

Subject:	Corporate Risk Register Update – Quarter 1 & 2 (2020-21)	Status:	For Publication
Report to:	Audit & Accounts Committee	Date:	26 th November 2020
Report of:	HR Manager	Portfolio Holder:	Resources
Key Decision:	<input type="checkbox"/> Forward Plan <input type="checkbox"/>	General Exception	<input type="checkbox"/> Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	No	Attached: N/A
Biodiversity Impact Assessment	Required	No	Attached: N/A
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1.	RECOMMENDATIONS
1.1	That the Audit and Accounts Committee note the Corporate Risk Register as detailed in the report, including the addition of a new corporate risk.
1.2	That members note the risk consequence, mitigation action and level of risk as detailed in Appendix 1 and 2.

2. PURPOSE OF REPORT

- 2.1 The purpose of this report is to update the Audit and Accounts Committee on the council's Corporate Risk Register.

3. BACKGROUND

- 3.1 The council details its approach to managing risk in its Risk Management Strategy. This was updated in March 2016. The strategy sets out the framework of monitoring and reporting of risks. The council has identified 12 corporate risks and these are monitored via quarterly performance reporting schedule using a R/A/G rating dashboard to report the risk status. These are reported to both the Overview & Scrutiny Committee and Cabinet.

If a potential issue was identified during the periodic monitoring of the risk, the responsible officer would be required to identify the risk and note the actions needed to mitigate the level of risk.

4. THE CURRENT RISK REGISTER

- 4.1 The council has reviewed and continues to monitor the council's corporate risks. In quarter 2 the council has added a new risk to the corporate risk register – focused on the financial vulnerability of the borough's leisure assets. The corporate risks as categorised at the end of quarter 2 are as follows:

	Quarter 2 2020/21
Low	1
Medium	9
High	3

- 4.2 The corporate risks rated as 'red' are:

Corporate Risk 2	likelihood	Impact	Overall risk	Status
Major disaster affecting the delivery of council services	A	1	A1	RED

Following the outbreak of the pandemic and the Government's lockdown announcement on 23rd March 2020 the council's Civil Emergency Plan and Business Continuity Plans were activated in quarter 4 (19/20). Officers have worked with the Lancashire Resilience Forum and multi-anti partners throughout the pandemic, including attending meetings and facilitation the mobile military testing units, establishment of the Rossendale Community Hub to support vulnerable residents. Measures have been put into place to continue the delivery of council services, such as, providing equipment to allow staff to work from home, undertaking risk assessments to provide a Covid secure workplace etc. Officers have stress tested their Service Area Business Plans in preparation for a potential second wave of the virus.

4.3

Corporate Risk 4	likelihood	Impact	Overall risk	Status
The sustainability of the County Council budget.	B	2	B2	RED

In February 2020 the County Council approved their budget which included £58m savings over the period 2020/21 to 2022/23. This level of budget reductions is likely to have an impact on service provision for our residents. There is also a risk of cost shunting to District Councils. The position will continue to be monitored.

4.4

In quarter 2 the council has added a new risk to the corporate risk register. This focuses on the financial vulnerability of the borough's leisure assets. As a result of Covid the financial impact on Rossendale Leisure Trust has been significant. As the council owns the leisure assets any negative impact on the medium term financial sustainability can potentially have an impact on the council.

Corporate Risk 13	likelihood	Impact	Overall risk	Status
Impact of Covid 19 on the financial sustainability of council owned leisure assets	A	2	A2	RED

The first lockdown has resulted in a loss of income and financial pressure of approximately £700k. Attendances and income increased during Quarter 2. However, rapidly increasing infection rates and the start of the second national lockdown introduced further restrictions and closure in Quarter 3. RLT are currently assessing the projected financial impact. However, the strategic risk to the council has emerged over the Summer and increased in the Autumn.

All the risks will continue to be monitored and are referred to in detail in the appendices.

5. RISK

5.1 All the issues raised and the recommendations in this report involve risk considerations as set out above.

6. FINANCE

6.1 Any financial implications related to specific risks are noted in this report and detailed in the appendices.

7. LEGAL

7.1 There are no immediate legal considerations attached to the recommendations in this report.

8. POLICY & EQUALITIES IMPLICATIONS

8.1 Effective risk management is very important to the council, and the council is committed to improving on an on-going basis how it manages and mitigates risk. A very important part of this process is robust and transparent scrutiny and taking timely, corrective action to improve risk management.

9. CONCLUSIONS

9.1 The Corporate Risk Register is dynamic. The updates to the risks demonstrate active mitigation of the existing risks. The addition of a new corporate risk illustrates the rapidly changing picture of risk over the first half of 2020/21. The Committee will want to explore the implications of each corporate risk in the appendices.

Background Papers	
Document	Place of Inspection
Corporate Risk Register	Appendix 1 and 2
Risk Management Strategy updated March 2016	https://www.rossendale.gov.uk/downloads/download/10836/risk_management_strategy

Corporate Risks Quarter 1 2020-2021

Risks are those things which might present a barrier to us delivering the things we have undertaken to achieve. Each year the Council considers and reviews the potential risks it is facing and looks at what it might do to minimise the occurrence of such risks – this information is then regularly monitored and reviewed.

We profile our risks using a standard matrix (shown below) which is based on our making two judgments about each potential risk faced by the Council.

The Council’s Risk Matrix

Likelihood	A					
	B					
	C					
	D					
	E					
	F					
		5	4	3	2	1
Impact						

Likelihood

How likely is it that the risk may occur (rated A-F, A being the most likely)

Impact

How serious might the consequences of the impact be (rated 1-5, 1 being the highest consequence)

Therefore a risk rated A1 is the highest risk rating and a risk of F5 is the lowest risk rating.

