

5. Strategic Risk Assessment and Register

ID	Category	Risk Description	Existing Controls	L	I	Risk Score	Response Actions /Progress	Risk Owner
1	Workforce	Workforce development and apprenticeship offer does not progress at the required rate to ensure the Directorate has the skills and experience necessary to deliver against its objectives.	<p>Workforce Development Plan</p> <p>Regular scrutiny and discussion at Workforce Development Meetings and DMT</p> <p>Directorate quarterly HR dashboard tracks progress of apprenticeships and workforce development spend.</p> <p>Monitor workforce budget spend throughout year</p>	4	2	8: Medium	<p>Regular communication to employees and service.</p> <p>Ensure process to access training & development is easy, accessible and shared with service areas</p> <p>Maximise use of apprenticeship levy.</p> <p>The full workforce development budget was is on track to be spent by end March 2019.</p> <p>Exceeded apprenticeship target for 2018/19.</p>	HR Business Partner
2	Service Delivery (Corporate risk)	The operational estate does not meet the Council's needs in the context of required capacity and transformation and	The restructure of the Strategic Development Directorate has been successfully implemented this includes the full introduction of the Corporate	3	4	12: Medium	<p>Stock surveying that determines content, scope and condition have been undertaken.</p> <p>Deliver against clearly articulated 5 Year</p>	Director of Development and Corporate Estate

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		<p>opportunities for co-location with partners. The emerging nature of demands and requirements within existing resources could potentially mean that the service cannot meet the requirements as well as being safe, secure and effective within timescales, resulting in ongoing/planned work having to be deprioritised.</p>	<p>Landlord, and moving Estates and Facilities into a single function, with appropriate resourcing to deliver estates rationalisation & transformation. Corporate estates have been focusing on utilising MCC assets to their optimum potential to accommodate staff during the Town Hall decant and mitigate external rental commitments.</p> <p>The establishment of strong governance arrangements through the Estates Board and Executive Member. Estates Board ensures corporate oversight and priority is given to this work.</p> <p>Planned programmes of security awareness training for all staff. High level governance ensures high prioritisation of maintenance of the operational estate, stock condition surveys</p>				<p>Estates strategy that reflects corporate priorities, which includes how we approach Integration and co-location. Plan for potential impacts of any required Town Hall decant (both Estates & FM impacts) to support renovation and change of use.</p> <p>Deliver planned refurbishment programmes necessary to prepare for releasing the poorer quality assets. Delivery of business continuity plan refresh, leading to the development of building continuity plan (Dec 18). Continue to identify refurbishment schemes that attract capital funding rather than delivery through</p>	

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			have significantly enhanced knowledge and are used to inform planned work programmes, enhanced business continuity delivery programme to support Property Rationalisation Strategy, Control processes agreed with Facilities management.				the Asset Management Plan.	
3	Service Delivery (Corporate Risk)	Failure to deliver the spatial framework, GM Strategy and Our Manchester targets for attractive and increased housing offer, infrastructure improvements attracting new businesses and improving skills impacts on pace of growth in the City and achievement of future financial assumptions over NNDR and council tax income.	Residential Growth Board, Joint ventures including Manchester Life (Eastern Gateway), Far Eastern Consortium (Northern Gateway), Spinningfield, Mayfield, St Johns, Eastlands Strategic Development Company. Review of the Manchester Local Plan and officer influence over the GM agenda	4	3	12 Medium	Continued emphasis on gathering sophisticated market intelligence re market conditions, enabling prediction of market changes and adaptation as a result. Influence the policy direction of the GM Spatial Framework for planning.	Strategic Director for Development

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4	Service Delivery	Failure to put in place the necessary arrangements to enable our target of a minimum of 32,000 homes over 10 years (2025) and which will also meet the political priorities associated with the affordability of those homes.	<p>The Residential Growth Strategy is live and sets out how the residential pipeline necessary to maintain the City's economic growth will be met. Residential growth governance arrangements are in place to ensure a strong set of project boards that ensure delivery of residential growth are in place.</p> <p>A set of detailed policy proposals relating to Affordable Housing will be submitted to Executive in early 2019.</p> <p>A significant amount of development activity will be taken forward with JV partners (i.e. Northern and Eastern Gateways plus Matrix Homes). MCC will need to commit sufficient staff resource to service these JV arrangements and to oversee and maintain</p>	3	3	9: Medium	<p>Ensure that Strategic Development are resourced to take direct responsibility for delivering the key actions within the delivery plan that accompanies the Residential Growth Strategy.</p> <p>Develop strategy and priorities for further growth in the tax base to maximise income generation</p> <p>6,000 homes are completed with 14,000 in the pipeline for delivery by March 2021. This leaves 5,000 of the original target to identify and deliver in remaining 4 years.</p> <p>Focusing on delivery whilst market conditions are</p>	Director of Housing and Residential Growth

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			robust joint Action Plans with JV partners.				<p>relatively strong and ahead of risks such as Brexit. Mitigation plans are being developed to manage the unknown impact of Brexit through using public land/funding stimulus.</p> <p>Due to good progress to date, proposals/agreed to increase the target to 32,000, still from April 2015 to March 2025.</p> <p>Staffing capacity is being reviewed to ensure the service is able to meet the demands.</p> <p>An Affordable Housing Action Plan (in response to the new policy proposals approved by the Executive in December 2019) will be taken</p>	

