

Subject:	Corporate Risk Register Update Quarter 1 2025/26 (April, May, June)	Status:	For Publication
Report to:	Audit and Accounts Committee	Date:	24 th September 2025
Report of:	Head of Finance	Lead Member:	Resources
Key Decision:	<input type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception	<input type="checkbox"/> Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required: No	Attached:	No
Biodiversity Impact Assessment:	Required: No	Attached:	No
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1. RECOMMENDATIONS

- 1.1 That the Audit and Accounts Committee note the Council's Corporate Risk Register as detailed in this report.
- 1.2 That members note the risk consequence, mitigation action and level of risk as detailed in Appendix 1.

2. EXECUTIVE SUMMARY

- The Quarter 1 (Q1) Corporate Risks Register Update is reporting for months April, May and June 2025 and reflects risk at a point in time.
- The report includes updates for the Council's 10 Corporate Risks.
- Overall, the Council's performance is strong but the financial pressures for the Rossendale Leisure Trust and the Council are creating cost pressures which the Council must monitor closely as the financial year progresses.
- There are no Corporate Risks rated as 'red' on the RAG status.

3. BACKGROUND

- 3.1 The Council details its approach to managing risk in its Risk Management Strategy. This was updated in February 2025.
- 3.2 The strategy details the Council's risk monitoring and reporting framework. The Council has identified 10 Corporate Risks and these are monitored via the quarterly performance management reporting schedule using a RAG rating dashboard to report the risk status. These are reported to both the Overview and Scrutiny Committee and Cabinet.
- 3.3 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. DETAILS

- 4.1 The Council has reviewed and continues to monitor the Corporate Risk Register.
- 4.2 The Councils Corporate Risks are categorised at the end of Q1 as follows:

	Quarter 1 2025/26
Low	2
Medium	8
High	0

5. RISK

- 5.1 The Council's Corporate Risk Register continues to be monitored by the Corporate Management Team on a regular basis.

6. FINANCE

- 6.1 Financial implications and risks arising are identified within this report.

7. LEGAL

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

8. POLICY AND 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. REASON FOR DECISION

- 9.1 The Corporate Risk Register is dynamic. The updates to the risks demonstrate active mitigation of the existing risks. The Committee will want to explore the implications of each corporate risk in the appendices.

Background Papers	
Q4 Corporate Risk Register	Appendix 1

Quarter 1 Corporate Risk Register

Risks are those things which might present a barrier to the Council delivering the things we have set out to achieve. Embedding risk management across the Council will ensure there is a robust and consistent process to enable the Council to make the most of its opportunities and make appropriate decisions based on accurate, relevant, timely and complete information.

As part of the Council’s annual business planning process, the Council reviews the potential risks it is facing and how it might mitigate the occurrence of such risks.

Service level risks where the impact and/or likelihood of the risk occurring could be high and effect the Council’s ability to achieve its objectives and priorities are escalated to a Corporate Risk. Corporate Risks are monitored by the Council’s Corporate Management Team on a regular basis.

The Council uses a risk matrix to analyse the probability and impact of risks. Scores are determined by multiplying the ‘likelihood’ score with the ‘impact’ score.

Likelihood	Almost certain	5	5	10	15	20	25
	Likely	4	4	8	12	16	20
	Moderate	3	3	6	9	12	15
	Unlikely	2	2	4	6	8	10
	Remote	1	1	2	3	4	5
			1	2	3	4	5
Insignificant			Minor	Moderate	Major	Catastrophic	
Impact							

Likelihood – How likely is it that the risk may occur.

Impact – How serious might the consequences of the impact be.

A risk scoring 25 is the highest level of risk, and a risk scoring 1 is the lowest level of risk.

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

Risk 1 – Sustainability of the Medium-Term Financial Strategy

Responsible Officer - Chris Warren

Description

The Council's latest Medium-Term Financial Strategy update indicates an underlying funding gap of c£574k in 2025/26, increasing each year thereafter to £934k in 2028/29. The Council must take appropriate action in order to balance its annual expenditure against its available annual income and other revenue resources. The Council has a legal obligation to publish an annual balanced budget; this means its budget expenditure must equal its available income and any available reserves. Council reserves are limited and equate to only circa 4 years given the anticipated funding gap. Therefore, additional income must be identified or annual costs reduced in future years. The current cost of living crisis may also add to the pressure on the Medium-Term Financial Strategy through pay award, utility costs, contract inflation and Council Tax/NNDR collection rates.

