

Report Title:	Corporate Risk Register Update Quarter 3 2025/26 (October – December)		
Report to:	Audit and Accounts Committee	Date:	18 th February 2026
Report of:	Head of Finance	Cabinet Portfolio:	Resources
Cabinet Lead Member:	Councillor Walmsley	Wards Affected:	All
Key Decision:	<input type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	<input type="checkbox"/> General Exception	<input type="checkbox"/> Special Urgency
Integrated Impact Assessment:	Required:	No	Attached: No
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Valley Plan Priorities	Thriving Local Economy: This involves securing new inward investment, creating a sustainable economy, matching local skills with future job opportunities, and supporting town centres as unique destinations.	<input type="checkbox"/>
	High Quality Environment: This includes having a "clean and green" local environment, reducing the borough's carbon footprint, improving waste and recycling rates, and delivering new homes with a good mix of housing tenures.	<input type="checkbox"/>
	Healthy & Proud Communities: This priority focuses on improving the health and physical/mental wellbeing of residents, reducing health inequalities, ensuring access to better leisure facilities and health services, and fostering a sense of pride in the community.	<input type="checkbox"/>
	Effective & Efficient Council: The aim is to provide good quality and responsive services, embrace new technology, be a financially sustainable council with a commercial outlook, and ensure sound governance.	<input checked="" type="checkbox"/>

1. PURPOSE OF THE REPORT AND EXECUTIVE SUMMARY

- 1.1 The Quarter 3 (Q3) Corporate Risks Register Update is reporting for months October, November and December 2025 and reflects risk at a point in time.
- 1.2 The report includes updates on the Council's 10 Corporate Risks, including current risk ratings, mitigation activity, and any emerging issues identified through the quarterly review process.
- 1.3 Overall, the Council's performance is strong. However, ongoing financial pressures, including those relating to wider economic conditions and service demand, continue to require close monitoring.
- 1.4 At the end of Quarter 3, the Corporate Risk Register indicates; 2 low risks, 7 medium risks and 1 high risk.
- 1.5 No risks are considered unmanageable, and mitigation actions continue to be actively monitored by the Corporate Management Team

2. RECOMMENDATIONS

- 2.1 That the Audit and Accounts Committee note the Council's Corporate Risk Register as detailed in this report.

2.2 That members note the risk consequence, mitigation action and level of risk as detailed in Appendix 1

3. BACKGROUND AND REASON FOR THE DECISION

3.1 The Council's approach to managing risk is set out within its Risk Management Strategy, which was last updated in March 2016.

3.2 The Strategy establishes the Council's risk monitoring and reporting framework. The Council has identified ten Corporate Risks, which are reviewed quarterly through the performance management framework.

3.3 Corporate Risks are monitored using a RAG-rated dashboard and are reported to both the Overview and Scrutiny Committee and the Audit and Accounts Committee.

3.4 Where a potential issue is identified through the monitoring process, the responsible officer is required to review the risk and identify appropriate mitigation actions to manage or reduce the level of risk.

3.5 The Councils Corporate Risks are categorised at the end of Q3 as follows:

	Quarter 3 2025/26
Low	2
Medium	7
High	1

3.6 The Corporate Risk Register is a dynamic document that reflects risks at a specific point in time. Quarterly reporting ensures that Members are kept informed of the Council's current risk profile and the effectiveness of mitigation actions.

3.7 The appendices provide detail to enable the Committee to review and scrutinise the implications of each corporate risk

3.8 Consideration of this report by the Audit and Accounts Committee supports transparency, effective scrutiny, and sound corporate governance

4. RISK

4.1 The Council's Corporate Risk Register continues to be monitored regularly by the Corporate Management Team to ensure emerging risks are identified promptly and existing risks are effectively managed.

4.2 Regular reporting provides assurance that risks are being managed in line with the Council's Risk Management Strategy and supports informed decision-making.

5. SECTION 151 OFFICER COMMENTS (FINANCE)

5.1 Financial implications and risks arising are identified within this report and within the individual risks detailed in Appendix 1.

5.2 The ongoing review of corporate risks supports the Council's financial resilience and medium-term financial planning.

6. MONITORING OFFICER COMMENTS (LEGAL)

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

7. INTEGRATED IMPACT ASSESSMENT IMPLICATIONS

7.1 An Integrated Impact Assessment is not required for this report. The report is for information and assurance purposes only and does not propose any new policies, strategies, or service changes.

7.2 The monitoring and reporting of the Corporate Risk Register supports effective governance and risk management arrangements across the Council. There are no direct equality, environmental, health, or socio-economic impacts arising from the recommendations within this report.