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							back to the Executive in early 2019.	
5	Service Delivery (Corporate Priority)	Delivery of the City Centre Review fails to fully engage local businesses or businesses are not equipped to meet the emerging needs. Review of CityCo (City centre management company) is not successfully resolved.	City Centre Accountability Board and performance reporting framework.	2	4	8	Ongoing joint approach through the City centre Accountability Board, and robust performance management.	Head of City Centre Growth and Regeneration
6	Service Delivery	Requirements for registered housing providers to reduce rents over the four years commencing 2016 has led to a deficit emerging within the HRA.	A full review of the HRA will be undertaken over the next year which will not only look at how Northwards can be more sustainable in a climate of reduced rents but alternative arrangements to an ALMO managing council housing stock is considered.	4	3	12: Medium	A proposed HRA budget has been developed, and this will continue to be reviewed. The review will also include the costs associated with delivering the 3 Housing PFI contracts	Director of Housing and Residential Growth

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							<p>The current HRA model will be reviewed to determine which resources could be released over a 30 year period for investment.</p> <p>The HRA Board has full oversight of all issues.</p>	
7	Service Delivery	The management of the investment property estate fails to achieve the income targets set within the 3 year budget strategy. Less profitable parts of the portfolio are not offset by opportunities to increase income elsewhere.	Work will continue to be undertaken to manage the risk associated with those parts of the investment estate. The re-tender of the Jacobs contract ensures a more robust management of the investment estate but a sharing of risk and reward.	2	3	6: Low	<p>Following a detailed business case reviewing the Asset a significant investment in Heron House commenced in Jan 18.and has secured an exceptional quality tenant on a full rent. Further work across the Investment Estate portfolio will ensure that opportunities to increase income are maximised.</p>	Director of Development and Corporate Estate

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							<p>We closely monitor risks to the income arising from legacy leases on a small but financially sensitive number of assets.</p> <p>The new Jacobs management contract provides a better structure to manage the estate.</p> <p>New opportunities to generate long term income from the City Council's land and property asset base will continue to be explored and evaluated, along with ongoing reviews to ensure costs against the estate are controlled.</p>	
8	Service Delivery	Factory Manchester is not completed to time and to budget. This is	Board in place, with regular activity being reported back through DCMS.	2	4	8: Medium	Activity plan will be presented back to government at regular	Project SRO (City Treasurer)

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		a highly complex capital scheme which will deliver a state of the art international arts venue. Inability to deliver will significant put the City's reputation as a cultural centre at risk.					points. Transition funding being sought to support the setup of the new organisation that will have responsibility for the building. Additional capital funding and revised timescales have been agreed.	
9	Financial	Financial pressures on the Facilities Management Budgets due to delay in re-contracting Security and Maintenance Contract are not met.	Regular oversight through the Estates Board and the Directorate Savings and Pressure Programme Board.	4	4	16:High	There has been a delay in the re-procurement of both the security and maintenance contract. As a consequence the council has had to secure a further extension for the contract. The emerging pressures are expected to be managed within the existing budget.	Director of Development and Corporate Estate.

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							The Repairs contract is due to be awarded in May 2019 and the financial pressures will be assessed. The Security contract is due to be concluded in Autumn 2019.	
10	Service Delivery (Core Priority)	Inability to develop, design and deliver major infrastructure projects across highways linking with strategic development plans, to time, quality and on budget.	Arrangements to ensure senior officer and member engagement through project boards; major project governance structures include SMT level Senior Responsible Officers and project boards; Financial approval and reporting on budget and spend via revised / strengthened capital gateway processes, SMT leadership of Capital Investment Board; Reports to Executive and Scrutiny Committee	3	3	9 medium	Ongoing involvement in senior level boards	Strategic Director for Development
11	Service Delivery	Slowdown in economic growth/investment due	Planning fee income has exceeded target however	3	4	12: medium	A planned review of planning fee income,	Head of Planning,

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		to exiting the European union will have a direct impact on Planning income, future development opportunities and economic growth of the City.	this is volatile and a smoothing reserve has been established in the event that planning fee income reduces.				potential increases in fees and potential to re-invest into improving planning services.	Licensing and Building Control
12	Service Delivery	Working Well expansion does not deliver the 20% job outcomes and 15% sustained job outcomes for residents at a distance from the labour market. There have been some performance issues with the Working Well pilot and expansion in the City.	Working Well Integration Board ensures Council and partners align priorities and services to support WW delivery. Performance is managed by the GMCA team and we are working closely with them to support the providers to link with job opportunities in the City and to address performance issues, as well as working directly with the providers ourselves.	3	3	9: Medium	Continue to work closely with both providers and with the GM team in terms of any mitigating or contractual actions that need to be taken and ensure that as the Work & Health programme moves to implementation it is well integrated and focused on delivery from the outset. Significant improvements to performance have been made in 2018/19 and the Manchester	Head of Work and Skills

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							Growth Company is confident of achieving the target by the end of December 2018.	
13	Financial	Failure to agree funding for the Manchester College's estates strategy bid from the GM Skills Capital Fund	The Head of Work and Skills and Director of Strategic Development continue to work closely with the Manchester College /LTE group to develop options that are fundable and deliverable including a phased approach. There is also ongoing dialogue with the Combined Authority.	3	4	12: Medium	<p>GMCA has agreed in principle a GM Skills Capital grant of up to £25m to support the Manchester College's estates strategy, subject to due diligence.</p> <p>MCC's Executive approved loan funding to the LTE Group of £27.6m to support the College's, this was agreed by Council in Jan 2019. Final sign off of the GMCA Skills Capital bid will go to the GMCA at the end of January 2019.</p>	Head of Work and Skills