Risk Consequence

If the Council is not able to prepare a balanced budget there would be legal ramifications, but would ultimately impact on the level of services the Council is able to deliver to Rossendale residents and would result in major reputational damage.

Mitigation

The Medium Term Financial Strategy does not indicate a significant narrowing of the gap in the next four years. However there are savings plans in progress and significant commercial opportunities available towards the end of the decade. Departments the Council are under constant review and there are a series of income and savings groups in place looking for efficiencies which meet regularly. The council has sufficient reserves to cover up to and past the vesting day for Local Government Reorganisation. Across the New income generating opportunities will need to be identified to generate additional revenue, along with improved efficiency and effectiveness of service delivery. Departments across the council will need to be challenged to become more effective.

Risk assessment RAG status (after mitigation)

Likelihood	Impact	Overall Risk	Status
2	5	10	AMBER

Q1 Update

The income and savings groups have drawn up a long list of savings and income proposals which are being worked through to assign responsibility and action for delivery. Some of the savings have already been delivered through efforts to effectively manage utilities. Some items will need formal approval for delivery. On the assumption of delivery the Council has sufficient resources to deliver its core service objectives throughout the currency of the medium term financial strategy. Furthermore the council is forecasting an underspend at the end of Q1 lessening the pressure on reserves and following on from the underspend reported at the year ended 31st March 25 at which point the Council held usable reserves in the sum of c£17m with an annual revenue budget of c£11.5m. Fair Funding 2.0 will create some change for the sector and the impact of that is not fully evaluated yet and subject to change. Analysts predictions are for a flat cash settlement at the time of writing. Monitoring of the revenue and capital budgets of the Council and appropriate check challenge and action off the back of this monitoring remains a key control to minimise the risk of failure. This risk should remain on the Council's corporate risk register through Local Government Reorganisation.

Q1 risk assessment RAG status (current)

Likelihood	Impact	Overall Risk	Status
2	5	10	AMBER

Risk 2 – Major Disaster affecting the Delivery of Council Services

Responsible Officer - Clare Law

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

A robust Council Emergency and Business Continuity Plan is in place. Service continuity 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 overall plan and their service plan and keep them under review. The Council is a member of Lancashire County Council Local Resilience Forum. Officers attend meetings and undertake regular training exercises. The council plans are available on the Resilience Direct website. Mutual aid agreements are in place with all Local Authorities across Lancashire.

Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	2	4	8	AMBER

Q1 Update

Officers continue to attend relevant LRF meetings at Strategic and Tactical level. An up to date Local Emergency Response Plan is in place. The internal Emergency Planning Team meets quarterly, with the last meeting being in April 2025. A refreshed mutual aid agreement has been signed by all Lancashire Chief Executives and is now implemented. Officers continue to work with other agencies to plan to mitigate flooding and to develop relationships with community groups in areas with high flood risk. The out of hours response arrangements are working well. There has been additional testing of our cybersecurity arrangements and the resilience of critical IT systems and Officers continue to learn lessons and implement any additional controls required.

Q1 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	3	4	12	AMBER

Risk 3 – Incident resulting in Death or Serious Injury or HSE Investigation

Responsible Officer - Clare Law

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 and others who may be affected by our work. In the event of a RIDDOR reportable accident, there is a risk of a Health and Safety Executive investigation and potential for a civil claim for damages.

Risk Consequence

Failure to comply with current legislation and demonstrate compliance may result in harm to staff and others, financial loss and enforcement action.

Mitigation

The Council has health and safety policies and procedures including a Health and Safety Incident Reporting Procedure in place along with a safe working culture. Actions need to be completed to address and implement a consistent approach across the Council in order to secure compliance.

Risk assessment RAG status (after mitigation)

Likelihood	Impact	Overall Risk	Status
3	5	15	AMBER

Q1 Update

Work has continued on the health and safety action plan, aided by Governance training and introduction of the new risk management strategy. Following the serious accident that occurred during the previous Quarter, a high-level investigation was carried out, and recommendations have been implemented during Q1, with arrangements to monitor progress via the Joint Consultative Committee. Lessons learned have been shared across the Council. A debrief has also been arranged and will take place in Q2. Staff have been encouraged to report all accidents, incidents and hazards through the Corporate Brief and this will be supported by a new Accident/Incident reporting and investigation policy, which will be presented for approval during Q2. Officers have continued to work proactively with the Unison Health and Safety Representative and to respond to any concerns raised by employees. Work has continued with Human Resources to develop a Wellbeing Strategy which will support all employees. Drugs and alcohol testing has continued.

