

Subject:	Quarter 2 Corporate Risk Register Update (July, August and September) 2022/23	Status:	For Publication
Report to:	Audit and Accounts	Date:	30 th November 2022
Report of:	Head of Finance	Lead Member:	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:	No
Biodiversity Impact Assessment:	Required: No	Attached:	No
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- 1. RECOMMENDATIONS**
- 1.1 That the Audit and Accounts Committee note the Corporate Risk Register as detailed in the report.
- 1.2 That members note the risk consequence, mitigation action and level of risk as detailed in Appendix 1.

- 2. EXECUTIVE SUMMARY**
 - The Quarter 2 (Q2) Corporate Risks Register Update is reporting for months July, August and September.
 - The report includes updates for the council’s 11 Corporate Risks.
 - Overall, the council’s performance is strong but the growing financial pressures in-year are creating cost pressures which the council must monitor closely as the year progresses.
 - The report concludes 3 Corporate Risks rated ‘red’ on the RAG status.

- 3. BACKGROUND**
- 3.1 The council details its approach to managing risk in its Risk Management Strategy. This was updated in March 2016.
- 3.2 The strategy sets out the framework of monitoring and reporting of risks. The council has identified 11 Corporate Risks and these are monitored via the quarterly performance management reporting schedule using a RAG rating dashboard to report the risk status. These are reported to both the Overview and Scrutiny Committee and Cabinet.
- 3.3 If a potential issue was identified during the periodic monitoring of the risk, the responsible officer would be required to identify the risk and note the actions needed to mitigate the level of risk.

- 4. OVERALL SUMMARY OF PERFORMANCE**
- 4.1 The council has reviewed and continues to monitor the council’s Corporate Risks.
- 4.2 The Corporate Risks are categorised at the end of Q2 as follows:

	Quarter 2 2022/23
Low	3
Medium	5
High	3

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

Corporate Risk 1	Likelihood	Impact	Overall risk	Status
Sustainability of the Medium Term Financial Strategy (MTFS)	A	1	A1	RED

The February 2022 MTFS indicates that the MTFS funding gap will continue to increase over the current lifecycle unless further savings/income generation schemes are identified. The impact from the employers pay offer, the current economic crisis as well as the increased uncertainty around future central government funding following the formation of the new Government, is placing significant additional pressure on the MTFS. Officers are seeking to maximise efficiencies and make savings wherever possible, however following the years of austerity the council has already suffered, opportunities for making savings without affecting service delivery are minimal. The council is also striving to maximise income opportunities through its ongoing property reviews and subsequent marketing of sites and rent reviews. It is likely that the legal claims arising from the Empty Homes scheme will also have an adverse impact on the MTFS if settled in the claimants' favour. Officers are monitoring the scheme closely and managing the claims where possible. In the Autumn Statement the Chancellor offered councils the option to increase Council Tax by up to 3% (with an additional 2% for councils with social care responsibility) from 2023/24 without requiring a referendum, Members will consider this option as part of the budget process.

Corporate Risk 6	Likelihood	Impact	Overall risk	Status
Sustainable Workforce	B	2	B2	RED

The cumulative staff turnover at Q2 is 8.76% within the 'red' RAG status. Recruitment continues to be challenging with senior officer and professional roles which is causing workload issues on teams. During Q2 three Head of Service roles have been advertised, Head of Housing and Regeneration role has been appointed, recruitment to Head of Financial Services and Head of Environment is ongoing.

Both absences due to Covid-19 and the Heavy Goods Vehicle driver shortage has now reduced, and the number of days lost due to sickness absence per full time equivalent employee at Q2 is 4.37% within the 'green' RAG status.

