freeport operations drafted 31/12/23		█																
			Thames Freeport: Accountable Body approves business plan 30/01/24			█															
	Thames Freeport: Thames Freeport Governing Board approves retained business rates strategy 26/01/24					█															
	Thames Freeport: Process to distribute retained business rates agreed 30/03/24								█												
	Thames Freeport: Billing authorities approved retained business rates strategy 30/03/24									█											
	Creating an exemplary control environment	Create a Council-wide strong risk managed operating environment	Risk Management Strategy, Policy and Framework to Cabinet 13/12/23		█																
			DMT Risk Managment awareness raising sessions end 30/01/24			█															
			Refreshed Corporate Risk Register to SAC by 29/02/24				█														
			New Risk Management Team Members onboarding by 31/03/24					█													
		The Council's assurance and audit functions are re-set	Assessment report & recs to Cabinet 23/11/23	█																	
			Develop engagement & adoption approach 31/11/23	█																	
			Commence delivery of implementation plan by 31/12/23		█																
			Commence Audit Awareness raising training			█															
			End use of interim Mazars resource 31/03/24						█												
Proportionate processes that maximise transparency and accountability are developed		Start refresh of the Member Portal 20/11/23	█																		
		Conclude refresh of the Member Portal & launch 31/12/23		█																	
		Develop & launch Member Enquiry Survey 31/01/24			█																
	Commence development of Member Training Schedule 08/01/24				█																
	Commence refresh of the Member Handbook 08/01/24					█															
	Commence consultation on draft Member Handbook 12/02/24						█														
	Conclude consultation on draft Member Handbook 15/03/24							█													
	Conclude development of Member Training Schedule & launch 30/04/24								█												
Conclude refresh of the Member Handbook & launch 30/04/24									█												

█ Completed
 █ On-track
 █ Missed

Impact	Probability			
	1 - Unlikely	2 - Possible	3 - Probable	4 - Extremely Likely or Definite
4 - Catastrophic		<ul style="list-style-type: none"> (GC 002) - IR-004 Failure to deliver cultural change (GC 002) - IR-005 External perceptions of the Council's governance do not change (GC 002) - IR-008 Council and Freeport OpCo unable to agree Freeport Business Plan and Contract (GC 002) - IR-009 Council unable to resource Accountable Body Function (GC 002) - IR-010 Proper governance arrangements to secure delivery of Freeport Accountable Body not in place (GC 003) - IR-004 Failure to deliver a cultural change in the practice of Risk Management (GC 003) - IR-005 External & Internal views of Council's ROM approach do not change (GC 003) - IR-012 Failure to deliver a cultural change in the practice of Audit (GC 003) - IR-013 Internal and External perceptions of Internal Audit do not change. 	<ul style="list-style-type: none"> (GC 002) - IR-006 Council, Freeport and DLUHC unable to agree MOU and associated legal agreements (GC 002) - IR-011 Seed Capital Projects (GC 002) - IR-012 Retained Business Rates Strategy 	
3 - Significant		<ul style="list-style-type: none"> (GC 002) - IR-001 Failure to recruit to key posts in the Democratic Services Team (GC 002) - IR-002 Inadequate levels of engagement from stakeholders (GC 003) - IR-010 Lack of engagement from business in the Audit Improvement workstream (GC 003) - IR-015 Member Development (GC 003) - IR-016 Members Enquiries 	<ul style="list-style-type: none"> (GC 002) - IR-003 Low availability of resources to support the delivery of the project (GC 003) - IR-003 Availability of project resource (GC 003) - IR-006 Lack of single point of storage or system for risk data (GC 003) - IR-007 Lack of knowledge & skills for Risk Management across the council (GC 003) - IR-011 Availability of resource to support the Audit Improvement workstream 	<ul style="list-style-type: none"> (GC 003) - IR-001 ROM Review (GC 003) - IR-008 Restructure of Finance Department (GC 003) - IR-009 Recruitment to key posts in the Internal Audit Team (GC 003) - IR-014 Impact on the Internal Audit function as a result of the restructure of Finance Department
2 - Minor		<ul style="list-style-type: none"> (GC 003) - IR-002 Low level of engagement from the business in the Risk Improvement Workstream 		
1 - Insignificant				

KEY:
 Projects
 GC 002 – An Exemplary Control Environment
 GC 003 – Foundations of Governance Excellence




