

Subject:	Corporate Risk Register Update – Quarter 3 (2020-2021)	Status:	For Publication
Report to:	Audit & Accounts Committee	Date:	9 th March 2021
Report of:	Head of People and Policy	Portfolio Holder:	Resources
Key Decision:	<input type="checkbox"/> Forward Plan <input type="checkbox"/>	General Exception	<input type="checkbox"/> Special Urgency <input type="checkbox"/>
Equality Impact Assessment:	Required:	No	Attached: N/A
Biodiversity Impact Assessment	Required	No	Attached: N/A
Contact Officer:	Clare Law	Telephone:	01706 252457
Email:	clarelaw@rossendalebc.gov.uk		

1.	RECOMMENDATIONS
1.1	That the Audit and Accounts Committee note the Corporate Risk Register as detailed in the report, including the addition of a new corporate risk.
1.2	That members note the risk consequence, mitigation action and level of risk as detailed in Appendix 1

2. PURPOSE OF REPORT

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

3. BACKGROUND

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

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

4. THE CURRENT RISK REGISTER

4.1 The council has reviewed and continues to monitor the council’s corporate risks. This quarter the council has added a new risk to the corporate risk register – focused on the financial vulnerability of the borough’s leisure assets.

The corporate risks as categorised at the end of quarter 3 are as follows:

	Quarter 3 2020/21
Low	2
Medium	7
High	3

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

Risk 2 – Major disaster affecting the delivery of council services

Risk 4 – Sustainability of the County Council budget

Risk 13 – Impact of Covid-19 on the financial sustainability of council owned leisure assets.

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

Due to the ongoing impact of Covid-19 the risk status remains as RED A1. Although additional measures from risk assessments and safe systems of work in-line with government guidance for all staff including additional PPE and alternative arrangements have been put in place to mitigate, the risk still remains high.

Service Business Continuity Plans have continued to be stress tested and additional mitigation put in place as needed to support any potential significant staff losses and resources. Officers have continued to work with LRF and multi-agency partners throughout the pandemic during quarter 3.

The Community Hub continues to be operational and resourced internally via Corporate Support Team. There has been minimum disruption to council services during quarter 3.

4.2.2	Corporate Risk 4	Likelihood	Impact	Overall risk	Status
	Sustainability of the County Council budget	B	2	B2	RED

At the time of writing the County Council is yet to publish its 2021/22 budget. Once published officers will review to establish the likely impacts on our residents and services. The position will continue to be monitored.

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

On 30th December 2020, Rossendale was placed into tier 4 restrictions. This resulted in the closure of all leisure facilities except Ski Rossendale. At the time of writing this report in early quarter 4, a national lockdown was introduced on 4th January 2021 requiring all facilities to close. It is expected that facilities will be closed until the end of February 2021 at the earliest and probably until the end of March 2021. Where possible staff have been furloughed and costs minimised, however it will result in further losses that will need to be recuperated in the longer term. The council have submitted an application through Sport England's NLRf fund for support which will hopefully draw down £120k additional funding. This is still short of the overall losses which are projected to be over £1m. A report will be submitted to council in February which will update on the current position and likely implications.

4.3 The risks will continue to be monitored by Management Team.

5. RISK

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

6. FINANCE

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

7. LEGAL

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

8. POLICY & EQUALITIES IMPLICATIONS

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

9. CONCLUSIONS

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

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

Corporate Risks

Appendix 1

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

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

The Council's Risk Matrix

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

Likelihood

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

Impact

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

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

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

Corporate Risks

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

Risk 2 – Major disaster affecting the delivery of council services			Responsible Officer - Clare Law	
	Likelihood	Impact	Overall Risk	Status
Initial risk assessment RAG status (without mitigation)	C	1	C1	AMBER
<p>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.</p>				
<p>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.</p>				
<p>Mitigation Robust Rossendale Borough Council (RBC) Emergency and Business Continuity Plans are in place. The Plans are updated and tested regularly through a quarterly Emergency Planning Meeting. The Plans are embedded with the Corporate Management Team as critical working documents to support the continued delivery of essential council services. All managers have a copy of the Plans and keep them under review.</p> <p>RBC is a member of Lancashire County Council (LCC) Local Resilience Forum (LRF), officers attend meetings and undertake regular training exercises. Rossendale Borough Council Plans are available on the Resilience Direct website exercises. Mutual Aid agreements are in place with all Local Authorities across Lancashire.</p>				
	Likelihood	Impact	Overall Risk	Status
Quarter 3 risk assessment RAG status	A	1	A1	RED
<p>Update Due to the ongoing impact of the COVID-19 pandemic the risk status remains as Red (A1). Although additional measures from risk assessments and safe systems of work in-line with government guidance for all staff including additional PPE and alternative working arrangements have been put in place to mitigate, the risk still remain high.</p> <p>Service Business Continuity Plans have continued to be stress tested and additional mitigation put in place as needed to support any potential significant staff losses and resources. Officers have continued to work with LRF and multi-agency partners throughout the pandemic during quarter 3.</p> <p>The Community Hub continues to be operational and resourced internally via Corporate Support Team.</p> <p>There has been minimum disruption to council services during quarter 3.</p>				

