ROSSENDALE BOROUGH COUNCIL

AGENDA ITEM: D8

Report Title:	Corporate Risk Management Report Quarter 4 (Q4) 2025/26 (January, February, March 2026)		
Report to:	Audit & Accounts Committee	**Date:**	29th July 2026
Report of:	Head of Financial Services	**Cabinet Portfolio:**	Resources
Cabinet Lead Member:	Councillor Walmsley	**Wards Affected:**	All
Key Decision: ☐	Forward Plan ☒	General Exception ☐	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.	☐
	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.	☐
	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.	☐
	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.	☒

1. PURPOSE OF THE REPORT AND EXECUTIVE SUMMARY

1.1 The report concludes 9 performance measures reported as ‘green’ and 1 corporate risk reported as ‘red’ on the RAG status.

2. RECOMMENDATION

2.1 Audit & Accounts Committee to note and consider the Council’s risk performance during Q4 2025-26 as detailed in this report and Appendix 1.

3. BACKGROUND AND REASON FOR THE DECISION

Corporate Risk Register

3.1 The Corporate Risk Register is reviewed quarterly by Corporate Management Team. During Q4, 2 risks were rated green, 7 amber and 1 red.

3.2 The Council continues to monitor its Corporate Risk Register. During Q4, the majority of risks remain within ‘amber’ status.

3.3 Risk 3 – Incident resulting in death or serious injury or HSE investigation – is currently reported as ‘red’.

3.4 Progress continues against agreed HSE actions, including memorial inspections, policy updates and IOSH leadership training.

4. RISK

4.1 The Council's Corporate Risk Register continues to be monitored by the Corporate Management Team on a quarterly basis in line with the Council's Risk Management Strategy, and is referred to within the Q4 Performance Management Report, pages 17-26.

5. SECTION 151 OFFICER COMMENTS (FINANCE)

5.1 Financial implications and risks arising are identified within this report

6. MONITORING OFFICER COMMENTS (LEGAL)

6.1 As recommended by the Investigatory Powers Commissioner's Office, the Council is required to monitor and report on the use of authorisations under the Regulation of Investigatory Powers Act (RIPA). There have been no authorisations sought in Q4. There are no immediate legal considerations attached to the recommendations within this report.

7. INTEGRATED IMPACT ASSESSMENT IMPLICATIONS

7.1 No Integrated Impact Assessment is required; performance management supports equitable service delivery and monitoring across all Valley Plan priorities.

8. POLICY/STRATEGY FRAMEWORK IMPLICATIONS

8.1 Effective performance management is important to the Council, and the Council is committed to improving its services. In completing this report, consultation has been undertaken with the Corporate Management Team and Lead Member for Resources.

9. LOCAL GOVERNMENT REORGANISATION IMPLICATIONS

9.1 Performance management arrangements will inform transition planning under any future Local Government Reorganisation arrangements to ensure service continuity and governance oversight.

10. BACKGROUND PAPERS

10.1 Appendix 1 - Q4 Performance Management Report

Quarter 4 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 is it 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	
Status	Status description
RED	The likelihood and impact of the risk is high
AMBER	The likelihood and impact of the risk is medium
GREEN	The likelihood and impact of the risk is low

Risk 1 – Sustainability of the Medium Term Financial Strategy				Responsible Officer – Kimberly Haworth
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**
Q4 Update The income and savings groups has drafted a 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 of c£1m at the end of Q4 lessening the pressure on reserves and following on from the underspend reported at the year ended 31st March 2025. This places the Council in a favourable position moving forwards, however the focus on identifying and promoting efficiencies remains important. The 2026/27 settlement was relatively positive for the Council and this is demonstrated in the revenue budget of £14m for 2026/27. The Council has sufficient resources to deliver its core service objectives throughout the duration of the medium-term financial strategy leading to Local Government Reorganisation. 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.				
Q4 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

Q4 Update

The Local Emergency Response Plan is maintained and regularly reviewed and the internal Emergency Planning Team meets quarterly, with the last meeting held in January 2026. 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. During Q4, appropriate officers attended specific courses related to the Control of Major Accident Hazards (COMAH) and LRF's Teams Channel in an emergency response.