Risk RAG (Red, Amber and Green) rating status indicators	
Risk Status	Status description
GREEN	The likelihood and impact of the risk is low
AMBER	The likelihood and impact of the risk is medium
RED	The likelihood and impact of the risk is high

Corporate Risks

Risk 1 - Sustainability of the Medium Term Financial Strategy			Responsible Officer - Karen Spencer	
	Likelihood	Impact	Overall	Status
Initial risk assessment RAG status (without mitigation)	C	2	C2	AMBER
<p>Description</p> <p>The Council's latest Medium Term Financial Strategy (MTFS) update published February 2020 indicates an underlying funding gap of c.£500k per annum. The Council must take appropriate action in order to balance its annual expenditure in future years against its available annual income and other revenue resources.</p>				
<p>Risk Consequence</p> <p>The Council has a legal obligation to publish an annual balanced budget; that it is to say its budget expenditure must equal its available income and any available reserves. Council reserves are limited and equate to only circa 3 years given the anticipated funding gap. Therefore, additional income must be identified or annual costs reduced in future years.</p> <p>From April 2020 the Council restricted to a maximum 2% annual increase in Council Tax in order to avoid triggering a referendum. The MTFS includes an estimate for 2% pay award in 2020/21 however the National Employers have made a final offer for 2020/21 of a 2.75% increase for all Local Government employees. This will have an adverse impact on the MTFS of c£42k ongoing.</p>				
<p>Mitigation</p> <p>The MTFS does not indicate a significant narrowing of the gap in the next four years, however, the deficits in future years are significantly less than previous MTFS cycles. With the decision to not proceed with the Spinning Point development, new commercial opportunities will need to be identified to generate additional revenue. Of equal importance will be improved efficiency and effectiveness of services, with departments across the Council being challenged to be more effective.</p>				
	Likelihood	Impact	Overall Risk	Status
Quarter 1 risk assessment RAG status	C	2	C2	AMBER
<p>Update</p> <p>Final 2020/21 National Employers pay award 2.75% now agreed. The COVID-19 pandemic has placed additional pressure on the MTFS. whilst the Government has provided the Council with several grants to mitigate the pressure, the fact that the Council is still having to pay the preceptors based on pre COVID-19 estimates is placing additional pressure on the Council's cash flow.</p>				

Risk 2 – Major disaster affecting the delivery of council services	Responsible Officer - Clare Law
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Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	C	1	C1	AMBER
<p>Description</p> <p>The council has statutory duties under the Civil Contingencies Act (2004) and to carry out Emergency Planning and Business Continuity management activities to minimise the impact of a civil emergency or business interruption on people living, working and visiting the borough.</p>				
<p>Risk Consequence</p> <p>Failure to have robust contingency plans in place could result in the failure to deliver council services, such as, the collection of residential and trade waste, burial services and payment of suppliers and benefits.</p>				
<p>Mitigation</p> <p>Robust Rossendale Borough Council (RBC) Emergency and Business Continuity Plans are in place. The Plans are updated and tested regularly through a quarterly Emergency Planning Meeting. The Plans are embedded with the Corporate Management Team as critical working documents to support the continued delivery of essential council services. All managers have a copy of the Plans and keep them under review.</p> <p>RBC is a member of Lancashire County Council (LCC) Local Resilience Forum (LRF), officers attend meetings and undertake regular training exercises. Rossendale Borough Council Plans are available on the Resilience Direct website exercises. Mutual Aid agreement are in place with all Local Authorities across Lancashire.</p>				
Quarter 1 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	A	1	A1	RED
<p>Update</p> <p>A review of the risk status including the impact of the COVID-19 pandemic resulted in a change of the risk status from Amber (C2) to Red (A1). Although additional measures, including; remote working for office based staff, limited face to face meetings, review of risk assessments and safe systems of work for all staff including additional PPE and working arrangements have been put into place to mitigate, the risk still remain high.</p> <p>The Council's Civil Emergency Plan and Business Continuity Plan was activated in quarter 4 (2019/20) due to the pandemic. Throughout quarter 1 Service Business Continuity Plans have been stress tested to include potential significant staff losses and resources with additional mitigation put in place as needed. Officers have worked with LRF and multi-agency partners throughout the pandemic during quarter 1.</p> <p>Officers have lead the set up and management of the Community Hub working with community groups and volunteers to support vulnerable residents.</p> <p>There has been minimum disruption to council services during quarter 1.</p>				

Risk 3 - Incident resulting in death or serious injury or HSE investigation	Responsible Officer - Clare Law
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Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
		D	1	D1
Description				
Under the Health and Safety at Work Act 1974, the council has a duty of care towards the health, safety and wellbeing of its employees.				
Risk Consequence				
Failure to have robust health and safety processes and procedures in place could result in sanctions from the health and safety potentially impacting on the council services.				
The Health and Safety Executive has placed additional reporting measures on employers relating to cases of, or deaths from, COVID-19 under Reporting Incidents Disease and Dangerous Occurrences Regulations (RIDDOR) apply only to occupational exposure, that is, as a result of a person's work.				
Mitigation				
The council has robust health and safety policies and procedures in place, including a Health and Safety Manual, Safe Systems of Work and Risk Assessments, training matrix, Health and Safety incident reporting procedure, Health and Safety audit schedule operating on a two year rolling cycle (annually in Operations).				
Quarter 1 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	D	1	D1	AMBER
Update				
Additional measures put into place has mitigated an increase in the risk status during the pandemic. During the pandemic risk assessments have been reviewed and safe systems of work has been developed for all staff.				
Additional Personal Protective Equipment (PPE) has been provided and working arrangements have been reviewed to include social distancing. Officers have liaised with trade unions in relation to additional support and recommended changes to working practices. COVID-19 related absences have been recorded and reported to LCC Local Resilience Forum on a daily basis. Government pandemic guidance has been fully followed throughout quarter 1.				