Project	Ref	Status	Workstream	Title & Description	Owner (person)	Risk Rating	Control Strategy & Approach	Actions incl. Mitigations	Requires Action from	Target Date	RAG
Foundations of Governance Excellence	IR-011	Open	Freeport Accountable Body	Seed Capital Projects: Timeframe to approve and deliver Seed Capital schemes	Stephen Taylor	12	Treat: 1) Detailed partner engagement with Freeport OpCo and with final grant recipients	11 - Accountable Body preparing for subsidy control assessment and working with Freeport OpCo to address gaps in Outline Business Cases as they stand 10 - WSP appointed by Freeport OpCo to work with grant recipients to develop OBCs 10 - Raised reprofiling seed capital schemes with DLUHC 09 - Accountable Body feedback on initial OBCs - significant gaps in information	Stephen Taylor	30-Mar-24	
Foundations of Governance Excellence	IR-012	Open	Freeport Accountable Body	Retained Business Rates Strategy: Accountable Body and TFGB unable to agree Retained Business Rates Strategy and Approach	Stephen Taylor	12	Treat: Partner engagement initially with OpCo and then with TFGB	11 - Initial meeting on principles held by Thurrock Council and OpCo. Thurrock stressed importance of Best Value, of supporting projects that benefit Thurrock	Stephen Taylor	30-Mar-24	
Foundations of Governance Excellence	IR-006	Open	Freeport Accountable Body	Council, Freeport and DLUHC unable to agree MOU and associated legal agreements: Parties unable to agree legal framework for the Freeport	Stephen Taylor	12	Treat: 1) Partner engagement	10-11 - Issue raised in person and via email between Head of Freeport and Head of Programmes at Freeport OpCo 09 - Issue raised formally again by CEO at TFGB meeting 07 - Issue formally raised again by monitoring officer through email exchange 03 - Council concerns about existing governance arrangements issues raised with Freeport OpCo and collaboration agreement proposed	Stephen Taylor	31-Mar-24	

Project	Ref	Status	Workstream	Title & Description	Owner (person)	Risk Rating	Control Strategy & Approach	Actions incl. Mitigations	Requires Action from	Target Date	RAG
An Exemplary Control Environment	IR-001	Open	Improving Risk Management	ROM Review: Capacity/Resource - Limited capacity/resource and/or competing priorities lead to project delay	Andy Owen	12	Treat: Development of plans (project and service level) to manage position and ongoing monitoring of developments and progress against plans.	11 - Project schedule is mapped out and being managed to target. No project slippage experienced to date	Andy Owen	31-Mar-24	
An Exemplary Control Environment	IR-003	Open	Improving Risk Management	Availability of project resource: Limited project resource capacity and competing requests leads to a longer delivery period	Andy Owen	9	Treat: Recruiting additional resource funded by the programme as appropriate	11 - On track. Project schedule is being met.	Andy Owen	31-Mar-24	
An Exemplary Control Environment	IR-006	Open	Improving Risk Management	Lack of single point of storage or system for risk data: Risk Registers - Lack of single point of storage or system for risk data, leads to inadequate & inefficient analysis, recording & reporting of risk information	Andy Owen	9	Treat: Management Strategy - Research and gather info on system, report findings and if agreed commission system.	11 - No action taken since last meeting. To be addressed when Risk Management function is fully established	Andy Owen	31-Mar-24	
An Exemplary Control Environment	IR-007	Open	Improving Risk Management	Lack of knowledge & skills for Risk Management across the council: Lack of knowledge & skills for RM across the council leads to limited or inconsistent application for the management of risks and non compliance with the RM strategy & framework	Andy Owen	9	Treat: Management Strategy - Develop and implement training programme to meets stakeholders needs and to support the delivery of the ROM strategy and framework	11 - Strategy, Policy & Framework and supporting guidance has been refreshed. Bespoke training provided to Members, SLT and directorate based senior leads. When risk function is fully established further training and support will be made available	Andy Owen	31-Mar-24	
An Exemplary Control Environment	IR-008	Open	Improving Risk Management	Restructure of Finance Department: Restructure of Finance Dept will temporarily impact on the delivery of the risk workstream	Andy Owen	12	Treat: Manage (see actions)	11 - First phase of recruitment of new service management is underway	Andy Owen	31-Mar-24	







