

Defining the Council’s Appetite to Risk, level of Impact and likelihood

The council’s appetite for risk will be defined and measured by its approach to impact and likelihood surrounding each risk as described below.

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

| Risk Level | Action / Control Required |
|------------|--|
| | <p>Catastrophic / major impact with almost certain to likely likelihood, requiring immediate control measures by Council.</p> <p>This level of risk is outside the Council’s tolerance limits and therefore requires immediate action to mitigate the risk</p> |
| | <p>Major / moderate impact with unlikely to almost certain likelihood requiring appropriate proactive management and control measures.</p> <p>This level of risk represents the Council’s maximum tolerance limits.</p> |
| | <p>Moderate / minor impact with highly remote to almost certain likelihood requiring appropriate management and control measures.</p> <p>This level of risk is below the Council’s tolerance limits</p> |

Details of Corporate Risk Register:

1. Sustainability of the Medium Term Financial Strategy (MTFS).
2. Major disaster affecting the delivery of Council services.
3. Incident resulting in death or serious injury or Health Safety Executive (HSE) investigation.
4. Sustainability of the County Council budget.
5. Non-delivery of Spinning Point.
6. Non-delivery of the Borough’s economic growth strategy.
7. Non-delivery of the Local Plan.
8. Changes to government policy on the delivery of the Council’s services.
9. Sustainable workforce.
10. Insufficient Data and cyber security.
11. Poor communications and Public Relations.

1. Sustainability of the Medium Term Financial Strategy

| | | | | |
|--|---|---------------|---------------------|-------------------|
| Description | <p>The Council's latest Medium Term Financial Strategy (MTFS) update published February 2019 indicates an underlying funding gap of c £700k 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> | | | |
| Risk Consequence | <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>The Council is currently restricted to a maximum 3% annual increase in Council Tax in order to avoid triggering a referendum</p> | | | |
| Risk category | | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | C | 2 | C2 | AMBER |
| Mitigation Action | <p>The MTFS does indicate that given the assumptions made and therefore all things being equal, the Council is able to balance its income and expenditure by 2022/23.</p> <p>In particular the Council has identified a number of key initiatives, the most significant being:</p> <ul style="list-style-type: none"> • Spinning Point Phase 2 income gains • Digital transformation and service delivery. • An increased focus on commercial opportunities across the Council's activities. | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | C | 2 | C2 | AMBER |
| Comments | <p>2018/19 saw a favourable variance of £347k against the budget. The Q1 monitoring for 19/20, has not yet been published but is likely to show a favourable forecast variance of c £100k,</p> <p>The MTFS deficit however still faces the Council. There has been no new information from Government of the promised Fair Funding Review or a new national scheme for business rates retention, both due for implementation in 20/21. The biggest risk facing Council remains what negative impact we may see on our current c £1m pa re business rates retention, the benefits of which remain in our MTFS.</p> | | | |
| Responsible Officer | <p>Phil Seddon</p> | | | |

2. Major disaster affecting the delivery of Council services

| | | | | |
|--|---|---------------|---------------------|-------------------|
| 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 supplier and benefits. | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | C | 1 | C1 | AMBER |
| Mitigation Action | <p>Robust Emergency and Business Continuity Plans in place and updated and tested regularly and embedded with the Senior Management Team as critical working documents to support the continued delivery of essential council services.</p> <p>RBC Civil Emergency Plan is available on the Resilience Direct website and officers member of Local Resilience Forum (LRF), attends training and exercises.</p> <p>Mutual Aid agreement in place with all Local Authorities across Lancashire.</p> | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | C | 2 | C2 | AMBER |
| Comments | The Council has an established Emergency Planning Team, with an out-of-hours procedure in place. | | | |
| Responsible Officer | Clare Law | | | |

| 3.Incident resulting in death or serious injury or HSE investigation | | | | |
|---|---|---------------|---------------------|-------------------|
| 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. | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | D | 1 | D1 | AMBER |
| Mitigation Action | The Council has robust health and safety (H&S) policies and procedures in place, including a H&S Manual, Safe Systems of Work and Risk Assessments, training matrix, H&S incident reporting procedure, H&S audit schedule operating on a two year rolling cycle (annually in Operations). | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | D | 1 | D1 | AMBER |
| Comments | <p>All the services areas have been audited and have highlighted the employees most at risk being:</p> <ul style="list-style-type: none"> • Refuse • Parks and Open Spaces • Anyone performing lone worker duties. | | | |
| Responsible Officer | Clare Law | | | |

4.Sustainability of the County Council budget

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|--|---|---------------|---------------------|-------------------|
| Description | Like all local authorities, Lancashire County Council has to maintain a balanced budget. This will mean making budget reductions of over £120m in the next few years. | | | |
| Risk Consequence | If the County Council cannot maintain a balanced budget it will impact on services across the County, including Rossendale. This could have an impact on our residents. There is also a risk of cost shunting to District Councils. Ultimately, if the County Council cannot balance its budget there is a risk that it will become unsustainable. Evidence from other counties suggests this would trigger Government intervention and the possibly restructuring of local government in the area. | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | B | 2 | B2 | RED |
| Mitigation Action | <p>Rossendale BC will continue to work with County Council to find ways of reshaping services to reduce costs whilst ensuring shared outcomes are achieved.</p> <p>We will support joint leadership and CX meetings to find new ways of working together for the benefit of our residents</p> <p>We will interrogate Council savings proposals and identify risks to our residents and to our services.</p> | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | C | 2 | C2 | AMBER |
| Comments | | | | |
| Responsible Officer | Stuart Sugarman | | | |