8. POLICY/STRATEGY FRAMEWORK IMPLICATIONS

8.1 Effective risk management is a key element of good governance. The Council is committed to continuously improving how it identifies, manages, and mitigates risk.

8.2 Robust and transparent scrutiny, alongside timely corrective action, supports the Council in maintaining strong governance and delivering its strategic priorities.

9. LOCAL GOVERNMENT REORGANISATION IMPLICATIONS

9.1 There are no direct Local Government Reorganisation implications arising from this report.

10. BACKGROUND PAPERS

10.1 Corporate Risk Register Q3 2026/26 – Appendix 1

Risk	Responsible Officer	Status	Comments
Risk 1 – Sustainability of the Medium-Term Financial Strategy Responsible	Chris Warren	Ongoing	
Risk 2 – Major Disaster affecting the Delivery of Council Services	Clare Law	Ongoing	
Risk 3 – Incident resulting in Death or Serious Injury or HSE Investigation	Clare Law	Ongoing	
Risk 4 – Changes to Government policy on the delivery of the Council's services	Rob Huntington	Ongoing	
Risk 5 – Sustainable Workforce	Clare Law	Ongoing	
Risk 6 – Insufficient data and cyber security	Andrew Buckle	Ongoing	
Risk 7 – Poor communications and public relations	Clare Law	Ongoing	
Risk 8 – Non – Delivery of Corporate Programmes	Rob Huntington	Ongoing	
Risk 9 – Financial Sustainability of Council Owned Leisure Assets	Chris Warren	Ongoing	
Risk 10 – Waste Transfer Station	Andy Taylor	NEW	

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. 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

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. The Council is forecasting an underspend in excess of £500k at the end of Q2 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. The provisional settlement was relatively positive for the Council and at the time of writing the budget consultation and approval processes are in progress. On the assumption that there is no significant movement in the financial settlement the Council has sufficient resources to deliver its core service objectives throughout the currency of the medium-term financial strategy. 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.

Q3 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

Q3 Update

The Local Emergency Response Plan is in the process of being reviewed and updated. The internal Emergency Planning Team meets quarterly, with the last meeting held in October 2025. The Business Continuity exercise was postponed due to competing priorities, including Local Government re-organisation. Officers continue to attend relevant Local Resilience Forum meetings to remain up to date with current arrangements, contribute to the development of plans and take part in exercises to test LRF plans. Work is ongoing with Local Authorities across Lancashire to assess and respond to the impact of Local Government Reorganisation.

Flooding is a key emergency planning risk for RBC and Officers have been involved in several work streams on flood prevention and response:

Discussions are ongoing with LCC and the Environment Agency, to plan to respond to a blockage or restriction in the flow of Limey Water in Rawtenstall town centre. The main concern at the time was a potential building collapse and RBC are planning to commission a structural survey to assess the current risks from the property concerned. During Q3, part of the culvert over Limey Water and in Rawtenstall Cemetery collapsed and a sink hole opened up. Whilst no blockage of the river occurred there was a significant risk of further collapse and work has been undertaken to plan and commission urgent repair works. These will commence during Q4 and will reduce the flood risk in this area.

Grant funding for community groups to acquire emergency communication systems has been withdrawn. However, RBC has now purchased an Emergency Radio Aerial Link (ERAL) radio and base unit. This will enable communication to be maintained across Lancashire in the event of a failure of the mobile and internet network or a power outage. Officer take part in monthly testing of the ERAL network across Lancashire.

Q3 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

Q3 Update

Work on the inspection of memorials has continued during Q3, with all high-risk memorials across the four RBC cemeteries being inspected and made safe. Further work will be undertaken to inspect all remaining memorials in RBC cemeteries and in the nine closed churchyards which RBC maintain. A completion date in Q4 has been agreed with the Health and Safety Executive (HSE). Completion of this work will complete the actions required by the HSE as a result of their investigation into the accident that occurred in Rawtenstall Cemetery in Q2.

The Senior Leadership Team undertook IOSH Leading Safely Training in Q3, with all Officers making commitments to improve health and safety management within their areas of control.

The action plan from the serious accident which occurred in Q4 2024/25 continues to be progressed and is monitored by the Joint Consultative Committee (JCC). The JCC approved the review of policies on Legionella Management, Asbestos Management within Buildings and First Aid. The new Drugs and Alcohol Policy was presented to the JCC for further consultation. Feedback was received from the Union and has been incorporated into the policy, which will be presented to JCC for approval in Q4. Joint workplace inspections with Unison have continued.

Accidents and incidents continue to be monitored and investigated, with lessons learned shared via JCC and the Operations Health and Safety Committee, to try to prevent recurrence and improve standards of health and safety.

Q3 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	4	5	20	RED

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

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.