Q1 risk assessment RAG status (current)

Likelihood	Impact	Overall Risk	Status
4	5	20	AMBER

Risk 4 – Changes to Government policy on the delivery of the Council’s services

Responsible Officer - Rob Huntington

Description

As a statutory body, the Council is subject to changes in policy and legislation proposed or implemented by central government that could affect how services are delivered to residents and businesses. This includes potential changes arising from local government reorganisation, which may impact the Council’s structure, responsibilities, and service delivery models.

Risk Consequence

There is a risk that the Council may fail to respond effectively and prepare for policy changes or structural reforms, including local government reorganisation, leading to disruption in service delivery, loss of local influence, or resource pressures.

Mitigation

The Council is an active member of the Local Government Association and District Councils Network, which provide updates on government policy and consultations. The Council also subscribes to daily briefings from the Local Government Information Unit (LGIU), including government news and policy analysis. The Chief Executive and Leader of the Council meet regularly with the borough’s MPs to raise local priorities and discuss emerging national issues. The Corporate Management Team continually monitors and assesses government positions on funding distribution, policy developments, and potential local government reorganisation proposals to ensure timely preparation and response.

Risk assessment RAG status (after mitigation)

Likelihood	Impact	Overall Risk	Status
1	2	2	GREEN

Q1 Update

The Council’s Policy, Performance, and Communications Officer receives regular policy bulletins and legislative updates from government departments and undertakes a weekly horizon scanning exercise. Updates are shared with the Senior Leadership Team and cascaded to relevant officers. ‘Horizon Scanning and Policy’ is a standing agenda item at the Corporate Management Team’s weekly meeting, facilitating ongoing discussions on recent announcements, funding opportunities, and other government updates to determine any required actions. Staff also attend webinars, and the Chief Executive regularly participates in the North West Chief Executives and Lancashire Chief Executives meetings, both with representation from the Local Government Association.

In Q1, officers continued to represent Rossendale in Lancashire-wide working groups for local government reorganisation, including the Chief Executives Group, HR and Workforce, Finance, Legal, Communications, and Data. Attendance at these sessions will continue to ensure Rossendale’s interests are represented and the Council remains actively engaged throughout the reorganisation process.

Q1 risk assessment RAG status (current)

Likelihood	Impact	Overall Risk	Status
1	2	2	GREEN

Risk 5 – Sustainable Workforce

Responsible Officer - Clare Law

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.

Mitigation

The Council has robust HR policies and procedures, an agreed Authorised Establishment, performance management framework and Service Area Business Continuity Plans in place to mitigate any staffing challenges such as loss of staff due to the impact of an epidemic or pandemic. HR will work with managers to develop workforce succession planning. The Council provides an attractive benefit package including final pension scheme, flexible working, generous annual leave, a purchase leave scheme, free onsite parking, family friendly policies, discounted gym memberships and a cycle scheme to attract and retain staff.

Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	2	3	6	AMBER

Q1 Update

During Q1, 8 employees resigned; 3 due to retirement, 1 following ill health, and 3 moved on to other opportunities (2 middle managers). Data for 2024/25 suggests there is a “glass ceiling” at middle manager level where there are fewer opportunities for promotion due to the Council’s size and limited management positions. There are also challenges in recruiting to Environmental Health, HGV Mechanic and Property/Project Management roles because of competing with neighbouring authorities who offer higher salaries. Environmental Health roles have statutory duties therefore creating a risk that legal requirements may not be met. To try to mitigate these challenges, exit interviews are carried out, HR interview leavers to understand why, review this information yearly to spot patterns, and work with managers to find other solutions like reviewing job structures, considering extra pay or market supplements, and exploring shared working opportunities with other councils.

Sickness absence at Q1 was 2.10 days per FTE (230 days) which if continued over the year would equate to 8.4 days, below the Councils target of 10 days. At the same time last year, sickness was 2.76 per FTE. 1.45 Days were because of long-term absence and 0.65 due to short-term absence. The highest number of days lost in Q1 were due to Stress/Anxiety (87 days) closely followed by 85 days lost due to Muscular skeletal conditions. To address the challenge of reducing absences, a new return to work form was implemented which identifies patterns and sickness triggers so issues can be dealt with quickly. Absence Management training has been delivered to all managers to give them the knowledge and skills to deal with absences in line with the absence management process. HR will continue to support managers in dealing with absences.