Corporate Risk 11	Likelihood	Impact	Overall risk	Status
Financial Sustainability of Council Owned Leisure Assets	A	2	A2	RED

The key risk to the financial sustainability of the Trust is no longer Covid-19 but the cost of living crisis. In particular fuel inflation and the high rise (c7%) in the Living Wage has impacted on the Trust and they are now projecting a £600k deficit for the current year. A report is to be taken to Full Council in November 2022 to outline how this risk is being mitigated as much as possible, however many of the factors are beyond the Trusts' and the council's control. To date no specific help has been announced by Government. Looking forward the

announcement in the Autumn Statement of the 9.7% increase in the living wage from April 2023 will place additional pressure on the Trust.

4.4 The risks will continue to be monitored by Management Team on a regular basis.

5. FINANCE

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

6. LEGAL

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

7. POLICY AND EQUALITIES IMPLUICATIONS

7.1 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.

8. REASON FOR DECISION

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

Background Papers	
Corporate Risk Register	Appendix 1

Corporate Risks

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.

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 definition of the likelihood and impact can be found in the council's Risk Management Strategy 2016.

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

Risk 1 – Sustainability of the Medium Term Financial Strategy	Responsible Officer - Karen Spencer
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Description
The Council’s latest Medium Term Financial Strategy (MTFS) update published February 2022 indicates an underlying funding gap of c£600k per annum from 2023/24 onwards. 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 3 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 MTFS 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 it would ultimately impact on the level of services the council is able to deliver to Rossendale residents and would result in major reputational damage.

Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall	Status
	B	2	B2	RED

Mitigation
The MTFS 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	Status
	C	2	C2	AMBER

Quarter 2 Update
The February 2022 MTFS indicates that the MTFS funding gap will continue to increase over the current lifecycle unless further savings/income generation schemes are identified. The impact from the employers pay offer, the current economic crisis as well as the increased uncertainty around future central government funding following the formation of the new Government, is placing significant additional pressure on the MTFS. Officers are seeking to maximise efficiencies and make savings wherever possible, however following the years of austerity the council has already suffered, opportunities for making savings without affecting service delivery are minimal. The council is also striving to maximise income opportunities through its ongoing property reviews and subsequent marketing of sites and rent reviews. It is likely that the legal claims arising from the Empty Homes scheme will also have an adverse impact on the MTFS if settled in the claimants’ favour. Officers are monitoring the scheme closely and managing the claims where possible. In the Autumn Statement the Chancellor offered councils the option to increase Council Tax by up to 3% (with an additional 2% for councils with social care responsibility) from 2023/24 without requiring a referendum, Members will consider this option as part of the budget process.

Quarter 2 risk assessment RAG status (current)	Likelihood	Impact	Overall	Status
	A	1	A1	RED

Risk 2 – Major disaster affecting the delivery of council services	Responsible Officer – Clare Law
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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.

Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	C	1	C1	AMBER

Mitigation

A robust overall 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 (LRF). 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
	C	2	C2	AMBER

Quarter 2 Update

The council has implemented a flexible working policy with agile working now fully embedded into relevant roles. Covid-19 absence is now managed through the Absence Management Policy and the council continues to follow Government advice. The review of local service plans for Winter has commenced.

An Emergency Planning Team Meeting was held on 27th September 2022. Operation London Bridge – the plan for managing and co-ordinating actions following the death of the Sovereign has been activated following the death of Her Majesty Queen Elizabeth II. The implementation of the plan was reviewed and the points raised will be included into the review of the local plan. One incident relating to a damaged building had been reported, but did not require intervention from the council. Officers regularly attend flood meetings and a maintenance programme is in place to ensure culverts and gullies are kept clear to help reduce the flood risk.

Quarter 2 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	C	2	C2	AMBER

Risk 3 – Incident resulting in death or serious injury or HSE investigation	Responsible Officer – Jane Riley
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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 an HSE 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.

Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	D	2	D2	AMBER

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
	E	2	E2	GREEN

Quarter 2 Update
The council is working towards compliance, the implementation of the 4-year Health and Safety plan has continued during Q2. The first two workplace inspections were completed and the resultant action plans are being implemented. This has enhanced joint working with the Trades Union Health and Safety Representatives and contributes to increased consultation and co-operation.
The review of health and safety policies has been completed and a programme is in place to update existing policies and compile some additional policies where they are required. Work is underway to deliver a Staff Wellbeing Day in Q3 and to recruit Workplace Health and Wellbeing Champions.
CMT have approved the recruitment of a full-time trainee Health and Safety Officer from the existing establishment. This will increase the resources available to deliver on the action plan and will contribute to succession planning.