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

Risk 4 - Sustainability of the County Council budget			Responsible Officer - Karen Spencer	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	B	2	B2	RED
<p>Description</p> <p>Like all local authorities, Lancashire County Council (LCC) has to maintain a balanced budget. This will mean making budget reductions of over £120m in the next few years.</p>				
<p>Risk Consequence</p> <p>In February 2020 the County Council approved their budget which included £58m savings over the period 2020/21 to 2022/23. This level of budget reductions is likely to have an impact on service provision for our residents. There is also a risk of cost shunting to district councils.</p>				
<p>Mitigation</p> <p>RBC will continue to work with County Council to find ways of reshaping services to reduce costs whilst ensuring shared outcomes are achieved. The Council will support joint leadership and Chief Executive meetings to find new ways of working together for the benefit of our residents. The Council will interrogate Council savings proposals and identify risks to our residents and to our services.</p>				
Quarter 3 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	B	2	B2	RED
<p>Update</p> <p>At the time of writing the County Council is yet to publish its 2021/22 budget. Once published officers will review to establish the likely impacts on our residents and services.</p>				

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

Risk 6 - Non-delivery of the Local Plan			Responsible Officer - Mike Atherton	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	C	2	C2	AMBER
<p>Description</p> <p>The Local Plan is a plan for the future development of the local area, drawn up by the Local Planning Authority. It guides decisions on whether or not planning applications can be granted. In law it is described as the development plan documents adopted under the Planning and Compulsory Purchase Act 2004.</p> <p>The Local Plan is due to be adopted in late 2020. There is not considered to be a risk that it will not be adopted, however the risk is that the adoption of the plan will be seriously delayed or that the process will be taken out of the council's hands and that the Government will intervene.</p>				
<p>Risk Consequence</p> <p>Risk of the Local Plan not being delivered is extremely low. The risk of the plan being slightly delayed is moderate. The risk of delay includes a reputational issue; there may be short term criticism from elected members and MP's, and developers.</p> <p>There may also be an environmental risk if planning appeals are being allowed on development sites which the Local Authority does not consider suitable for development. The risk of this increases the longer it takes to adopt the plan.</p>				
<p>Mitigation</p> <p>Measures are in place to reduce the risk include the Local Plan Action Plan which outlines the actions required following the hearing sessions into the examination of the Local Plan. This is updated and sent to the Planning Inspectorate on a regular basis. The Local Plan Steering Group meets on a regular basis to keep members informed of issues and the timetable. Monthly meetings also take place between the Planning Manager and the Portfolio Holder and also separately the Planning Manager and Director. A barrister has been retained to provide expert advice as required.</p>				
Quarter 3 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	D	3	D3	AMBER
<p>Update</p> <p>Local Plan is on track for consultation in quarter 3 and quarter 4 in respect of the actions requested by the Inspectors. Publication of the Main Modifications is expected in the first half of 2021/22 with adoption expected in quarter 2 or 3 of 2021/22. There have been delays to the timetable set out in the Local Development Scheme as a result of COVID-19.</p>				

Risk 7 - Changes to Government policy on the delivery of the council's services			Responsible Officer - Neil Shaw	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	C	2	C2	AMBER
Description				
Like all local authorities the council is a statutory body that is subject to changes being consulted upon and or implemented by central government that might affect how we operate and serve our residents/businesses.				
Risk Consequence				
The risk that the council fails to react and be prepared for any changes being proposed or implemented by central government.				
Mitigation				
The council is a member of the Local Government Association and District Councils Network who keep us informed of government policy and consultations and lobby on behalf of councils to mitigate the impact of any change. The Council is also signed up to receive daily emails from Local Government Information Unit who provide daily government news and other Local Government Information Unit (LGIU) policy briefings.				
The Chief Executive and Leader of the Council meets regularly with our two MPs. The Councils Corporate Management Team monitor and assess government's position on funding to be distributed to local authorities and other Government announcements that impact funding.				
Quarter 3 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	C	3	C3	AMBER
Update				
The council continues to react to Government policy changes related to Covid and how this impacts on the local community and the council. This includes the impact of the lockdown restrictions. No wider Government policy changes impacted on the council in quarter 3.				