Risk 4 - Sustainability of the County Council budget			Responsible Officer - Karen Spencer	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	B	2	B2	RED
<p>Description</p> <p>Like all local authorities, Lancashire County Council (LCC) has to maintain a balanced budget. This will mean making budget reductions of over £120m in the next few years.</p>				
<p>Risk Consequence</p> <p>In February 2020 the County Council approved their budget which included £58m savings over the period 2020/21 to 2022/23. This level of budget reductions is likely to have an impact on service provision for our residents. There is also a risk of cost shunting to district councils.</p>				
<p>Mitigation</p> <p>RBC will continue to work with County Council to find ways of reshaping services to reduce costs whilst ensuring shared outcomes are achieved.</p> <p>The Council will support joint leadership and Chief Executive meetings to find new ways of working together for the benefit of our residents</p> <p>The Council will interrogate Council savings proposals and identify risks to our residents and to our services.</p>				
Quarter 1 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	B	2	B2	RED
<p>Update</p> <p>The impact the LCC budget savings have on the provision of services for the residents of Rossendale continues to be monitored. LCC has withdrawn the scheme for the supply and maintenance of lifting equipment and other specialist disability related equipment. Whilst this doesn't have a financial impact on the Council as all equipment is funded through the Disabled Facility Grant, it incurs additional officer time as the Council is having to undertake its own procurement exercise.</p>				

Risk 5 - Non-delivery of the borough's economic development strategy			Responsible Officer - Cath Burns	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	C	2	C2	AMBER
Description				
The Council has put in place an ambitious Economic Development Strategy and Action Plan to implement the economic growth elements of its Corporate Strategy.				
Risk Consequence				
The investment based revenue generation schemes identified within the economic development strategy will underpin the Medium Term Financial Strategy (MTFS). In addition, sweating or realising existing assets will underpin the MTFS. Failure to deliver would lead to the inability to support the delivery of the Medium Term Financial Strategy.				
Mitigation				
<ul style="list-style-type: none"> • Development and delivery of identified revenue growth projects at York Avenue and Futures Park. • Review of rentals on industrial estates underway. • Bringing forward Council owned land for development or sale, for example, Dark Lane, Haslingden Baths, Pennine Road, Cowtoot Lane and Rosso Depot. 				
Quarter 1 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	C	2	C2	AMBER
Update				
Work has progressed on Futures Park plots. It is anticipated work on Futures Park plot 5 will be completed next quarter. The Bacup Future High Street Funding bid was submitted at the end of this quarter. Consultation on the Haslingden 2040 vision began this quarter. A COVID-19 Business Advisor role was created to support business through the recovery phase of the pandemic.				

Risk 6 - Non-delivery of the Local Plan			Responsible Officer - Mike Atherton	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	C	2	C2	AMBER
<p>Description</p> <p>The Local Plan is a plan for the future development of the local area, drawn up by the Local Planning Authority. It guides decisions on whether or not planning applications can be granted. In law it is described as the development plan documents adopted under the Planning and Compulsory Purchase Act 2004.</p> <p>The Local Plan is due to be adopted in late 2020. There is not considered to be a risk that it will not be adopted, however the risk is that the adoption of the plan will be seriously delayed or that the process will be taken out of the council's hands and that the Government will intervene.</p>				
<p>Risk Consequence</p> <p>Risk of the Local Plan not being delivered is extremely low. The risk of the plan being slightly delayed is moderate. The risk of delay includes a reputational issue; there may be short term criticism from elected members and MP's, and developers.</p> <p>There may also be an environmental risk if planning appeals are being allowed on development sites which the Local Authority does not consider suitable for development. The risk of this increases the longer it takes to adopt the plan.</p>				
<p>Mitigation</p> <p>Measures are in place to reduce the risk include the Local Plan Action Plan which outlines the actions required following the hearing sessions into the examination of the Local Plan. This is updated and sent to the Planning Inspectorate on a regular basis. The Local Plan Steering Group meets on a regular basis to keep members informed of issues and the timetable. Monthly meetings also take place between the Planning Manager and the Portfolio Holder and also separately the Planning Manager and Director. A barrister has been retained to provide expert advice as required.</p>				
Quarter 1 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	D	3	D3	AMBER
<p>Update</p> <p>Local Plan is on track for consultation in quarter 2 in respect of the actions requested by the Inspectors. Publication of the Main Modifications is expected in late quarter 3 with adoption expected in quarter 1 of 2021/22. There have been slight delays to the timetable set out in the Local Development Scheme as a result of COVID-19.</p>				

Risk 7 - Changes to Government policy on the delivery of the council's services			Responsible Officer - Neil Shaw	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	C	2	C2	AMBER
<p>Description</p> <p>Like all local authorities the council is a statutory body that is subject to changes being consulted upon and or implemented by central government that might affect how we operate and serve our residents/businesses.</p>				
<p>Risk Consequence</p> <p>The risk that the council fails to react and be prepared for any changes being proposed or implemented by central government.</p>				
<p>Mitigation</p> <p>The council is a member of the Local Government Association and District Councils Network who keep us informed of government policy and consultations and lobby on behalf of councils to mitigate the impact of any change. The Council is also signed up to receive daily emails from Local Government Information Unit who provide daily government news and other Local Government Information Unit (LGIU) policy briefings.</p> <p>The Chief Executive and Leader of the Council meets regularly with our two MPs. The Councils Corporate Management Team monitor and assess government's position on funding to be distributed to local authorities and other Government announcements that impact funding.</p>				
Quarter 1 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	C	3	C3	AMBER
<p>Update</p> <p>The Council has addressed the Government's announcements in quarter 1 in relation to the coronavirus and implications for council services. We continue to monitor the potential impact anticipated in the upcoming Local Government White Paper (anticipated in quarter 2/quarter 3) and changes to the planning regime yet to be announced by the Government (although the detail is difficult to anticipate until the Government announces the proposals).</p>				