Quarter 2 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	D	2	D2	AMBER

Risk 4 – Sustainability of the County Council budget			Responsible Officer - Karen Spencer	
Description Like all local authorities, Lancashire County Council has to maintain a balanced budget. If the County Council are required to make savings this may impact on service provision across the county.				
Risk Consequence Budget reductions may have an impact on service provision for our residents. There is also a risk of cost shunting to district councils.				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall	Status
	C	3	C3	AMBER
Mitigation The council will continue to work with Lancashire County Council to find ways of reshaping services to reduce costs whilst ensuring shared outcomes are achieved. The council continues to support joint leadership and Chief Executive meetings to find new ways of working together for the benefit of our residents. The council will continue to interrogate Lancashire County Council savings proposals and identify risks to our residents and to our services.				
Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall	Status
	C	3	C3	AMBER
Quarter 2 Update The Lancashire County Council's 2022/23 budget approved in February 2022 announced further savings of c£11m, however these were mainly resulting from income generation schemes and a change in internal working practices. The council continues to suffer from increased fly-tipping and the associated costs, which has in part resulted from the implementation of the reduced opening hours of the Lancashire County Council Household Waste Recycling Centres savings proposal. LCC are predicting a budget gap of c£87m for 2023/24 and are considering savings proposals of c£55m to help bridge the gap. The proposals include potential reductions to adults and children's services, reduced winter gritting and fewer grass verge cuts. These proposals are likely to have an impact on Rossendale Residents.				
Quarter 2 risk assessment RAG status (current)	Likelihood	Impact	Overall	Status
	C	3	C3	AMBER

Risk 5 – Changes to Government policy on the delivery of the council’s services			Responsible Officer - Neil Shaw	
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.				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	E	2	E2	GREEN
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 council’s Corporate Management Team monitor and assess government’s position on funding to be distributed to local authorities and other Government announcements that impact funding.				
Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	E	2	E2	GREEN
Quarter 2 Update The council continues to monitor the potential impact of the Levelling Up & Regeneration Bill introduced to Parliament in May 2022. The Bill proposes opportunities to ‘level up’ areas of the UK and could have an impact on current and future rounds of Levelling Up funding. It is not yet clear how the new Government may (or may not) significantly change the council’s Levelling Up Fund bid. The council has therefore judged that the likelihood of this risk occurring has increased in Q2.				
Quarter 2 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	C	2	C2	AMBER

Risk 6 – 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.				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	D	3	D3	AMBER
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
	E	3	E3	GREEN
Quarter 2 Update The cumulative staff turnover at Q2 is 8.76% within the red RAG status. Recruitment continues to be challenging with senior officers and professional roles which is causing work load issues for teams. During Q2 three Head of Service roles have been advertised, Head of Housing and Regeneration role has been appointed, recruitment to Head of Financial Services and Head of Environment is ongoing. An options appraisal is completed for all vacancies prior to advertisement of a vacancy, a further appraisal is completed following an unsuccessful recruitment exercise, which may result in the attachment of a market supplement or use of agency staff to fill the vacancy. Both absences due to Covid-19 and the Heavy Goods Vehicle driver shortage has now reduced, and the number of days lost due to sickness absence per full time equivalent employee at Q2 is 4.37% within the green RAG status.				
Quarter 2 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	B	2	B2	RED