Open Aggregated Risks by exception – both projects

Project	Ref	Status	Workstream	Title & Description	Owner (person)	Risk Rating	Control Strategy & Approach	Actions incl. Mitigations	Requires Action from	Target Date	RAG
An Exemplary Control Environment	IR-009	Open	Improving Audit Practice	Recruitment to key posts in the Internal Audit Team: Inability to recruit senior internal auditor posts results in capacity and capability gaps for the service	Mark Chalkley	12	Treat: Targeted recruitment in specialist press	11 - Mazars now embedded into team and undertaking scheduled Audit work. Mazars also providing interim CIA role 09 - High level scope shared with Mazars and contact made with the client. Fieldwork to start 6th October. Finance restructure out to consultation with increased capacity and training identified for the Internal Audit service. 08 - Mazars formally appointed. Programme of work for them to deliver has been agreed and they will commence on site work in September 07 -Most recent advert for recruitment of second post was not successful. Recruitment will continue. In the short-term, APEX Framework will now be utilised, and an interim resource to support the service has been secured from Mazars who will start in September 2023.	Mark Chalkley	31-Mar-24	A
An Exemplary Control Environment	IR-011	Open	Improving Audit Practice	Availability of resource to support the Audit Improvement workstream: Limited project resource capacity and competing requests leads to a longer delivery period	Mark Chalkley	9	Treat: Recruiting additional resource funded by the programme as appropriate	11 – LGA commissioned to provide leadership and member support in respect of the role of audit as part of governance 09 - Subject to finance restructure and available resources following recruitment to vacant posts. 08 - Appointment of Mazars to undertake audit work will further enable audit team members to support the project 07 - New SIA supporting project delivery 06 - The newly appointed Senior Internal Auditor has been brought into the project to support the delivery of key activities - conducting the self assessment against national standards.	Mark Chalkley	31-Mar-24	A

Open Aggregated Risks by exception – both projects

Project	Ref	Status	Workstream	Title & Description	Owner (person)	Risk Rating	Control Strategy & Approach	Actions incl. Mitigations	Requires Action from	Target Date	RAG
An Exemplary Control Environment	IR-014	Open	Improving Audit Practice	Impact on the Internal Audit function as a result of the restructure of Finance Department: Changes to the structure of the Internal Audit service result in a lack of personnel to deliver the workstream	Mark Chalkley	12	Treat: Recruitment process in line with new structure	11 - Recruitment underway for new Head of Service and Mazars providing interim senior support. 09 - Finance restructure date extended to 6th October. 08 - Finance restructure currently out to consultation which finishes 29th September 23.	Mark Chalkley	31-Mar-24	
Foundations of Governance Excellence	IR-001	Open	Improving Governance	Failure to recruit to key posts in the Democratic Services Team Inability to recruit to scrutiny posts results in capacity and capability gaps for the service	Matt Boulter	9	Treat: Targeted recruitment in specialist press	11 - Successful appointment of 3 positions has taken place. Staff will start in January 2024. Challenges becoming evident with the level of support required for onboarding new members of staff 08 - Recruitment continues to be a significant challenge. Agency recruitment has not been successful. Options for secondments from the Legal Department are currently being explored. 07 - Recruitment campaign continues 06 - Failure to recruit temporary staff via agencies has led to business case to seek temporary staff through other means. Request made to LGA and CfGS for support 04-05 - Failure in permanent recruitment led to sourcing of temporary staff via agencies 09- All internal activities completed and new posts out to advert with a deadline of last quarter of October.	Matt Boulter	31-May-24	
Foundations of Governance Excellence	IR-003	Open	Improving Governance	Low availability of resources to support the delivery of the project: Limited project resource capacity and competing requests leads to a longer delivery period	Matt Boulter	9	Treat: Recruiting additional resource funded by the programme as appropriate	11 - Issue escalated to LGA and further meeting to discuss requirements arranged for 5/12 10- Recruitment underway. LGA chased for further support on Constitution review 08 - LGA have been approached to supply support for constitution review. Awaiting response 07 - Resource plan approved by SLT, recruitment exercise underway 07 - Specialist expertise has been brought in via CfGS to support O&S reviews and LGA scoping a proposal for Constitution review 06 - GRB requested a resource plan to be developed, to deliver a sustainable governance function, for consideration by SLT 05 - Project Manager has engaged with CIPFA & CfGS to secure additional external expertise to support delivery	Matt Boulter	31-May-24	