To strengthen the Employee Value Proposition (EVP) to help recruit and retain staff the current Employee Assistance Scheme has been reviewed and a new provider sourced which offers additional benefits for employees to include access to counselling, an online GP service and the opportunity to purchase Home Electronic equipment through a salary sacrifice scheme.

Q1 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	4	3	12	AMBER

Risk 6 – Insufficient data and cyber security

Responsible Officer - Andrew Buckle

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 General Data Protection Regulation, Payment Card Industry Data Security.

Mitigation

To protect against a data breach the Council, host all council data in Tier 3 Data Centres located in different geographical regions and are backed up daily. The Council's Data Centres hold the following accreditations: ISO27001:2022 and compliance with the PSN (Public Services Network) which means the Councils' infrastructure met all the security requirements to allow connection to the PSN. The Council adopts a Risk Insight approach to determine the threat Landscape and more importantly its evolution. A cyber security training programme is to be provided for all staff and members.

Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	3	5	15	AMBER

Q1 Update

Rossendale have received confirmation on achieving the following security certifications: · MOU (Memorandum of Understanding), the MOU details the required security standards and processes required by the DWP. The Audit covers both process, physical ICT equipment and software to ensure that security compliance with the DWP standards. · PSN audit covers both the internal and external ICT Infrastructure and involves penetration testing to try and identify any vulnerabilities. As part of the Rossendale Council's defence in depth security approach, the following programmes of work will be performed over the 25-26 period: · Futures Park replacement cloud switches. · Deployment of real time daily patches. · Implementation of SOC to prevent ransomware utilising ARP and AI. · Replacement of core perimeter firewalls. · Deployment of Zerto BCM / DR.

Q1 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	3	5	15	AMBER

Risk 7 – Poor communications and public relations

Responsible Officer - Clare Law

Description

Effective communication and public relations are vital for informing, maintaining, and strengthening relationships with our stakeholders, supporting the successful delivery of the Valley Plan 2025–2029, and ensuring effective and efficient Council services.

Risk Consequence

Failure to proactively communicate, respond to emerging issues, or inadequate or inappropriate communications could significantly damage the Council's reputation at a local, regional, or national level. Reputational damage can negatively impact staff morale, public trust, and weaken relationships with stakeholders, ultimately affecting the successful delivery of our Valley Plan 2025-2029 and services.

Mitigation

The Council has a range of digital, traditional, and internal communication methods to ensure effective outreach and engagement with stakeholders. The Council's Communications Team supports officers in delivering timely, consistent messaging that aligns with and reinforces the objectives of the Valley Plan 2025–2029. For high-profile or potentially controversial issues, an established escalation and sign-off process is followed to ensure communications are reviewed, authorised, and aligned with corporate priorities and reputational risk management.

Risk assessment RAG status (after mitigation)

Likelihood	Impact	Overall Risk	Status
4	2	8	AMBER

Q1 Update

In partnership with Viva PR, the Council continues to manage external communications through the Council's website, social media channels, and media releases. In Q1, 14 positive press releases were issued, supporting the promotion of Council activities and services. Targeted communications support was also provided for the Lancashire County Council election in May 2025.

The Council has reintroduced the use of TikTok to improve engagement and connect with younger audiences. Going forward, the Council will continue to utilise the platform and video content as part of its strategy to enhance communication and reach.

Reputational risk on social media has shown improvement in Q1, with a reduction in negative engagement compared to the previous quarter. Proactive messaging was released to address misinformation, including official statements regarding the family placed at King George's Court (Bacup) and the announcement of a new feasibility study for Bacup Market. The Council will continue to use FAQ documents for potentially contentious announcements to reduce both negativity and the spread of misinformation.

Q1 risk assessment RAG status (current)

Likelihood	Impact	Overall Risk	Status
3	2	6	AMBER

Risk 8 – Non – Delivery of Corporate Programmes

Responsible Officer - Rob Huntington

Description

The Council has agreed the 5 corporate programmes for 2025/26 to support the delivery of Corporate Plan. These are; Town Centre Regeneration, Property – Asset Review, Climate Change, Operations, and Customer Digital Strategy.