Risk 8 - Sustainable Workforce			Responsible Officer - Clare Law	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	D	3	D3	AMBER
Description				
There is a requirement to have a sustainable workforce to deliver the council services to residents and customers.				
Risk Consequence				
Failure to have a fully resourced, trained staff could result in the failure to deliver statutory and non-statutory service in a safe and professional manner to residents and customers. Currently there are significant challenges due to the loss of senior professional officers in Finance and vacancies in the Corporate Management Team. The additional measures put into place has mitigated an increase in the risk status during the pandemic.				
Mitigation				
The council has robust HR policies and procedures, an agreed Authorised Establishment, performance management framework, Service Area Business Continuity Plans in place.				
Quarter 2 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	D	3	D3	AMBER
Update				
The impact of the pandemic has been monitored on a daily basis throughout quarter 3. Staff absences (COVID-19 symptomatic and non-symptomatic) have remained less than 10% and the council continues to be reported to LCC Local Resilience Forum (LRF) on a weekly basis. The HR Manager attends a monthly LRF HR Task and Finish subgroup to support best practice and consistency with other Lancashire Authorities dealing with staff issues throughout the pandemic.				
Risk Assessments and Safe Systems of Work continue to be reviewed with PPE and COVID-19 secure workplace arrangements in place for staff unable to work from home. In-line with government guidance staff returning to work from the office have reverted to work from home if reasonably possible from the end of December 2020.				

Risk 9 - Insufficient data and cyber security			Responsible Officer - Andrew Buckle	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	C	1	C1	AMBER
Description				
Cyber security presents one of the most challenging areas for both the public and private sectors. With the proliferation and severity of attacks constantly increasing this represents a major threat.				
Risk Consequence				
Cyber-attack resulting in a complete loss of all systems coupled with malware being spread across the entire network. Data breach resulting in information loss causing reputational damage and resulting in a financial penalty due to non-compliance with statutory requirements such as GDPR (General Data Protection Regulation), PCI DSS (Payment Card Industry Data Security).				
Mitigation				
To protect against a data breach RBC, host all council data in Tier 3 Data Centres located in different geographical regions and are backed up daily. RBC Data Centres hold the following accreditations: ISO27001:2013, PCI-DSS. RBC adopts a Risk Insight approach to determine the treat Landscape and more importantly its evolution. RBC has received notification of meeting the Public Services Network (PSN) which means the councils' infrastructure met all the security requirements to allow connection to the PSN.				
Quarter 3 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	E	1	E1	GREEN
Update				
The corporate firewalls have been upgraded to the latest version of software in December 2020. All services have been tested including replication with the Disaster Recovery Data Centre.				

Risk 10 - Poor communications and public relations			Responsible Officer - Clare Law	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	D	1	D1	AMBER
Description				
Good communication and public relations is essential to inform, maintain and develop relationships with residents, customers and partners to provide council services.				
Risk Consequence				
Failure to communicate and respond to issues as they develop and inadequately or inappropriately communicating. Could lead to a major loss of reputation for the council on a local, regional and national level. A loss of reputation can damage staff morale, trust between the council and residents and impair the relationship between the council and its partners meaning projects and services delivery is damaged.				
Mitigation				
Communication methods in place to support face to face, mail or electronic communications.				
Developed website and social media channels provide 24/7 service. Experienced communications function to support council officers to deal with communications in a timely manner and promote the work of the council.				
Quarter 3 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	E	3	E3	GREEN
Update				
VivaPR, PR Agency has continued to deliver the agreed communications plan however work around the COVID-19 communication plan has been a priority to provide ongoing internal and external communications to staff, members, residents, communities and businesses throughout the pandemic, that is, regular updates to the council's website and social media, regular internal updates to staff and members from the Chief Executive including updates regards the COVID-19 testing and vaccine sites, business grants, enforcement and safe working practices for staff and businesses.				