Risk 8 - Sustainable Workforce			Responsible Officer - Clare Law	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	D	3	D3	AMBER
Description				
There is a requirement to have a sustainable workforce to deliver the council services to residents and customers.				
Risk Consequence				
Failure to have a fully resourced, trained staff could result in the failure to deliver statutory and non-statutory service in a safe and professional manner to residents and customers. Currently there are significant challenges due to the loss of senior professional officers in Finance and vacancies in the Corporate Management Team. The additional measures put into place has mitigated an increase in the risk status during the pandemic.				
Mitigation				
The council has robust HR policies and procedures, an agreed Authorised Establishment, performance management framework, Service Area Business Continuity Plans in place.				
Quarter 1 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	D	3	D3	AMBER
Update				
The impact of the pandemic has been monitored on a daily basis throughout quarter 1. Staff absences (COVID-19 symptomatic and non-symptomatic) have remained less than 10%. Office based staff have been provided with equipment to work remotely and work has been completed in accordance with governance guidance to ensure the council is a COVID secure workplace. The HR Manager has attended the LRF HR Task and Finish subgroup to support best practice and consistency dealing with staff issues throughout the pandemic.				
CMT vacancies have been filled and the new Head of Finance will be reviewing the Finance team structure in quarter 2.				

Risk 9 - Insufficient data and cyber security			Responsible Officer - Andrew Buckle	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	C	1	C1	AMBER
Description				
Cyber security presents one of the most challenging areas for both the public and private sectors. With the proliferation and severity of attacks constantly increasing this represents a major threat.				
Risk Consequence				
Cyber-attack resulting in a complete loss of all systems coupled with malware being spread across the entire network. Data breach resulting in information loss causing reputational damage and resulting in a financial penalty due to non-compliance with statutory requirements such as GDPR (General Data Protection Regulation), PCI DSS (Payment Card Industry Data Security).				
Mitigation				
To protect against a data breach RBC, host all council data in Tier 3 Data Centres located in different geographical regions and are backed up daily. RBC Data Centres hold the following accreditations: ISO27001:2013, PCI-DSS. RBC adopts a Risk Insight approach to determine the threat Landscape and more importantly its evolution. RBC have received notification of meeting the Public Services Network (PSN) which means the councils' infrastructure met all the security requirements to allow connection to the PSN.				
Quarter 1 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	C	1	C1	AMBER
Update				
Logrhythm Security Information and Event Management (SIEM) has been implemented in the Revenues and Benefits Data Centre. The application is used to collect logs from the network and from the malware protection servers to provide protective monitoring of the environment.				

Risk 10 - Poor communications and public relations			Responsible Officer - Clare Law	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	D	1	D1	AMBER
Description				
Good communication and public relations is essential to inform, maintain and develop relationships with residents, customers and partners to provide council services.				
Risk Consequence				
Failure to communicate and respond to issues as they develop and inadequately or inappropriately communicating.				
Could lead to a major loss of reputation for the council on a local, regional and national level. A loss of reputation can damage staff morale, trust between the council and residents and impair the relationship between the council and its partners meaning projects and services delivery is damaged.				
Mitigation				
Communication methods in place to support face to face, mail or electronic communications.				
Developed website and social media channels provide 24/7 service. Experienced communications function to support council officers to deal with communications in a timely manner and promote the work of the council.				
Quarter 1 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	D	2	D2	AMBER
Update				
The council has reviewed its communication provision and will be appointing a reputable PR agency from 1 st July 2020, to provide a more resilient and responsive service.				
A communications plan has been developed to support the council during the COVID-19 pandemic including; regular updates to the council's website and social media platforms, regular internal updates for staff and Members from Chief Executive.				

Risk 11- Non – delivery of Corporate Projects			Responsible Officer - Neil Shaw	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	D	2	D2	AMBER
Description				
The council has agreed the 11 corporate projects for 2020-2021 to support the delivery of Corporate Strategy 2017-2021.				
Risk Consequence				
Failure to deliver the corporate projects would have a detriment impact on the delivery of the council’s Corporate Strategy 2017-2021, and result in a reputational risk to the Council’s commitment to the residents. The failure to deliver the corporate projects could potentially have a negative impact on the Council’s revenue budgets (by failure to deliver income generating projects) and delivery of the medium term financial strategy, and the associated economic and social benefits may not be realised.				
Mitigation				
Each corporate project has a Project Sponsor (member of the Corporate Management Team), a Project Manager and finance officer. Each corporate project will have a robust project plan and live risk register. The Project Sponsor will be responsible for the strategic overview of the corporate project, and the Project Manager will be responsible for the day to day management of the corporate project. Council’s Programme Board meets quarterly to review the progress of the corporate projects. The Project Sponsor will be responsible for highlighting any concerns to the Corporate Management Team throughout the life of the corporate project.				
Quarter 1 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	E	2	E2	GREEN
Update				
CMT ensured the council formally agreed the corporate projects in a report approved by Cabinet on 27 May 2020. The first quarterly Programme Board meeting this financial year was held in May. None of the projects were risk RAG rated ‘red’, and no significant issues were raised by the Project Sponsors and Project Managers. Two of the corporate projects have not yet started; Customer Digital Strategy and Future Health and Leisure (and Rawtenstall 2040 project is on hold until quarter 2). All projects are on track at quarter 1 and within budget.				