Financial Sustainability Priority Theme

Initiative	Start & End Dates	Current Phase	RAG Status		Overall Status Commentary
			Overall	Plan	
Budgetary Stability	Oct-23 Apr-24	04. Delivery			The Council is currently working through four major workstreams to seek to achieve financial stability: Divestment of investments – this is progressing well with over 90% of the investments planned to be in progress or complete by March 2024. Assets sales of over £100m currently estimated, £40m in 2023/24 and £40m in 2024/25 Reducing the borrowing financing the general fund capital programme to as low as possible over a 5 year period – currently standing at circa £5m Identifying and delivering £18.2m of revenue savings in 2024.25. All identified to date – some at OBC stage
Divestment	Apr-23 Mar-24	04. Delivery			The Council continues to progress all 14 divestments supported by advisors who provide regular updates on progress with a key focus on the Toucan administration process, that is currently progressing towards a sale in November/December 2023 and Just Loans Group (JLG). Both represent a significant proportion of the total and remain on track. Work is also progressing on divesting from the other financial investments, work has commenced on the windfarm sales, where we are now focusing on agreeing the sale and the approach. The project remains and is likely to remain at an amber rating, as an act of caution. This project is unlikely to progress towards a green rating until funds have been recouped successfully. The dates provided for the milestones and tasks within the project schedule are regularly discussed, reviewed and updated accordingly as the project progresses. Amber reflects that certain activities that are outside of the Council's direct control - for example the company administration process.
Financial Management	Nov-23 Mar-24	04. Delivery			A series of matters have been and are being addressed within the Council: The Council's financial model has been and will be further reviewed The budget process – pace and quality has been considerably improved for 2024/25 The Council's MRP has been reviewed and a series of improvements set up for action The half year and full year Treasury Management reports are in preparation The Restructure was completed on 26 October 2023 and staff assimilated to their roles. The Recruitment Phase began almost immediately with the drafting of adverts. Following feedback from managers the recruitment phase was split into two phases, pre and post Christmas 2023. This is to allow for higher priority posts to be filled urgently and for a smooth handover from agency staff to permanent staff in the new year depending on the success or otherwise of the recruitment campaign. Phase 1 interviews are due to begin in week commencing 5 December 2023.



Milestones

Priority / Programme	Workstream / Project	Objective / Service Business Case	Milestone	2023/24					2024/25																			
				Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar								
Improving Financial Sustainability	Divestment of the Council's investments	Dispose of investments	Toucan: Planned Financial Close																									
			Wind Farms: Approval to seek market options agreed																									
			CCLA: Financial Close																									
			Preliminary assessment of tail investments																									
			90+% of investment portfolio divested (subject to Toucan, Wind Farms and CCLA coming to fruition)																									
	Improving our stability through budgetary savings and maximisation of income	Through implementing a savings programme, alongside a programme to maximise income over each of the next five years and beyond, the Council's budget moves towards achieving a balanced position.	Fees and Charges Business Cases: Overview & Scrutiny 14/02/24																									
			Savings Business Cases: Overview & Scrutiny 28/11/23																									
			Draft budget proposals: 2nd Overview and Scrutiny 14/02/24																									
			Budget proposals Cabinet 26/02/24																									
			1 year savings plan: Council approval 06/03/24																									
			Budget: Council 06/03/24																									
			New fees and charges effective																									
			Delivery of savings business cases 11 January and 8 March																									
			Delivery Risk Assessment 24/25 starts																									
			Detailed plan to generate capital receipts	Cabinet Report on Asset Disposals 13/03/24																								
				Cabinet Report on Asset Disposals 13/04/24																								
			Develop a Capital Programme which leads to General Fund borrowing which is significantly smaller and aligned to the Corporate Plan.	General Fund draft Capital Programme changes at FRB																								
				General Fund Capital Programme: Overview and Scrutiny 14/02/24																								
	General Fund Capital Programme: Council approval 06/03/24																											
	Improving our financial management capability and practice	We will demonstrate exemplary corporate financial leadership	DSG: DBV SEND grant application submitted																									
			Treasury Strategy (incl. MRP), Revenue Budget (incl. DSG Plan), HRA Business Plan: Cabinet 26/2/24																									
			Treasury Strategy (incl. MRP), Revenue Budget (incl. DSG Plan), HRA Business Plan: Council 06/03/24																									
		We will redesign and restructure the Council's financial service	Finance Restructure: Phase 1 recruitment starts																									
Finance Restructure: End of Project Report 22/12/23																												
Finance Restructure: Phase 2 recruitment starts																												
Outcomes contained in Improvement Report and Departmental Business Plan 31/3/24																												
Corporate Financial Capability	Corporate capability and accountability: work commences																											