Local Authorities across Lancashire are discussing the impact of Local Government Reorganisation (LGR), and how they can prepare in advance of the changes. Requests for information are beginning to be received to assist with planning through the LGR process.

A contractor was appointed to carry out remediation works at the large sink hole over Limy Water in Rawtenstall Cemetery, which will commence once the Environmental Agency Works Permit has been granted. Officers have planned engagement with the local community to advise of the works and to highlight the potential responsibilities under riparian ownership. Planned culvert works to reduce the impact of flooding in the Strongstry area have been delayed due to administrative queries from LCC.

Q4 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**
Q4 Update Following the accident at Rawtenstall Cemetery, officers have continued to fully co-operate with the Health and Safety Executive investigation, and a programme of work implementing a new Memorial Safety policy, carrying out and recording memorial inspections, risk assessments for managing memorials, safe systems of work for memorial work and training of six memorial inspectors has been completed and accepted by Health and Safety Executive. Health and Safety management training for all Senior Officers has been completed, with follow-up actions being implemented. The Drugs and Alcohol Policy, Lone Working Policy and Corporate Health and Safety Policy have been reviewed and approved by the Joint Consultative Committee (JCC). Joint workplace inspections with Unison have continued.				
Q4 risk assessment RAG status (current)	**Likelihood**	**Impact**	**Overall Risk**	**Status**
	5	**4**	**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. Officers continue 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. A dedicated Project Management Office (1 Manager and 2 Officers) has been agreed to support the Council's processes and transition as LGR progresses. Recruitment to these post will carried out Q1 2026/27.				
Q4 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**

Q4 Update

Sickness absence at Q4 stands at 12.27 days per employee, this declining when compared to Q3.

Q4 turnover was 7 employees. 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.

Due to a vacant post within payroll, people and policy, significant pressures have been put on people and policy team. Due to the nature of this specialised role and challenges to recruit to this role. mitigated through an interim contractor with third-party, which will remain in place subject to Local Governemnt Reorganisation to ensure paymemt of salaries for both RBC staff and RLT staff.

Q4 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 treat 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
Q4 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: • Deployment of LogRhythm Security Information and Event Management used to detect, investigate, and respond to cyber-security threats in real time.				
Q4 risk assessment RAG status (current)	**Likelihood**	**Impact**	**Overall Risk**	**Status**
	2	**1**	**10**	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

Q4 Update

Recruitment has been completed for a full-time Communications and Engagement Manager, who will join the Council on 1st April 2026, strengthening in-house capacity and resilience.

In partnership with VIVA PR, the Council continued to deliver external communications across its website, social media channels, and through media releases. 13 press releases were issued during Q4, supporting the promotion of Council services, projects, and achievements. The Council has served notice on the VIVA PR contract, which will end in May 2026. Planning for the transition of external communications back in-house will begin in Q1, once the new Communications and Engagement Manager is in post. Bringing the service in-house is expected to strengthen oversight, consistency, and productivity.

The Council's Facebook following increased to 10,724, a growth of 4.4% (448) in the quarter. Instagram following grew by 2.2% and is now 2,168.

Work has begun on the first edition of Valley Voice, a printed newsletter designed to reach residents who are less digitally engaged. This will be distributed in Q1, supporting inclusive communications and reducing the risk of information gaps. Proactive messaging has also been developed and shared to support the introduction of food waste collections in April, helping to prepare residents for service changes and reduce the risk of confusion or misinformation.

Q4 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

Q4 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.

Q4 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 – Kimberly Haworth

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

Q4 Update

A report reviewing the sufficiency, operations and governance arrangements for the Council owned leisure assets and the Trust has now been completed. Some preliminary preliminary findings from the review were 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.

Q4 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	2	4	8	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**
Q4 Update 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 completed in March. A full build timescale has been submitted by Barnfield as part of the tender process and we are awaiting the final sign off of the contract. The build is expected to commence in Q1 2026/7				
Q4 risk assessment RAG status (current)	**Likelihood**	**Impact**	**Overall Risk**	**Status**
	3	**1**	**3**	**GREEN**