Risk 12 – Response and recovery to COVID-19 pandemic			Responsible Officer - Neil Shaw	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	A	1	A1	RED
<p>Description COVID-19 is a strain of the coronavirus, the government declared the virus as a pandemic in the UK in March 2020.</p>				
<p>Risk Consequence The pandemic causes a potentially risk to the delivery of the council services and the health and wellbeing of the wider community.</p>				
<p>Mitigation The council has an Emergency Plan and Service Area Business Plans to support a pandemic emergency. The plans have been activated, regularly reviewed and stress tested throughout the pandemic. Risk Assessments and Safe Systems of Work have been developed and reviewed with staff and Trade Unions throughout the pandemic to provide a safe working environment. Council officers have worked with the Lancashire Resilience Forum and multi-agency partners to mitigate any potential risks throughout the pandemic. The council established and managed a Community Hub to provide support to vulnerable residents.</p>				
Quarter 1 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	A	3	A3	AMBER
<p>Update During quarter 1 office based staff were issued with equipment to work from home. Working practices and additional personal protective equipment (PPE) were provided to Operations staff to support safe working. Staff unable to fully undertake their substantial duties supported the Community Hub, for example, contacting and checking vulnerable people were safe and well, sourcing and delivering food parcels and supporting a prescription service to deliver medication to vulnerable people throughout Rossendale. As a precaution additional graves were prepared to support a potential increase in deaths due to the pandemic.</p> <p>Managers reviewed and stress tested their Service Area Business Plans, to support an increase in staff absences due to the pandemic. Processes were reviewed and technology was introduced to deliver services differently, for example, documents were sent electronically. The level of absences due to COVID average at 12% throughout quarter 1 and no staff received a positive diagnosis.</p> <p>All external meetings were suspended and officers moved to either teleconferences or video calls, for example, zoom and Microsoft Teams. The council's main contact centre was closed for face to face contact and staff used their skills effectively to continue to support residents remotely either by telephone or electronically.</p>				

Corporate Risks Quarter 2 2020-2021

Risks are those things which might present a barrier to us delivering the things we have undertaken to achieve. Each year the council reviews the potential risks it is facing and looks at what it might do to minimise the occurrence of such risks. This information is then regularly monitored and reviewed. This quarter the council has added a new risk to the corporate risk register. This is focused on the financial vulnerability of the borough’s leisure assets and classified as Risk 13.

We profile our risks using a matrix (shown below) which is based on our making two judgments about each potential risk faced by the council.

The Council’s Risk Matrix

likelihood	A					
	B					
	C					
	D					
	E					
	F					
		5	4	3	2	1
Impact						

Likelihood

How likely is it that the risk may occur (rated A-F, A being the most likely).

Impact

How serious might the consequences of the impact be (rated 1-5, 1 being the highest consequence).

Therefore, a risk rated A1 is the highest risk rating and a risk of F5 is the lowest risk rating.

Risk RAG (Red, Amber and Green) rating status indicators	
Risk Status	Status description
GREEN	The likelihood and impact of the risk is low
AMBER	The likelihood and impact of the risk is medium
RED	The likelihood and impact of the risk is high

Risk 1 - Sustainability of the Medium Term Financial Strategy			Responsible Officer - Karen Spencer	
	Likelihood	Impact	Overall	Status
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<p>Description</p> <p>The Council's latest Medium Term Financial Strategy (MTFS) update published February 2020 indicates an underlying funding gap of c.£500k per annum. The Council must take appropriate action in order to balance its annual expenditure in future years against its available annual income and other revenue resources.</p>				
<p>Risk Consequence</p> <p>The Council has a legal obligation to publish an annual balanced budget; that it is to say its budget expenditure must equal its available income and any available reserves.</p> <p>Council reserves are limited and equate to only circa 3 years given the anticipated funding gap. Therefore, additional income must be identified or annual costs reduced in future years.</p> <p>From April 2020 the Council restricted to a maximum 2% annual increase in Council Tax in order to avoid triggering a referendum.</p> <p>The MTFS includes an estimate for 2% pay award in 2020/21 however the National Employers have made a final offer for 2020/21 of a 2.75% increase for all Local Government employees. This will have an adverse impact on the MTFS of c£42k ongoing.</p>				
<p>Mitigation</p> <p>The MTFS does not indicate a significant narrowing of the gap in the next four years, however, the deficits in future years are significantly less than previous MTFS cycles.</p> <p>With the decision to not proceed with the Spinning Point development, new commercial opportunities will need to be identified to generate additional revenue. Of equal importance will be improved efficiency and effectiveness of services, with departments across the Council being challenged to be more effective.</p>				
	Likelihood	Impact	Overall Risk	Status
Quarter 2 risk assessment RAG status	C	2	C2	AMBER
<p>Update</p> <p>Final 2020/21 National Employers pay award 2.75% now agreed. The COVID-19 pandemic has placed additional pressure on the MTFS. whilst the Government has provided the Council with several grants to mitigate the pressure, the fact that the Council is still having to pay the preceptors based on pre COVID-19 estimates is placing additional pressure on the Council's cash flow.</p>				

Risk 2 – Major disaster affecting the delivery of council services			Responsible Officer - Clare Law	
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	C	1	C1	AMBER
Description				
The council has statutory duties under the Civil Contingencies Act (2004) and to carry out Emergency Planning and Business Continuity management activities to minimise the impact of a civil emergency or business interruption on people living, working and visiting the borough.				
Risk Consequence				
Failure to have robust contingency plans in place could result in the failure to deliver council services, such as, the collection of residential and trade waste, burial services and payment of suppliers and benefits.				
Mitigation				
Robust Rossendale Borough Council (RBC) Emergency and Business Continuity Plans are in place. The Plans are updated and tested regularly through a quarterly Emergency Planning Meeting. The Plans are embedded with the Corporate Management Team as critical working documents to support the continued delivery of essential council services. All managers have a copy of the Plans and keep them under review.				
RBC is a member of Lancashire County Council (LCC) Local Resilience Forum (LRF), officers attend meetings and undertake regular training exercises. Rossendale Borough Council Plans are available on the Resilience Direct website exercises. Mutual Aid agreement are in place with all Local Authorities across Lancashire.				
Quarter 2 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	A	1	A1	RED
Update				
Due to the ongoing impact of the COVID-19 pandemic the risk status remains designated as Red (A1). Although additional measures, including; remote working for office based staff, limited face to face meetings, review of risk assessments and safe systems of work for all staff including additional PPE and working arrangements have been put into place to mitigate, the risk still remain high.				
Service Business Continuity Plans have continued to be stress tested including potential significant staff losses and resources with additional mitigation put in place as needed. Officers have continued to work with LRF and multi-agency partners throughout the pandemic during quarter 2.				
The Community Hub transferred to the Council (Corporate Support) at the end of the shielding of vulnerable residents to maintain knowledge and continue to support vulnerable residents as needed.				
There has been minimum disruption to council services during quarter 2.				

