

| | | | |
|--|--|--------------------------|--|
| Subject: | Quarter 3 Corporate Risk Register Update (October, November and December) 2022/23 | Status: | For Publication |
| Report to: | Audit and Accounts Committee | Date: | 8 th March 2023 |
| Report of: | Chief Finance Officer | 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 |
| Contact Officer: | Karen Spencer | Telephone: | 01706 252409 |
| Email: | karens pencer@rossendalebc.gov.uk | | |

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 3 (Q3) Corporate Risks Register Update is reporting for months October, November and December.
- 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 2 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 Q3 as follows:

| | Quarter 3 2022/23 |
|---------------|-------------------|
| Low | 3 |
| Medium | 6 |
| High | 2 |

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.

The Empty Homes scheme continues to have an adverse impact on the MTFS. The final lease is due to end in December 2024, officers continue to monitor the scheme closely and manage the claims where possible.

The 2023/24 provisional financial settlement offers 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 in the light of overall budget pressures and risk to services as part of the budget process.

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

The financial sustainability of the Leisure Trust remains a key risk to the Council. At the December 2022 Council meeting, it was agreed that an independent study would be commissioned to fully assess the risk to the Council and suggest mitigating actions. The study has been commissioned and the report is due back late April/early May. The findings will be reported to Council at the earliest opportunity.

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 | |
| 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 B | Impact 2 | Overall B2 | Status 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 C | Impact 2 | Overall C2 | Status AMBER |
| Quarter 3 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. The Empty Homes scheme continues to have an adverse impact on the MTFS. The final lease is due to end in December 2024, officers continue to monitor the scheme closely and manage the claims where possible. The 2023/24 provisional financial settlement offers 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 in the light of overall budget pressures and risk to services as part of the budget process. | | | | |
| Quarter 3 risk assessment RAG status (current) | Likelihood A | Impact 1 | Overall A1 | Status RED |

| | | | | |
|---|-------------------|---------------|--|---------------|
| 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. | | | | |
| 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 3 Update A process is in place to ensure that the Council continues to follow Government guidance for Covid-19. Lateral flow tests are available for staff who need to test and Covid-19 absence continues to be monitored through the Absence Management Policy. The Operations Winter Plan was reviewed and presented to the JCC meeting in October 2022. Winter tyres had been introduced and were included in the plan and some contacts had been updated. The plan was agreed and will be formerly reviewed every 3 years. The local plans for Death of a Senior National Figure have been updated following the review by the Emergency Planning Team of the local response to Operation London Bridge in September 2022. All the points raised have been included in the review. National plans have not yet been adjusted, but any forthcoming adjustments will be incorporated into the local arrangements. Plans are available to the Emergency Planning Team on the shared drive. Officers continue to attend flood meetings and a programme of regular maintenance is in place to ensure culverts and gullies are kept clear to help reduce the flood risk. | | | | |
| Quarter 3 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 – 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 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 3 Update Work continues to implement the 109 actions in the 4 year Health and Safety Action Plan, with progress on actions summarised as; completed/ongoing – 41, in progress – 10, not due – 58. The Health and Safety audit has been completed by Internal Audit and a rating of limited assurance was given in the final report. Three actions were advised, including reporting on progress against actions in the Health and Safety Plan; introducing a health and safety bulletin for staff and reviewing the timescales in the Health and Safety Action Plan in light of additional resources. All recommended actions will be completed by the end of Q4. A Staff Wellbeing Day was held in Q3 and evaluation of the day was positive. 7 expressions of interest were received from staff to volunteer as Workplace Health and Wellbeing Champions and they will be meeting in Q4 to take this initiative forward. | | | | |
| Quarter 3 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 3 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. Lancashire County Council 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 3 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 3 Update The Council continues to monitor the potential impact of the long delayed Levelling Up & Regeneration Bill introduced to Parliament in May 2022. In Q3 the Government decided to make previously statutory house building targets ‘advisory’ (although in practical terms the impact on the Council is minimal). 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 continues to have increased in-year (as it has since Q2). At the time of writing (January 2023), the Council has been notified that the £17.9m bid to the Levelling Up Fund submitted in August has not been successful, although detailed feedback is still awaited. Discussions will continue with Department for Levelling Up, Housing and Communities in Q4 and it is expected that there will be a further round of Levelling Up Fund. | | | | |
| Quarter 3 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 3 Update The staff turnover at Q3 is 7.82%, the level of staff turnover and recruitment has reduced this quarter and if this trend continues at this level or reduces further the annual target (15%) will be achieved. During Q3 there has been 15 posts advertised (1 newly established), 6 of these post are re-advertised due to unsuccessful recruitment. With the exception of a Senior Planning Enforcement Officer post all the finance and planning posts have now been successfully recruited. All senior officer posts including Chief Executive and Director of Economic Development have been successfully recruited. Recruitment is still challenging and HR continue to work to support Managers to successfully recruit to vacant posts. The number of days lost to sickness absence per full time equivalent at Q3 is 7.68 days, although this is due to long-term sickness which is being managed through the Absence Management Process. The annual pay award has been agreed and the risk of staff strike is unlikely. | | | | |
| Quarter 3 risk assessment RAG status (current) | Likelihood | Impact | Overall Risk | Status |
| | C | 2 | C2 | AMBER |