Risk 7 – 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 (GDPR), Payment Card Industry Data Security (PCI-DSS).				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	C	1	C1	AMBER
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, PCI-DSS. 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 (PSN) which means the councils' infrastructure met all the security requirements to allow connection to the PSN. A cyber security training is to be provided for all staff.				
Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	D	1	D1	AMBER
Quarter 2 Update The PSN testing and certification process has been completed and submitted, and we are awaiting confirmation. In addition Internal vulnerability scanning has been successfully implemented, this provides a checking process to identify the latest external threats and vulnerabilities detailing both the security and business risk.				
Quarter 2 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	D	1	D1	AMBER

Risk 8 – Poor communications and public relations			Responsible Officer - Clare Law	
Description Good communication and public relations is essential to inform, maintain and develop relationships with residents, customers and partners to provide effective and efficient 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.				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	B	1	B1	RED
Mitigation Communication methods are in place to support face to face, mail or electronic communications with a developed website and social media channels to provide 24/7 communication service. The council has an experienced public relation and communications function to support council officers to deal with communications in a timely manner and promote the work of the council.				
Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	D	1	D1	AMBER
Quarter 2 Update Viva PR has continued to deliver the agreed communications plan including updates to the council’s website and social media posts to residents and communities. CMT receive a weekly communications update, which includes horizon scanning and potential risks. Whilst there were no major or specific risks forecast for Q2 we were able to issue several updates and press releases relating to successful prosecutions under Operation Trident which target and combats fly tipping and abandoned vehicles in the borough. These have been topics which traditionally receive a lot of negative reaction from residents and seen as areas where the council could do more. The strategic outline business case (SOBC) for the city valley rail link was submitted to government, which could have been a potential risk with opposition from East Lancashire Railway (ELR) Positive messaging and communication planning helped ensure there was very little negative feedback.				
Quarter 2 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	E	1	E1	GREEN

Risk 9 – Non – Delivery of Corporate Projects			Responsible Officer - Neil Shaw	
Description The council has agreed the 11 corporate projects for 2022/2023 to support the delivery of Corporate Plan.				
Risk Consequence Failure to deliver the corporate projects would have a detrimental impact on the delivery of the council's Corporate Plan 2021-25, 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.				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	C	2	C2	AMBER
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. The 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.				
Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	E	2	E2	GREEN
Quarter 2 Update The Programme Board continues to monitor all the projects (last meeting on 15th August 2022). All projects are on track and within budget.				
Quarter 2 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	E	2	E2	GREEN

Risk 10 – Response and Recovery to Covid-19 Pandemic			Responsible Officer - Neil Shaw	
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.				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	E	2	E2	GREEN
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. At the start of 2022, most Covid-19 restrictions had been lifted but the council will keep the situation under review.				
Risk assessment RAG status (after mitigation)	Likelihood	Impact	Overall Risk	Status
	B	3	B3	AMBER
Quarter 2 Update The council continue to maintain a contingency plan for a potential tightening of Government restrictions. However, this has not developed during Q1 and Q2 and therefore the overall level of risk in terms of the impact of the Covid-19 continues to reduce over the last 6 months. We continue to monitor the situation.				
Quarter 2 risk assessment RAG status (current)	Likelihood	Impact	Overall Risk	Status
	E	3	E3	GREEN

Risk 11 – Financial Sustainability of Council Owned Leisure Assets			Responsible Officer – Adam Allen	
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.				
Initial risk assessment RAG status (without mitigation)	Likelihood	Impact	Overall Risk	Status
	A	2	A2	RED
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
	A	2	A2	RED
Quarter 2 Update The key risk to the financial sustainability of the Trust is no longer Covid-19 but the cost of living crisis. In particular fuel inflation and the April 2022 high rise (c7%) in the Living Wage has impacted on the Trust and they are now projecting a £600k deficit for the current year. A report is to be taken to Full Council in December 2022 to outline how this risk is being mitigated as much as possible, however many of the factors are beyond the Trusts' and the council's control. To date no specific help has been announced by Government. Looking forward the announcement in the Autumn Statement of the 9.7% increase in the living wage from April 2023 will place additional pressure on the Trust.				
Quarter 2 risk assessment RAG status	Likelihood	Impact	Overall Risk	Status
	A	2	A2	RED