Risk 3 - Incident resulting in death or serious injury or HSE investigation			Responsible Officer - Clare Law	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	D	1	D1	AMBER
<p>Description Under the Health and Safety at Work Act 1974, the council has a duty of care towards the health, safety and wellbeing of its employees.</p>				
<p>Risk Consequence Failure to have robust health and safety processes and procedures in place could result in sanctions from the health and safety potentially impacting on the council services.</p> <p>The Health and Safety Executive has placed additional reporting measures on employers relating to cases of, or deaths from, COVID-19 under Reporting Incidents Disease and Dangerous Occurrences Regulations (RIDDOR) apply only to occupational exposure, that is, as a result of a person's work.</p>				
<p>Mitigation The council has robust health and safety policies and procedures in place, including a Health and Safety Manual, Safe Systems of Work and Risk Assessments, training matrix, Health and Safety incident reporting procedure, Health and Safety audit schedule operating on a two year rolling cycle (annually in Operations).</p>				
Quarter 2 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	D	1	D1	AMBER
<p>Update Additional measures remain into place to mitigate an increase in the risk status during the pandemic. Risk assessments and safe systems of work for all working practices and staff continue to be reviewed throughout the pandemic. Additional Personal Protective Equipment (PPE) has been provided and working arrangements have been reviewed to include social distancing. Officers have liaised with trade unions in relation to additional support and recommended changes to working practices.</p> <p>COVID-19 related absences have been recorded and reported to LCC Local Resilience Forum on a daily basis. Government pandemic guidance has been fully followed throughout quarter 2.</p>				

Risk 4 - Sustainability of the County Council budget			Responsible Officer - Karen Spencer	
	Likelihood	Impact	Overall Risk	Status
Initial risk assessment RAG status (without mitigation)	B	2	B2	RED
Description				
Like all local authorities, Lancashire County Council (LCC) has to maintain a balanced budget. This will mean making budget reductions of over £120m in the next few years.				
Risk Consequence				
In February 2020 the County Council approved their budget which included £58m savings over the period 2020/21 to 2022/23. This level of budget reductions is likely to have an impact on service provision for our residents. There is also a risk of cost shunting to district councils.				
Mitigation				
RBC will continue to work with County Council to find ways of reshaping services to reduce costs whilst ensuring shared outcomes are achieved. The Council will support joint leadership and Chief Executive meetings to find new ways of working together for the benefit of our residents. The Council will interrogate Council savings proposals and identify risks to our residents and to our services.				
	Likelihood	Impact	Overall Risk	Status
Quarter 2 risk assessment RAG status	B	2	B2	RED
Update				
The impact the LCC budget savings have on the provision of services for the residents of Rossendale continues to be monitored. LCC has withdrawn the scheme for the supply and maintenance of lifting equipment and other specialist disability related equipment. Whilst this doesn't have a financial impact on the council as all equipment is funded through the Disabled Facility Grant, it incurs additional officer time as the council is having to undertake its own procurement exercise, which began in Q2.				

Risk 5 - Non-delivery of the borough's economic development strategy			Responsible Officer - Cath Burns	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	C	2	C2	AMBER
Description The Council has put in place an ambitious Economic Development Strategy and Action Plan to implement the economic growth elements of its Corporate Strategy.				
Risk Consequence The investment based revenue generation schemes identified within the economic development strategy will underpin the Medium Term Financial Strategy (MTFS). In addition, sweating or realising existing assets will underpin the MTFS. Failure to deliver would lead to the inability to support the delivery of the Medium Term Financial Strategy.				
Mitigation <ul style="list-style-type: none"> Development and delivery of identified revenue growth projects at Spinning Point and Futures Park. Review of rentals on industrial estates underway. Bringing forward Council owned land for development or sale, for example, Dark Lane, Haslingden Baths, Pennine Road, Cowtoot Lane, Park Avenue and Rosso Depot. 				
Quarter 2 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	C	2	C2	AMBER
Update Work at Spinning Point is now complete, with end user interest in all four retail/feb units. Futures Park Plot 5 is now complete and handed over to the end user. Construction work commences on Plot 1 in October 2020. The completion of the sale on this Rosso Depot is planned for Quarter 3.				

Risk 6 - Non-delivery of the Local Plan			Responsible Officer - Mike Atherton	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	C	2	C2	AMBER
<p>Description</p> <p>The Local Plan is a plan for the future development of the local area, drawn up by the Local Planning Authority. It guides decisions on whether or not planning applications can be granted. In law it is described as the development plan documents adopted under the Planning and Compulsory Purchase Act 2004.</p> <p>The Local Plan is due to be adopted in late 2020. There is not considered to be a risk that it will not be adopted, however the risk is that the adoption of the plan will be seriously delayed or that the process will be taken out of the council's hands and that the Government will intervene.</p>				
<p>Risk Consequence</p> <p>Risk of the Local Plan not being delivered is extremely low. The risk of the plan being slightly delayed is moderate. The risk of delay includes a reputational issue; there may be short term criticism from elected members and MP's, and developers.</p> <p>There may also be an environmental risk if planning appeals are being allowed on development sites which the Local Authority does not consider suitable for development. The risk of this increases the longer it takes to adopt the plan.</p>				
<p>Mitigation</p> <p>Measures are in place to reduce the risk include the Local Plan Action Plan which outlines the actions required following the hearing sessions into the examination of the Local Plan. This is updated and sent to the Planning Inspectorate on a regular basis. The Local Plan Steering Group meets on a regular basis to keep members informed of issues and the timetable. Monthly meetings also take place between the Planning Manager and the Portfolio Holder and also separately the Planning Manager and Director. A barrister has been retained to provide expert advice as required.</p>				
Quarter 2 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	D	3	D3	AMBER
<p>Update</p> <p>Local Plan is on track for consultation in quarter 3 in respect of the actions requested by the Inspectors. Publication of the Main Modifications is expected in late quarter 3 with adoption expected in quarter 1 of 2021/22. There have been slight delays to the timetable set out in the Local Development Scheme as a result of COVID-19.</p>				