| | | | | |
|--|-------------------|---------------|--|---------------|
| 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 |
| | B | 1 | B1 | RED |
| 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 threat 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 3 Update A number of Councils have been subject to Cyber-attacks, the Cabinet Office are advising that there is a heightened security risk level at the current time. Additional Cyber security training has been completed for Corporate Management Team, Councillors and Managers. Rossendale are now a member of the North West Cyber group receiving threat intelligence and also approaches used to combat security issues, the group meets on a monthly basis. The Rossendale Security in Depth has been implemented as part of this approach External and Internal vulnerability scanning has been deployed, this is used to identify the latest threats and vulnerabilities. | | | | |
| Quarter 3 risk assessment RAG status (current) | Likelihood | Impact | Overall Risk | Status |
| | C | 1 | C1 | 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 3 Update VivaPR has continued to deliver the agreed communications plan including updates to the Council's website and social media posts to residents, businesses and communities. Corporate Management Team receive a weekly communications update, which includes horizon scanning and potential risks. Whilst there were no major or specific risks forecast for Q3, we issued 12 positive press releases during the quarter on topics such as the continued success of Operation Trident (which combats fly tipping and abandoned vehicles), Rossendale Works employment programme, the Councils 'Ease the Squeeze' campaign to assist the most vulnerable residents with cost of living crisis and the successful bid of almost £3m from the UK Shared Prosperity Funding. All of these pro-active positive releases help to promote the Council externally. They act as first point of contact for the media and always respond in a timely manner ensuring good working relationships with local and regional media. Additionally, VivaPR have been supported the recycling pilot project to increase recycling rates, with a branded and targeted PR campaign across social and traditional media. | | | | |
| Quarter 3 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 project, and the Project Manager will be responsible for the day-to-day management of the 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 3 Update The Programme Board continues to monitor all the projects (last meeting on 7 November 2022). All projects are on track and within budget. | | | | |
| Quarter 3 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 3 Update The Council continue to maintain a contingency plan for an alteration in Government restrictions. However, this has not developed during Q1-Q3 and therefore the overall level of risk in terms of the impact of Covid-19 continues to remain at a low level over the last 9 months. We continue to monitor the situation, particularly through the Winter months. | | | | |
| Quarter 3 risk assessment RAG status (current) | Likelihood | Impact | Overall Risk | Status |
| | F | 3 | F3 | 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 3 Update The financial sustainability of the Leisure Trust remains a key risk to the Council. At the December 2022 Council meeting, it was agreed that an independent study would be commissioned to fully assess the risk to the Council and suggest mitigating actions. The study has been commissioned and the report is due back late April/early May. The findings will be reported to Council at the earliest opportunity. | | | | |
| Quarter 3 risk assessment RAG status | Likelihood | Impact | Overall Risk | Status |
| | A | 2 | A2 | RED |