5.Non delivery of Spinning Point

| | | | | |
|--|--|---------------|---------------------|-------------------|
| Description | Spinning Point is a Corporate Strategy project. Phase 1 comprises a bus station and 2/4 retail units. Phase 2 will provide a spa plus, a residential offer and 7 retail/food and beverage units. | | | |
| Risk Consequence | The delivery of the project supports the MTFS by providing a revenue stream and business rates income. Failure to deliver the project could result in a clawback of up to £1.9m if delivery targets are not met and the associated economic/social benefits may not be realised. | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | D | 2 | D2 | AMBER |
| Mitigation Action | A comprehensive live risk register has been developed to support the delivery of the Spinning Point project. The project is managed through the monthly Programme Board, Members are regularly updated on the progress of the project. | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | E | 2 | E2 | GREEN |
| Comments | | | | |
| Responsible Officer | Cath Burns | | | |

6. Non-delivery of the Borough's economic development strategy

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|--|--|---------------|---------------------|-------------------|
| 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 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. | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | C | 2 | C2 | RED |
| Mitigation Action | <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. | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | D | 2 | D2 | AMBER |
| Comments | <ul style="list-style-type: none"> • Positive execution is reliant on market demand eg. disposal of Rosso Depot. • The restructure of the property services function in favour of asset management should support additional staff resourcing to support activity. | | | |
| Responsible Officer | Cath Burns | | | |

7. Non-delivery of the Local Plan

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|--|--|---------------|---------------------|-------------------|
| Description | <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. The Local Plan is due to be adopted in late 2019 or 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> | | | |
| Risk Consequence | <p>Risk of the Local Plan not being delivered is extremely low. The risk of the plan being delayed is moderate.</p> <p>The risk of delay includes a reputational issue; there may be short term criticism from elected members and MP's, as well as from the development industry. 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>The main risk of delay comes from changes to Government policy and the calculations of housing need which are still evolving nationally. This will have a significant impact on how much housing land Rossendale has to allocate and where development will be located. This carries a reputational and environmental risk as well as a political risk for our elected members.</p> | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | D | 3 | D3 | AMBER |
| Mitigation Action | <p>Measures in place to reduce the risk include the Local Plan Action Plan which is a project plan. The Local Plan Steering group made up of Officers and Councillors also meets once a month 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> | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | C | 2 | C2 | AMBER |
| Comments | | | | |
| Responsible Officer | Mike Atherton | | | |

8. Changes to government policy on the delivery of the Council's services

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|--|--|---------------|---------------------|-------------------|
| Description | Like all local authorities Rossendale 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 | | | |
| Risk Consequence | The risk that the Council fails to react and be prepared for any changes being proposed or implemented by central government. | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | C | 2 | C2 | AMBER |
| Mitigation Action | <p>The Council takes every step to be aware of any changes as soon as they are known: The council is a member of the LGA and District Councils Network who keep us informed of government policy and consultations. They also lobby on behalf of council's to mitigate the impact of any change.</p> <p>We are also signed up to receive daily emails from LGiU who provide daily government news and other LGiU policy briefings to officers and councillors who wish to subscribe.</p> <p>The Chief Executive and Leader of the Council meets our two MP's quarterly.</p> <p>The Councils Corporate Management Team (CMT) continually monitor and assess government's position on funding to be distributed to Local Authorities and other Government announcements that impact funding.</p> <p>CMT scanning for all relevant government announcements. Utilising officer professional network as an additional source of information</p> <p>Through our communication service level agreement (SLA) we receive a weekly government policy update.</p> | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | C | 3 | C3 | AMBER |
| Comments | | | | |
| Responsible Officer | Stuart Sugarman | | | |

9.Sustainable Workforce

| | | | | |
|--|---|---------------|---------------------|-------------------|
| 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. | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | D | 3 | D3 | AMBER |
| Mitigation Action | The Council has robust HR policies and procedures, an agreed Authorised Establishment, performance management framework, Service Area Business Continuity Plans in place. | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | D | 4 | D4 | AMBER |
| Comments | An organisational development strategy is currently being developed to support the Corporate Strategy and the Council's workforce planning. | | | |
| Responsible Officer | Clare Law | | | |

10. Insufficient data and cyber security

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|--|---|---------------|---------------------|-------------------|
| 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). | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | D | 1 | D1 | AMBER |
| Mitigation Action | To protect against a data breach RBC host all Data in Tier 3 Data Centres located in different Geographical regions and are backed up daily, RBC Data Centres also hold the following accreditations: ISO27001:2013, PCI-DSS. RBC adopts a Risk Insight approach to determine the Treat Landscape and more importantly its evolution. To complement the existing security measures already in place, a programme of user education will be developed by 2020 and deployed across the Learning Pool. | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | C | 1 | C1 | AMBER |
| Comments | | | | |
| Responsible Officer | Andrew Buckle | | | |

11. Poor communications and public relations

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|--|---|---------------|---------------------|-------------------|
| 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 | <p>Failure to communicate and respond to issues as they develop and inadequately or inappropriately communicating.</p> <p>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, destroy trust between the Council and residents and impair the relationship between the council and its partners meaning projects and services delivery is damaged.</p> | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | D | 1 | D1 | AMBER |
| Mitigation Action | <p>Communication methods in place to support face to face, mail or electronic communications.</p> <p>Developed website and social media channels provide 24/7 service. Experienced communications team to support Council officers to deal with communications in a timely manner and promote the work of the Council.</p> <p>Central communications team of senior and experienced officers in place co-ordinating messages and responding to issues in a timely manner.</p> | | | |
| Risk - level of impact and likelihood | Likelihood | Impact | Overall Risk | RAG Status |
| | D | 2 | D2 | AMBER |
| Comments | | | | |
| Responsible Officer | Clare Law | | | |