Risk 7 - Changes to Government policy on the delivery of the council's services			Responsible Officer - Neil Shaw	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
		C	2	C2
<p>Description Like all local authorities the council is a statutory body that is subject to changes being consulted upon and or implemented by central government that might affect how we operate and serve our residents/businesses.</p>				
<p>Risk Consequence The risk that the council fails to react and be prepared for any changes being proposed or implemented by central government.</p>				
<p>Mitigation The council is a member of the Local Government Association and District Councils Network who keep us informed of government policy and consultations and lobby on behalf of councils to mitigate the impact of any change. The Council is also signed up to receive daily emails from Local Government Information Unit who provide daily government news and other Local Government Information Unit (LGIU) policy briefings.</p> <p>The Chief Executive and Leader of the Council meets regularly with our two MPs. The Councils Corporate Management Team monitor and assess government's position on funding to be distributed to local authorities and other Government announcements that impact funding.</p>				
Quarter 2 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	C	3	C3	AMBER
<p>Update The Council has responded to the Government's announcements in quarters 1 and 2 in relation to the coronavirus and implications for council services. We continue to monitor the potential impact anticipated in the upcoming Local Government White Paper (anticipated in quarter 3) and changes to the planning regime yet to be announced by the Government (although the detail is difficult to anticipate until the Government announces the proposals). The council continues to respond to the Government changing regulations in relation to Covid 19.</p>				

Risk 8 - Sustainable Workforce			Responsible Officer - Clare Law	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	D	3	D3	AMBER
Description				
There is a requirement to have a sustainable workforce to deliver the council services to residents and customers.				
Risk Consequence				
Failure to have a fully resourced, trained staff could result in the failure to deliver statutory and non-statutory service in a safe and professional manner to residents and customers. Currently there are significant challenges due to the loss of senior professional officers in Finance and vacancies in the Corporate Management Team. The additional measures put into place has mitigated an increase in the risk status during the pandemic.				
Mitigation				
The council has robust HR policies and procedures, an agreed Authorised Establishment, performance management framework, Service Area Business Continuity Plans in place.				
Quarter 2 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	D	3	D3	AMBER
Update				
The impact of the pandemic has been monitored on a daily basis throughout quarter 2. Staff absences (COVID-19 symptomatic and non-symptomatic) have remained less than 10%. Office based staff have been provided with equipment to work remotely and work has been completed in accordance with governance guidance to ensure the council is a COVID secure workplace. The HR Manager attends a monthly LRF HR Task and Finish subgroup to support best practice and consistency with other Lancashire Authorities dealing with staff issues throughout the pandemic.				
All Managers commenced a phased return to work during August to review risk assessments and safe systems of working for staff to return to working in the offices from beginning of September; a blended approach was adopted throughout service areas to mitigate any potential covid outbreaks and detrimental impact of delivery of service. However, following a change in government policy staff have reverted back to working from home if possible.				

Risk 9 - Insufficient data and cyber security			Responsible Officer - Andrew Buckle	
	Likelihood	Impact	Overall Risk	Status
Initial risk assessment RAG status (without mitigation)	C	1	C1	AMBER
Description Cyber security presents one of the most challenging areas for both the public and private sectors. With the proliferation and severity of attacks constantly increasing this represents a major threat.				
Risk Consequence Cyber-attack resulting in a complete loss of all systems coupled with malware being spread across the entire network. Data breach resulting in information loss causing reputational damage and resulting in a financial penalty due to non-compliance with statutory requirements such as GDPR (General Data Protection Regulation), PCI DSS (Payment Card Industry Data Security).				
Mitigation To protect against a data breach RBC, host all council data in Tier 3 Data Centres located in different geographical regions and are backed up daily. RBC Data Centres hold the following accreditations: ISO27001:2013, PCI-DSS. RBC adopts a Risk Insight approach to determine the treat Landscape and more importantly its evolution. RBC have received notification of meeting the Public Services Network (PSN) which means the councils' infrastructure met all the security requirements to allow connection to the PSN.				
	Likelihood	Impact	Overall Risk	Status
Quarter 2 risk assessment RAG status	C	1	C1	AMBER
Update The digital transfer of data to Capita Intelligent Communications for printing and despatch includes the following items: <ul style="list-style-type: none"> • Processing of personal data relating to the statutory administration of Housing Benefits in accordance with the Social Security Contributions and Benefits Act 1992 and associated regulations. • Processing of personal data relating to the Statutory Administration and Collection of Council Tax and National Non-Domestic Rates - in accordance with the Local Government Finance Act 1992. • Interrogation of the Revenues and Benefits Information at Work Electronic Document Management System to determine letters to be re-printed and sent to customers. The process has been automated and the platform moved to a new Microsoft Azure hosted environment which is ISO27001 accredited, the new platform is more resilient and secure.				