■ Completed
 ■ On-track
 ■ Missed

Impact	Probability			
	1 - Unlikely	2 - Possible	3 - Probable	4 - Extremely Likely or Definite
4 - Catastrophic		<ul style="list-style-type: none"> (FST 004) - IR-008 Insufficient resources to fund new structure 	<ul style="list-style-type: none"> (FST 002) - IR-001 Crystallised losses on Toucan, JLG / JCF, and PWE investments (FST 002) - IR-002 Borrowings (FST 002) - IR-003 Illiquid Investments (FST 004) - IR-005 Failure to recruit (FST 004) - IR-006 Inability to meet statutory responsibilities (FST 004) - IR-007 External review agencies do not have confidence that the revised structure will deliver required change 	<ul style="list-style-type: none"> (FST 002) - IR-004 Inflation and rates (FST 002) - IR-005 UK economic downturn
3 - Significant	<ul style="list-style-type: none"> (FST 003) - IR-001 Significant economic downturn 	<ul style="list-style-type: none"> (FST 004) - IR-002 Reviews not included 		
2 - Minor		<ul style="list-style-type: none"> (FST 004) - IR-003 Economic factors (FST 004) - IR-004 Asset Disposals/Disinvestments 		<ul style="list-style-type: none"> (FST 004) - IR-001 Completion of Accounts
1 - Insignificant				

KEY:
 Projects
 FST 002 – Divestments
 FST 003 – Budgetary Sustainability
 FST 004 – Financial Management

Project Ref	Ref	Status	Workstream	Title & Description	Owner (person)	Risk Rating	Control Strategy & Approach	Actions incl. Mitigations	Requires Action from	Target Date	RAG
Divestment	IR-001	Open	Divestments	<p>Crystallised losses on Toucan, JLG / JCF, and PWE investments: These investments are currently or have recently undergone recovery plans to resolve identified issues. There is a risk impacting the Council's investment and leading to significant impairments, at least initially (with some additional recoveries over time depending on the strategy).</p>	Steve Mair	12	<p>Treat: The mitigation for this risk is to understand the timeframe of these impairments, the timeline of recoveries, the associated borrowing costs and the wider financial impact (e.g. MRP, revenues) are important to manage the risks to the Council's balance sheet.</p>	<p>28/11 - continues to be monitored. Work has been undertaken to further understand and mitigate the MRP implications on investments that will be shortly disposed of.</p>	CIPFA	31-Mar-24	
Divestment	IR-002	Open	Divestments	<p>Borrowings: The Council's refinancing strategy continues to replace maturing inter-LA loans with PWLB loans. There is a risk as new loans are taken out, the cost of borrowing will grow considerably given increases in PWLB rates in recent months.. This will diminish the net income for Thurrock and likely turn it negative.</p>	Steve Mair	12	<p>Treat: The mitigation for this risk is the maturity profile of the new borrowing will also need to be carefully managed to ensure it is aligned with the liquidity being targeted for investments, so as not to incur added borrowing (or repayment) costs over time.</p>	<p>28/11 looking at the Camdor portfolio report for October (most recent received) short term borrowing is being put in place to bridge between the divestment proceeds and the requirement to repay borrowing.</p>	CIPFA	31-Mar-24	

Project Ref	Ref	Status	Workstream	Title & Description	Owner (person)	Risk Rating	Control Strategy & Approach	Actions incl. Mitigations	Requires Action from	Target Date	RAG
Divestment	IR-003	Open	Divestments	<p>Illiquid Investments: The majority of investments are illiquid by virtue, as they are in private markets. It is likely that Thurrock is locked into most of their bond investments until the maturity date, so it will be important to assess if and how liquidity may be obtained.</p>	Steve Mair	12	<p>Treat: The key mitigation for this risk is that the Council will need to carefully negotiate and manage these positions to ensure they are divested insofar as possible in line with the Council's needs and proceeds maximised. Financial structuring/restructuring as well as secondary sales processes may also need to be considered to help the Council achieve its goals.</p>	<p>23/08/23, 28/9 - Good progress has been made on Toucan, with the sales process well advanced and some distributions now flowing. The same is also true for JLG/JCF, where the servicer is now in place for the majority of the Council's exposure, and the CCLA funds, where redemption notices have been served and a timeline agreed for receipt of proceeds. Between these three, that represents c. 85% of the Council's portfolio. For the remaining positions, these are more illiquid, given the much smaller size in general, specific market dynamics in the underlying sectors and the contractual obligations or structure of the arrangements. Preliminary analysis is underway on these and the risk will be assessed in more detail following this. The Council should also consider its strategy for the equity-like positions, which do not have a contractual end date but could be sold theoretically to other investors should the company grow and/or perform well.</p> <p>28/11/23 - The position remains the same</p>	CIPFA	31-Mar-24	A