Risk 11- Non – Delivery of Corporate Projects			Responsible Officer - Neil Shaw	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	D	2	D2	AMBER
Description				
The council has agreed the 11 corporate projects for 2020-2021 to support the delivery of Corporate Strategy 2017-2021.				
Risk Consequence				
Failure to deliver the corporate projects would have a detriment impact on the delivery of the council’s Corporate Strategy 2017-2021, and result in a reputational risk to the Council’s commitment to the residents. The failure to deliver the corporate projects could potentially have a negative impact on the Council’s revenue budgets (by failure to deliver income generating projects) and delivery of the medium term financial strategy, and the associated economic and social benefits may not be realised.				
Mitigation				
Each corporate project has a Project Sponsor (member of the Corporate Management Team), a Project Manager and finance officer. Each corporate project will have a robust project plan and live risk register. The Project Sponsor will be responsible for the strategic overview of the corporate project, and the Project Manager will be responsible for the day to day management of the corporate project. Council’s Programme Board meets quarterly to review the progress of the corporate projects. The Project Sponsor will be responsible for highlighting any concerns to the Corporate Management Team throughout the life of the corporate project.				
Quarter 3 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	E	2	E2	AMBER
Update				
CMT continues to monitor the progress of all the corporate projects through the Programme Board. None of the live projects were risk RAG rated ‘red’, and no significant issues were raised by the Project Sponsors and Project Managers. Two of the corporate projects are just starting - Customer Digital Strategy and Future Health and Leisure Facilities and PIDs will be developed for each. All projects are on track at quarter 3 and within budget or will be within anticipated budget by project completion.				

Risk 12 – Response and Recovery to COVID-19 Pandemic			Responsible Officer - Neil Shaw	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	A	1	A1	RED
Description COVID-19 is a strain of the coronavirus, the government declared the virus as a pandemic in the UK in March 2020.				
Risk Consequence The pandemic causes a potentially risk to the delivery of the council services and the health and wellbeing of the wider community.				
Mitigation The council has an Emergency Plan and Service Area Business Plans to support a pandemic emergency. The plans have been activated, regularly reviewed and stress tested throughout the pandemic. Risk Assessments and Safe Systems of Work have been developed and reviewed with staff and Trade Unions throughout the pandemic to provide a safe working environment. Council officers have worked with the Lancashire Resilience Forum and multi-agency partners to mitigate any potential risks throughout the pandemic. The council established and managed a Community Hub to provide support to vulnerable residents.				
Quarter 3 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	A	1	A1	RED
Update The council continues to react to Government policy and guidance changes related to COVID-19 and how this impacts on the local community and the council. This often occurs at short notice. The council wrote to the Government in quarter 3 highlighting the need for sufficient Government funding for the council and clarity on the parameters for moving down the tiers (at the appropriate time). The council is still awaiting a response to the letter. Day-to-day services have been well maintained and overall staff absence related to COVID-19 has remained at a low level in quarter 3. The business continuity plan was reviewed in quarter 3. Due to the rapidly changing and evolving nature of the pandemic the decision has been to maintain this as a 'red' risk.				

Risk 13 – Impact of COVID-19 on the Financial Sustainability of Council Owned Leisure Assets			Responsible Officer – Adam Allen	
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
		A	2	A2
<p>Description National Lockdowns due to COVID-19 result in council owned leisure facilities closing for extended periods. During closure no income is received and outside of lockdown periods, income is significantly reduced.</p>				
<p>Risk Consequence If the council owned leisure assets are to be sustained in the longer term, the operators of the facilities have little recourse to additional funding to survive other than through the council. This financial impact will be over £500k but is likely to be considerably higher, depending on the length and severity of lockdowns.</p>				
<p>Mitigation The Leisure Trust and Council are currently seeking to consolidate all council owned leisure assets under the umbrella Trust to maximise efficiency. Ski Rossendale has transferred and the transfer of CLAW facilities will be recommended to Council in Q3, the Whitaker is likely merge with the Trust and discussions are on-going. A report on the impact of all facilities has been produced by KKP and recommendations to minimise impact are being implemented. Senior Council Officers are attending the Trust Board to ensure we work together to minimise costs and an intensive monitoring process is in place. Funding through a COVID-19 specific Sport England Fund will be applied for. However, this is not thought to provide retrospective funding for closures and it is unlikely to cover the majority of financial loss. Lobbying of Government for sufficient financial support will continue.</p>				
Quarter 3 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	A	2	A2	RED
<p>Update On 30th December 2020, Rossendale was placed into tier 4 restrictions. This resulted in the closure of all leisure facilities except Ski Rossendale. At the time of writing this report in early quarter 4, a national lockdown was introduced on 4th January 2021 requiring all facilities to close. It is expected that facilities will be closed until the end of February 2021 at the earliest and probably until the end of March 2021. Where possible staff have been furloughed and costs minimised, however it will result in further losses that will need to be recuperated in the longer term. The Council have submitted an application through Sport England’s NLR fund for support which will hopefully draw down 120k additional funding. This is still short of the overall losses which will be over £1 Million. A report will be submitted to Council in February 2021 which will update on the current position and likely implications.</p>				