During Q3, five Local Government Reorganisation (LGR) proposals were submitted to Central Government for consideration. Officers continued to represent Rossendale through Lancashire-wide LGR working groups, including the Chief Executives Group and the HR and Workforce, Finance, Legal, Communications and Data workstreams. Participation in these groups will continue to ensure Rossendale’s interests are represented and that the Council remains fully engaged throughout the reorganisation process.

Q3 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

Sickness absence at Q3 stands at 6.81 days per employee, projecting to approximately 9 days annually if current trends continue. This represents an improvement from Q3 2024 (9.04 days).

Q3 turnover was 3 employees, significantly below the quarterly average of 7. Exit interviews identified varied reasons for departure including travel time, career opportunity at other local authorities and performance issues during the probationary period. No systemic organisational concerns requiring intervention were identified.

Recruitment and retention challenges persist in critical service areas, particularly Environmental Health and Operations vehicle maintenance unit (workshop). To mitigate these difficulties, alternative opportunities have been explored and put in place which includes joint working with another local authority and recruiting part qualified professional officer to develop experience and enhance retention.

Q3 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: ISO27001:2013 and the Payment Card Industry Data Security. The Council adopts a Risk Insight approach to determine the threat Landscape and more importantly its evolution. The Council has received notification of meeting the Public Services Network which means the Councils' infrastructure met all the security requirements to allow connection to the Public Services Network. A cyber security training is to be provided for all staff.

Risk assessment RAG status (after mitigation)

Likelihood	Impact	Overall Risk	Status
3	5	15	AMBER

Quarter 3 Update

As part of our Defence in Depth security approach and increased risk in supply chain and third-party vendors. The following work has been conducted:

- Full Audit of one of Rossendale's Data Centres was carried out in Dec 25. The Audit covered: Physical Infrastructure, Redundancy & Resilience, Security, Documentation, Compliance, Monitoring & Reporting.
- Preparation for the Q4 – Q1 26-27 PSN security audit has commenced.

Q3 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

In partnership with Viva PR, the Council continues to deliver external communications via its website, social media channels, and media releases. During Q3, 16 positive press releases were issued, helping to promote Council services, initiatives, and achievements.

The Council’s Facebook following has now reached 10,276, increasing by 276 in the quarter. Reputational risk on social media has seen a slight dip in Q3, with positive sentiment 25% (down from 28%) negative sentiment 30% and neutral sentiment remaining the highest 45%. The continued use and updating of FAQ documents for potentially contentious announcements is helping to manage misinformation and reduce negative responses. Proactive messaging was released, including updates on Rawtenstall Market move, Haslingden Deardengate and approval of the waste transfer station to protect services and jobs.

Q3 risk assessment RAG status (current)

Likelihood	Impact	Overall Risk	Status
3	2	6	AMBER

Risk 9 – Financial Sustainability of Council Owned Leisure Assets

Responsible Officer – Chris Warren

Description

National lockdowns due to Covid-19 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 cost of living crisis will have a significant negative impact on utility and salary costs for the Trust. This has impacted the financial sustainability of the Trust.

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 was managed in 2021/22 through additional government grants and Council support, however the real impact is likely to be felt in 2022/23, 2023/24 and continues in 2024/25.

Mitigation

A report on the impact of all facilities has been produced by KKP and recommendations to minimise impact have been 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-19 specific Sport England Fund has been received though this is limited in its amount and did not cover retrospective losses. Constant monitoring of future business plans and work in partnership to maximise income and reduce costs continues.

Risk assessment RAG status (after mitigation)

Likelihood	Impact	Overall Risk	Status
2	5	10	AMBER

A well-known sector consultancy firm is nearing the end of a review of the sufficiency, operations and governance arrangements for the Council owned leisure assets and the Trust. Some preliminary preliminary findings from the review have been used to make provisions in the draft 2026/27 budget for investment in the Trust. The Trust forecast remains at a position which will deliver an outturn which will be close to budget. Monitoring and control remain critical to mitigating this risk. Alongside appropriate multi-party decision making and actions arising from the finalised review which is likely to be in the first half of the 2026/27 year.

Q3 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

Full Council approval has been granted for the project, Caulmert have been appointed to RIBA Stage 5 and we are currently awaiting tender documents from Barnfield. It has been agreed to award the build contract to Barnfield subject to them being able to deliver the contract under budget. The site clearance element of the project has been awarded to Barnfield and this will commence week beginning 3rd Feb to comply with planning conditions. A full build timescale will be submitted by Barnfield as part of the tender process

Q3 risk assessment RAG status (current)

Likelihood	Impact	Overall Risk	Status
3	1	3	GREEN