Risk Consequence

Failure to deliver the corporate programmes would have a detrimental impact on the delivery of the Council's Valley Plan 2025-29 – Our Place, Our Plan, and result in a reputational risk to the Council's commitment to the residents. The failure to deliver the corporate programmes 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 programme has a Programme Sponsor (member of the Corporate Management Team), a Programme Manager and Finance Officer. Each programme will have a robust plan and live risk register. The Programme Sponsor will be responsible for the strategic overview, and the Programme Manager will be responsible for the day-to-day management of activity. The Council's Programme Board meets quarterly to review the progress of its programmes. The Programme Sponsor is responsible for highlighting any concerns to the Corporate Management Team.

Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	1	2	2	GREEN

Q1 Update

Following the review of the Valley Plan 2025–29 – Our Place, Our Plan, 5 programmes have been identified, with individual projects monitored at an operational level to support delivery. Oversight of these programmes is provided through quarterly Programme Board meetings, attended by the Corporate Management Team, Programme Managers, and the Police and Performance Officer.

The most recent Programme Board meeting took place on 30th April 2025. At this meeting, 3 programmes were reported with a 'green' RAG status, 1 with 'amber', and 1 with 'red'. The Town Centre Regeneration programme received a 'red' rating due to timescale pressures and risk level. Mitigation actions were agreed within the meeting.

Following the redevelopment of Haslingden Market, a project debrief was held on 20th June 2025. Feedback from officers involved in delivery was collated, identifying project successes, lessons learnt, and recommendations to inform and strengthen the management of future projects.

Q1 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	2	2	4	AMBER

Risk 9 – Financial Sustainability of Council Owned Leisure Assets

Responsible Officer – Chris Warren

Description

National lockdowns during the Covid-19 pandemic resulted in Council owned leisure facilities closing for extended periods. During closure no income was received and outside of lockdown periods, income was significantly reduced. The Council provided a level of financial support during that time. The tail end of the cost-of-living crisis and ongoing levels of inflationary pressures on such items as salaries and utilities continue to have a significant negative impact on the sustainability of the Trust. If the trust fails to follow a strategy whereby with Council it agrees on and delivers an appropriate sustainable leisure offer for the borough there is the risk of the trust in its entirety becoming unviable leading to the curtailment of leisure activities for the residents and a significant financial pressure for the Council.

Risk Consequence

If the trust fails to deliver an agreed sustainable future operating model, the operators of the facilities have little recourse to additional funding to survive other than through the Council earmarking a level of funding. Given that the Council has limited resources itself this would lead to a decision on which services would take priority with a likelihood that services and facilities could be ceased or closed.

Mitigation

The trust has made great strides in delivering trading results to small surpluses in the last two years and continues to trade within the headroom approved by the Council. A strategic review of the Council's leisure offer has been agreed by elected members and members of the trust board. This review is out for procurement at the time of writing with an ambition to be completed by the end of the calendar year. The review will focus on the operational and financial approach to deliver a sustainable leisure offer for the borough and the appropriate governance and skills required to deliver this outcome.

Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	2	5	10	AMBER

Q1 Update

The review procurement is expected to be concluded by the end of September with work to start shortly thereafter. The Q1 forecast position for the Trust is a surplus to budget which is also critical to mitigating this risk.

Q1 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	2	5	10	AMBER

Risk 10 – Waste Transfer Station

Responsible Officer – Andy Taylor

Description

Following LCC's decision not to enter into a contract with Whinney Hill for the disposal of Residual Waste and Central Government's decision on the introduction of Domestic Food Waste Collections our current Waste Transfer Station no longer meets legislative requirements and as such needs replacing.

Risk Consequence

Failure to have an operational Waste Transfer Station at April 2026 will result in additional costs for running residual waste and food waste directly to Farrington.

Mitigation

The Council has a single source collaborative plan review document which will be updated and actioned on a monthly basis. A permanent resource requirement is being assessed for the Economic Development team and will feed into the budget setting process for 2025-26. On the assumption that this is accepted, recruitment of permanent, qualified staff will support delivery.

Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	4	3	12	AMBER

Q1 Update

Project is proceeding as per project plan – working through RIBA stages 0-3. RIBA 0-3 stages procured via Bloom framework at expected Budget. Key Target date for Q2 is submission of Planning application in September and move to RIBA stage 4. Residual Risk as due to change from Henrietta Street location no longer able to hit target completion date of April 26 – now looking at completion date of Dec 2026 which means that interim arrangements will be needed to transfer waste to Farrington between April 26 and Dec 26.

Q1 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	3	1	3	GREEN