Risk 10 - Poor communications and public relations			Responsible Officer - Clare Law	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
		D	1	D1
<p>Description Good communication and public relations is essential to inform, maintain and develop relationships with residents, customers and partners to provide council services.</p>				
<p>Risk Consequence Failure to communicate and respond to issues as they develop and inadequately or inappropriately communicating. Could lead to a major loss of reputation for the council on a local, regional and national level. A loss of reputation can damage staff morale, trust between the council and residents and impair the relationship between the council and its partners meaning projects and services delivery is damaged.</p>				
<p>Mitigation Communication methods in place to support face to face, mail or electronic communications. Developed website and social media channels provide 24/7 service. Experienced communications function to support council officers to deal with communications in a timely manner and promote the work of the council.</p>				
Quarter 2 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	D	2	D2	AMBER
<p>Update Viva PR, PR agency contract commenced 1st July 2020 and a service level agreement 12 month delivery programme has been agreed. The agreed Covid communications plan has supported internal and external communications during quarter 2 including; regular updates to the council's website and social media platforms, regular internal updates for staff and Members from Chief Executive. The VivaPR Contract Manager attends a weekly LRF Communications zoom meeting to support best practice and consistency with other Lancashire Authorities dealing with communications issues throughout the pandemic. A COVID-19 campaign was developed in September to raise awareness and mitigate the increase in Covid cases in Rossendale.</p>				

Risk 11- Non – Delivery of Corporate Projects			Responsible Officer - Neil Shaw	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
		D	2	D2
Description The council has agreed the 11 corporate projects for 2020-2021 to support the delivery of Corporate Strategy 2017-2021.				
Risk Consequence Failure to deliver the corporate projects would have a detriment impact on the delivery of the council’s Corporate Strategy 2017-2021, and result in a reputational risk to the Council’s commitment to the residents. The failure to deliver the corporate projects could potentially have a negative impact on the Council’s revenue budgets (by failure to deliver income generating projects) and delivery of the medium term financial strategy, and the associated economic and social benefits may not be realised.				
Mitigation Each corporate project has a Project Sponsor (member of the Corporate Management Team), a Project Manager and finance officer. Each corporate project will have a robust project plan and live risk register. The Project Sponsor will be responsible for the strategic overview of the corporate project, and the Project Manager will be responsible for the day to day management of the corporate project. Council’s Programme Board meets quarterly to review the progress of the corporate projects. The Project Sponsor will be responsible for highlighting any concerns to the Corporate Management Team throughout the life of the corporate project.				
Quarter 2 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	E	2	E2	GREEN
Update CMT continues to monitor the progress of all the corporate projects through the Programme Board. None of the live projects were risk RAG rated ‘red’, and no significant issues were raised by the Project Sponsors and Project Managers. Two of the corporate projects have not yet started - Customer Digital Strategy and Future Health and Leisure Facilities. All projects are on track at quarter 2 and within budget or will be within anticipated budget by project completion.				

Risk 12 – Response and Recovery to Covid 19 Pandemic			Responsible Officer - Neil Shaw	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
		A	1	A1
<p>Description COVID-19 is a strain of the coronavirus, the government declared the virus as a pandemic in the UK in March 2020.</p>				
<p>Risk Consequence The pandemic causes a potentially risk to the delivery of the council services and the health and wellbeing of the wider community.</p>				
<p>Mitigation The council has an Emergency Plan and Service Area Business Plans to support a pandemic emergency. The plans have been activated, regularly reviewed and stress tested throughout the pandemic. Risk Assessments and Safe Systems of Work have been developed and reviewed with staff and Trade Unions throughout the pandemic to provide a safe working environment. Council officers have worked with the Lancashire Resilience Forum and multi-agency partners to mitigate any potential risks throughout the pandemic. The council established and managed a Community Hub to provide support to vulnerable residents.</p>				
Quarter 2 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	A	3	A3	AMBER
<p>Update The council has experienced a regularly changing situation in quarter 2.</p> <p>In September more staff returned to the office. Three weeks later tighter Covid restrictions have been introduced and staff are now being asked to work more from home.</p> <p>The level of absences due to COVID average at 12% throughout quarters 1 and 2.</p> <p>The council’s contact centre was re-closed for face to face contact and staff have been working flexibly to continue to support residents remotely either by telephone or electronically. Overall, all services are being retained as business as usual (with a few adaptations).</p>				

Risk 13 – Impact of Covid 19 on the Financial Sustainability of Council Owned Leisure Assets			Responsible Officer – Adam Allen	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
		A	2	A2
<p>Description National Lockdowns due to Covid result in council owned leisure facilities closing for extended periods. During closure no income is received and outside of lockdown periods, income is significantly reduced.</p>				
<p>Risk Consequence If the council owned leisure assets are to be sustained in the longer term, the operators of the facilities have little recourse to additional funding to survive other than through the council. This financial impact will be over £500k but is likely to be considerably higher, depending on the length and severity of lockdowns.</p>				
<p>Mitigation The Leisure Trust and Council are currently seeking to consolidate all council owned leisure assets under the umbrella Trust to maximise efficiency. Ski Rossendale has transferred and the transfer of CLAW facilities will be recommended to Council in Q3, the Whitaker is likely merge with the Trust and discussions are on-going. A report on the impact of all facilities has been produced by KKP and recommendations to minimise impact are being implemented. Senior Council Officers are attending the Trust Board to ensure we work together to minimise costs and an intensive monitoring process is in place. Funding through a Covid specific Sport England Fund will be applied for. However, this is not thought to provide retrospective funding for closures and it is unlikely to cover the majority of financial loss. Lobbying of Government for sufficient financial support will continue.</p>				
Quarter 2 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	A	2	A2	RED
<p>Update The first lockdown has resulted in a loss of income and financial pressure of approximately £700k. Attendances and income were increasing during Q2. However, rapidly increasing infection rates suggest further restrictions and probable closures will be likely which significantly increases the financial risk to the Council in Q3 and possibly Q4.</p>				