Project Ref	Ref	Status	Workstream	Title & Description	Owner (person)	Risk Rating	Control Strategy & Approach	Actions incl. Mitigations	Requires Action from	Target Date	RAG
Divestment	IR-004	Open	Divestments	<p>Inflation and rates: Inflation has risen significantly and remains elevated. The impact of this is extensive: the Council's investments will likely be dealing with increased operating costs, potentially weighing on profitability and weakening their ability to service interest payments, principal repayments or distributions to the Council. The portfolio has some protection through index-linked investments, notably solar and wind investments. The real estate exposure (CCLA) is also a partial mitigant, through the index-linkage is typically capped here and will not fully mitigate current inflation. Alongside, the Bank of England has raised rates aggressively in recent months, which has also raised borrowing costs for the Council.</p>	Steve Mair	16	<p>Tolerate: The Council will monitor and align borrowings with anticipated liquidity points to lock in borrowing costs where possible, minimise upcoming falls / gaps in net income and future asset-liability mismatches. Increased rates further weighs on asset valuations, driving down the value of underlying assets through increases in the discount rate.</p>	<p>28/11 the Council has put in place short term borrowing given any gap between divestment proceeds and repayment of borrowing. These same inflationary/macro economic factors are making it difficult for a number of the funds to refinance in order to repay the Council's investment when they fall due.</p>	Council	31-Mar-24	
Divestment	IR-005	Open	Divestments	<p>UK Economic Downturn: The Council has significant exposure to many aspects of the UK economy: property, small businesses, energy, etc. Therefore, a downturn and potential recession as growth slows would negatively impact their portfolio. We note the UK may enter a recession, which will increase the risk for several positions.</p>	Steve Mair	16	<p>Tolerate: Council to proactively monitor and engage with its positions to understand points of weakness, potential mitigants (e.g. contractual underpinnings, positive correlation to energy prices) and to ensure liquidity or exits are not impaired. Higher risk positions should be prioritised within the Council's ongoing review</p>	<p>28/11/23 – high level monitoring via boards and panels continues.</p>	Council	31-Mar-24	
Financial Management	IR-005	Open	Finance Restructure	<p>Failure to recruit: Failure to increase capacity undermines ability to improve financial sustainability</p>	Mike Thomas	12	<p>Treat: Build in a Phase 2 recruitment campaign in early 2024 to fill any remaining vacancies following Phase 1.</p>	<p>28/11 first stage recruitment active and due to end 22/12/23</p>	Mike Thomas/Sarah Hirt	31-Mar-24	

Project Ref	Ref	Status	Workstream	Title & Description	Owner (person)	Risk Rating	Control Strategy & Approach	Actions incl. Mitigations	Requires Action from	Target Date	RAG
Financial Management	IR-006	Open	Finance Restructure	Inability to meet statutory responsibilities: Failure to improve capacity and capability will potentially impact the Council's ability to meet its statutory financial responsibilities.	Steve Mair	12	Treat: Robust recruitment campaign in place, with phase 2 built in to fill any remaining vacancies following Phase 1	28/11 first stage recruitment active and due to end 22/12/23	Steve Mair	31-Mar-24	
Financial Management	IR-007	Open	Finance Restructure	External review agencies do not have confidence that the revised structure will deliver required change: External agencies (Commissioners) do not consider the changes sufficient to deliver the required cultural, strategic and operational improvements	Steve Mair	12	Treat: Regular reports to Commissioners, IRB, FRB, SLT. Commissioner and external audit views will continue to be received but increased capacity and restructure should impact views	28/11 regular reports to Commissioners, IRB, FRB and SLT continue	Steve Mair	31-Mar-24	